INFINITE FORCES WORKING *Together*

GRP LIMITED

ANNUAL REPORT 2018-19

45 YEARS

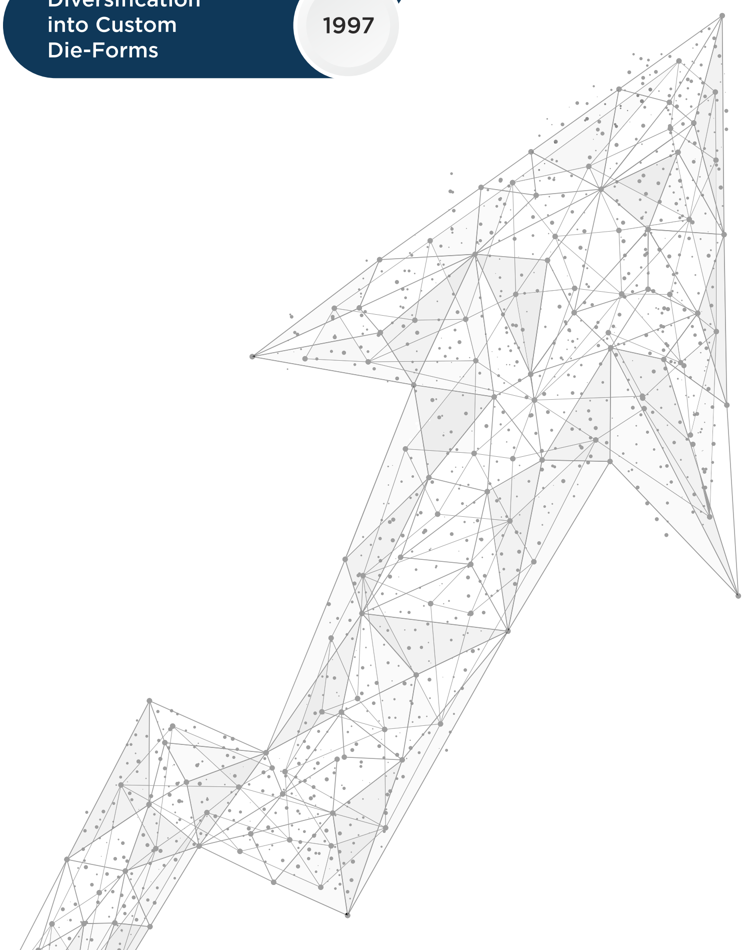
MAINTAINING BALANCE
ADAPTABLE TO CHANGE
COMMITMENT
INTEGRITY
TEAMWORK

GRP
IMPACT POSITIVE

FOUR DECADES AND GROWING

- **1974** – Gujarat Reclaim & Rubber Products Ltd. Incorporated
- **1978** – 1st Unit established at Ankleshwar, Gujarat
- **1984** – International market entry through 1st Export Order
- **1986** – 2nd Unit established at Solapur, Maharashtra
- **1990** – JV in Malaysia for Reclaim Rubber
- **1997** – Diversification into Custom Die-Forms
- **2006** – 3rd Unit established at Panoli, Gujarat
- **2010** – Diversification into Industrial Polymers
- **2011** – 4th Unit established at Solapur, Maharashtra
- **2012** – 5th Unit established at Perundurai, Tamil Nadu
- **2015** – JV with Marangoni S.P.A, Italy for Tyre Retreading
- **2017** – Diversification into Polymer Composite

GRP
IMPACT POSITIVE

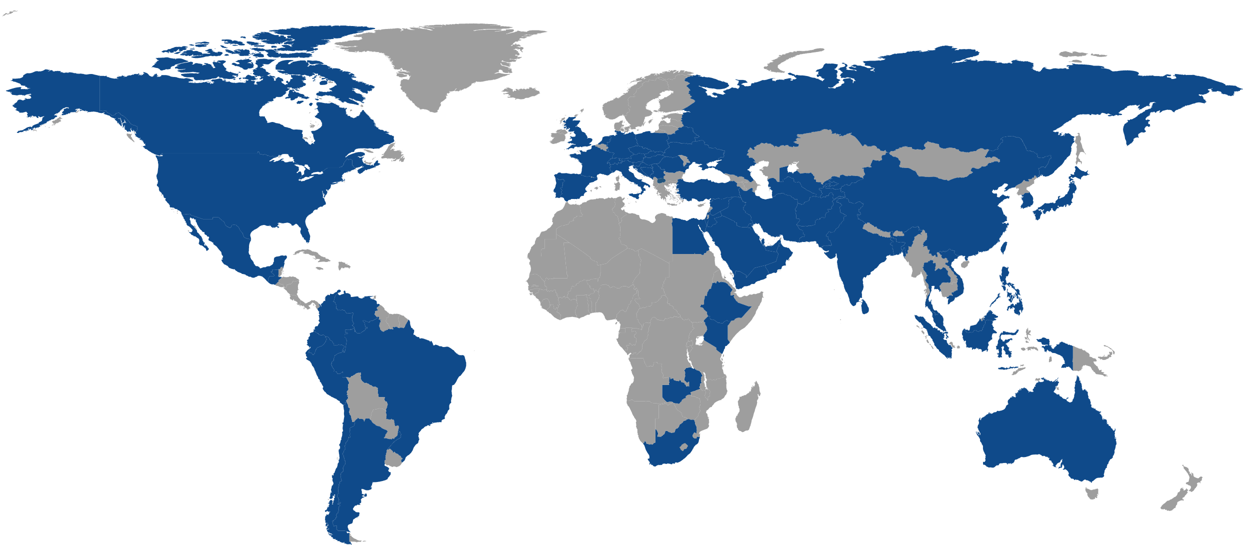


OUR STRATEGY STATEMENT

GRP would be a recognized global organization with a focus on sustainable businesses adjacent to the core business of Reclaim Rubber, including a B2C business.

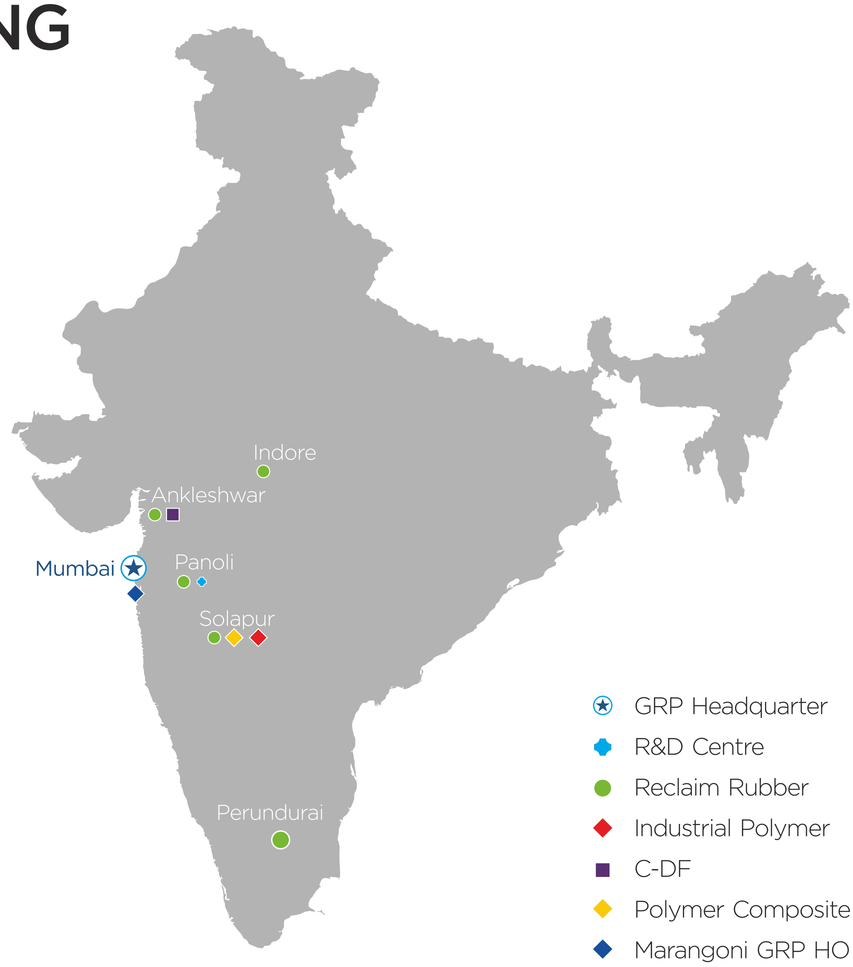
GRP would achieve this through adoption of new technology focused on producing improved quality reclaim rubber from multiple sources, including radial tyres, improving the quality of its recycled nylon, leverage potential used of Custom Die Forms. GRP shall adopt automated processes to achieve cost efficiencies, create a sustainable supply chain and organizational linkage with an aim to be customer centric, while being the preferred employer of choice in the industries it serves.

OFFERING UNIQUE SOLUTIONS WORLDWIDE



Customers on 6 Continents	7 of Top 10 Global Tyre Companies	7500 MT	3 of Top 5 Global GRG Manufacturers	70% Revenue from Overseas

MANUFACTURING FOOTPRINT



TOGETHER WE CONTINUE TO GROW

Years ended 31st March

	2015	2016	2017	2018	2019
Financial Highlights (₹ Lakh)					
Total Income	34,638	31,508	32,237	29,914	35,792
Operating profit	2,574	2,458	2,594	1,583	2,120
Profit after tax	887	802	829	98	638
Net Worth	11,247	11,888	12,748	12,699	13,379
Borrowed Funds	6,722	6,760	6,582	5,665	6,451
Fixed Assets (Gross)	20,140	21,584	22,987	23,388	24,143
Net Current Assets	500	1,129	2,028	2,121	2,540
Book Value Per Share (₹)	844	892	956	952	1,003
Earning Per Share (₹)	66.51	60.12	62.20	7.37	47.86
Dividend (%)	112.50	100.00	100.00	12.50	80.00
Key Indicators					
Debt Equity Ratio	0.60	0.57	0.52	0.45	0.48
Operating Profit To Sales Ratio	7%	8%	9%	5%	6%
Interest Coverage Ratio	6	7	8	5	6

CIN	L25191GJ1974PLC002555
BOARD OF DIRECTORS	Dr. Peter Philip, Chairperson Rajendra V. Gandhi, Managing Director Harsh R. Gandhi, Joint Managing Director Mahesh V. Gandhi Rajeev M. Pandia Alpana Parida Shah Nayna R. Gandhi Saurabh S. Shah
AUDITORS	DKP & Associates Chartered Accountants Mumbai
BANKERS	HDFC Bank Ltd., Citibank
REGISTERED OFFICE	Plot No.8, G.I.D.C. Estate, Ankleshwar – 393 002 Dist. Bharuch (Gujarat)
WORKS	Ankleshwar & Panoli (Gujarat), Akkalkot Road & Chincholi Solapur (Maharashtra), Perundurai (Tamilnadu)
CORPORATE OFFICE	510, 'A' Wing, Kohinoor City Commercial I, Kirol Road, Off. L.B.S. Marg, Kurla (W), Mumbai – 400 070. Tel No.: 022 67082500 / 2600
SHARES LISTED ON	BSE Ltd. National Stock Exchange of India Ltd.
REGISTRAR & TRANSFER AGENTS	Universal Capital Securities Pvt. Ltd. 21, Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai – 400 093.
ISIN No.	INE137I01015
E-mail	investor.relations@grpweb.com
Web Site	www.grpweb.com

CIN : L25191GJ1974PLC002555
Registered Office : Plot No.8, GIDC Estate, Ankleshwar - 393 002 Dist. Bharuch, Gujarat.
e-mail id : investor.relations@grpweb.com, website:www.grpweb.com

NOTICE

NOTICE is hereby given that the FORTY FIFTH ANNUAL GENERAL MEETING of the members of GRP LIMITED will be held at the Registered Office of the Company at Plot No.8, GIDC Estate, Ankleshwar - 393 002, Dist. Bharuch, Gujarat on Thursday, 22nd day of August, 2019 at 12.30 p.m. to transact the following business :

Ordinary Business:

1. a) To consider and adopt the audited financial statements of the Company for the financial year ended 31st March, 2019 together with the Reports of the Board of Directors and Auditors thereon.

   b) To consider and adopt the audited consolidated financial statements of the Company for the financial year ended 31st March, 2019 together with the Report of Auditors thereon.

2. To declare dividend on equity shares for the financial year 2018 -19.

3. To appoint a director in place of Rajendra V. Gandhi, who retires by rotation and being eligible, offers himself for re-appointment.

4. To appoint a director in place of Mahesh V. Gandhi, who retires by rotation and being eligible, offers himself for re-appointment, by passing with or without modification(s), the following resolution as a Special Resolution:

   "**RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013 and pursuant to the Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, Mahesh V. Gandhi (DIN: 00133203) Director of the Company, who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation, notwithstanding that he has attained the age of 75 (seventy five) years on 10th February, 2019."

Special Business:

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution :

   "RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 ('the Act') and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to such sanctions as may be necessary, the consent of the members of the Company be and is hereby accorded to the reappointment of Rajendra V. Gandhi (DIN: 00189197) as Managing Director of the Company whose office will be liable to determination by retirement of directors by rotation, for a period of 3 (three) years with effect from 1st August, 2019 to 31st July, 2022 upon the terms and conditions as to remuneration by way of salary, commission, perquisites, allowances and performance linked bonus as set out in the Explanatory Statement annexed to the Notice convening this meeting.**"**

   "RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to vary / increase the remuneration as aforesaid to the extent the Nomination and Remuneration Committee and / or the Board of Directors may consider appropriate, provided however, that the remuneration payable to Rajendra V. Gandhi as Managing Director shall be within the limits set out in that behalf in the Act including Schedule V to the Act or any amendments thereto or any modifications or statutory re-enactment(s) thereof and / or any Rules or Regulations framed thereunder, and the terms of the said agreement shall be suitably modified to give effect to such variation or increase, as the case may be.**"**

   "RESOLVED FURTHER THAT during the currency of the tenure of Rajendra V. Gandhi as Managing Director, where in any financial year, the Company has no profits or its profits are inadequate, the Company do pay to Rajendra V. Gandhi, Managing Director, remuneration by way of salary, commission, perquisites, allowances and performance linked bonus as specified above as per the applicable provisions of the said Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) including Schedule V thereto (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).**"**

   "RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to execute all Agreements and other documents and take such steps expedient or necessary to give effect to the above resolutions.**"**

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution :

   "RESOLVED THAT pursuant to the Regulation 17(6)(ca) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and further to the approval already accorded by the members at the forty second Annual General Meeting held on 21st September, 2016 for the payment of remuneration by way of Commission, to the non-executive directors of the Company or some or any of them, for a period of five years w.e.f. financial year 2016-17, consent of the members of the Company be and is hereby accorded for the payment of the remuneration by way of commission to Rajeev M. Pandia (DIN:00021730), Non-Executive Independent Director for the financial year ending 31st March, 2020, which is likely to exceed fifty percent (50%) of the total annual remuneration payable to all the Non-Executive Directors of the Company for the said year."

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution :

   "RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modifications or re-enactment(s) thereof, for the time being in force), the remuneration of ₹1,30,000/- (Rupees One Lakh Thirty Thousand only) plus out of pocket expenses and applicable taxes, as recommended by the Audit Committee and approved by the Board of Directors of the Company, payable to M/s. Jitendrakumar & Associates, Cost Accountants (Firm Registration No.101561) as cost auditor for auditing the cost accounting records of the Company for the financial year ending 31st March, 2020, be and is hereby ratified."

NOTES :

a. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. Proxies, in order to be effective, must be received at the Company's Registered Office not less than FORTY-EIGHT HOURS before the meeting. Proxies submitted on behalf of limited companies, societies, etc. must be supported by appropriate resolutions / authority, as applicable. Member / Proxies should bring the duly filled attendance slip enclosed herewith to attend the meeting. The proxy holder shall prove his / her identity at the time of attending the meeting.

b. The Register of Members and Transfer Books of the Company will be closed from Saturday 17th August, 2019 to Thursday 22nd August, 2019, both days inclusive.

c. If the dividend as recommended by the Board of Directors is approved at the Annual General Meeting, payment of such dividend will be credited / dispatched within 30 days from 22nd August, 2019.

   i) To all Beneficial Owners in respect of shares held in dematerialised form as per the data as may be made available by the National Securities Depository Limited and the Central Depository Services (India) Limited as of the close of business hours on 16th August, 2019.

   ii) To all members in respect of shares held in physical form after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on 16th August, 2019.

d. Members holding shares in dematerialised form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service, Electronic Clearing Service, mandates, nominations, power of attorney, change of address, change of name and e-mail address etc., to their Depository Participant. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agent, Universal Capital Securities Pvt. Ltd. (UCS) to provide efficient and better services. Pursuant to SEBI circular dated 20th April, 2018, members holding shares in physical form are requested to provide latest bank account details along with original cancelled cheque leaf/ copy of bank passbook/ statement attested by the bank and copy of PAN card to UCS.

e. Members holding shares in physical form are requested to consider converting their holding to dematerialised form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or UCS for assistance in this regard.

f. Members holding physical shares in identical order of names in more than one folio are requested to send to the Company or UCS the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such Members after making requisite changes thereon.

g. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

h. The unclaimed dividend up to the financial year ended 31st March, 1995 have been transferred to the General Revenue Account of the Central Government pursuant to Section 205A (5) of the Companies Act, 1956. Members, who have not encashed their dividend warrants up to the financial year ended 31st March, 1994 are requested to claim the same from the Registrar of Companies, Gujarat at Ahmedabad.

i. Pursuant to Section 124 and 125 of the Companies Act, 2013 and rules made thereunder, any dividend remaining unclaimed with the Company on the expiry of 7 (seven) years from the date of its transfer to the unclaimed / unpaid account, will be transferred to the Investor Education and Protection Fund (IEPF) set up by the Central Government. Accordingly, unclaimed dividends for the financial year ended 31st March, 1995 to 31st March, 2011 and unclaimed interim dividend for the financial year ended 31st March, 2012 have been transferred to the said fund. Members, who have not encashed their dividend warrant(s) so far, for the final dividend for the financial year ended 31st March, 2012 and for the interim and final dividends for subsequent financial years, are requested to make their claims to the Company / UCS.

   Further as per the Act/ Rules, all shares in respect of which dividend has not been encashed or claimed for seven consecutive years or more are required to be transferred in the name IEPF suspense account in the prescribed manner.

   With a view to comply with the requirements as set out in the Act/ Rules, Company shall initiate following action for transfer of shares to IEPF suspense account.

   i. In case member holds the shares in physical form and such shares are liable to be transferred to IEPF, please note that Company is required to issue duplicate share certificate(s) for the purpose of transfer of shares to the IEPF suspense account and upon issue of such duplicate share certificate(s) the original share certificate(s) which is/ are registered in member's name will stand automatically cancelled and be deemed non-negotiable as per Rules.

   ii. In case member holds the shares in demat form and such shares are liable to be transferred to IEPF, then such shares will be transferred directly to the demat account of IEPF Authority with the help of Depository Participant(s) / Depositories.

   Upon transfer of member's shares/ dividend, member may claim from IEPF Authority both the unclaimed dividend amount and the shares by making an application in prescribed Form IEPF-5 online and by sending the physical copy of the same duly signed (as per the specimen signature recorded with the Company) along with requisite documents enumerated in the Form IEPF - 5.

   Company shall with a view to comply with the requirements of the said Rules, transfer the shares to the IEPF suspense account by the due date as per procedure stipulated in the Rules. Please note that no claim shall lie against the Company or its Registrar & Share Transfer Agent in respect of unclaimed dividend amount and shares transferred to IEPF Authority pursuant to the said Rules.

   The Rules and the application form (Form IEPF – 5), as prescribed by the MCA for claiming back the shares/ dividend, are available on the website of MCA at www.iepf.gov.in.

j. As required by the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and Secretarial Standard-2 of ICSI, brief profile of the Directors proposed to be appointed / re-appointed at the Annual General Meeting is given below:

Name of the Director	Rajendra V. Gandhi	Mr. Mahesh V. Gandhi
Date of birth	17th December, 1949	10th February, 1944
Date of first appointment	29th June, 1974	29th June, 1974
Experience in specific functional areas	Varied experience of more than 48 years in rubber industry.	Experience of more than 32 years as director in other companies.
Qualification	B. Tech. from the Indian Institute of Technology (IIT) Mumbai.	Graduate from Mumbai University
Directorship held in other public companies (excluding GRP Limited)	1) Grip Polymers Ltd. 2) Steelcast Limited	Indo – Nippon Chemical Co. Ltd.
Memberships / Chairmanship of committees of all pubic companies	Chairman of the Board Committee: 1) Steelcast Ltd. • Audit Committee Membership of the Board Committee: 1) GRP Ltd. • Stakeholders Relationship Committee 2) Steelcast Ltd. • Nomination & Remuneration Committee • Stakeholders Relationship Committee	Chairman of the Board Committee None Membership of the Board Committee None
No. of shares held in the Company	25594	62550

k. Electronic copy of the following documents :i) Annual Report for the financial year 2018-19 ii) Notice of the 45th Annual General meeting of the Company *inter alia* indicating the process and manner of e-voting iii) Attendance slip and proxy form for the 45th Annual General meeting, are being sent by email to all the members whose email IDs are registered with the Company / depository participants for communication purposes, unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copy of all the aforesaid documents is being sent by the permitted mode.

l. Notice of the 45th Annual General meeting along with Route map and prominent land mark for easy location of the venue of this meeting, attendance slip, proxy form and the annual report for the financial year 2018-19 is also available on the website of the Company www.grpweb.com.

m. All documents referred to in the accompanying notice and the explanatory statement shall be available for inspection at the Registered Office of the Company at Ankleshwar during normal business hours (10 a.m. to 1 p.m.) on all working days except Saturday, Sunday and Public Holidays, till the date of the Annual General Meeting.

n. **Voting through electronic means :**

i. In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the Company has provided to the members the facility to exercise their right to vote on resolutions proposed to be considered at the 45th Annual General meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using e-voting system from a place other than the venue of the AGM (remote e-voting) will be provided by National Securities Depository Ltd. (NSDL).

ii. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting, who have not cast their vote by remote e-voting shall have the option to exercise their right to vote at the meeting through ballot paper.

iii. Members who have cast their votes by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

iv. Remote e-voting period commences on 19th August, 2019 (10 a.m.) and ends on 21st August, 2019 (5 p.m.). During this period, members of the Company, as on the cut-off date of 16th August, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

v. The details of the process and manner for remote e-voting are explained herein below :

Step 1: Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com/
Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 are mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL either on a Personal Computer or on a mobile: https://www.evoting.nsdl.com/
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is :
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID for example if your DP ID is IN300*** and Client ID is 12****** then, your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID for example if your Beneficiary ID is 12************** then, your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company for example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "initial password" or have forgotten your password:
   a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com
   b) "**Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com

      If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, click on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 are mentioned below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of GRP Ltd.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send a scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by email to shah_cr@yahoo.co.in with a copy marked to evoting@nsdl.co.in
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

vi. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and remote e-voting user manual for members available at the download section of www.evoting.nsdl.com or call on toll free No.1800 222 990 or send a request at evoting@nsdl.co.in.

vii. If you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password/PIN for casting your vote.

viii. You can also update your mobile number and email ID in the user profile details of the folio which may be used for sending future communication.

ix. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 16th August, 2019.

x. Any person who acquires shares of the Company and become member of the Company after dispatch of the notice of AGM and holding shares as on the cut-off date i.e. 16th August, 2019, may obtain the login ID and password by sending a request to email ID evoting@nsdl.co.in or to email ID investor.relations@grpweb.com. However if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details / Password" option available on www.evoting.nsdl.com.

xi. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, shall only be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

xii. Chetan R. Shah, Practicing Company Secretary (Membership No.FCS 2703) (email ID : shah_cr@yahoo.co.in) has been appointed as the Scrutinizer to scrutinize the remote e-voting and ballot paper voting process, in a fair and transparent manner.

xiii. The Chairperson of the AGM shall at the end of the discussion on the resolutions on which voting is to be held, allow voting with the assistance of the Scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

xiv. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and there after unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairperson of the AGM or a person authorised by him in writing, who shall countersign the same and declare the results of the voting forthwith.

xv. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.grpweb.com and on the website of NSDL immediately after declaration of results by the Chairperson of AGM or a person authorised by him in writing. The results and the report shall also be immediately forwarded to the Stock Exchange/s, where the shares of the Company are listed.

By Order of the Board of Directors

Place : Mumbai — Harsh Gandhi
Date : 27th May, 2019 — Joint Managing Director

Registered Office: Plot No. 8, GIDC Estate, Ankleshwar – 393 002 Dist. Bharuch, Gujarat

Annexure to the Notice

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the special business set out in the accompanying Notice.

Item No.4

Pursuant to Regulation 17 (1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 inserted by the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, approval of the Members by way of a Special Resolution is necessary for appointment / continuation of appointment of any Non-Executive Director who has attained the age of 75 (Seventy Five) years.

Mahesh V. Gandhi is a Non-Executive Non-independent Director of the Company liable to retire by rotation.

Mahesh V. Gandhi is a Director of our Company since its incorporation, i.e., 29th June, 1974. He is energetic and actively participates in the Board meetings and the policy and governance work of the Board. The Board considers that his continued association would be of immense benefit to the Company.

The Board of Directors accordingly recommends this resolution for the approval by the members of the Company.

None of the Directors or Key Managerial Personnel or their respective relatives, except Mahesh V. Gandhi to whom the resolution relates and Rajendra V. Gandhi, Managing Director being his relative, are in any way concerned or interested, financially or otherwise in this resolution.

Item No. 5

Rajendra V. Gandhi is presently designated as Managing Director of the Company. He is a Graduate Engineer from the Indian Institute of Technology (IIT) Mumbai. He has varied experience of more than 48 years in Rubber Industry. Since incorporation, the Company has been taking the advantage of his guidance and mentorship. Because of his sustained efforts, the Company has sustained a growth pattern and has achieved success in creating a brand image in the global Reclaimed Rubber Industry. He was the President of Indian Rubber Manufacturers' Research Association (IRMRA) for a period of 3 (three) years till December 2018.

Considering the business expertise, experience and in view of the substantial contribution made by him for the growth, progress and financial stability of the Company, the Board of Directors at its meeting held on 27th May, 2019 has, on the recommendation of the Nomination and Remuneration Committee, subject to approval of the shareholders by way of a special resolution and subject to such other approval/s as may be necessary, reappointed Rajendra V. Gandhi as Managing Director for a further period of three years with effect from 1st August, 2019 upon the terms and conditions of remuneration by way of salary, commission, perquisites, allowances and performance linked bonus as mentioned in the draft agreement proposed to be entered into between the Company and Rajendra V. Gandhi.

Rajendra V. Gandhi satisfies all the conditions set out in part I of Schedule V of the Companies Act, 2013 and sub section (3) of Section 196 of the Act. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

His office shall be liable to retirement of directors by rotation as per the relevant provisions of the Companies Act, 2013.

The Board of Directors accordingly recommends this resolution for the approval by the members of the Company.

None of the directors and Key Managerial Personnel of the Company except Rajendra V. Gandhi to whom the resolution relates and Harsh R. Gandhi, Joint Managing Director, Mahesh V, Gandhi, Director and Nayna R. Gandhi, Director, being his relatives, are in any way concerned or interested, financially or otherwise in this resolution.

The material terms and conditions of the said reappointment and remuneration as referred to in the resolution are as follows:

Term: 3 (Three) years, from 1st August, 2019 to 31st July, 2022 (both days inclusive)

Remuneration:

A) Salary : ₹ 7,00,000/- to ₹ 10,00,000/- per month.

The annual increments will be decided by the Nomination & Remuneration Committee and / or the Board of Directors in its absolute discretion based on his work performance.

B) Commission :

Remuneration by way of commission not exceeding 1% of the net profits of the Company as determined under Section 198 of the Companies Act, 2013 of a particular financial year, subject to a maximum of 12 (twelve) months' salary of that particular financial year.

C) Perquisites and Allowances :

i) In addition to salary and commission payable, Rajendra V. Gandhi, Managing Director shall also be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent allowance in lieu thereof, house maintenance allowance together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings, repairs and other allowances, medical expenses reimbursement, club fees and leave travel concession for self and his family, personal accident insurance and such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Nomination and Remuneration Committee and / or the Board of Directors and Rajendra V. Gandhi. However, such perquisites and allowances shall be subject to a maximum of 100% of the annual salary.

ii) For the purpose of calculating the above ceiling, perquisites and allowances shall be evaluated as per the Income-Tax Rules, wherever applicable. In the absence of any such Rules, perquisites and allowances shall be evaluated at actual cost.

iii) Provision for use of Company's car for office duties and telephone and other communication facilities at residence shall not be included in the computation of perquisites for the purpose of calculating the said ceiling.

iv) Following perquisites shall not be included in the computation of the aforesaid ceiling on perquisites and allowances:

a) Company's contribution to Provident Fund and Superannuation Fund or Annuity Fund to the extent these either singly or together are not taxable under the Income-Tax Act.

b) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.

c) Encashment of leave at the end of the tenure

v) Leave as per the rules of the Company.

D) Performance Linked Bonus :

In addition to the Salary, Commission, Perquisites and Allowances, Rajendra V. Gandhi may be paid such remuneration by way of annual performance linked bonus. This performance linked bonus would be payable subject to the achievement of certain performance criteria and such other parameters as may be considered appropriate from time to time by the Nomination & Remuneration Committee and / or the Board of Directors in its absolute discretion. However, such performance linked bonus shall be subject to a maximum of ₹ 1,00,00,000/- per annum.

E) Minimum Remuneration :

Notwithstanding anything contained herein, where in any financial year, during the currency of the tenure of Rajendra V. Gandhi, Managing Director, the Company has no profits or its profits are inadequate, the Company may pay him remuneration by way of salary, commission, perquisites, allowances and performance linked bonus not exceeding the maximum limits laid down in Section II of Part II of Schedule V of the Companies Act, 2013 as modified from time to time.

Additional information as required under Schedule V of the Companies Act, 2013 is as under :

I. General Information:

1. Nature of Industry :

   The Company is engaged in the business of manufacture of reclaimed rubber, custom die forms, engineering plastics and polymer composites.

2. Date or expected date of commencement of commercial production :

   The Company is manufacturing reclaimed rubber since December 1978, custom die forms since March 1999, engineering plastics since June, 2009 and polymer composite since December, 2017.

3. In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus : Not Applicable.

4. Financial Performance based on given indicators:

(₹ in lakh)

Significant Financial Indicators for last five years

	Years ended 31st March				
	2015	**2016**	**2017**	**2018**	**2019**
Total Income	34,638	31,508	32,237	29,914	35,792
Operating profit	2,574	2,458	2,594	1,583	2,120
Profit after tax	887	802	829	98	638
Net Worth	11,247	11,888	12,748	12,699	13,379
Borrowed Funds	6,722	6,760	6,582	5,665	6,451
Fixed Assets (Gross)	20,140	21,584	22,987	23,388	24,143
Net Current Assets	500	1,129	2,028	2,121	2,540
Book Value Per Share (₹)	844	892	956	952	1,003
Earning Per Share (₹)	66.51	60.12	62.20	7.37	47.86
Dividend (%)	112.50	100.00	100.00	12.50	80.00
Ratios :					
Debt Equity	0.60	0.57	0.52	0.45	0.48
Operating Profit To Sales	7%	8%	9%	5%	6%
Interest Coverage	6	7	8	5	6

5. Foreign Investments and Collaborations, if any : Nil

II. Information about Rajendra V. Gandhi :

1. Background Details / Recognition or awards / job profile and suitability : Refer Para 1 of the Explanatory statement of item No.5 mentioned above.
2. Past remuneration: Remuneration (excluding exempt perquisites) for last three financial years is as under :

   Financial Year Remuneration (₹ lakh)

2016-17	78.00
2017-18	84.00
2018-19	90.20

3. Remuneration proposed : Gross remuneration (excluding exempt perquisites) proposed to be paid to Rajendra V. Gandhi in the financial year in which there will be a loss or inadequacy of profits, shall be not exceeding the maximum limits laid down in Section II of Part II of Schedule V of the Companies Act, 2013 as amended from time to time.
4. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:

   Taking into consideration the size of the Company, the nature of the industry, the profile, knowledge, skills and responsibilities shouldered by Rajendra V. Gandhi, the above proposed remuneration is commensurate and comparable with the remuneration drawn by managerial personnel in similar capacities in other companies in the rubber and related industry.
5. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel:

   Rajendra V. Gandhi except receiving remuneration as Managing Director, does not have any other pecuniary relationship with the Company. Rajendra V. Gandhi is a relative of Harsh R. Gandhi, Joint Managing Director, Mahesh V. Gandhi, Director and Nayna R. Gandhi, Director of the Company.

III. Other Information :

1. Reasons of loss or inadequate profits: Profits are likely to be inadequate, due to challenging business environment in the automobile industry in general and in the rubber goods manufacturing industry in particular.
2. Steps taken or proposed to be taken for improvement : Company under the guidance and mentorship of Rajendra V. Gandhi is constantly endeavoring for :

a) Revenue maximization through geographic expansion and industry outreach for improved asset turnover.

b) Profitability improvement through cost optimization and new technology adoption; and

c) Rationalization of capital employed by combining manufacturing locations and integrating the operations.

Item No.6 :

Section 197 of the Companies Act, 2013 permits payment of remuneration to Non-Executive Directors of a Company by way of commission, if the Company authorises such payment by way of a resolution of members.

The members of the Company at the forty second Annual General Meeting held on 21st September, 2016, approved the remuneration payable to Non-Executive Directors of the Company by way of commission not exceeding one per cent of the net profits of the Company for each year for a period of five years commencing from the financial year 2016-17.

The Regulation 17(6)(ca) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which is effective from 1^{st} April, 2019 requires approval of shareholders by special resolution every year, in which the annual remuneration payable to a single non-executive director exceeds fifty per cent of the total annual remuneration payable to all non-executive directors.

Commission amount paid to Rajeev M. Pandia, Non-Executive Independent Director for the past few years was exceeding fifty per cent of the total annual remuneration paid to all non-executive directors. Therefore, Company has the practice of paying remuneration in the form of commission to a single non-executive director exceeding fifty per cent of the total annual remuneration payable to all non-executive directors. Hence, this Special Resolution is placed before the shareholders for adoption.

The Board of Directors accordingly recommends this resolution for the approval by the members of the Company.

None of the Directors or Key Managerial Personnel or their respective relatives, except Rajeev M. Pandia, to whom the resolution relates, are in any way concerned or interested, financially or otherwise in this resolution.

Item No.7 :

As per Notification dated 14^{th} July, 2016 issued by the Ministry of Corporate Affairs regarding the Companies (Cost Records and Audit) Rules, 2014, provisions relating to auditing of cost accounting records are applicable to the Company with effect from 1^{st} April, 2016. Accordingly, the audit of cost accounting records of the Company is mandatory from the financial year 2016-17.

M/s Jitendrakumar & Associates, Cost Accountants (Firm Registration No.101561), has, as required under Section 141 of the Companies Act, 2013, confirmed its eligibility to conduct the audit of the cost accounting records of the Company for the financial year 2019-20 and has consented to act as the Cost Auditor of the Company.

At the recommendation of the Audit Committee, the Board of Directors has approved the appointment of M/s Jitendrakumar& Associates, Cost Accountants, as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year 2019-20 at a remuneration of ₹1,30,000/- (Rupees One Lakh Thirty Thousand only) plus out of pocket expenses and taxes.

Section 148 (3) of the Companies Act, 2013 read with the Companies (Audit and Auditor) Rules, 2014, requires the remuneration payable to the Cost Auditors to be ratified by the Members of the Company. Accordingly, the approval of the Members is sought for passing an Ordinary Resolution for ratification of the remuneration payable to the Cost Auditors for the financial year 2019-20.

The Board of Directors accordingly recommends this resolution for the approval by the members of the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives, is in any way concerned or interested, financially or otherwise in the Resolution.

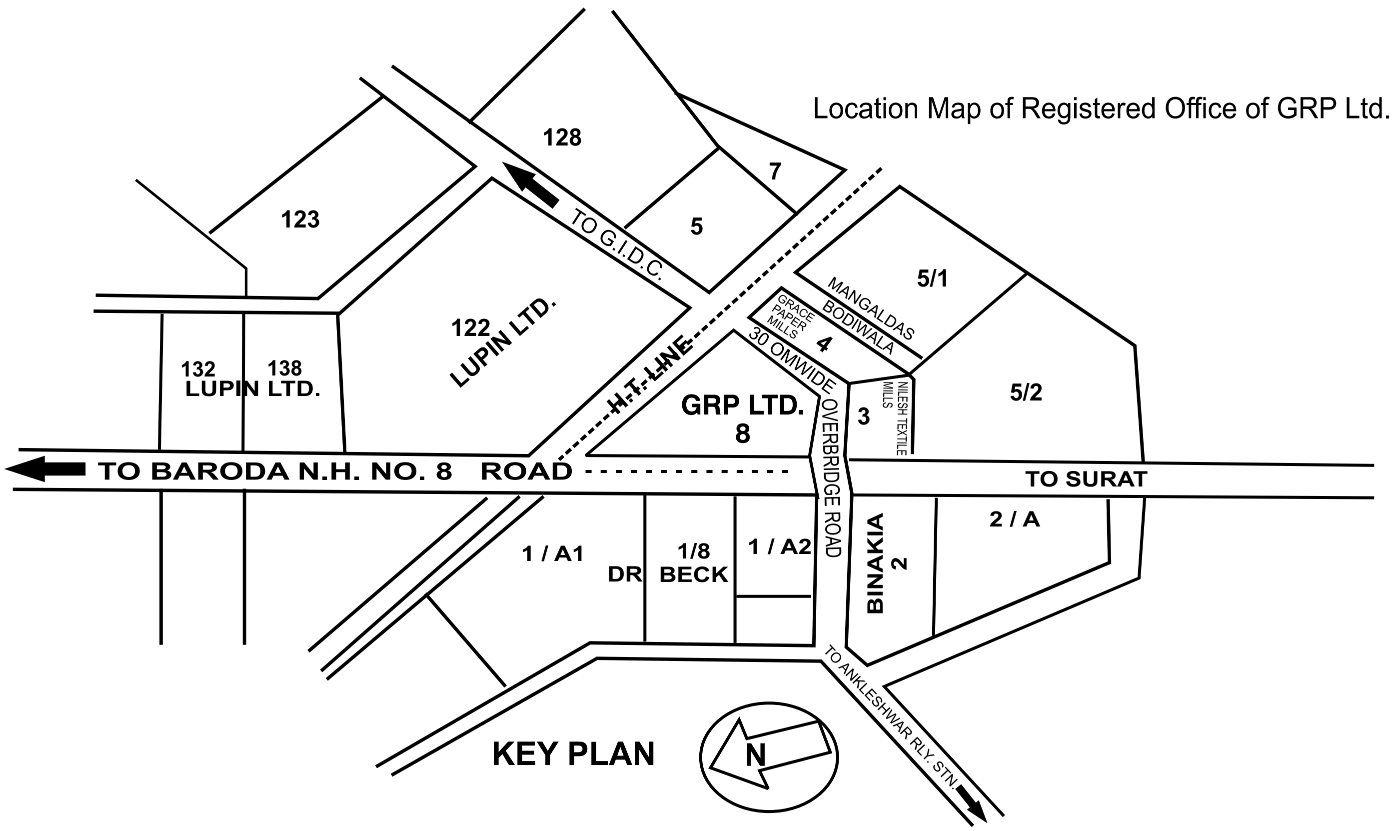
By Order of the Board of Directors

Place : Mumbai | Harsh Gandhi

Date : 27^{th} May, 2019 | Joint Managing Director

Registered Office: Plot No. 8, GIDC Estate, Ankleshwar – 393 002 Dist. Bharuch, Gujarat

Location Map of Registered Office of GRP Ltd.



Directors' Report to the Members,

Your Directors are pleased to present the **FORTY FIFTH** ANNUAL REPORT & AUDITED ACCOUNTS for the year ended 31st March, 2019.

Standalone Financial Results	Year ended 31st March	
Particulars	**2019**	**2018**
	(₹ In lakh)	**(₹ In lakh)**
Sales & Other Income	35,784	30,297
EBITDA	2,584	2,012
Profit before tax and exceptional items	824	247
Tax Expenses	186	149
Profit after tax for the year	638	98
Total comprehensive income	700	111
EPS:		
Basic (₹)	47.86	7.37
Diluted (₹)	47.86	7.37

The Board of Directors of your company has decided not to transfer any amount to the reserves for the year under review.

DIVIDEND

Based on performance of the Company for the year under the report and keeping in line with its dividend pay-out policy, the Board recommends a dividend of ₹ 8/-per equity share of the face value of ₹ 10/- each (80%) for the year ended 31st March, 2019. An amount of ₹ 21.92 Lakh would be paid as dividend distribution tax on the dividend. [Previous year dividend was ₹ 1.25/- per share(12.50%)].

FINANCIAL RESULTS, PERFORMANCE AND FUTURE OUTLOOK

Your company has achieved a growth of 19% in revenue for the year under review, over the previous year, from ₹ 29,570 lakh to ₹ 35,306 lakh. Despite challenging business conditions in the segments we operate in, your company has managed revenue growth in Reclaim Rubber business on the back of growth in volumes (12%) and a favourable currency helping exports during the year. Export now contributes 70% of the total revenue, is diversified across multiple regions, and gives your company a comfortable hedge in uncertain times. Effort at broadening the customer base has helped increase export revenues. On the back of increased sales, there has been a corresponding rise in margins, although the ability to pass on input price rises continues to be limited. Towards the end of the year, restriction on import from certain countries has put margins under pressure.

Performance of the company in the Custom Die-form segment has registered growth of 54% and it continues to be a promising segment. Significant revenue growth has been achieved in the Engineering Plastics (99%) and newly formed Polymer Composite segment, during the financial year. Capacity addition in these businesses has been steady and these segments have almost become self-reliant. Further growth in these segments is under planning.

The company has continued its efforts in reducing manpower dependence through strategic automation initiatives and has resulted in controlling the costs per ton of production. In line with the philosophy of reducing dependence on fossil fuels, your company has through a combination of owned and outsourcing contracts, taken several initiatives in switching to cleaner fuel sources of energy.

Your Company has realised tax benefits u/s 35(2AB) of Income Tax Act on account of renewal of approval received from Department of Scientific & Industrial Research, Ministry of Science & Technology (DSIR), Government of India, New Delhi.

AWARDS & ACCOLADES

The year under review saw GRP win accolades among its peers. GRP was again the recipient of the AIRIA award for Top Export in raw material sector, for its export performance. This award was in the entire raw material category signifying GRP's standing among peers in Carbon Black, Synthetic Rubber, Rubber Process Oil industries too, while your company continues to be in a commanding position in the reclaim rubber industry.

SUBSIDIARIES

Salient features of the financial statements of its Wholly-owned Subsidiary company viz. Grip Polymers Limited, subsidiary body corporate viz. Gripsurya Recycling LLP and joint venture company viz. Marangoni GRP Pvt. Ltd., in form AOC-1 are attached herewith. **(Annexure 1).**

DIRECTORS

The Members at the 44th Annual General Meeting held on 16th August, 2018 approved the re-appointment and terms of remuneration of Harsh Gandhi as the Joint Managing Director for a period of 3 years with effect from 16th June, 2018 and appointed Saurabh S. Shah as an Independent Director of the Company to hold office upto11th September, 2022.

The Members through postal ballot approved reappointment of Rajeev M. Pandia as an Independent Director of the Company to hold office for a second consecutive term of 5 years with effect from 1st April, 2019 to 31st March, 2024.

The Members through postal ballot approved continuation of Dr. Peter Philip, Non-Executive Director, w.e.f. 1st April, 2019 till the date of 46th Annual General Meeting in which he would have been otherwise liable to retire by rotation, notwithstanding that he has attained the age of 75 years.

The Members through postal ballot approved continuation of Mahesh V. Gandhi, Non-Executive Director, w.e.f. 1st April, 2019 till the date of 45th Annual General Meeting in which he would have been otherwise liable to retire by rotation, notwithstanding that he has attained the age of 75 years.

In accordance with the provisions of the Companies Act, 2013,Rajendra V. Gandhi and Mahesh V. Gandhi, retire by rotation at the ensuing 45thAnnual General Meeting and being eligible offers themselves for reappointment.

All the Independent Directors have submitted their declarations to the Board to the effect that they meet the required criteria of independence as mentioned in the provisions of Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the Independent Directors have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge duties with an objective independent judgment and without any external influence.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board of Directors confirm that :

(a) in the preparation of the annual accounts for the year ended 31st March, 2019, the applicable accounting standards have been followed and there had been no material departure;

(b) the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2019 and of the profit and loss account of the company for the year ended on that date;

(c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the Directors had prepared the annual accounts on a going concern basis;

(e) the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

(f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

KEY MANAGERIAL PERSONNEL (KMP)

Shilpa Mehta was appointed as the Chief Financial Officer of the Company with effect from 7th August, 2018. Abhijeet Sawant was appointed as the Company Secretary of the Company with effect from 13th February, 2019. Earlier to this, Ganesh Ghangurde was Chief financial Officer and Company Secretary of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS AND CORPORATE GOVERNANCE

Report on Management Discussion and Analysis **(Annexure 2)** and report on Corporate Governance **(Annexure 3)** are set out in this annual report, including the certificate from Auditors of the Company, certifying compliance of the conditions of corporate governance as stipulated in schedule V to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 **(Annexure 4).**

STATUTORY AUDITORS

M/s.DKP & Associates (Firm Regn. No.126305W), Chartered Accountants, Mumbai, have been appointed as Statutory Auditors of the Company, as per the applicable provisions of the Companies Act, 2013, at the Forty-third Annual General Meeting of the company held on 10th August, 2017, for a period of 5 (Five) consecutive financial years, from the conclusion of the Forty-third Annual General Meeting of the Company until the conclusion of the Forty-eighth Annual General Meeting of the Company.

COST AUDITORS

M/s Jitendrakumar & Associates, Cost Accountants (Firm Registration No.101561), has, as required under Section 141 of the Companies Act, 2013, confirmed its eligibility to conduct the audit of the cost accounting records of the Company for the financial year 2019-20 and has consented to act as the Cost Auditor of the Company.

At the recommendation of the Audit Committee, the Board of Directors has approved the appointment of M/s Jitendrakumar & Associates, Cost Accountants, as the Cost Auditor's to conduct the audit of the cost records of the Company for the financial year 2019-20.

SECRETARIAL AUDIT REPORT

Chetan R. Shah, Practicing Company Secretary (C.P. No.4253) has conducted secretarial audit for the financial year 2018-19 pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Rules made thereunder. His secretarial audit report is attached herewith**. (Annexure 5).**

VIGIL MECHANISM

The Company has established a vigil mechanism and oversees the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the Chairperson of the Audit Committee in exceptional cases. Vigil Mechanism (Whistle Blower) Policy has been hosted by the Company on its website. The web link to access the above policy hosted by the Company on its website www.grpweb.com is as follows:
http://www.grpweb.com/pdf/Vigil%20Mechanism%20(Whistle%20Blower)%20Policy.pdf

DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT

Periodic assessments by functional heads to identify the risk areas are carried out and Management is briefed on the risks to enable the Company to control risks through a properly defined plan. The risks are classified as Strategic risks, operational risks, market risks, people risk and financial risks. The risks are taken into account while preparing the annual business plan for the year. The Board is also periodically informed of the business risks and the actions taken to manage it.

DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

The CSR Committee has been constituted by the Board of Directors. The Committee has adopted CSR policy to contribute towards social and economic development of the communities where the Company operates in, and while doing the same, to build a sustainable way of life for all sections of society, with emphasis and focus on education, health care, sustainable livelihood and empowerment of women. The CSR Policy has also been uploaded on the website of the Company. The web link to access the above policy hosted by the Company on its website www.grpweb.com is as follows:

http://www.grpweb.com/pdf/Corporate%20Social%20Responsibility%20Policy.pdf

As per the amendment to section 135 of the Companies act, which has been notified on 19th September, 2018, CSR provisions were not applicable to the Company for financial year 2018-19.In view of this change, the annual report on CSR activities is not included in the Directors' report of the Company for the financial year 2018-19.

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

The particulars of Loans, guarantees or investments made under Section 186 as on 31st March, 2019 are given in Note 3 and 4 to the financial statements of your Company.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

During the financial year, your Company entered into related party transactions, which were on an arm's length basis and in the ordinary course of business. There were no material transactions with any related party as defined under Section 188 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014. All related party transactions were approved by the Audit Committee of your company.

All transactions with related parties are placed before the Audit Committee for approval. An omnibus approval of the Audit Committee is obtained for the related party transactions which are repetitive in nature. The Audit Committee reviews all transactions entered into pursuant to the omnibus approval(s) so granted on a quarterly basis.

The details of contracts and arrangement with related parties of your company for the financial year ended 31st March, 2019 is given in Note 36 to the financial statements of your company.

COMPANY'S POLICY RELATING TO PERFORMANCE EVALUATION OF THE BOARD, DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF DUTIES :

The Nomination and Remuneration Committee has laid down the criteria for performance evaluation of the individual Directors and the Board which is based on;

- Knowledge to perform the role;
- Time and level of participation;
- Performance of duties and level of oversight; and
- Professional conduct and independence;

The evaluation was carried out by means of the observations made by all the Directors on the set of questions developed by them which brought out the key attributes of the Directors, quality of interactions among them and its effectiveness. The Board is collectively of the opinion that the overall performance of the Board, Committees thereof and the individual Directors is satisfactory and conducive to the growth and progress of the Company.

The web link to access the Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013,hosted by the company on its website www.grpweb.com is as follows:

http://www.grpweb.com/pdf/Nomination%20&%20Remuneration%20Policy.pdf

POLICY AGAINST SEXUAL HARASSMENT

The Company has in place Policy for prevention of sexual harassment at workplace in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The following is a summary of sexual harassment complaints received and disposed of during the year:

(a) Number of complaints pending at the beginning of the year - Nil

(b) Number of complaints received during the year - Nil

(c) Number of complaints disposed off during the year - Nil

(d) Number of cases pending at the end of the year - Nil

ANNUAL RETURN

The extract of Annual return in Form MGT-9 is attached here with **(Annexure 6)**.

DEPOSITS

The Company does not have any deposits covered under Chapter V of the Act.

INFORMATION PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013

The information as required under Section 197(12) of the Act read with applicable rules (to the extent applicable) is attached herewith **(Annexure 7).**

INFORMATION PURSUANT TO SECTION 134 (3)(m) & (q) OF THE COMPANIES ACT, 2013

The above information (to the extent applicable) is attached herewith **(Annexure 8).**

ACKNOWLEDGEMENTS

Your Directors place on record their appreciation for the contribution made and support provided to the Company by the shareholders, employees, bankers, suppliers and customers.

For and on behalf of the Board of Directors

Place : Mumbai	Rajendra Gandhi	Harsh Gandhi
Date : 27th May, 2019	Managing Director	Joint Managing Director

Annexure 1

Form AOC-I

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries

(Amt. in ₹)

Part "A" : Subsidiaries

1	Sr. No.	1	2
2	Name of the subsidiary	Grip Polymers Ltd.	Gripsurya Recycling LLP
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable	Not Applicable
4	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Not Applicable	Not Applicable
5	Share capital / Partner's Capital	3,10,00,000	3,35,49,892
6	Reserves and surplus	(3,00,68,228)	0
7	Total assets (excluding investments)	2,87,614	4,78,75,128
8	Total liabilities	33,972	1,43,25,236
9	Investments	6,78,129	0
10	Turnover	12,50,233	7,59,30,695
11	Profit / (Loss) before taxation	(43,91,830)	(3,09,271)
12	Provision for taxation	1,79,212	87,975
13	Profit / (Loss) after taxation	(45,71,042)	(3,97,246)
14	Proposed Dividend	Nil	Nil
15	% of shareholding	100%	99.886%
Notes : The following information shall be furnished at the end of the statement :			
1	Names of subsidiaries which are yet to commence operations	Nil	
2	Names of subsidiaries which have been liquidated or sold during the year	Nil	

Part "B": Associates and Joint Ventures

	Name of Joint Venture	Marangoni GRP Pvt. Ltd.
1.	Latest audited Balance Sheet date	31st March, 2019
2.	Shares of Joint Ventures held by the company at the year end	
	Number	99,21,723
	Amount of Investment in Joint Venture	99,21,723
	Extent of Holding %	50%
3.	Description of how there is significant influence	50% control owned by GRP Ltd.
4.	Reason why the Joint Venture is not consolidated	Not Applicable
5.	Net worth attributable to shareholding as per latest audited Balance sheet	(4,80,716)
6.	Profit / (Loss) for the year	(1,25,47,371)
	i. Considered in Consolidation	(59,99,590)
	ii. Not Considered in Consolidation	(65,47,781)

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

Place : Mumbai
Date : 27th May, 2019

Rajendra Gandhi
Managing Director

Harsh Gandhi
Joint Managing Director

Annexure 2

Management Discussion and Analysis Report 2018-19

During the year under review, the Indian auto industry was buoyant in the first half of the year followed by a significant downturn during the second half of the year. Original Equipment (OE) sales in all categories of vehicles witnessed negative or marginal growth putting tremendous pressure on the entire supply chain. Muted material prices for most part of the year were not enough to sustain overall growth for the automotive supply chain in India. A muted OE sale often accompanies a strong replacement market, however the last year's slowdown in the auto sales has not lifted replacement market sales either. While the first half buoyancy led to an overall growth in the domestic sale, the sales in the second half has been less than impressive. The silver lining for your company's growth was the spread of sales in international markets. On the back of growth in North America and demand revival in Europe, your company recorded a volume growth of 12% for the year under review. Your company's export sales grew from ₹ 207.85 crore to ₹ 250.43 crore. A weakening Rupee against the US Dollar helped your company improve the sales value and margins over previous year, although with muted virgin rubber prices, the margins in reclaim rubber sales continue to be in line with recent past. Your company has witnessed a significant growth in sales from the newly set-up business units of Engineering Plastics and Rubber Composites, thereby pushing the total revenue growth to 19%. These businesses are close to being financially independent and likely to contribute meaningfully to the bottom line growth of your company in the years to come.

Key Parameters	2018-19	2017-18
Net Sales (₹ Lakh)	35,306	29,570
EBITDA (₹ Lakh)	2,584	2,012
Profit after Tax (₹ Lakh)	638	98
Fixed Assets Turnover ratio	1.46 times	1.27 times
Current Ratio	1.28	1.28
Return on Capital Employed (%)	6.16	1.95
Market value per share (In ₹ as on 31st March, BSE)	1107	1180
Sales value growth/(decline) in % over previous year	19.40	(1.28)
Sales volume growth/(decline) in % over previous year	11.45	1.81
Domestic sales value growth/(decline) in % over previous year	16.82	(8.03)
Export sales value growth/(decline) in % over previous year	20.49	1.88

Segment wise Business overview :

GRP believes its efforts to save valuable resources aligns with its ability to supply quality sustainable materials to the global automotive, engineering and infrastructure sectors. The company's products help reduce carbon foot print, aid processing, enhance properties in the customer formulations. GRP's efforts at being a global sustainable material manufacturer have been positively reinforced with the company's thrust in new businesses as a means to de-risk its future and continue to play a pivotal role in saving virgin materials. As the customer intent on increasing sustainable materials grows, we remain committed on leveraging relationships and building adjacent businesses to serve the customer needs.

As per the Indian Accounting Standards (Ind AS) – 108 on operating segments, "Reclaim Rubber" has been identified as reportable segment and smaller business segments not separately reportable have been grouped under the heading "Others".

Segment wise revenue – Revenue of ₹ 33,644 lakh was generated from Reclaim Rubber segment and revenue of ₹ 1,743 lakh was generated from Others segment.

Capital Expenditure :

Your company's investment in the core business has mainly been in automation and reducing labour dependency. We are glad to state that the process of a stage wise reduction in manpower across manufacturing operations has begun to bear fruit and your company is actively adding more lines to automate its processes. The company is also evaluating technology upgrades in its core reclaim process at specific locations to enhance productivity and quality. Digitalization initiatives in some key business processes are also likely to be kicked off during the current fiscal year to boost productivity of the workforce. Your company has successfully commissioned and witnessed energy savings by its investment in a second solar power plant at its factory in Solapur. Your company now operates and uses a fair share of its energy needs from clean sustainable sources like Wind (Panoli, Tamil Nadu), Natural gas (Ankleshwar, Panoli), Solar (Solapur). Your company aims to increase sustainable energy sources to 50% of its total power needs and we are well on our way to achieve the same.

Joint Venture & Subsidiary :

Marangoni GRP Pvt. Ltd. (MGPL), the JV company active in the Commercial Vehicle (CV) tyre retreading industry in India made significant progress in the year. Increased radialisation in the CV tyre sector has extended tyre life considerably leading to significant drop in revenue for the industry's leading players but MGPL was unaffected by this. In the year under review, six new Exclusive Franchisees were appointed taking the footprint to eight in six high truck tyre potential states. CV fleets are demanding better quality retreads and MGPL is uniquely placed to cater to this trend in the next few years due to its wide portfolio of high quality retreads supplied to fleets through its Franchisees that are fast gaining recognition as India's leading retreading stores. By the end of the year, positive word-of-mouth for the company has resulted in a steady stream of enquiries for joining the Franchisee network - a positive sign for the industry that needs a swift move from its largely unorganised nature to becoming organised. The JV company hopes to be at the forefront of this trend.

During the course of the year, high levels of localisation were achieved by the company in both retreading material as well as equipment. While the flagship product, Ringtread, continues to be imported from Marangoni, flat treads have been homologated at local manufacturers. Improved speed to market due to this is expected to help Franchisees increase their sales as well as react quickly to changes in market demand. On the equipment front, MGPL started assembling the Ringspreader in India and in future all Franchisees will receive this equipment from MGPL at an affordable price, instead of from overseas.

Company has invested during the year ₹ 327.97 lakhs as capital contribution in Gripsurya Recycling LLP (Gripsurya). With this, the company has acquired controlling interest (99.88%) in Gripsurya, from Grip Polymers Ltd., its wholly owned subsidiary. Gripsurya is now engaged only in manufacturing of ground rubber from waste tyres at its plant located in Pithampur Madhya Pradesh for exclusive supply to your company.

Your company has further invested during the year ₹ 305 lakhs in the share capital of its wholly owned subsidiary Grip Polymers Ltd.

Industry Structure & Development :

Reclaim Rubber:

This business continues to be the nucleus of GRP and helps build the foundation of the other businesses within the company. It supports tyre manufacturers fulfil their producer responsibility towards the environment and also helps save virgin rubber resources for the global rubber industry. Your company continues to invest in R&D for improving product, process and applications based on Reclaim Rubber(RR). New markets have been developed during the year under review and active partnerships with key customers have helped the RR business optimize scale, introduce new products to meet the demanding customer requirements.

At the time of entry into the financial year 2018-19, all indications were that the world economy was strengthening with major regions around the world showing an uptick in economic activity. The intervening period has brought with it escalating global trade disputes, financial stress and volatility and geo-political tensions. While global economic growth remained steady at 3.1% in the year gone by, it is expected to moderate slightly to 3% in both 2019 and 2020. In the financial year gone by, the growth in major geographies where your company has high market share like Europe, North America and South East Asia has been a positive. The automotive industry in particular has seen significant growth in these markets leading to a steady rise in requirement for tyres and other rubber products – a positive for our industry. The trade disputes between USA and China have been a favourable for your company with sales to several customers in USA increased over previous years. Your company's customers in these markets have done well resulting in a steady stream of orders and in a couple of global customers, the addition of new plants that your company started to service. In the medium to long term these additional plants will lead to appreciable volume and margin enhancement. Overall the picture in international markets can be termed as 'cautious optimism' and if the turmoil of 2018 can be arrested in 2019, the path to growth can be smoother.

India too has grown at a steady pace, albeit at a slightly lower rate of around 6.9% in the year gone by. This despite the automobile sector deaccelerating towards the latter half of the year from a period of booming sales in the previous year in both PV and CV segments. Economic growth in India considerably slowed down from Diwali onward. The capex cycle that was showing signs of pickup in the early part of the year has spluttered owning to the NBFC crisis, the continuing NPA issue in the banking sector, the lingering effects of demonetisation, complexity in implementation of GST and the uncertainty associated with the advent of general elections. The effects of this were also felt in the performance of the tyre sector in India that was marked with extended plant shutdown in Q3-Q4 leading to lower demand for raw materials. In particular, the slowdown in consumer spending in the economy led to lower sales in PV tyres (car, two-wheeler) while sales of CV tyres (truck, LCV) remained steady owing to replacement demand. The imposition of anti-dumping duty on low priced imports from China in 2017 continued to be a positive for the industry with domestic production going up significantly. However, by the end of the year, a steady state had been achieved leading to moderation in growth.

A key factor that impacts your company's industry is the prices of virgin rubbers. In the year gone by, the prices were steady but lower than previous years leading to lower motivation of substitute natural and synthetic rubber with reclaim rubber. Experience has shown that there is a sweet spot of virgin pricing beyond which customers' usage of reclaim rubber goes up; in 2018-19, prices were ruling below this sweet spot. Studies by International Rubber Study Group (IRSG), a leading rubber body, shows that this trend is expected to remain for the next 2-3 years, therefore growth will be driven by expansion in user industries rather than increased usage of reclaim rubber.

A continuing global trend – focus on sustainability – continues to be a positive for your company. Year on year increased focus is being observed at leading global companies and is expected to increase focus (and motivation) on using more reclaim and other recycled rubbers. With new products that offer significantly improved performance, your company is uniquely placed to become a 'partner' to these companies. Several global customers are also seeking stringent global certifications beyond just 'ISO 9001' and participation in global sustainability surveys to rate the company on its sustainability and CSR practices. Your company successfully acquired the IATF16949 certification for all its reclaim rubber operations, thus joining the league of a handful of such manufacturers around the world. Your company received a Silver Rating in EcoVadis 2019 Survey (Bronze Rating in 2018 Survey), a collaborative platform that provides sustainability ratings for global supply chains and a coverage across 150 countries and more than 55,000 companies.

Other Business :

The Engineering Plastics (EP) business comprises unfilled, filled Nylon and compounded engineering plastics. Your company continues to rely largely on in-house stream of raw materials generated in the Reclaim Rubber operation. Several new customer approvals have been obtained for the company's compounded Nylon and this has provided the confidence to add capacity in this business. A consolidation in the industry recently witnessed indicates control over supply as key for success in this industry and GRP continues to harness the same through its own integration. Your company has been able to make inroads here with a wider portfolio comprising glass filled PA6 that has been well received by customers. Shifting of the manufacturing unit last year has helped consolidating the operation (Closure to source of raw material) and positively impact profitability. Enhancing the product portfolio and replicating success in automotive and industrial applications will be key to long term success.

The Custom-die Forms (CDF) business continues to be stable on the revenue and margin front. This year your company has expended efforts on yield and productivity improvements and returned healthier margin than previous years. Efforts at expanding the customer base in new geographies are being pursued aggressively.

The Polymer Composites (PC) business is a technology tie-up with an American company to produce composite products from rubber and plastics. The business commenced operation in December 2017. The business is growing at a steady pace and the company has doubled its manufacturing capacity. Raw material for this business is partly sourced from the RR operation. Your company is evaluating options for further growing this business.

Opportunities, Risks and Concerns :

Your company's position as a preferred supplier of sustainable materials based on recycling continues to be strengthened further by its building and gradually establishing various Business Units (BU) that have strategic adjacency. The core focus on opportunities around recycling of EOL products under the Recycle, Reuse and Reduce mantra is expected to pay positive dividends to your company as industries and customers are increasingly looking for suppliers/partners who can help them in their sustainability journey. Continued focus on introducing new, higher performance products is a key differentiator for your company in the markets that its various BUs serve. This is expected to strengthen the competitive advantage resulting in revenue and margin enhancement.

Diversification into multiple but adjacent businesses is expected to mitigate risks associated with industry and economic cycles. Since the new businesses are 'linked' to your company's focus on recycling, the latter being a rising trend globally, risks are manageable. As the new businesses gain traction, the dependence on Reclaim Rubber will decrease improving the overall risk profile of your company. The short-term to medium-term trend of market growth in these new industry segments gave your company the confidence to achieve and maintain a profitable growth trajectory.

A growing concern, however, is the increasing competition for raw material (EOL tyres, tubes etc.) within the industry and from re-emergence of alternate users like tyre pyrolysis in India. Your company is managing this by expanding its network of suppliers in India as well as overseas and by constantly working at the R&D level to find ways to use new EOL material available in the market.

Risk Management is an established process within the company and focus has been increased at the Corporate and BU level to actively use it in making key decisions.

Outlook :

The year gone by has demonstrated the potential of revenue and margin growth from various BUs and your company is confident of steadily improving this further in the near term. RR business is operating at a high capacity utilisation, a trend expected to continue into the next year despite challenges in the macro-environment talked about earlier in this note. Focussed opportunities in the tyre sector would positively impact the profitability of the business. Investments in improving yields of the Nylon separation and compounding should yield additional revenues and commensurate profit growth in the business. Increasing global players presence will be a positive for your company on account of their focus on use of sustainable materials and your company is well poised to exploit this trend. The PC business will gain further traction on the back of robust demand growth from the technology partner and likely addition of multiple production lines. The CDF business is likely to maintain status quo but will continue to provide the much needed leverage over raw mateials for the Reclaim Rubber business.

Internal Control Framework:

Your Company conducts its business with integrity and high standards of ethical behaviour, and in compliance with the laws and regulations that govern its business. Your Company has a well-established framework of internal controls in operation, supported by standard operating procedures, policies and guidelines, including suitable monitoring procedures and self-assessment exercises. There are Internal Audit and Compliance functions in place which are responsible for independently evaluating the adequacy of all internal controls and ensuring operating and business units adhere to internal processes and procedures as well as to regulatory and legal requirements. The audit function also proactively recommends improvements in operational processes.

In addition to external audit, the financial and operational controls of your Company at various locations are reviewed by the Internal Auditors, to report significant findings to the Audit Committee of the Board. The Audit Committee reviews the adequacy and effectiveness of the implementation of audit recommendations including those relating to strengthening the Company's risk management policies and systems. Compliance with laws and regulations is also monitored through a matrix of a well laid down framework which requires individual functions to confirm and report statutory compliances on all laws and regulations concerning their respective functions and which gets integrated with the overall compliance reporting on all laws and regulations for the purposes of review and monitoring by the Audit Committee.

People and Practices :

The Company recognizes the importance and contribution of its human resources for its growth & development and values their talent, integrity and dedication. The Company continues to foster a high performance culture by recognizing good performers and providing them with career enhancing opportunities. Several HR initiatives have been taken for the strategic alignment of HR function with the business objectives. These initiatives encompass employee engagement, learning & development. The Company has been successful in attracting and retaining key professionals and intends to continue to seek fresh talent to further enhance and grow its business.

The GRP Board continues to challenge the management and push for higher targets. The Board's well rounded experience comprises individuals with experience in leading tyre industry, chemical industry, private equity, branding & marketing fields. The Board continues to provide long term direction to the Company and engages actively towards initiatives inputs on the Company's long-term vision.

Manufacturing operations :

Your Company has yet again raised the bar for the industry by receiving the much recognised IATF 16949 certification, as a validation of the rigorous process standards it adheres to in all its areas of operation. This stringent automotive industry standard has given your Company a distinct competitive advantage and is certain to help gain approvals of major customers in coming months for its RR and EP businesses. Company is now entering third year of its campaign of undertaking significant technology upgrade in its manufacturing processes. This year, the Company is also planning to embark on a significant digitalization drive in line with Industry 4.0 across its business and operating processes.

Environment, Health and Safety (EHS):

Your Company targets zero injuries and incidents via an active EHS program deployed across all its plant locations and HO. As a part of this program various systems like Air Pollution Control System, Fume Extraction System and Eco Ventilators are in place at all its manufacturing sites. Required safety systems are in place at all sites to maintain high standard of safety and health of employees as well as plant machinery, building and material. Safety Council, comprising of a cross-functional plant teams, as well as third party EHS audits have been instituted to identify, assess and mitigate the risks in the EHS area. Ongoing automation drive is also helping significantly improve the shop floor ergonomics across its plants.

Raw Materials :

All the businesses of your company rely predominantly on a single raw material – EOL tyres. Your company's ability to consume the same in either of its BU's lends it an advantage when volatility of prices could otherwise impact margins. With EP, PC, CDF businesses stabilised, your company expects any pressure emanating from material availability & price volatility to be absorbed by its ability to consume these materials.

Risk Management :

Enterprise Risk Management (ERM) process is embedded in the organization's working methodologies and decision making process and is aligned to the Company's Strategic Planning Process. The process involves identification, evaluation, mitigation and review of risks and opportunities both at business and enterprise level.

ERM process is owned by the internal committee consists of functional heads and is a comprehensive process that ensures coverage of major strategic, marketing, finance, people related, environmental, economic and operational risks that could possibly derail achievement of the company's objectives and goals.

Risk owners, identified for each risk, prepare detailed mitigation plans which are formulated based on projects undertaken and in line with the company's goals, both short and long term.

ERM framework promotes a risk aware culture with a monthly risk review mechanism in place by individual and cross-functional teams with quarterly reporting of the enterprise risks and mitigation plans to the Audit Committee of the Board.

Sustainability practices :

Your company has in place the process, equipment and know-how to operate each of its facility as a zero discharge facility. In the year gone by, your company successfully commissioned an additional solar power plant at its factory in Solapur taking the total solar energy capacity to 1 MW. In line with its focus on clean energy, your company now has a combination of Solar, Wind, Natural Gas plants to serve upto 50% of its energy needs. Further investments in clean energy sources are constantly being explored at all plant locations. Your company remains committed to adopting specific targets across 3 sustainable development goals (SDGs) under the United Nations Global Compact (UNGC) framework and investments in achieving these remain a key priority for the company. In times when the regulatory requirements for the industry we operate in require stringent norms, this is a huge advantage for customers' need for stability and to have a material producer without any risk of continuity.

Cautionary Statement :

Statements in the Management Discussion and Analysis describing the company's objectives, projections, estimates and expectation may be forward looking within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied. The company assumes no responsibility to publicly amend, modify or reverse any forward looking statements, on the basis of any subsequent developments, information or events.

For and on behalf of the Board of Directors

Place : Mumbai	Rajendra Gandhi	Harsh Gandhi
Date : 27th May, 2019	Managing Director	Joint Managing Director

Report on Corporate Governance

Annexure 3

Corporate Governance may be described as a set of systems, processes and principles which ensure that a company is governed in the best interest of all stakeholders. It ensures commitment to values and ethical conduct of business, transparency in business transactions, statutory and legal compliances; adequate disclosures and effective decision-making to achieve corporate objectives. In other words, Corporate Governance is about promoting corporate fairness, transparency and accountability. Good Corporate Governance is simply Good Business.

1. Company's Philosophy on Corporate Governance

Corporate Governance ensures fairness, transparency and integrity of the management. Corporate Governance is a way of life, rather than a mere legal compulsion. It further inspires and strengthens investor's confidence and commitment to the Company. Any good Corporate Governance provides an appropriate framework for the Board, its committees and senior management, to carry out the objectives that are in the interest of the Company and the stakeholders.

The Company maintains the highest levels of transparency, accountability and good management practices through the adoption and monitoring of corporate strategies, goals and procedures to comply with its legal and ethical responsibilities.

We believe that sound Corporate Governance is critical to enhancing and retaining investor trust. Accordingly, we always seek to ensure that we attain our performance goals with integrity. Our Board exercises its fiduciary responsibilities in the widest sense of the term.

In compliance with the disclosure requirements as mentioned in Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details are set out in this report.

2. Board of Directors

i) Composition:

The composition of the Board of Directors of the Company was in conformity with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year 2018-19. The Board of Directors of the Company has an optimum combination of Executive, Non-Executive and Independent Directors who have an in-depth knowledge of business, in addition to the expertise in their areas of specialization. As on 31st March, 2019, the Board of Directors comprises of eight directors, out of these one Executive Director (Promoter) as the Managing Director, three Non-Executive & Independent Directors, three Non-executive & Non-independent Directors and one Executive Non-independent Director. Chairperson of the Board is Non-executive Director. Necessary disclosures have been obtained from all the directors regarding their directorship and have been taken on record by the Board. All the Independent Directors have confirmed that they meet the criteria of independence as mentioned under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 149 of the Companies Act, 2013.

ii) Board Meeting:

Dates of Board Meeting	26th May 2018	7th August 2018	31st October 2018	12th February 2019
Board Strength	8	8	8	8
No. of Directors present	8	8	8	8

Board procedure: The Company places before the Board all the details as required under Part A of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The dates for the board meetings are fixed after taking into account the convenience of all the directors and sufficient notice is given to them. The agenda is circulated in advance to the Board members. All the information required for decision making are incorporated in the agenda. The information that cannot be included in the agenda is tabled at the meeting. The Managing Director and Joint Managing Director at the Board meetings keep the Board apprised of the overall performance of the Company.

Attendance and other directorships: The attendance of the Board of Directors and related information as on 31st March, 2019 is asunder:

Name of Director & Designation	Category	No. of Board Meetings		Attendance at Last AGM on 16.08.2018	Number of Directorships in other Indian Public Limited Companies	No. of Committees #	
		Held	Attended			Member	Chairperson
Dr. Peter Philip	Non Executive and Non Independent (Chairperson)	4	4	Yes	5	1	0
Rajendra V. Gandhi (Managing Director)	Executive (Promoter)	4	4	Yes	2	3	1
Mahesh V. Gandhi	Non Executive(Promoter)	4	4	Yes	1	0	0
Rajeev M. Pandia	Non Executive and Independent	4	4	Yes	5	5	2
Saurabh S. Shah	Non Executive and Independent	4	4	No	1	2	0
Alpana Parida	Non Executive and Independent	4	4	Yes	6	6	1
Nayna R. Gandhi	Non Executive and Non Independent	4	4	Yes	1	0	0
Harsh R. Gandhi (Joint Managing Director)	Executive (Promoter Group)	4	4	Yes	1	1	0

\# It excludes committees other than Audit committee, Stakeholders Relationship committee and companies other than public limited company but includes committee membership / Chairmanship in GRP Ltd.

iii) Disclosure of relationship between directors inter-se:

a) Rajendra V. Gandhi and Mahesh V. Gandhi are related to each other as brothers.

b) Harsh R. Gandhi is the son of Rajendra V. Gandhi and Nayna R. Gandhi.

c) Nayna R. Gandhi is wife of Rajendra V. Gandhi and mother of Harsh R. Gandhi.

Except the above, there is no other inter-se relationship between the directors.

iv) Shareholding of the Non-Executive Directors in the company as on 31st March, 2019 :-

Name of the Non-executive Director	No. of shares held
Dr. Peter Philip	1333
Mahesh V. Gandhi	62550
Rajeev M. Pandia	Nil
Saurabh S. Shah	Nil
Nayna R. Gandhi	44405
Alpana Parida	Nil

v) Web link where details of familiarization programs imparted to independent directors has been given, is as follows: http://www.grpweb.com/pdf/Familiarization%20program%20for%20Independent%20Directors%202018-19.pdf

vi) Matrix setting out the core skills / expertise / competencies identified by the board of directors for it to function effectively as required in the context of the business of the company is provided and the board collectively confirms that all these skills / expertise / competencies are actually available with the board :

Strategy and planning	Executive Management	Finance	Marketing & Communications
Innovation and change orientation	Commercial	Expert industry knowledge	Governance and Compliance

vii) In the opinion of the board, the independent directors fulfill the conditions specified in SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and are independent of the management.

3. Audit Committee

i) Brief description of terms of reference:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
   a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
   b. Changes, if any, in accounting policies and practices and reasons for the same
   c. Major accounting entries involving estimates based on the exercise of judgment by management
   d. Significant adjustments made in the financial statements arising out of audit findings
   e. Compliance with listing and other legal requirements relating to financial statements
   f. Disclosure of any related party transactions
   g. modified opinion(s) in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;

12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background etc. of the candidate;
20. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

ii) Composition, Name of Members and Chairperson

Name of Director	Current position held in the committee	Category	Audit Committee Meetings	
			Held	Attended
Rajeev M. Pandia	Chairperson	Non Executive Independent	4	4
Dr. Peter Philip	Member	Non Executive Non Independent	4	4
Saurabh S. Shah	Member	Non Executive Independent	4	4
Alpana Parida	Member	Non Executive Independent	4	4

iii) Meetings during the year

Audit Committee met four times during the last financial year on 26th May, 2018; 7th August, 2018, 31st October, 2018 and 12th February, 2019.

4. Nomination and Remuneration Committee:

i) Brief description of terms of reference

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board of Directors;
3. Devising a policy on diversity of Board of Directors;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.
5. Recommend to the board, whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
6. Recommend to the board, all remuneration, in whatever form, payable to senior management.

ii) Composition, Name of members and Chairperson

Name of Director	Current position held in the committee	Category	Nomination and Remuneration Committee Meeting	
			Held	Attended
Rajeev M. Pandia	Chairperson	Non-Executive Independent	3	3
Dr. Peter Philip	Member	Non-Executive Non Independent	3	3
Alpana Parida	Member	Non-Executive Independent	3	3

iii) Meetings during the year

The Committee met three times during the last financial year on 26th May, 2018; 7th August, 2018 and 12th February, 2019.

iv) **Performance evaluation criteria for independent directors:**

The Committee formulates evaluation criteria for the Independent Directors which is broadly based on:

a) Knowledge to perform the role;

b) Time and level of participation;

c) Performance of duties and level of oversight; and

d) Professional conduct and independence.

5. **Remuneration of Directors:**

i) During the financial year 2018-19, the Company has made the following payments to the Non-executive Directors:

Sr. No.	Name of Director	Sitting Fees (₹)	Commission (₹)
1	Dr. Peter Philip	1,54,000/-	Nil
2	Mahesh V. Gandhi	75,000/-	Nil
3	Rajeev M. Pandia	2,35,000/-	10,90,000/-
4	Alpana Parida	2,29,000/-	Nil
5	Saurabh S. Shah	2,17,000/-	Nil
6	Nayna R. Gandhi	75,000/-	Nil

ii) **Criteria of making payments to Non-executive Directors:**

a) All the remuneration of the Non- Executive Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under the Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.

b) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.

c) Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:

i) The Services are rendered by such Director in his capacity as the professional; and

ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

iii) **Details of Remuneration paid to the Managing Director and Joint Managing Director for the year ended 31st March, 2019.**

Total remuneration paid to the Managing Director and Joint Managing Director during the financial year 2018-19 was as under :

Name	Designation	Salary (₹)	Commission (₹)	Contribution to Provident and Pension Fund
Rajendra V. Gandhi	Managing Director	90,20,000	Nil	10,16,400
Harsh R. Gandhi	Joint Managing Director	1,35,50,000	Nil	12,00,000

6. **Stakeholders Relationship Committee:**

i) **Composition, Name of members and Chairperson**

Name of Director	Category	Current position held in the committee	Stakeholders Relationship Committee Meeting	
			Held	Attended
Rajeev M. Pandia	Non-Executive Independent	Chairperson	1	—
Rajendra V. Gandhi	Executive Non Independent	Member	1	1
Harsh R. Gandhi	Executive Non Independent	Member	1	1

ii) **Name & Designation of Compliance Officer**

Ganesh A. Ghangurde, Chief Compliance Officer

iii) **A Statement of various complaints received and cleared by the Company during the financial year 2018-19 is given below:**

Nature of Complaints	Received	Cleared	Pending
Non receipt of annual report	1	1	Nil
Non receipt of dividend	1	1	Nil
Total	2	2	Nil

7. **Corporate Social Responsibility (CSR) Committee :**

i) Brief description of terms of reference

- Formulate and update CSR Policy, which will be approved by the Board
- Suggest areas of intervention to the Board
- Approve projects that are in confirmative with the CSR policy
- Put monitoring mechanisms in place to track the progress of each project
- Recommend the CSR expenditure to the Board for approval

ii) Composition, Name of members and Chairperson

Name of Director	Category	Current position held in the committee
Rajeev M. Pandia	Non-Executive Independent	Chairperson
Rajendra V. Gandhi	Executive (Promoter)	Member
Harsh R. Gandhi	Executive Director	Member

8. **Meeting of Independent Directors:**

The year under review, all the Independent Directors of the Company met on 12th February, 2019, to review the performance of non- Independent Directors and the Board as a whole, review the performance of the Chairperson of the Company and had assessed the quality, quantity and timeliness of flow of information between the company management and the Board.

9. **General Body Meetings**

Financial Year ended	Date & Time	Nature	Special Resolutions passed
31st March, 2016	21st September, 201612.30 P.M.	AGM	• Appointment of Alpana Parida as an Independent Director of the Company • Reappointment & revision in remuneration of Rajendra V. Gandhi as Managing Director • Payment of Commission to Non-Executive Director
31st March, 2017	10th August, 201712.30 P.M.	AGM	• Ratification of remuneration payable to Cost Auditor for the financial year 2016-17 • Ratification of remuneration payable to Cost Auditor for the financial year 2017-18
31st March, 2018	16th August, 201812.30 P.M.	AGM	• Appointment of Saurabh Shah as an Independent Director of the Company • Reappointment and revision in remuneration of Harsh R. Gandhi as Joint Managing Director • Ratification of remuneration payable to Cost Auditor for the financial year 2018-19

Venue for all the above mentioned general meetings was Registered Office i.e. Plot No.8, GIDC Estate, Ankleshwar, Dist Bharuch, Gujarat – 393002.

During the financial year 2018-19 under review, resolutions were passed by the shareholders through postal ballot. The Board had appointed Mr. Chetan R. Shah, Practicing Company Secretary, as the scrutinizer to scrutinize the postal ballot process. The result of the postal ballot was announced on 28th March, 2019. Details of these resolutions and the voting pattern were as follows :

Description of Resolutions	Total Votes in favour of the resolution (E-voting and voting by postal ballot)	Total Votes against the resolution (E-voting and voting by postal ballot)
Reappointment of Rajeev M. Pandia as an Independent Director for a second consecutive term of 5 years with effect from 1st April, 2019	2,94,381	250
Approval for continuation of current term of Dr. Peter Philip, Non-executive Director	2,94,381	250
Approval for continuation of current term of Mahesh V. Gandhi, Non-executive Director	2,89,281	5,250

10. **Disclosures :**

i) During the financial year 2018-19, besides the transactions reported elsewhere in the Annual Report, there were no other related party transactions with the promoters, directors and management that had a potential conflict with the interest of the Company at large.

All the transactions with related parties are periodically placed before the Audit Committee. Transactions with related parties, as per requirements of Ind AS 24, are disclosed in Note No.36 to the Accounts in the Annual report and they are not in conflict with the interest of the Company at large.

ii) There have been no instances of non-complianceon any matter with the rules and regulations prescribed by the Stock Exchanges, Securities and Exchange Board of India or any other statutory authority relating to the capital markets during the last three financial years.

iii) The company has framed a formal whistle blower policy and affirm that the employees of the company have free access to the Board of Directors, Audit Committee and Senior Management personnel to report their concerns about unethical behaviour, fraud or violation of statutory requirements, with assurance from the management to protect the employees from victimization in case they report any such unethical or fraudulent behaviour.

iv) The company has complied with the mandatory requirements regarding the Board of Directors, Audit Committee and other Board committees and other disclosures as required under the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The company has not adopted non-mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

v) Policies for related party transactions and for determining material subsidiaries:

The web link to access the above two policies hosted by the company on its website www.grpweb.com are as under:

a) http://www.grpweb.com/pdf/Related%20Party%20Transaction%20Policy.pdf

b) http://www.grpweb.com/pdf/Policy%20for%20determining%20material%20subsidiaries.pdf

vi) Company has taken suitable steps from time to time for protecting it against foreign exchange risk(s).

11. Means of Communication :

The company regularly publishes its quarterly, half-yearly and annual results within the prescribed time limit and in the prescribed format in National and Regional Daily Newspapers viz. Financial Express and Gujaratmitra. These results are also made available on the web site of the company www.grpweb.com

Company is also in compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding the communication to the stock exchanges.

12. General Shareholder information :

i) Annual General Meeting

Day, date and time	Thursday 22nd August, 2019 at 12.30 p.m.
Venue	Plot No. 8, G.I.D.C. Estate, Ankleshwar – 393002

ii) Financial year: 1st April, 2018 to 31st March, 2019.

iii) Date of Book Closure

From 17th August, 2019 to 22nd August, 2019 (both days inclusive).

iv) Dividend payment date

Date of payment of dividend for the financial year 2018-19, shall be within 30 days from 22nd August, 2019.

v) Listing on Stock Exchanges:

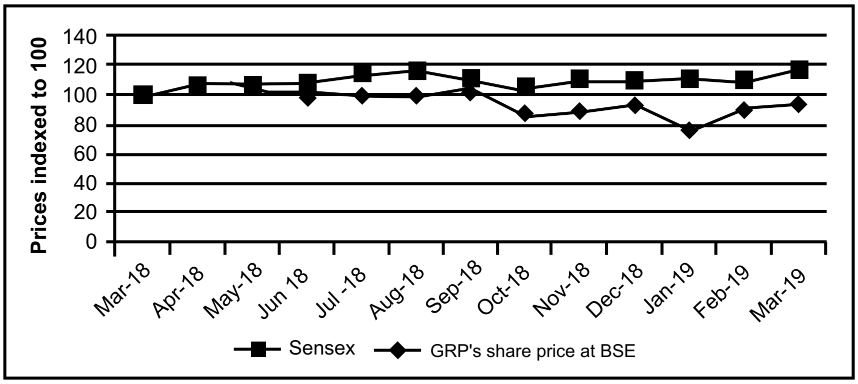
Name of Stock Exchange	Scrip Code	ISIN No.
BSE Ltd.	509152	INE137I01015
National Stock Exchange of India Limited	GRP LTD	

The listing fees have been paid to both the above Exchanges for the financial year 2019-20.

vi) Market Price Data: High, low during each month during the financial year 2018-19. Monthly Share Price data of the Company's equity shares of ₹ 10/- each fully paid up, traded on BSE Ltd. and National Stock Exchange of India Limited for the year ended 31st March, 2019 is as under :

Month	BSE		NSE	
	Highest Rate (₹)	Lowest Rate (Rs.)	Highest Rate (₹)	Lowest Rate (₹)
April-18	1350.00	1150.00	1359.95	1189.00
May-18	1360.00	1176.50	1311.15	1152.50
June-18	1250.05	1161.00	1278.40	1128.00
July-18	1243.00	1130.45	1249.00	1135.25
August-18	1327.00	1133.00	1252.00	1160.50
September-18	1300.00	1120.00	1307.55	1102.00
October-18	1201.00	990.75	1235.00	968.10
November-18	1269.90	1020.00	1300.05	1010.00
December-18	1180.00	968.00	1245.00	963.00
January-19	1130.00	855.00	1145.00	840.00
February-19	1100.00	901.00	1119.95	876.00
March-19	1161.90	1032.30	1190.00	1030.00

vii) **Performance in comparison to BSE sensex**



viii) **Name and Address of the Registrar and Share Transfer Agent :**

Universal Capital Securities Pvt. Ltd. 21, Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Caves Road, Andheri (E), Mumbai – 400 093. Tel:022-28366620. Fax:022-28207207. E-mail : gamare@unisec.in

ix) **Share Transfer System:**

SEBI has amended regulation 40 of SEBI (LODR) Regulations, 2015 vide Notification dated 30th November, 2018 and in terms of said notification except in case of transmission or transposition of shares, requests for effecting transfer of shares shall not be processed unless the shares are held in the dematerialized form with a depository after 1st April, 2019.

The requests for the dematerialization of shares are processed by Registrar and Share Transfer Agents and if all the documents are found to be in order, the same are approved by them with in a period of fifteen days.

Transfer of equity shares in electronic form are done through the depositories with no involvement of the Company and Registrar and Share Transfer Agent updates record on weekly basis.

(1) Distribution of Share Holding as on 31st March, 2019 :

No. of shares held		Shareholders		Shareholding		Share Amount	
From	**To**	**Number**	**% to Total**	**Holdings**	**% to Total**	**₹**	**% to Total**
1	500	3054	92.94	176060	13.21	1760600	13.21
501	1,000	99	3.01	76361	5.73	763610	5.73
1,001	2,000	52	1.58	75882	5.69	758820	5.69
2,001	3,000	21	0.64	55495	4.16	554950	4.16
3,001	4,000	13	0.40	45721	3.43	457210	3.43
4,001	5,000	10	0.31	48262	3.62	482620	3.62
5,001	10,000	8	0.24	58875	4.41	588750	4.41
10,001	And above	29	0.88	796677	59.75	7966770	59.75
	Total	**3286**	**100.00**	**1333333**	**100.00**	**13,333,330**	**100.00**

(2) Shareholding pattern as on 31st March, 2019

Categories	**No. of Shares**	**Amount in ₹**	**% to total**
Promoter and Promoter Group holding	557667	5576670	41.83
Public holding			
Mutual Funds	50	500	0.00
Foreign Portfolio Investors	450	4500	0.03
Individual shareholders holding nominal share capital up to ₹ 2 lakh	474023	4740230	35.55
Individual shareholders holding nominal share capital in excess of ₹ 2 lakh	170993	1709930	12.82
Clearing Members	899	8990	0.07
Bodies Corporate	67234	672340	5.04
Non-Resident Indian (NRI)	23919	239190	1.79
LLP	15936	159360	1.20
HUF	17412	174120	1.31
IEPF	4750	47500	0.36
Total :	**1333333**	**1333330**	**100.00**

(3) Dematerialization of Shares: The Company has established connectivity with Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL) for dematerialization of shares and the same are available in electronic segment under ISIN - INE137I01015. As on 31st March, 2019, Equity shares of the Company representing 96.23% of the Company's equity share capital were in electronic form.

x) The Company has not issued any GDRs / ADRs, warrants or any other convertible instruments.

xi) Plant Locations

- Ankleshwar & Panoli, Dist. Bharuch, Gujarat.
- Chincholi & Akkalkot Road, Dist. Solapur, Maharashtra.
- Perundurai, Dist. Erode, Tamilnadu.

xii) Address for Correspondence :

GRP Limited
510, "A" Wing, Kohinoor City Commercial – I, Kirol Road, Off. L. B. S. Marg,
Kurla (W), Mumbai 400 070.
Telephone: +(91)-(22)-67082500/67082600
Email : investor.relations@grpweb.com

xiii) Credit rating by CRISIL Limited:
Long-Term Rating CRISIL BBB+/Stable (Reaffirmed)
Short-Term Rating CRISIL A2 (Reaffirmed)

13. Declaration by the Joint Managing Director for compliance with code of conduct in pursuance of Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

I hereby declare that all the board members and senior management personnel of the company have affirmed to the board of directors, their compliance with the code of conduct of the company for the financial year 2018-19, pursuant to Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Place : Mumbai
Date : 27th May, 2019

Harsh Gandhi
Joint Managing Director

14. CEO and CFO certification, issued pursuant to the provisions of Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

To The Board of Directors of GRP Ltd.

We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2019 and that to the best of our knowledge and belief, we state that:

A. (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(2) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit committee:

(1) that there are no significant changes, in internal control over financial reporting during the year;

(2) that there are changes in accounting policies during the year on account of 'Ind AS' adoption and the same have been disclosed in the notes to the financial statements; and

(3) that there are no instances of significant fraud of which we have become aware.

Shilpa Mehta
Chief Financial Officer

Harsh Gandhi
Joint Managing Director

Mumbai, 27th May, 2019

The above certificate was placed before the meeting of Board of Directors held on 27th May, 2019.

15. Auditors' Certificate on Corporate Governance

Certificate regarding compliance of conditions of Corporate Governance, as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, issued by M/s. DKP & Associates, Chartered Accountants, auditors of the company, is annexed to this report.

Annexure 4

Independent Auditor's Certificate on Corporate governance

To

The Members of GRP Limited

1. We DKP & Associates, Chartered Accountants, the Statutory Auditors of GRP LTD. (“the Company”), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March, 2019, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and Para C and D of schedule V of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 as amended (“SEBI Listing Regulations”).

Managements' Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

Auditor's Responsibility

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

4. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

5. We have carried out an examination of the relevant records of the Company in accordance with Guidance Note on the Certification of Corporate Governance issued by the Institute of Chartered Accountant of India (the ICAI), the standard on Auditing specified under section 143(10) of the Companies Act,2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on reports or certificate for Special purposes issued by the ICAI which requires that we comply with the ethical requirements of Code of Ethics issued by ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on our examination of the relevant records and according to the information and explanation provided to us and the representation provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and Para C and D of schedule V of the SEBI Listing Regulations during the year ended 31st March, 2019.

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

For DKP & Associates
Chartered Accountants
(Registration No.126305W)

D.K Doshi
Partner
Membership No. 037148
UDIN:19037148AAAAAI6536

Place : Mumbai
Date : 26th June , 2019

Annexure 5

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31STMARCH, 2019
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
GRP LIMITED.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **GRP LIMITED** (hereinafter called "the Company")(CIN:L25191GJ1974PLC002555) having its registered office at Plot No.8, GIDC Estate, Ankleshwar–393002, Dist. Bharuch, Gujarat. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **[Not applicable as the Company has not issued further capital under the regulations during the financial year under review**]

  (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **[Not applicable as the Company has not implemented any Share Based Employee Benefits scheme under the regulations]**

  (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **[Not applicable as the Company has not issued and listed any debt securities.**]

  (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **[Not applicable as the Company is not registered as a Registrars to an Issue or Share Transfer Agent during the financial year under review]**

  (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **[Not applicable as the Company has not delisted / proposed to delist its Equity Shares from any Stock Exchange during the financial year under review**]

  (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **[Not applicable as the Company has not bought back / proposed to bought back its Equity Shares during the financial year under review**]

  (i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(vi) Other laws as may be applicable specifically to the Company:

- Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008
- Indian Boilers Act, 1923

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

(i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with BSE Ltd. and National Stock Exchange of India Limited.

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

A) The Company has maintained a Register of Directors' Attendance as prescribed in the Secretarial Standards.

B) The Directors have signed against their respective names after the meeting has been held.

C) The Company had received one proxy form for the Annual General Meeting for the financial year ended 31st March, 2018.

D) The Company has complied with requirements of at least one-third of the total number of directors as independent directors as stated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

E) The Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited and National Stock Exchange of India Limited.

F) The Company has obtained all necessary approvals under the various provisions of the Act;

G) As reported by the Management, there was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director.

The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

The following observations are made:

A) The Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings / debenture holdings and directorships in other companies and interests in other entities;

B) The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct and ethics for Directors and Management Personnel;

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

I further report that during the audit period, the Company has no major / specific events, actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above viz.

(i) Public/Right/Preferential issue of shares / debentures/sweat equity etc.

(ii) Redemption / buy-back of securities

(iii) Decision by the members of the Company pursuant to section 180 of the Companies Act, 2013.

(iv) Merger/ amalgamation / reconstruction etc.

(v) Foreign technical collaborations.

Chetan R. Shah
Company Secretary in Practice:
F.C.S. No.: 2703
C. P. No.: 4253

Place: Ahmedabad
Date : 17th May, 2019

Annexure 6

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31st 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:

i.	CIN	L25191GJ1974PLC002555
ii.	Registration Date	29.06.1974
iii.	Name of the Company	GRP Limited
iv.	Category/Sub-Category of the Company	Company having Share Capital
v.	Address of the Registered office and contact details	Plot No. 8, GIDC Estate, Ankleshwar – 393 002, Gujarat, India.
vi.	Whether listed Company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Universal Capital Securities Pvt. Ltd., 21, Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Caves Road, Andheri (E), Mumbai – 400 093.

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	Reclaimed Rubber	38300	95.07

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

1.	Name and Address of The Company	**GRIP POLYMERS LIMITED** 510, 'A' Wing, Kohinoor City Commercial - I, Kirol Road, Off L. B. Shastri Marg, Kurla (West), Mumbai 400 070.
2.	CIN/GLN	U25200MH1993PLC074922
3.	Holding/ Subsidiary/Associate	Wholly Owned Subsidiary
4.	% of shares held	100 %
5.	Applicable Section	Section 2(87)

1.	Name and Address of The Company	**MARANGONI GRP PRIVATE LIMITED** 510, 'A' Wing, Kohinoor City Commercial - I, Kirol Road, Off L. B. Shastri Marg, Kurla (West), Mumbai 400 070.
2.	CIN/GLN	U37100MH2015PTC271260
3.	Holding/ Subsidiary / Associate	Associate (Joint Venture)
4.	% of shares held	50 %
5.	Applicable Section	Section 2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2018)				No. of Shares held at the end of the year (31.03.2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/ HUF	471994	0	471994	35.40	471160	100	471260	35.34	-0.06
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp	86407	0	86407	6.48	86407	0	86407	6.48	0.00
e) Banks / FI	0	0	0	0	0	0	0	0	0.00
f) Any Other	0	0	0	0	0	0	0	0	0.00
Sub-total (A) (1):-	558401	0	558401	41.88	557567	100	557667	41.82	-0.06

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2018)				No. of Shares held at the end of the year (31.03.2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. **Foreign** (A) (2)	0	0	0	0.00	0	0	0	0.00	0.00
Total shareholding of Promoter (A) = (A)(1) +(A)(2)	558401	0	558401	41.88	557567	100	557667	41.82	-0.06
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	50	0	50	0.00	0	50	50	0.00	0.00
b) Foreign Portfolio Investor	2600	0	2600	0.20	450	0	450	0.03	-0.17
c) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(1)	2650	0	2650	0.20	450	50	500	0.03	-0.17
2. Non Institutions									
a) Bodies Corp.									
(i) Indian	48002	467	48469	3.64	66767	467	67234	5.04	1.40
(ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
(i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	373991	45110	419101	31.43	378610	32210	410820	30.81	-0.62
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	224800	17499	242299	18.17	216697	17499	234196	17.56	-0.61
c) NBFCs	50	0	50	0.00	0	0	0	0.00	0.00
d) Others (Specify)									
i) Clearing Members	6478	0	6478	0.49	899	0	899	0.07	-0.42
ii) NRI's	18087	0	18087	1.36	23919	0	23919	1.79	0.43
iii) LLP/partnership firm	14619	0	14619	1.10	15936	0	15936	1.20	0.10
iv) HUF	19529	0	19529	1.46	17412	0	17412	1.31	-0.15
v) IEPF Suspense A/c	3650	0	3650	0.27	4750	0	4750	0.36	0.09
Sub-total (B)(2)	709206	63076	772282	57.92	724990	50176	775166	58.14	0.22
Total Public Shareholding (B)=(B)(1)+ (B)(2)	711856	63076	774932	58.12	725440	50226	775666	58.18	0.06
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)	1270257	63076	1333333	100.00	1283007	50326	1333333	100.00	0.00

i. **Shareholding of Promoters**

Sr. No.	Name	Shareholding at the beginning of the year (01.04.2018)			Shareholding at the end of the year (31.03.2019)			% change in share holding 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.	Rajendra V. Gandhi	25594	1.92	0.00	25594	1.92	0.00	0.00
2.	Mahesh V. Gandhi	62550	4.69	0.00	62550	4.69	0.00	0.00
3.	Nikhil M. Desai	5	0.00	0.00	5	0.00	0.00	0.00
	Total	88149	6.61	0.00	88149	6.61	0.00	0.00

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

Sr. No.		Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
A	At the beginning of the year (01.04.2018)				
	Rajendra V. Gandhi	25594	1.92		
	Mahesh V. Gandhi	62550	4.69		
	Nikhil M. Desai	5	0.00		
B	Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No change			
C	At the end of the year (31.03.2019)				
	Rajendra V. Gandhi			25594	1.92
	Mahesh V. Gandhi			62550	4.69
	Nikhil M. Desai			5	0.00

iv. **Shareholding Pattern of top ten Shareholders**
(Other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.		Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
A	At the beginning of the year (01.04.2018)				
1	Meera Philip	81666	6.12		
2	Enarjee Consultancy & Trading Company LLP	59074	4.43		
3	Rashmi M Gandhi	50209	3.77		
4	Rajendra V Gandhi HUF	47125	3.53		
5	Mammen Philip	37816	2.84		
6	Harish V Gandhi	32608	2.44		
7	Koushik Sekhar	26767	2.00		
8	Harsh R Gandhi HUF	22000	1.65		
9	Anil Kumar Goel	20600	1.55		
10	Divya Atul Desai	17193	1.29		
B	Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):				
1	Koushik Sekhar– Market purchase	4144	0.31	30911	2.31
2.	Udaipur Cotton Mills Company Ltd - Market Purchase	39838	2.99	39838	2.99
C	At the end of the year (31.03.2019)				
1	Meera Philip			81666	6.12
2	Enarjee Consultancy & Trading Company LLP			59074	4.43
3	Rashmi M Gandhi			50209	3.77
4	Rajendra V Gandhi HUF			47125	3.53
5	Udaipur Cotton Mills Company Ltd			39838	2.99
6	Mammen Philip			37816	2.84
7	Harish V Gandhi			32608	2.44
8	Koushik Sekhar			30911	2.31
9	Harsh R Gandhi HUF			22000	1.65
10	Anil Kumar Goel			20600	1.55
11	Divya Atul Desai			17193	1.29

v. **Shareholding of Directors and Key Managerial Personnel:**

Sr. No.		Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
A	At the beginning of the year (01.04.2018)				
1	Rajendra V. Gandhi	25594	1.92		
2	Harsh R. Gandhi	58452	4.38		
3	Mahesh V. Gandhi	62550	4.69		
4	Dr. Peter Philip	1333	0.10		
5	Rajeev M. Pandia	0	0.00		
6	Alpana Parida	0	0.00		
7	Saurabh Shah	0	0.00		
8	Nayna R. Gandhi	44405	3.33		
9	Ganesh A. Ghangurde (KMP) *	266	0.02		
10	Shilpa Mehta (KMP) **	0	0.00		
11	Abhijeet Sawant (KMP) ***	0	0.00		
B	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
3	Harsh R. Gandhi				
	Transfer (19.04.2018)	(12600)	(0.94)	45852	3.44
C	At the end of the year (31.03.2019)				
1	Rajendra V. Gandhi			25594	1.92
2	Harsh R. Gandhi			45852	3.44
3	Mahesh V. Gandhi			62550	4.69
4	Dr. Peter Philip			1333	0.10
5	Rajeev M. Pandia			0	0.00
6	Alpana Parida			0	0.00
7	Saurabh Shah			0	0.00
8	Nayna R. Gandhi			44405	3.33
9	Ganesh A. Ghangurde (KMP) *			266	0.02
10	Shilpa Mehta (KMP) **			0	0
11	Abhijeet Sawant (KMP) ***			0	0

* KMP upto 12.02.2019, ** Appointed as a KMP w.e.f. 07.08.2018, *** Appointed as a KMP w.e.f. 13.02.2019

vi **INDEBTEDNESS**

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

(₹ in lakh)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2018)				
i) Principal Amount	5,556.73	47.75	60.40	5,664.88
ii) Interest due but not paid	11.46	0.00	0.00	11.46
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	5,568.19	47.75	60.40	5,676.34
Change in Indebtedness during the financial year				
- Addition	813.70	0.00	0.00	813.70
- Reduction	0.00	(18.12)	0.00	(18.12)
Net Change	813.70	(18.12)	0.00	795.58
Indebtedness at the end of the financial year (31.03.2019)				
i) Principal Amount	6361.28	29.63	60.40	6451.31
ii) Interest due but not paid	20.61	0.00	0.00	20.61
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	6381.89	29.63	60.40	6471.92

vii. **REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

A. **Remunerationto Managing Director, Whole-time Directors and/or Manager** (Amount in ₹)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total
1.	Gross salary	R. V. Gandhi	H. R. Gandhi	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	90,20,000	1,35,50,000	2,25,70,000
	(b) Value of perquisites u/s 17(2) Income-tax Act,1961	Nil	Nil	Nil
	(c) Profits in lieu of salary u/s 17(3) Income-tax Act,1961	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission			
	- as % of profit			
	- others, specify	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil
6.	Total (A)	90,20,000	1,35,50,000	2,25,70,000
	Ceiling as per the Act			2,25,70,000

B. **Remuneration to other directors:** (Amount in ₹)

Sr. No.	Particulars of Remuneration	Fee for attending board/committee meetings	Commission	Others	Total
1	Independent Directors				
	Rajeev M. Pandia	2,35,000	10,90,000	—	13,25,000
	Alpana Parida	2,29,000	—	—	2,29,000
	Saurabh Shah	2,17,000	—	—	2,17,000
	Total (1)	6,81,000	10,90,000		17,71,000
2	Other Non-Executive Directors				
	Dr.Peter Philip	1,54,000	—	—	1,54,000
	Mahesh.V. Gandhi	75,000	—	—	75,000
	NaynaR. Gandhi	75,000	—	—	75,000
	Total (2)	3,04,000	—	—	3,04,000
	Total (B)=(1+2)	9,85,000	10,90,000	—	20,75,000
	Total Managerial Remuneration		2,36,60,000		
	Overall Ceiling as per the Act		2,36,61,904		

C. **Remuneration to Key Managerial Personnel (KMP) Other Than MD/WTD/ Manager** (Amount in ₹)

Sr. No.	Particulars of Remuneration	Ganesh A. Ghangurde (President & Chief Financial Officer & Company Secretary)	Shilpa Mehta (Chief Financial Officer) **	Abhijeet Sawant (Company Secretary) ***
1.	Gross salary			
	(a) Salary as per provisions contained in section17(1) of the Income-tax Act,1961	85,27,753	21,12,802	1,47,612
	(b) Value of perquisites u/s17(2) Income-tax Act,1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under section17(3) Income-tax Act,1961	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission - as % of profit - others, specify…	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil
	Total	85,27,753/-	21,12,802	1,47,612

* KMP upto 12.02.2019, ** Appointed as a KMP w.e.f. 07.08.2018, *** Appointed as a KMP w.e.f. 13.02.2019

viii. **PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:**

During the year under review there is no instance of any penalty / punishment / compounding of offence under the Companies Act, 2013 against company, any director and other officers in default.

Annexure 7

Information pursuant to Section 197(12) of the Companies Act, 2013 :-

1. Ratio of remuneration of each director to the median remuneration of the employees of the company for the financial year 2018-19 :

Name of director	Ratio of remuneration of each director to Median remuneration
Rajendra Gandhi	39.41
Harsh Gandhi	59.21
Rajeev Pandia	5.79
Dr. Peter Philip	0.67
Saurabh Shah	0.95
Mahesh V. Gandhi	0.33
Alpana Parida	1.00
Nayna R. Gandhi	0.33

2. Percentage increase in remuneration of each director in the financial year 2018-19.

Name	Percentage increase in remuneration in F.Y. 2018-19
Rajendra Gandhi	7.38
Harsh Gandhi	8.62
Rajeev Pandia	130.84
Dr. Peter Philip	37.50
Saurabh Shah	334.00
Mahesh V. Gandhi	150.00
Alpana Parida	163.22
Nayna R.Gandhi	25.00
Ganesh Ghangurde (KMP)*	9.18

* KMP upto 12.02.2019

3. Increase in the median remuneration of employees in the financial year 2018-19 is 30.14%.

4. Number of permanent employees on the rolls of the company as on 31.03.2019 : 1256

5. a) Average percentage increase already made in the salaries of employees, other than the managerial personnel, in the financial year 2018-19 : 8.10%

   b) Average percentage increase in the managerial remuneration in the financial year 2018-19 :8.12%

   c) The above percentage increase in the salaries of employees in the financial year 2018-19 is commensurate with the past trend, nature of the industry and overall performance of the company.

6. The Company affirms that the remuneration is as per the remuneration policy of the Company.

7. Statement for the financial year 2018-19 pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Sr. No.	Name	Designation	Remuneration (₹)	Nature of employment	Qualifications and Experience (Years)	Date of commencement of employment	Age (Years)	Last employment held	Equity shares held (%)	Names of Related Director(s)
1	Harsh Gandhi	Joint Managing Director	1,35,50,000	Contractual	Science Graduate (21)	01.10.2001	41	Boston Consulting Group	3.44	Rajendra Gandhi, Nayna Gandhi
2	Ganesh Ghangurde	Chief Compliance Officer	97,88,144	Non Contractual	B.Com., LL.B., ACA, ACS (39)	14.08.1984	60	HCC Ltd.	Not applicable	Nil
3	Rajendra V. Gandhi	Managing Director	90,20,000	Contractual	B.Tech (IIT) (48)	03.08.1974	69	Ashok Export House	1.92	Mahesh Gandhi, Harsh Gandhi, Nayna Gandhi
4	Rajen Doshi	President and Chief Operating Officer	87,01,644	Non Contractual	M. Tech. (IIT), M.B.A. MS (Chem). (25)	25.05.2015	53	Marsh India Insurance Brokers Pvt Ltd	Not applicable	Nil
5	Hemant Kaul	President – Marketing & Business Development	50,01,544	Non Contractual	B. Com, MBA (28)	04.06.2012	50	Birla Tyres (Kesoram Industries Ltd.)	Not applicable	Nil
6	Kush Giramkar	Senior General Manager – Procurement	45,69,665	Non Contractual	B.E., PGDBA (25)	03.12.2007	48	Bestretch Elastomers international Ltd.	Not applicable	Nil
7	SanjeebLahiri	Head – HR & Administration	43,27,812	Non Contractual	B.Sc., PGD (IR), PGD (Mgt.), PGD (T &D) (20)	26.02.2018	47	Tata International Ltd.	Not applicable	Nil
8	Kiran Shetty	General Manager – Sales	40,02,297	Non Contractual	PGDBA, Diploma In Rubber (19)	17.01.2017	41	SI Group India Pvt. Ltd.	Not applicable	Nil
9	Dr. Sandeep Rai	Senior General Manager – R & D	37,97,719	Non Contractual	M.Sc., PhD (Polymer) (27)	15.05.2014	55	Shroff SR Rotary Institute of Chem. Technology	Not applicable	Nil
10	Abhijeet Deshpande	General Manager - Operations	35,96,674	Non Contractual	B.E (25)	19.06.2011	46	Era Buildsys Ltd.	Not applicable	Nil

There were no Employee employed throughout the financial year or part thereof, who was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, was in excess of that drawn by the Managing Director or Whole Time Director or Manager and who holds by himself or along with his spouse and dependent children, two percent or more of the equity shares of the company.

Annexure 8

Information pursuant to Section 134 (3)(m) & (q) of the Companies Act, 2013

A) Conservation of energy, Technology absorption, Foreign exchange earnings and outgo :

1. **Conservation of energy :**

Measures taken:

a. Installation of capacitors on individual equipment and continuous monitoring of power factor at each location above 0.95 and improving the power utilisation in the plant.

b. Provision of automatic power factor control panel to maintain the same at desired levels of above 0.95. This is being done for all the new projects as well as the old plants.

c. Savings in water consumption by using Sewage Treatment Plant (STP) at Ankleshwar, Panoli and Chincholi (Solapur) plants. Treated water from such treatment is being used for gardening at all the locations. Company is also planning to set up New Sewage Treatment Plant at Tamilnadu plant in the financial year 2019-20 which will result in the saving of 10 KL per day.

d. Regular maintenance of steam condensate traps and safety valves to avoid leakages. This is a continuous process.

e. Use of Variable Frequency Drive (VFD) for fume extraction system at Panoli and Solapur plants to reduce the electrical consumption by about 4%. Use of variable frequency drive for cooling towers at Panoli for power saving of about 5%.VFD for Kneader line at Ankleshwar is considered to optimise power consumption.

f. Maintaining the cleanliness and timely planned repairs for the boilers and heaters at all locations resulting into less emissions and better thermal efficiencies. This has also resulted into fuel savings.

g. Installation of turbo ventilators in the factory roofs. This is ensuring the required air changes in the plant leading to better ambient conditions.

h. Installation of energy meters on the high capacity motors in the plants and close monitoring of the motor load resulted in considerable reduction of losses due to inefficiencies. Company is also planning to install three energy efficient motors during the financial year 2019-20.

i. Use of Air Preheater Units in the heating units and boilers has resulted in savings in fuel by 2%.

j. Tree plantation : planting of 60 big trees and 45 small trees at Chincholi (Solapur) plant, 3,985 plants along with saplings at Ankleshwar plant and 545 plants along with saplings at Panoli plant.

k. Installation of lighting transformer at Ankleshwar plant has not only enhanced the life of the light fittings but also helped plant save 80 units of energy every day.

l. Sourcing of wind energy for Tamilnadu plant was started in year 2016-17. In the year 2018-19, 95% energy was sourced through wind turbines leading to considerable reduction in green house emissions.

m. Further to 400KWp Solar rooftop power plant in Chincholi (Solapur), additional 600KWp Solar rooftop power plant is installed in Chincholi (Solapur), which will help save around 7 Lakh energy units annually.

Impact of above measures:

- Optimization of energy consumption.
- Savings in energy consumption
- Received power factor incentive from State Electricity Board
- Savings in energy and fuel cost.
- Solar plant at Solapur has generated 5.31 Lakhs of energy units in the year 2018-19 amounting to a total savings of ₹ 43 Lakh.
- Solar plant at Chincholi (Solapur) has reduced our carbon footprint by 254 metric tonnes in the year 2018-19.
- Procurement of wind energy in Tamilnadu has yielded a cumulative saving of ₹ 221.72 lakh till date.

2. **Technology Absorption:**

a. Company does not use any imported technology for manufacture of reclaimed rubber.

b. Research & Development (R&D)

Company has set up a full-fledged R&D centre at its Panoli plant. The same has been approved during the financial year 2014-15, and further renewed up to financial year 2019-20 by Department of Scientific and Industrial Research (DSIR), Government of India, New Delhi. DSIR has also approved the pilot plant (located at Panoli) for recovery of nylon from ground rubber.

Your Company continues its endeavour towards the following:

i. Development of new reclaiming process for different elastomers.

ii. Improvements in existing process and product quality.

iii. Development of poly-blends and thermoplastic elastomers.

iv. Laboratory scale development for making anti tack solution for use in reclaim rubber sheets.

v. Continual improvement of products, processes and production process through innovation using in house technology.

vi. Laboratory scale development of value added products using waste and scrap of various elastomers.

Expenditure on R&D

During the financial year 2018-19 your company has spent ₹174.36 lakhs towards revenue expenditure and ₹ 22.69 lakhs Towards Capital WIP & Plant & Machinery.

3. **Foreign Exchange Earnings & Outgo**

	₹ in Lakh
Earnings in foreign exchange towards export of goods	23773.05
Foreign exchange outgo on account of imports, commission on exports and other expenses	1595.76

B) Adequacy of internal financial controls with reference to the financial statements:

Directors of your Company have laid down an adequate internal financial control system comprising of plan of the organization and all the coordinate methods and measures adopted with a business to safeguard its assets, check the accuracy and reliability of its accounting data, promote operational efficiency, encourage adherence to prescribed managerial policies, compliance with applicable laws and regulations and prevention and detection of errors and frauds.

The important elements of the internal financial control system are:

1. Planning
2. Budgeting
3. Operating and measurement
4. Reporting and Analysis

Various control techniques are in place such as prevention, detection and correction.

Control activities comprise of :

1) Top Level Reviews

   a) Top Management Committee reviews the results of various areas of performance, comparing those results with budgets, competitor analysis and other benchmark measurements.

   b) Review meetings are conducted by the Joint Managing Director with the Head of Departments at Head Office on a weekly basis. The Managing Director and one of the Independent Director of the Company also participate in these meetings.

2) Direct Functional Management

   All the functional heads are reviewing the operational reports on a daily basis and corrective action is taken up immediately wherever necessary.

3) Physical Controls

   Physical verification of inventories and cash is done on a monthly basis and fixed assets is conducted every year to cover all assets once in three years at HO and at all locations.

4) Compliance Controls

   Compliance Officer reviews the Compliance Report sent by concerned Head of Departments in the Organization.

5) Accounting and Administrative Controls

   a) Duties are divided or segregated among different people to reduce the risk of inappropriate actions.

   b) Transactions are executed in accordance with management's general or specific authorization.

   c) Transactions are recorded as necessary to permit preparation of financial statements in conformity with the generally accepted accounting principles.

   There is an effective Risk Management Program as an important component of internal control. At each level and function in the organization, risks are identified and assessed. Measures to mitigate risks are noted and implemented. Risks for each function and measures are evaluated and discussed at the review meetings on a monthly basis by the Head of Departments with the Top Management and the same is updated and presented to the Board on a quarterly basis.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GRP LIMITED
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of GRP Limited("the Company"), which comprise the Balance Sheet as at 31st March 2019, the Statement of profit and loss (Including Other Comprehensive Income), Statement of changes in equity and Statement of Cash Flows for the year then ended, and notes to the Standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Financial Statements").

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019, and its profit including Other Comprehensive Income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matter

Key audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statement of the current period. These matters were addressed in the context of our audit of the standalone financial statement as a whole, and informing our opinion thereon, we do not provide a separate opinion on these matters.

We have determined the matters described below to be the Key Audit Matters to be communicated in our report.

1. **Key Audit Matters**

   Revenue Recognition –Rebates and discounts

   Revenue is measured based on transaction price, which is the consideration, adjusted for rebates and discounts. As disclosed in Note 1.3(k) to the standalone financial statements, revenue is recognised upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods. Revenue is recognised net of rebates, discounts, incentives, scheme allowances and estimated sales returns owed to the customers based on the arrangement with customers.

   The recognition and measurement of rebates, discounts, incentives and schemes allowances, including establishing an appropriate accrual at year end, involves significant judgement and estimates, particularly the expected level of claims of each of the customers.

   To determine these estimates, Management is required to consider historical experience, contractual terms and future expectation of revenue. Management judgement is also significantly impacted by volatility in the market and actions of the third party.

   Auditor's Response

   Principle Audit Procedures.

   We obtained an understanding of the Company's process for making estimates in these areas and performed the following procedures:

   We tested the design and operating effectiveness of the key controls related to rebates/discount and returns. We obtained an understanding of the key contractual arrangements with customer, for rebate/discount and returns.

   We considered the accuracy of the management's estimates in previous years by comparing historical accrued liabilities to actual settlements.

   We considered the adequacy of the company's revenue recognition accounting policies, including the recognition and measurement of the deductions to gross sales relating to rebates /discounts and returns and related disclosures.

2. **Key Audit Matters**

   Evaluation of Uncertain tax positions.

   Refer Note No. 12 and 33 of the Standalone Financial Statements

The company has pending disputes in respect of the Indirect Taxes which involves the significant judgement to determine the possible outcomes of these disputes. As at 31st March 2019 other current assets includes Indirect Taxes refund receivable of ₹ 164.43 lakhs which are pending adjudication.

Auditor's Response

Principle Audit Procedure

We obtained the details of completed tax assessment and demands raised up to year ended 31st March 2019 from management. We have considered legal precedence and other rulings in evaluating management's positions on these disputes. Additionally, we considered the effect of new information in respect of the same as at April 1, 2018 to evaluate whether any changes was required to management's position on these uncertainties and for the tax refund due to the company. We have reviewed the nature of amount recoverable and likelihood of their recoverability on the final resolution.

Other Information

The Company's Management and Board of Directors are responsible for the preparation of other information. The other information obtained on the date of this auditor's report is Director's report, Corporate Governance Report and Management Discussion and Analysis Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors are responsible for the matters stated in section 134(5) of 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 including Other Comprehensive Income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, the Board of Directors 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 the Board of Directors 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 Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing 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 Standalone Financial Statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013 as amended, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 197(16) of the Act, we report that the company has paid remuneration to its directors during the year in accordance with the provisions of the limits laid down under Section 197 read with Schedule V of the Act.
3. 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 including Other Comprehensive Income, the Statement of Changes in Equity 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 Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015, as amended.
   (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
   (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 as amended, in our opinion and to the best of our information and according to the explanations given to us:
      i. The Company has disclosed the impact of pending litigations on its Standalone Financial Statements- Refer Note No. 33 to the standalone financial statements.
      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any on long-term contracts including derivative contracts.
      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2019.

For DKP & Associates
Chartered Accountants
Firm's Registration No. 126305W

D K Doshi
Partner
Membership No. 037148

Place : Mumbai
Date : 27th May, 2019

"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF GRP LIMITED

(Referred to in Paragraph 1 under the heading of "Report on other legal and regulatory requirements" of our report of even date)

i. In respect of its fixed assets :

a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.

b. As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.

c. According to the information and explanation given to us and on the basis of our examination of the records of the company, the title deeds of immovable property are held in the name of the company.

ii. As explained to us, physical verification of the inventories have been conducted at reasonable intervals by the management, which in our opinion is reasonable, having regard to the size of the Company and nature of its inventories. No material discrepancies were noticed on such physical verification.

iii. The Company had granted unsecured Loans to a wholly owned Subsidiary Company which is covered in register maintained under Section 189 of the Act. The Company has not granted any secured/unsecured loans to firms or limited liability partnership or other parties covered in the register maintained under section 189 of the act.

a. In respect of the aforesaid loan, the terms and conditions of grant of loans are not prima facie prejudicial to the interest of the company.

b. In respect of the aforesaid loan to wholly owned Subsidiary Company, the said loan has been repaid fully along with interest during the year.

c. In respect of the aforesaid loan to wholly owned Subsidiary Company, there are no overdue amounts at the end of the year. Since the loan has been repaid.

iv. In our opinion and according to the information and explanations provided to us, the Company has complied with the provision of Section 185 and 186 of the Companies Act 2013 in respect of grant of loans, making investment and providing guarantees and securities, as applicable.

v. According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Therefore, the clause(v) of paragraph 3 of the Order is not applicable to the Company

vi. In our opinion, to the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Act in respect of the activities undertaken by the Company.

vii. In respect of Statutory dues :

a. According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Goods and Service Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and any other statutory dues have been generally regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues, were outstanding as at 31st March, 2019 for a period of more than six months from the date becoming payable.

b. According to the information and explanations given to us and to the records of the Company examined by us particulars of dues of income tax, sales tax including value added tax, service tax, duty of customs, duty of excise, goods and service tax, cess as at 31st March, 2019 which have not been deposited on account of dispute are as follows:

Name of The Statute	Nature of Dues	Period to which the amount relates	Amount (₹ in lakh)	Forum Where Dispute is pending
Gujarat Value Added Tax	Sales Tax	F.Y. 2013-14	31.29	Joint Commissioner (Appeal)
Maharashtra Value Added Tax	Sales Tax	F.Y. 2011-12	92.13	Joint Commissioner (Appeal)
Gujarat Value Added Tax	Sales Tax	F.Y. 2014-15	23.02	Commissioner (Appeal)
Maharashtra Value Added Tax	Sales Tax	F.Y. 2013-14	55.37	Joint Commissioner (Appeal)
Maharashtra Value Added Tax	Sales Tax	F.Y. 2014-15	2.81	Dy. Commissioner (Appeal)
Income Tax Act,1961	Income Tax	F.Y. 2008-09	13.95	CIT(A)-Mumbai
Income Tax Act,1961	Income Tax	F.Y. 2014-15	84.84	CIT(A)-Mumbai
Income Tax Act,1961	Income Tax	F.Y. 2015-16	20.11	CIT(A)-Mumbai
Finance Act, 1944	Central Excise	January 2005 to March 2012	131.82	CESTAT
Finance Act, 1944	Service Tax	May 2008 to March 2012	13.03	Commissioner (Appeal)-Pune
		Total	**468.37**	

viii. In our opinion and according the information and explanations given to us, the company has not defaulted in repayment of loans or borrowings to the Banks or Financial institution, government and dues to debenture holder.

ix. According to the information and explanation given to us and based on our audit procedures, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and has not raised any money by way of term loan during the year, hence the provision of clause (ix) of paragraph 3 of the Order is not applicable to the Company.

x. In our opinion, based on the audit procedures performed for the purpose of reporting the true and fair view of the Standalone Financial Statements and as per information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

xi. In our opinion and according to the information and explanations given to us managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013

xii. In our opinion Company is not a Nidhi Company and hence reporting under, the provisions of clause (xii) of paragraph 3 of the Order is not applicable to the Company.

xiii. In our opinion and according to information and explanations provided by the management, transactions with related parties are in compliance with section 177 and 188 of the Act, where applicable and the details have been disclosed in the Standalone Financial Statements, as required by the applicable accounting standards.

xiv. In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence reporting under clause (xiv) of paragraph 3 of the Order is not applicable to the Company.

xv. In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transaction with the directors or persons connected with him and covered under section 192 of the Act and hence reporting under clause (xv) of the paragraph 3 of the Order is not applicable to the Company.

xvi. In our opinion, to the best of our knowledge and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For DKP & Associates
Chartered Accountants
Firm's Registration No. 126305W

D K Doshi
Partner
Membership No. 037148

Place : Mumbai
Date : 27th May, 2019

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF GRP LIMITED

(Referred to in paragraph 3 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act").

We have audited the internal financial controls with reference to standalone financial statements of GRP ("the Company") as of 31st March, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at 31st March, 2019, based on the internal financial controls with reference to financial statements 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 (the "Guidance Note").

Management Responsibility for the Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements 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 (the "Guidance Note") 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by ICAI and the Standards on auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 Standalone 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 with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements 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 with reference to financial statements 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 with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For DKP & Associates
Chartered Accountants
Firm's Registration No. 126305W

D K Doshi
Partner
Membership No. 037148

Place : Mumbai
Date : 27th May, 2019

BALANCE SHEET AS AT 31st MARCH, 2019

(₹ in Lakh)

	Notes	As at 31-Mar-2019	As at 31-Mar-2018
ASSETS			
NON-CURRENT ASSETS			
Property, Plant and Equipment	2A	11,791.73	12,114.66
Capital work in progress	2B	97.25	221.72
Investment Property	2C	109.56	111.88
Intangible assets	2D	21.26	27.94
Intangible assets under development	2E	11.79	14.10
Financial Assets			
Investments	3	808.54	129.55
Loans	4	-	373.17
Other Non-current assets	5	479.26	358.72
Total Non-Current Assets		**13,319.39**	**13,351.74**
CURRENT ASSETS			
Inventories	6	3,440.22	3,334.66
Financial Assets			
Trade receivables	7	6,503.70	5,124.71
Cash and cash equivalents	8	436.10	89.52
Other Bank balances	9	21.00	23.91
Loans	10	-	94.08
Other Financial Assets	11	148.03	94.73
Other Current Assets	12	1,121.91	941.71
Total Current Assets		**11,670.96**	**9,703.32**
Total Assets		**24,990.35**	**23,055.06**
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	13	133.33	133.33
Other Equity	14	13,245.90	12,565.50
Total Equity		**13,379.23**	**12,698.83**
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial Liabilities			
Borrowings	15	289.29	504.88
Provisions	16	54.47	71.52
Deferred Tax Liabilities (Net)	17	2,136.72	2,197.22
Total Non-Current Liabilities		**2,480.48**	**2,773.62**

BALANCE SHEET AS AT 31st MARCH, 2019

(₹ in Lakh)

	Notes	As at 31-Mar-2019	As at 31-Mar-2018
CURRENT LIABILITIES			
Financial Liabilities			
Borrowings	18	5,886.02	4,526.64
Trade Payables			
- Dues of micro and small enterprises	19	180.11	154.72
- Dues of creditors other than micro and small enterprises	19	1,997.21	1,395.03
Other Financial liabilities	20	352.44	722.10
Other Current Liabilities	21	684.20	737.05
Provisions	22	3.48	11.37
Current Tax Liabilities (Net)	23	27.18	35.70
Total Current Liabilities		**9,130.64**	**7,582.61**
Total Liabilities		**11,611.12**	**10,356.23**
Total Equity and Liabilities		**24,990.35**	**23,055.06**
Significant Accounting policies	1		
See accompanying Notes to the Financial Statements	2 - 47		

As per our Report of even date

For and on behalf of the Board of Directors

For DKP & Associates
Chartered Accountants
Firm Registration No. 126305W

Rajendra V Gandhi
Managing Director

Harsh R Gandhi
Joint Managing Director

Deepak K. Doshi
Partner
Membership No. 037148

Shilpa Mehta
Chief Financial Officer

Abhijeet Sawant
Company Secretary

Mumbai, 27th May, 2019

Mumbai, 27th May, 2019

STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED 31st MARCH, 2019

(₹ in Lakh)

	Notes	Year Ended 31-Mar-2019	Year Ended 31-Mar-2018
INCOME			
Revenue from Operations	24	37,543.77	31,416.15
Less: Goods and Service Tax Recovered		1,847.57	1,225.94
Revenue from Operations (Net)		35,696.20	30,190.21
Other Income	25	87.46	106.80
Total Income		**35,783.66**	**30,297.01**
EXPENSES			
Cost of Materials consumed		17,201.79	13,421.68
Changes in inventories of finished goods and work-in-progress	26	(8.53)	382.87
Excise duty		-	244.78
Employee benefits expenses	27	5,827.97	5,199.27
Finance Costs	28	464.62	429.60
Depreciation & Amortisation expense	29	1,295.61	1,335.69
Other Expenses	30	10,178.03	9,036.02
Total Expenses		**34,959.49**	**30,049.91**
Profit before Exceptional items and Tax		**824.17**	**247.10**
Exceptional Items		-	-
Profit Before Tax		**824.17**	**247.10**
Tax Expense			
- Current Tax	31	331.59	378.51
- Short / (Excess) Provision for earlier years		(55.02)	(40.92)
- Deferred Tax		(90.55)	(188.77)
Total Tax Expenses		**186.02**	**148.82**
Profit for the year		**638.15**	**98.28**
Other Comprehensive Income			
A) Items that will not be reclassified to statement of profit and loss			
- Remeasurement benefit of defined benefit plans		3.57	96.50
- Income tax expense on remeasurement benefit of defined benefit plans		(1.19)	(33.40)
B) Items that will be reclassified to statement of profit and loss			
- Cashflow Hedge Reserve		90.00	(77.14)
- Income tax expense on Cashflow Hedge Reserve		(30.05)	26.70
Total Other Comprehensive Income (A + B)		62.33	12.66
Total Comprehensive Income for the year		**700.48**	**110.94**
Earning Per Equity share of Face value of ₹10/- each	40		
(1) Basic (in ₹)		47.86	7.37
(2) Diluted (in ₹)		47.86	7.37
Significant Accounting policies	1		
See accompanying Notes to the Financial Statements	2 - 47		

As per our Report of even date

For and on behalf of the Board of Directors

For DKP & Associates
Chartered Accountants
Firm Registration No. 126305W

Rajendra V Gandhi
Managing Director

Harsh R Gandhi
Joint Managing Director

Deepak K. Doshi
Partner
Membership No. 037148

Shilpa Mehta
Chief Financial Officer

Abhijeet Sawant
Company Secretary

Mumbai, 27th May, 2019

Mumbai, 27th May, 2019

CASHFLOW STATEMENT FOR YEAR ENDED 31st MARCH, 2019

(₹ in Lakh)

	Year Ended 31-Mar-2019	Year Ended 31-Mar-2018
Cash flow from Operating activities		
Net profit before tax and extra ordinary items	824.17	247.10
Adjustments for		
- Depreciation	1,295.61	1,335.69
- Share of (profit) / loss in LLP	(7.15)	-
- (Profit) / Loss on sale of assets (Net)	21.28	9.99
- Fixed Assets Discarded	0.43	-
- Interest Income	(57.66)	(62.09)
- Interest Expense	464.62	429.60
- Rent Income	(14.85)	(4.32)
- Provision for Doubtful Debts	6.32	1.50
- Employee benefits expenses	(3.10)	9.81
Operating Profit before working capital changes	**2,529.67**	**1,967.28**
Adjustments for		
- (Increase)/Decrease in Trade and other receivables	(1,699.60)	(803.90)
- (Increase)/Decrease in Inventories	(105.56)	1,166.17
- Increase/(Decrease) in Trade and other payable	555.19	24.32
Cash generated from operations	**1,279.70**	**2,353.88**
Direct taxes paid (net of refund)	(286.23)	(46.19)
Net cash generated from operating activities	**993.47**	**2,307.68**
Cash flow from investing activities		
- Interest received	134.52	21.05
- Sale proceeds of fixed assets	26.32	39.86
- Rent Income	14.85	4.32
- Investments	(671.84)	(5.46)
- Loans to Subsidiary company	(48.91)	(59.25)
- Loans repaid by Subsidiary company	516.16	-
- Purchase of fixed assets	(926.16)	(737.40)
Net cash used in investing activities	**(955.06)**	**(736.88)**
Cash flow from financing activities		
- Loans repaid (Net of borrowings)	786.43	(917.58)
- Interest paid	(455.47)	(438.30)
- Dividend & Dividend tax paid	(22.78)	(160.60)
Net cash used in financing activities	**308.18**	**(1,516.48)**
Net increase / (Decrease) in cash and cash equivalents	**346.59**	**54.33**
Cash and cash equivalents at the beginning of the year	89.51	35.18
Cash and cash equivalents at the closing of the period	**436.10**	**89.51**

CASHFLOW STATEMENT FOR YEAR ENDED 31st MARCH, 2019

(₹ in Lakh)

	Year Ended 31-Mar-2019	Year Ended 31-Mar-2018
Cash and Bank Balances		
Cash and cash equivalents		
Cash on hand	1.57	1.65
Balance with banks		
- In Current accounts	15.20	12.56
- In Cash Credit Accounts	26.29	-
- In EEFC accounts	393.04	75.31
	436.10	**89.52**
Other Bank Balance (Refer note 10)	21.00	23.91

CHANGE IN LIABILITY ARISING FROM FINANCING ACTIVITIES

	30th April, 2018	Cash Flow	Foreign Exchange Movement	31st March, 2019
Borrowing - Long Term (Refer Note 15)	1,077.84	(572.95)	-	504.89
Borrowing - Short Term (Refer Note 18)	4,526.64	1,487.78	(128.39)	5,886.02
	5,604.48	**914.82**	**(128.39)**	**6,390.91**

	1st April, 2017	Cash Flow	Foreign Exchange Movement	31st March, 2018
Borrowing - Long Term (Refer Note 15)	1,566.18	(488.34)	-	1,077.84
Borrowing - Short Term (Refer Note 18)	4,955.88	(491.75)	62.50	4,526.64
	6,522.06	**(980.08)**	**62.50**	**5,604.48**

The above Cash Flow Statement has been prepared under the “Indirect Method” as set out in the Indian Accounting Standard (IND AS-7) - Statement of Cashflow

As per our Report of even date

For DKP & Associates
Chartered Accountants
Firm Registration No. 126305W

Deepak K. Doshi
Partner
Membership No. 037148

Mumbai, 27th May, 2019

For and on behalf of the Board of Directors

Rajendra V Gandhi
Managing Director

Harsh R Gandhi
Joint Managing Director

Shilpa Mehta
Chief Financial Officer

Abhijeet Sawant
Company Secretary

Mumbai, 27th May, 2019

STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED 31st MARCH, 2019

(₹ in Lakh)

	As at 31-Mar-2019	As at 31-Mar-2018
A) Equity Share Capital		
Balance at the beginning of the reporting year	133.33	133.33
Changes in Equity Share capital during the year	-	-
Balance at the end of the reporting year	133.33	133.33

	Reserves and Surplus					Other comprehensive Income	Total
	Special Capital incentive and Subsidy	Profit on re-issue of forfeited shares	Securities Premium account	General Reserve	Retained Earnings		
B) Other Equity							
Balance at the beginning of the reporting period i.e. 1st April, 2017 (a)	53.30	0.01	41.67	6,500.00	5,989.17	30.89	12,615.04
Profit for the year	-	-	-	-	98.28	-	98.28
Items of OCI for the year, net of tax							
Remeasurement gain/(loss) of defined benefit plans	-	-	-	-	-	63.10	63.10
Fair value changes on cash flow hedge, net of tax	-	-	-	-	-	(50.44)	(50.44)
Total Comprehensive Income (b)	-	-	-	-	98.28	12.66	110.94
Appropriation during the year							
Dividends	-	-	-	-	(133.33)	-	(133.33)
Tax on dividend	-	-	-	-	(27.14)	-	(27.14)
Total of Appropriations (c)	-	-	-	-	(160.47)	-	(160.47)
Balance at the end of the reporting period i.e. 31st March, 2018 (a+b+c=d)	**53.30**	**0.01**	**41.67**	**6,500.00**	**5,926.98**	**43.55**	**12,565.51**
Profit for the year	-	-	-	-	638.15	-	638.15
Items of OCI for the year, net of tax							
Remeasurement gain / (loss) of defined benefit plans	-	-	-	-	-	2.38	2.38
Fair value changes on cash flow hedge, net of tax	-	-	-	-	-	59.95	59.95
Total Comprehensive Income (e)	-	-	-	-	638.15	62.33	700.48
Appropriation during the year							
Dividends	-	-	-	-	(16.67)	-	(16.67)
Tax on dividend	-	-	-	-	(3.43)	-	(3.43)
Total of Appropriations (f)	-	-	-	-	(20.10)	-	(20.10)
Balance at the end of the reporting period i.e. 31st March, 2019 (d+e+f)	**53.30**	**0.01**	**41.67**	**6,500.00**	**6,545.03**	**105.88**	**13,245.90**

As per our Report of even date

For and on behalf of the Board of Directors

For DKP & Associates
Chartered Accountants
Firm Registration No. 126305W

Rajendra V Gandhi
Managing Director

Harsh R Gandhi
Joint Managing Director

Deepak K. Doshi
Partner
Membership No. 037148

Shilpa Mehta
Chief Financial Officer

Abhijeet Sawant
Company Secretary

Mumbai, 27th May, 2019

Mumbai, 27th May, 2019

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2019

(₹ in Lakh)

CORPORATE INFORMATION

GRP Limited (the 'Company') is a public limited Company domiciled and incorporated in India under the Companies Act, 1956. The registered office of the Company is situated at Plot No.8, GIDC Estate, Ankleshwar - 393002, Dist. Bharuch, Gujarat, India.

The Company is engaged mainly in manufacturing of Reclaim Rubber. Its other businesses include Power generation from Windmill, Manufacturing of Engineering Plastics, Custom Die Forms and Polymer Composite Products. The Company has manufacturing plants in India and sales in Domestic as well as International market. The equity shares of the Company are listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

1 SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS
SIGNIFICANT ACCOUNTING POLICIES:

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

1.1 Basis of preparation and presentation of financial statements:

These financial statements are the separate financial statements of the Company (also called standalone financial statements) prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, as amended from time to time.

These financial statements have been prepared and presented under the historical cost convention, except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements. These financial statements are presented in Indian Rupees, which is also its functional currency, and all values are rounded to the nearest lakhs, except when otherwise stated.

1.2 Current / Non-current classification:

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of products and the time between the acquisition of assets or inventories for manufacturing and their realization in cash and cash equivalents.

1.3 Summary of Significant Accounting policies

(A) Property, Plant and Equipment

Tangible assets:

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Expenses directly attributable to new manufacturing facility during its construction period including borrowing costs are capitalized, if the recognition criteria are met. Expenditure related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant heads of property, plant and equipment if the recognition criteria are met.

Gains or losses arising from derecognition of assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss.

Capital work in progress and Capital advances:

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of property, plant and equipment outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

Depreciation:

Depreciation on assets is provided on straight line method for the period for which the assets have been used as under:

(a) Depreciation on assets is provided over the useful life of assets as prescribed under schedule II of the Companies Act, 2013.

(b) Plant and machinery which have worked for more than single shift, depreciation is provided for accordingly as per rate prescribed in schedule II of the Companies Act, 2013.

(c) Leasehold land is amortised over the period of lease.

Intangible Assets and Amortisation:

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful lives. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly. Gain or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognized as income or expense in the Statement of Profit and Loss. The period of amortisation is as under :

Asset	Period of amortisation
Computer Software	6 years
Copyrights	10 years
Trademark	10 years

(B) Finance Costs:

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised, all other borrowing costs are charged to the statement of profit and loss for the period in which they are incurred.

(C) Investment Properties:

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company for its business, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and wherever applicable its borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of profit and loss for the period in which they are incurred.

Investment properties are depreciated using the straight-line method over their estimated useful lives as follows:

Asset Category	Useful life	Basis for charging Depreciation
Office Building	60	Life as prescribed under Schedule-II of the Companies Act, 2013

Though the company measures investment property using cost based measurement, the fair value of investment property is disclosed in the note 2C. Fair values are determined based on an annual evaluation performed by an external independent valuer.

(D) Impairment of non-financial assets - property, plant and equipment and Intangible Assets:

The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(E) Government Grants and Subsidy:

Special capital incentive and subsidy received from the Government for setting up or expansion of an industrial undertaking in undeveloped area of State, is credited to Special capital incentive and subsidy account under Capital Reserve Account.

(F) Tax Expenses:

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current tax:

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961.

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

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.

Deferred tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income Tax Act, 1961.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

Presentation of current and deferred tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income.

(G) Inventories:

Items of inventories are measured at lower of cost or net realisable value after providing for obsolescence, if any. Cost of Inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing them to their respective present location and condition. Cost of raw materials, stores & spares, packing materials are determined on weighted average basis. However raw materials are written down to realisable value only if the cost of the related finished goods is not expected to recover the cost of raw materials.

Work-in-progress and finished goods are valued at lower of cost and net realisable value. Cost of work in progress and finished goods is determined on absorption costing method which include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

(H) Financial Instruments:

1 Financial Assets

a Initial recognition and measurement:

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition.

b Subsequent measurement

I Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

II Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

III Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

c Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

2 **Financial Liabilities**

a Initial recognition and measurement:

All financial liabilities are recognized initially at fair value and in case of loans and borrowings, net of directly attributable cost. Cost of recurring nature are directly recognised in profit or loss as finance cost.

b Subsequent measurement:

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

3 **Derivative Financial Instruments**

The Company uses various derivative financial instruments such as forwards and options to mitigate the risk of changes foreign exchange rates. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as other financial assets when the fair value is positive and as other financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedges which is recognised in Other Comprehensive Income and later to Statement of Profit and Loss when the hedged item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial assets or non-financial liability.

4 **Derecognition of financial instruments**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

(I) Fair Value:

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 — inputs that are unobservable for the asset or liability

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

(J) Investment in Subsidiary and Associate Companies:

The Company has elected to recognize its investments in subsidiary and associate companies at cost in accordance with the option available in Ind AS 27, 'Separate Financial Statements'. The details of such investments are given in Note 3.

(K) Revenue Recognition:

(i) Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services.

Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue from rendering of services is recognised over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

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

(ii) Income from Power generation is accounted on the basis of certification of Gujarat Electricity Development Authority.

(iii) Credits on account of Duty drawback and other benefits, which are due to be received with reasonable certainty, are accrued upon completion of exports.

(iv) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

(v) Profit / Loss from investment in LLP is accounted at the time of finalisation of accounts of LLP

(vi) Dividend income is recognized when the right to receive dividend is established.

(L) Foreign currency transactions and translation:

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

(M) Employees Benefits:

Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Expense in respect of other short term benefits is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

Post Employment Employee Benefits :

(i) **Defined Contribution Plans :**

(a) Provident Fund:

The company makes specified monthly contribution to statutory provident fund in accordance with the Employees Provident Fund & Miscellaneous Provisions Act, 1952, which is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee.

(b) Superannuation:

The Company has Superannuation Plan for its executives - a defined contribution plan. The Company makes annual contribution of the covered employees' salary, subject to maximum of ₹ 1.50 lakh per employee, for the executive opting for the benefit. The plan is managed by a Trust and the funds are invested with Life Insurance Corporation of India under its Group Superannuation Scheme. Annual contributions as specified under the Trust deed are paid to the Life Insurance Corporation of India and recognised as an expense of the year in which the liability is incurred.

(ii) **Defined Benefit Plans:**

(a) Gratuity:

The Company pays gratuity to the employees who have completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act, 1972.

The gratuity liability amount is contributed to the approved gratuity fund formed exclusively for gratuity payment to the employees. The gratuity fund has been approved by respective Income Tax authorities.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post-employment and other long term benefits are charged to the Other Comprehensive Income.

(b) Leave Encashment:

Provision for leave encashment, which is a defined benefit, is made based on actuarial valuation done by an independent agency of notified actuaries by using the projected unit credit method. Actuarial Gains / Losses, if any are recognised in the statement of profit and loss.

(N) Lease:

As a lessee:

Lease agreements where the risk & rewards, incidental to ownership of an asset substantially vest with the lessor are recognised as operating lease. Operating lease payments are recognised as an expense in the profit and loss statement on straight line basis over the lease term.

Leasehold land where the period of lease is upto 20 years is classified as operating lease. All other lease of land are classified as Financial Lease.

As a lessor:

The company has leased premises where the company has substantially retained all the risks and rewards of ownership are classified as operating leases . Lease income on such operating leases are recognised in the statement of profit and loss on a straight line basis over the lease term or other systematic basis which is representative of the time pattern in which benefit derived from the use of the leased asset is diminished. Initial direct costs are recognised as an expense in the statement of profit and loss in the period in which they are incurred.

(O) Research and Development:

Revenue expenditure on Research and Development is charged in the period in which it is incurred. Capital Expenditure for Research and Development is capitalised when commissioned and included in the Plant, Property and Equipment and depreciated in accordance with the policies stated for Property, Plant and Equipment.

(P) Provisions, Contingent Liabilities and Contingent Assets:

Provisions: Provisions are recognised when there is a present obligation as a result of a past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

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

Contingent Assets: Contingent Assets are neither recognised nor disclosed in the financial statements.

(Q) Segment reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

(R) 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 original maturity of three months or less.

(S) Earnings Per Share:

The company reports basic and diluted earning per share (EPS) in accordance with the Indian 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.

1.4 Key accounting estimates and judgements

The preparation of the Company's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Depreciation/amortisation and useful lives of property plant and equipment/intangible assets

Property, plant and equipment/intangible assets are depreciated/amortised over the estimated useful lives of the assets, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/ amortisation to be provided during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/ amortisation for future periods is revised if there are significant changes from previous estimates.

b) Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

c) Defined benefit obligation

The costs of providing pensions and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in Note 35, 'Employee benefits'.

d) Income Tax:

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions (Refer Note 31).

e) Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

1.5 Recent Indian Accounting Standards (Ind AS)

On 30th March 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 – Leases and certain amendment to existing Ind AS. These amendments shall be applicable to the Company from 1st April 2019.

(A) Issue Of Ind As 116 - Leases

Ind AS 116 will supersede the current standard on leases i.e. Ind AS 17- Leases. As per Ind AS 116, the lessor will have to bring to books all the non-cancellable portion of leasing arrangement.

(B) Amendment to Existing issued Ind AS

The MCA has also carried out amendments of the following accounting standards:

(i) Ind AS 101- First time adoption of Indian Accounting Standards

(ii) Ind AS 103 – Business Combinations

(iii) Ind AS 109 - Financial Instruments

(iv) Ind AS 111 – Joint Arrangements

(v) Ind AS 12 – Income Taxes

(vi) Ind AS 19 – Employee Benefits

(vii) Ind AS 23 – Borrowing Costs

(viii) Ind AS 28 - Investment in Associates and Joint Ventures

Application of above standards are not expected to have any significant impact on the Company's Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2019

(₹ in Lakh)

2 PROPERTY, PLANT AND EQUIPMENT

2A TANGIBLE ASSETS

Particulars	Gross Block				Depreciation / Amortisation				Net Book Value	
	As at 01-04-2018	Additions	Deduction	As at 31-03-2019	As at 01-04-2018	For the year	Deduction	As at 31-03-2019	As at 31-03-2019	As at 31-03-2018
Lease hold Land	929.46	-	-	929.46	57.75	9.46	-	67.20	862.26	871.71
Roads	513.95	59.32	-	573.27	308.91	52.90	-	361.81	211.46	205.04
Buildings	6,278.83	27.46	(0.43)	6,305.86	1,310.20	180.65	(0.02)	1,490.83	4,815.03	4,968.63
Plant and Machinery	14,314.95	860.21	(221.24)	14,953.93	8,630.94	955.15	(179.17)	9,406.92	5,547.02	5,684.09
Furniture & Fixtures	389.60	4.66	-	394.26	249.07	35.16	-	284.24	110.02	140.53
Office equipments	207.23	15.68	(6.39)	216.52	150.77	15.99	(6.07)	160.69	55.83	56,46
Computer Hardware	152.66	8.73	(0.44)	160.96	133.36	7.62	(0.41)	140.56	20.39	19.30
Vehicles	158.14	1.77	(28.94)	130.97	50.57	16.93	(23.73)	43.77	87.20	107.57
Material Handling Vehicles	76.57	31.31	-	107.87	15.17	10.18	-	25.34	82.53	61.40
Total	**23,021.40**	**1,009.13**	**(257.44)**	**23,773.09**	**10,906.74**	**1,284.02**	**(209.40)**	**11,981.36**	**11,791.73**	**12,114.66**
Previous Year	22,611.27	595.45	(185.32)	23,021.40	9,724.02	1,318.18	(135.46)	10,906.74	12,114.66	12,887.24

Notes:
1 Refer to note 15 for information on Property, plant & equipment pledged as security by the Company.
2 Refer to note 33 for disclosure of contractual commitments for the acquisition of Property, plant & equipment.

2B CAPITAL WORK IN PROGRESS

Particulars	As at 31-03-2019	As at 31-03-2018
Factory Building	-	4.67
Plant & Machinery	16.40	136.20
Other Assets	80.85	80.85
Total	**97.25**	**221.72**

Notes:
1 Addition to capital work in progress includes borrowing cost on Term Loan.

Particulars	FY 2018-19	FY 2017-18
Plant and Machinery	4.76	7.25
Total	**4.76**	**7.25**

2C INVESTMENT PROPERTY

Particulars	Gross Block				Depreciation / Amortisation				Net Book Value	
	As at 01-04-2018	Additions	Deduction	As at 31-03-2019	As at 01-04-2018	For the year	Deduction	As at 31-03-2019	As at 31-03-2019	As at 31-03-2018
Buildings	138.23	-	-	138.23	26.35	2.32	-	28.67	109.56	111.88
Total	**138.23**	**-**	**-**	**138.23**	**26.35**	**2.32**	**-**	**28.67**	**109.56**	**111.88**
Previous Year	138.23	-	-	138.23	24.02	2.32	-	26.35	111.88	114.21

Information regarding Income & Expenditure of Investment Property

Particulars	FY 2018-19	FY 2017-18
Rental Income derived from Investment Property	12.60	4.32
Direct Operating expenses (including repairs and maintenance) generating rental income	(1.07)	(0.22)
Direct Operating expenses (including repairs and maintenance) that did not generate rental income	(0.69)	(1.71)
Profit from investment properties before depreciation	**10.84**	**2.38**
Depreciation	(2.32)	(2.32)
Profit from investment properties	**8.51**	**0.06**

As at 31st March 2019 and 31st March 2018, the fair values of the properties are based on valuations performed by an independent valuer.
The company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2019

(₹ in Lakh)

Fair Value of the Investment Property is as under

Fair Value	Office Building
Balance as at 01-Apr-2018	297.20
Fair value difference for the year	7.43
Purchases	-
Balance as at 31-Mar-2019	304.63

Particulars	Significant unobservable Inputs	Range of change in fair value per 5% (+/-) change in rate per sq. mtr.	
		As at 31-03-2019	As at 31-03-2018
Office Building	Sales price of similar properties adjusted for peculiar factors of the property valued.	15.23	14.86

Leasing arrangements

Investment property is leased to tenant under operating lease with rentals payable on monthly basis.

The future minimum estimated lease rental income is as follows	FY 2018-19	FY 2017-18
Not later than 1 year	9.00	-
Later than 1 year but not later than 5 years	-	-
Later than 5 years	-	-

2D. INTANGIBLE ASSETS

Particulars	Gross Block				Depreciation / Amortisation				Net Book Value	
	As at 01-04-2018	Additions	Deduction	As at 31-03-2019	As at 01-04-2018	For the year	Additions	As at 31-03-2019	As at 31-03-2019	As at 31-03-2018
Computer Software	217.62	-	-	217.62	196.94	8.16	-	205.09	12.53	20.69
Copyrights	11.06	-	-	11.06	3.81	1.11	-	4.92	6.15	7.25
Trademark	-	2.58	-	2.58	-	0.00	-	0.00	2.58	-
TOTAL	**228.69**	**2.58**	**-**	**231.27**	**200.75**	**9.26**	**-**	**210.01**	**21.26**	**27.94**
Previous Year	228.69	-	-	228.69	181.71	19.03	-	200.75	27.94	46.97

2E. INTANGIBLE ASSETS UNDER DEVELOPMENT

	As at 31-03-2019	As at 31-03-2018
Trademark, Brand and Patents	11.79	14.10

3 NON CURRENT FINANCIAL ASSETS : INVESTMENTS

Particulars	Face Value	As at 31-03-2019		As at 31-03-2018	
		Units (Nos.)	(₹ in lakhs)	Units (Nos.)	(₹ in lakhs)
Investments measured at Cost					
Investment in equity shares of subsidiaries					
Grip Polymers Ltd.	10	3,100,000	306.01	50,000	1.01
Investment in capital					
Gripsurya Recycling LLP		-	335.12	-	-
Investment in equity shares of Joint Ventures					
Marangoni GRP Pvt. Ltd.	1	9,921,723	112.70	6,034,075	73.83
Investment in equity shares of other Companies					
Narmada Clean Tech	10	129,000	12.90	129,000	12.90
Iris Ecopower Venture Pvt. Ltd.	10	412,500	41.25	412,500	41.25
OPGS Power Gujarat Pvt. Ltd.	0.1	280,000	0.56	280,000	0.56
Total			**808.54**		**129.55**
Aggregate amount of Unquoted Investments (at cost)			**808.54**		**129.55**
Category-wise Non current investment					
Financial Assets measured at Cost			808.54		129.55
Financial Assets measured at Fair value through Profit & Loss			-		-
Total Investment - Non Current			**808.54**		**129.55**

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2019

(₹ in Lakh)

4	NON CURRENT FINANCIAL ASSETS : LOANS (UNSECURED, CONSIDERED GOOD)	As at 31-03-2019	As at 31-03-2018
	Loan to Subsidiary Company (Refer Note 10 & 42)	-	373.17
	Total	**-**	**373.17**

Nature of Loans given to Subsidiaries	As at 31-03-2019	Maximum Balance during the year	As at 31-03-2018	Maximum Balance during the year
Non Current				
Grip Polymers Ltd	-	422.08	373.17	373.17
Current				
Grip Polymers Ltd	-	94.08	94.08	94.08
Total	**-**	**516.16**	**467.25**	**467.25**

All the above loans and advances have been given for business purposes

Loans and Advances shown above, fall under the category of 'Non-Current Financial Assets : Loans' are re-payable within 3 years

5	OTHER NON CURRENT ASSETS (UNSECURED, CONSIDERED GOOD)	As at 31-03-2019	As at 31-03-2018
	Leasehold Land	4.84	5.29
	Capital Advances	113.54	51.61
	Advances other than capital advances		
	- Security Deposits	336.83	278.77
	- Other Advances & Deposits	2.03	1.96
	Prepaid Expenses (Refer note 12)	22.02	21.09
	Total		**479.26**

6	INVENTORIES	As at 31-03-2019	As at 31-03-2018
	Raw Materials	1,652.34	1,528.34
	Work-in-progress	520.65	401.35
	Finished goods		
	- In hand	565.87	535.06
	- In transit	408.42	550.00
	Stores and spares	207.28	228.62
	Fuel Materials	20.38	17.58
	Packing Materials	53.02	55.62
	Stock of Others	12.25	18.09
	Total	**3,440.22**	**3,334.66**

Note : Inventories written down to net realisable value during the year 2018-2019 : Work-in -progress ₹ 69.98 lakh (2017-2018 : Nil); Finished Goods ₹19.65 lakh (2017-2018 ₹ 61.02 lakh) and Stores and Spares ₹ 12.99 lakh (2017-2018 : Nil).

7.	CURRENT FINANCIAL ASSETS : TRADE RECEIVABLES	As at 31-03-2019	As at 31-03-2018
	Trade Receivables considered good - Unsecured	6,507.76	5,132.41
	Less: Allowance for expected credit loss	(4.05)	(7.70)
		6,503.70	**5,124.71**
	Trade Receivables - credit impaired	6.32	-
	Less: Allowance for expected credit loss	(6.32)	-
		-	**-**
	Total	**6,503.70**	**5,124.71**

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2019

(₹ in Lakh)

Movement of Impairment Allowance (allowance for expected credit loss)

	FY 2018-19	FY 2017-18
Impairment Allowance		
Opening Balance	7.70	7.65
Provided during the year	6.32	2.30
Amount Written back	-	(0.79)
Amount Written Off	(3.65)	(1.45)
Closing Balance	10.38	7.70

8	CURRENT FINANCIAL ASSETS : CASH AND CASH EQUIVALENTS		As at 31-03-2019	As at 31-03-2018
	Cash on hand		1.57	1.65
	Balances with Banks			
	- In Current Accounts		15.20	12.56
	- In Cash Credit Accounts		26.29	-
	- In EEFC Accounts		393.04	75.31
		Total	**436.10**	**89.52**

9	CURRENT FINANCIAL ASSETS : OTHER BANK BALANCES		As at 31-03-2019	As at 31-03-2018
	Other Bank Balances			
	Unclaimed dividend accounts		7.81	10.50
	Term deposits held as margin money against bank guarantee and other commitments		13.19	13.41
		Total	**21.00**	**23.91**

10	CURRENT FINANCIAL ASSETS : LOANS (UNSECURED, CONSIDERED GOOD)		As at 31-03-2019	As at 31-03-2018
	Loan to Subsidiary company (Refer note 4 & 42)		-	94.08
		Total	**-**	**94.08**

11	CURRENT FINANCIAL ASSETS : OTHERS		As at 31-03-2019	As at 31-03-2018
	Accrued Interest Income		17.87	94.73
	Others*		130.16	-
		Total	**148.03**	**94.73**

* Others represents fair value of derivatives

12	OTHER CURRENT ASSETS (UNSECURED, CONSIDERED GOOD)		As at 31-03-2019	As at 31-03-2018
	Advances other than capital advances		154.50	151.48
	Security Deposits		51.18	9.38
	Balance with Central Excise, GST and State Authorities		777.62	683.27
	Prepaid Expenses (Refer note 5)		60.60	50.17
	Receivable from LIC (Gratuity claim)		5.82	5.82
	Duty drawback Receivable		72.18	41.59
		Total	**1,121.91**	**941.71**

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2019

(₹ in Lakh)

13. EQUITY	As at 31-03-2019	As at 31-03-2018
Authorized		
15,00,000 equity shares of ₹ 10 each	150.00	150.00
Issued, Subscribed and fully Paid up		
13,33,333 equity shares of ₹10 each	133.33	133.33
Total	**133.33**	**133.33**

	As at 31-03-2019		As at 31-03-2018	
	Units (Nos)	**(₹ in lakhs)**	**Units (Nos)**	**(₹ in lakhs)**
At the beginning of the year	1,333,333	133.33	1,333,333	133.33
Add: Issued during the year	-	-	-	-
At the end of the year	1,333,333	133.33	1,333,333	133.33

Rights, preferences and restrictions attached to shares

1. 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.
2. 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.

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

	As at 31-03-2019		As at 31-03-2018	
	Shares (Nos)	**% of Holding**	**Shares (Nos)**	**% of Holding**
Meera Philip	81,666	6.12%	81,666	6.12%

14 OTHER EQUITY	As at 31-03-2019	As at 31-03-2018
Capital reserve		
Special capital incentive and subsidy		
Balance as per last Balance sheet	53.30	53.30
Profit on re-issue of forfeited shares		
Balance as per last Balance sheet	0.01	0.01
Securities Premium		
Balance as per last Balance sheet	41.67	41.67
General Reserve		
Balance as at beginning of the year	6,500.00	6,500.00
Add: Transferred from the statement of profit and loss account	-	-
Balance as at the end of the year	6,500.00	6,500.00
Retained Earnings		
As per last Balance sheet	5,926.97	5,989.17
Add: Profit for the year	638.15	98.28
Less: Appropriations :		
Dividend on Equity Shares (Dividend per Share ₹ 1.25, Previous year ₹ 10)	(16.67)	(133.33)
Tax on Dividend	(3.43)	(27.14)
Transfer to general reserve	-	-
Balance as at the end of the year	**6,545.04**	**5,926.97**
Other Comprehensive Income (OCI)		
As per last Balance sheet	43.55	30.89
Add: Movement in OCI (Net) during the year	62.34	12.66
Balance as at the end of the year	**105.89**	**43.55**
Total	**13,245.90**	**12,565.50**

Description of nature and purpose of each reserve

General Reserve - General reserve is created from time to time by way of transfer from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

Capital Reserve - Capital reserve represents Special Capital subsidy received and profit on re-issue of forfeited shares

Securities Premium Reserve - Securities premium reserve represents the premium received on issue of equity shares.

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2019

(₹ in Lakh)

15 NON CURRENT FINANCIAL LIABILITIES : BORROWINGS	As at 31-03-2019	As at 31-03-2018	As at 31-03-2019	As at 31-03-2018
	Current Maturity		Non - Current portion	
Secured - At Amortised Cost				
Term Loans from Banks				
- Rupee Loan	196.00	554.84	279.25	475.25
	196.00	**554.84**	**279.25**	**475.25**
Unsecured - At Amortised Cost				
Deferred Payment Liability	19.60	18.12	10.04	29.63
	19.60	**18.12**	**10.04**	**29.63**
	215.60	**572.96**	**289.29**	**504.88**
Amount disclosed under the head Current Financial Liabilities : Others (refer note 20)	**(215.60)**	**(572.96)**	**-**	**-**
Total	**-**	**-**	**289.29**	**504.88**

1 Borrowings are measured at amortised Cost

Nature of security and terms of repayment for borrowings:

2 **Rupee loan from HDFC Bank Ltd of ₹ Nil (31st March 2018: ₹ 358.84 lakh) for Capex**

First exclusive charge by way of hypothecation of plant & machinery which are funded through this loan and by way of extension of equitable mortgage on office at 510, Kohinoor City, Kurla (West), Mumbai. Loan fully repaid on 13th February 2019.

3 **Rupee loan from Citi Bank, N.A. of ₹ 475.25 lakh (31st March2018: ₹ 671.25 lakh) for Capex**

First exclusive charge by way of hypothecation on Plant & Machinery which are funded through Citi Bank term loan.

Repayable in 16 equal quarterly instalments beginning from 11th July 2017 along with interest @ 10.20% p.a.

4 **Deferred Payment Liability**

(a) Vehicle loan of ₹ 9.48 lakh (31st March 2018: ₹ 18.28 lakh) is secured by vehicles under hypothecation with bank. Loan is repayable in 36 monthly instalments beginning from April 2017 along with interest @ 8.51% p.a.

(b) Vehicle loan of ₹ 20.15 lakh (31st March 2018: ₹ 29.47 lakh) is secured by vehicles under hypothecation with NBFC. Loan is repayable in 48 monthly instalments from March 2017 along with interest @ 8.27% p.a.

5 For explanation on the company's Interest rate risk and foreign currency risk refer Note 44

16 NON CURRENT LIABILITIES : PROVISIONS	As at 31-03-2019	As at 31-03-2018
Provision for Leave encashment (Refer note 22)	54.47	71.52
Total	**54.47**	**71.52**

17 DEFERRED TAX LIABILITIES (NET)	As at 31-03-2019	As at 31-03-2018
At the start of the year	2,197.22	2,412.69
Charge/(credit) to Statement of Profit and Loss	(90.55)	(188.77)
Charge/(credit) to Other Comprehensive Income	30.05	(26.70)
At the end of year	**2,136.72**	**2,197.22**

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2019

(₹ in Lakh)

Component of Deferred tax liabilities / (asset)	As at 31-03-2018	Charge/(credit) to Profit and Loss	Charge/(Credit) to Other Comprehensive Income	As at 31-03-2019
Deferred tax liabilities / (asset) in relation to:				
Property, plant and equipment	2,304.58	(193.71)	-	2,110.86
Financial assets	(19.74)	20.32	-	0.58
Loan and advances	20.33	(2.28)	-	18.05
Provisions	(81.25)	61.90	-	(19.35)
Others	(26.70)	23.23	30.05	26.58
Total	**2,197.22**	**(90.55)**	**30.05**	**2,136.72**

18 CURRENT FINANCIAL LIABILITIES : BORROWINGS	As at 31-03-2019	As at 31-03-2018
Secured - At Amortised Cost		
Working Capital Loan payable on demand from banks		
Foreign Currency Loans	4,316.50	3,223.26
Rupee Loans	1,569.53	1,303.37
Total	**5,886.02**	**4,526.64**

Nature of security and terms of repayment for secured borrowings:

1. **Working Capital Loan from HDFC Bank Ltd of ₹ 4,425.73 lakh (31st March 2018: ₹ 2,889.29 lakh)**

   First pari passu charge by way of hypothecation of entire current assets, both present and future at par with other banks. First pari passu charge on entire property, plant and equipment located at Ankleshwar & Panoli plant of the company at par with other banks.

2. **Working Capital loan from Citi Bank N. A. of ₹ 1,460.29 lakh (31st March 2018: ₹ 1,637.35 lakh)**

   Secured by first pari passu charge in favour of Citi Bank N.A. by way of hypothecation of entire current assets, both present and future at par with other banks. First Pari Passu charge on property, plant and equipment situated at Ankleshwar & Panoli Plant, District Bharuch, Gujarat at par with other banks.

3. For explanation on the company's Interest risk and foreign currency risk refer Note 44

19 CURRENT FINANCIAL LIABILITIES : TRADE PAYABLES	As at 31-03-2019	As at 31-03-2018
Dues of micro and small enterprises	180.11	154.72
Dues of creditors other than micro and small enterprises	1,997.21	1,395.03
Total	**2,177.32**	**1,549.75**

Details of Micro and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act,2006 ("MSMED Act").

To comply with the requirement of The Micro, Small and Medium Enterprises Development Act, 2006, the Company requested its suppliers to confirm it whether they are covered as Micro, Small or Medium enterprise as is defined in the said Act. Based on the communication received from such suppliers confirming their coverage as such enterprise, the company has recognized them for the necessary treatment as provided under the Act, from the date of receipt of such confirmations and are disclosed in note below.

	As at 31-03-2019	As at 31-03-2018
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount outstanding (whether due or not) to micro and small enterprises	180.11	154.72
- Interest due thereon	0.16	0.17
The amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006.	-	-
The amount of payment made to the supplier beyond the appointed day during the year	470.51	726.00
Amount of interest due and payable on delayed payments	5.46	6.65
Amount of interest accrued and remaining unpaid as at year end	18.82	13.20
The amount of further interest due and payable even in the succeeding year	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2019

(₹ in Lakh)

20	CURRENT FINANCIAL LIABILITIES : OTHERS	As at 31-03-2019	As at 31-03-2018
	Current maturities of Long-term borrowings (refer note 15)	215.60	572.96
	Interest accrued and due on borrowings	20.61	11.46
	Unclaimed Dividend*	7.81	10.50
	Creditors for Capital Goods & Services	41.25	20.54
	Deposit from Dealers	60.40	60.40
	Security Deposit for Let out property	5.65	0.25
	Others**	1.12	45.99
	Total	**352.44**	**722.10**

*There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as on 31st March, 2019.
**Others represents fair value of derivatives

21	OTHER CURRENT LIABILITIES	As at 31-03-2019	As at 31-03-2018
	Advances from customers	8.75	58.79
	Statutory dues	94.04	79.34
	Others	581.40	598.91
	TOTAL	**684.19**	**737.04**

22	CURRENT LIABILITIES : PROVISIONS	As at 31-03-2019	As at 31-03-2018
	Current maturities of Long-term provisions of Employees Benefit expenses (refer note 16)		
	- Provision for Leave encashment	3.48	11.37
	Total	**3.48**	**11.37**

23	CURRENT TAX LIABILITIES (NET)	As at 31-03-2019	As at 31-03-2018
	Opening Balance	35.70	(65.54)
	Add: Provision for Income-tax for the year	331.59	378.51
	Add: Tax on defined benefit plans	1.19	33.40
	Less: MAT credit Adjusted	-	(223.55)
	Less: Short / (Excess) Provision for earlier years	(55.02)	(40.92)
	Less: Advance Tax Paid	(286.28)	(46.19)
	Closing Balance	**27.18**	**35.70**

24	REVENUE FROM OPERATIONS:	Year ended 31-03-2019	Year ended 31-03-2018
	Revenue from Operations	37,153.40	31,040.47
	Power generation from Windmill	80.68	69.78
	Export incentives	309.69	305.90
	Revenue from Operations (Gross)	**37,543.77**	**31,416.15**
	Less: Goods and Service Tax Recovered	1,847.57	1,225.94
	Revenue from Operations (Net)	**35,696.20**	**30,190.21**

Consequent to introduction of Goods and Service Tax (GST) w.e.f. 1st July 2017 , Revenue for the year is presented net of GST in compliance with Indian Accounting Standard (Ind AS) 115 Revenue. The Revenue from Operations for the year ended 31st March, 2018 are inclusive of excise duty upto period end 30th June, 2017 and accordingly those are not comparable with the Revenue from Operations for the year ended 31st March, 2019 to that extent.

Disaggregation of Revenue **Revenue based on Geography**	Year ended 31-03-2019	Year ended 31-03-2018
Export	25,352.82	21,091.21
Domestic	10,343.38	9,099.00
Total	**35,696.20**	**30,190.21**

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2019

(₹ in Lakh)

25	OTHER INCOME:		Year ended 31-03-2019	Year ended 31-03-2018
	Interest Income		57.66	62.09
	Royalty Income		-	0.24
	Share of Profit / (Loss) in LLP		7.15	-
	Other Non-operating Income		22.65	44.47
		Total	**87.46**	**106.80**

26	CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE:		Year ended 31-03-2019	Year ended 31-03-2018
	Inventories at the beginning of the year:			
	Finished goods		535.06	884.60
	Goods-in-transit (Finished Goods)		550.00	556.04
	Work-in-progress		401.35	428.63
		(A)	**1,486.41**	**1,869.28**
	Inventories at the end of the year:			
	Finished goods		565.87	535.06
	Goods-in-transit (Finished Goods)		408.42	550.00
	Work-in-progress		520.65	401.35
		(B)	**1,494.94**	**1,486.41**
	Total	**(A) - (B)**	**(8.53)**	**382.87**

27	EMPLOYEE BENEFITS EXPENSES:		Year ended 31-03-2019	Year ended 31-03-2018
	Salaries and Wages		5,165.84	4,581.72
	Contribution to Provident fund and Other funds*		395.99	400.49
	Staff Welfare and other benefits		266.14	217.06
		Total	**5,827.97**	**5,199.27**

*For Disclosure as per IND-AS 19 'Employee Benefits' refer note 35

28	FINANCE COST:		Year ended 31-03-2019	Year ended 31-03-2018
	Interest on Term & Working Capital Loans*		317.14	366.59
	Applicable loss on foreign currency transactions and translation		57.96	-
	Interest on Other Loans		15.04	17.60
	Financial Charges		74.47	45.41
		Total	**464.62**	**429.60**

* Interest Expenses are net of Interest Capitalised of ₹ 4.76 lakh (Previous year ₹ 7.25 lakh) (Refer note 2B-2)

29	DEPRECIATION AND AMORTISATION EXPENSES:		Year ended 31-03-2019	Year ended 31-03-2018
	Depreciation on Property, Plant & Equipment		1,284.02	1,314.33
	Depreciation on Investment Property		2.32	2.32
	Amortisation of Intangible Assets		9.26	19.03
		Total	**1,295.61**	**1,335.69**

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2019

(₹ in Lakh)

30 OTHER EXPENSES:	Year ended 31-03-2019	Year ended 31-03-2018
Manufacturing Expenses		
Packing Material consumed	917.91	868.15
Stores and Spare Parts Consumed	694.41	554.25
Utilities Consumed:-		
- Power Consumption	3,978.40	3,492.53
- Fuel Consumption	912.58	645.08
- Water Consumption	50.92	40.76
Repairs & Maintenance Expenses:-		
- Plant & Machineries	358.71	325.76
- Factory Buildings	28.13	47.05
	6,941.07	**5,973.58**
Sales & Distribution expenses		
Freight & Forwarding expenses	2,476.72	2,170.34
Other Selling and Distribution expenses	74.73	56.16
	2,551.45	**2,226.50**
Administration & Other Expenses		
Insurance	32.38	37.13
Vehicle Expenses	125.77	94.76
Printing & Stationery	20.70	17.52
Advertisements	3.32	3.20
Rent, Lease Rent & Other Charges	0.58	0.62
Repairs to Other Assets	97.29	103.06
Legal & Professional charges	278.05	175.92
Travelling & Conveyance	175.80	158.38
Postage & Telephones	27.23	28.89
Provision for expected credit loss	6.32	1.50
Net (Gain) / Loss on foreign currency transactions and translation	(407.86)	42.26
Auditors Remuneration (Refer note 32)	10.77	1.28
Directors' Sitting Fees	9.85	5.20
Commission to Director	10.90	4.50
Rate and Taxes	16.48	15.18
Corporate Social Responsibility Expense (Refer note 39)	20.15	28.92
Factory / Office Expenses	51.59	41.43
Office electricity expenses	14.32	14.69
Other Expenses	170.57	143.07
Net Loss on Sale of Property, Plant and Equipment	21.28	9.99
Variation in CED on Stock of finished goods	-	(91.57)
	685.51	**835.93**
Total	**10,178.03**	**9,036.02**

31 INCOME TAX:

A The note below details the major components of income tax expenses for the year ended 31st March, 19 and 31st March, 18. The note further describes the significant estimates made in relation to company's income tax position and also explains how the income tax expense is impacted by non-assessable and non-deductible items.

Particulars	Year ended 31-03-2019	Year ended 31-03-2018
Current Tax	**276.57**	**337.59**
Current Tax	331.59	378.51
(Excess) / Short Provision for earlier years	(55.02)	(40.92)
Deferred Tax	**(90.55)**	**(188.77)**
Deferred Tax	(90.55)	(188.77)
Income tax expense reported in the statement of profit and loss	**186.02**	**148.82**
Other Comprehensive Income (OCI)		
Income tax relating to items that will not be reclassified to profit or loss	1.19	33.40
Deferred tax relating to items that will be reclassified to profit or loss	30.05	(26.70)

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2019

(₹ in Lakh)

B Reconciliation of tax expenses and the accounting profit multiplied by applicable tax rate as notified under Income Tax Act, 1961 enacted in India for the years ended 31st March, 2019 and 31st March, 2018.

Particulars	Year ended 31-03-2019	Year ended 31-03-2018
Profit before income tax expense	824.17	247.10
Income tax expense calculated at 33.384% (31st March 2018 : 34.608%)	**275.14**	**85.52**
Tax effect of adjustments in calculating taxable income		
- Disallowance of expenses as per Income tax	538.52	576.16
- Allowance of expenses (Depreciation, R&D)	(482.07)	(283.17)
Current Tax Provision (A)	**331.59**	**378.51**
Short / (Excess) Provision for earlier years (B)	**(55.02)**	**(40.92)**
Incremental Deferred Tax Liability on account of Property, Plant and Equipment and Intangible Assets	(193.71)	(179.66)
Incremental Deferred Tax Liability / (Asset) on account of Financial Assets and Other Items	103.17	(9.11)
Deferred Tax Provision (C)	**(90.54)**	**(188.77)**
Tax Expenses recognised in Statement of Profit and Loss (A+B+C)	**186.03**	**148.82**
Effective Tax rate	**22.57%**	**60.23%**

32 DETAILS OF PAYMENT TO AUDITORS EXCLUDING TAXES:	Year ended 31-03-2019	Year ended 31-03-2018
Statutory Audit fees	7.00	-
Limited Review fees	0.75	0.75
Tax Audit fees	2.25	-
Reimbursement of expenses	0.77	0.53
Total	**10.77**	**1.28**

33 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR) :	As at 31-03-2019	As at 31-03-2018
Guarantees issued by Banks (Net)	371.53	350.55
Letter of Credit	88.65	43.65
Claims against the company (Including Sales tax, Excise duty etc.) not acknowledged as debts		
- Sales Tax	204.62	193.54
- Excise Duty & Service Tax	144.85	144.88
- Income Tax liability	118.90	142.45
Estimated amount of contracts remaining to be executed on capital account towards PPE	139.21	37.63
Total	**1,067.76**	**912.69**

34 LEASES:	Year ended 31-03-2019	Year ended 31-03-2018
Vehicles taken on Operating Lease: The company has entered into lease agreement for 20 vehicles taken on operating lease for a term of 48 months. The future minimum lease payments under non cancellable operating lease are as under		
(a) Not later than 1 year	76.76	51.44
(b) Later than 1 year but not later than 5 years	145.28	83.10
(c) Later than 5 years	-	-
Premises given on Operating Lease: The Company has given premises on operating lease to Marangoni GRP Private Limited for a term of 36 months.		
- Gross carrying amount as on balance sheet date	13.37	-
- Accumulated depreciation amount as on balance sheet date	(2.25)	-
- Net carrying amount as on balance sheet date	11.12	-
- Depreciation recognised in statement of profit and loss	0.18	-
The future minimum lease rental income is as follows		
(a) Not later than 1 year	3.00	-
(b) Later than 1 year but not later than 5 years	3.75	-
(c) Later than 5 years	-	-

Premises given on Operating Lease: Refer note 2C

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2019 (₹ in Lakh)

35 EMPLOYEE BENEFITS :

As per Indian Accounting Standard 19 "Employee benefits", the disclosures as defined are given below :

The Company has various schemes for long term benefits such as provident fund, superannuation, gratuity and leave encashment. The Company's defined contribution plans are Employees' Provident fund and Pension Scheme (under the provision of the Employees' Provident Fund and Miscellaneous Provisions Act, 1952) since the company has no further obligation beyond making the contributions.

A Defined Contribution Plans

Contribution to Defined Contribution Plans, recognised as expense for the year is as under

		Year ended 31-03-2019	Year ended 31-03-2018
i	Employer's Contribution to Provident & Pension Fund	248.71	228.29
ii	Employer's Contribution to Superannuation Fund	24.82	23.69

B Defined Benefit Plans

Disclosure Statement as Per Indian Accounting Standard 19

Defined Benefit Gratuity Plan (Funded)

The Company has a defined benefit gratuity plan in India (funded). The company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. The fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

Gratuity is a defined benefit plan and company is exposed to the Following Risks:

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on Government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching (ALM) Risk : The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

During the year, there were no plan amendments, curtailments and settlements.

A separate trust fund is created to manage the Gratuity plan and the contributions towards the trust fund is done as guided by rule 103 of Income Tax Rules, 1962.

		As at 31-03-2019	As at 31-03-2018
		Gratuity	
		Funded	
i)	**Reconciliation of opening and closing balances of Defined Benefit Obligation**		
	Defined Benefit Obligation at beginning of the year	511.29	573.62
	Current Service Cost	53.37	50.16
	Past Service Cost	-	33.45
	Interest Cost	40.14	42.10
	Actuarial (Gain) / Loss	35.53	(122.33)
	Benefits Paid	(73.01)	(65.71)
	Defined Benefit Obligation at year end	**567.32**	**511.29**
ii)	**Reconciliation of opening and closing balances of fair value of Plan Assets**		
	Fair value of Plan Assets at beginning of year	570.05	582.15
	Expected Return on Plan Assets	44.75	42.73
	Employer Contribution	40.50	36.70
	Benefits Paid	(73.01)	(65.71)
	Actuarial (Gain) / Loss	39.10	(25.82)
	Fair value of Plan Assets at year end	**621.38**	**570.05**

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2019

(₹ in Lakh)

		As at 31-03-2019	As at 31-03-2018
		Gratuity	
		Funded	
iii)	**Reconciliation of fair value of Assets and Obligations**		
	Present Value of Benefit Obligation at the end of the Period	567.32	511.29
	Fair value of plan assets as at end of the year	621.38	570.05
	Funded status (Surplus/ (Deficit))	54.07	58.75
	Net (Liability)/Asset Recognized in the Balance Sheet	**54.07**	**58.75**
iv)	**Expenses recognised during the year**		
	Current service cost	53.37	50.16
	Past service cost	-	33.45
	Actuarial (Gains)/Losses on Obligation For the Period	-	-
	Net Interest cost	(4.61)	(0.63)
	Expenses recognised in the statement of profit and loss account	**48.76**	**82.98**
	Actuarial (Gains)/Losses on Obligation For the Period	35.53	(122.33)
	Return on Plan Assets, excluding Interest Income	(39.10)	25.82
	Net (Income)/Expense For the Period Recognized in OCI	**(3.57)**	**(96.50)**
v)	**Actuarial Assumptions**		
	Discount Rate	7.79%	7.85%
	Salary Escalation	5.00%	5.00%

C Sensitivity Analysis

The key assumption and sensitivity of the defined benefit obligation to changes in the weighted principal assumption is:

Particulars	Year ended 31-03-2019	Year ended 31-03-2018
Expected Return on Plan Assets	7.79%	7.85%
Rate of Discounting	7.79%	7.85%
Rate of Salary Increase	5.00%	5.00%
Rate of Employee Turnover	2.00%	2.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	

Particulars	Year ended 31-03-2019	Year ended 31-03-2018
Delta Effect of +1% Change in Rate of Discounting	(46.49)	(38.26)
Delta Effect of -1% Change in Rate of Discounting	54.68	45.09
Delta Effect of +1% Change in Rate of Salary Increase	54.79	45.07
Delta Effect of -1% Change in Rate of Salary Increase	(47.27)	(38.79)
Delta Effect of +1% Change in Rate of Employee Turnover	13.61	11.60
Delta Effect of -1% Change in Rate of Employee Turnover	(15.64)	(13.38)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2019

(₹ in Lakh)

36 RELATED PARTIES DISCLOSURE:

Sr.	Name of Related Party	% Share	Relationship
1	Grip Polymers Ltd. (100 % of total shareholdings held by GRP Ltd.)	100.000%	Direct Subsidiary
2	Grip Surya Recycling LLP (Partners capital share by GRP Ltd . w.e.f 24th December 2018)	99.886%	
3	Grip Surya Recycling LLP (Subsidiary of Grip Polymers Ltd. Upto 23rd December 2018)	99.970%	Stepdown Subsidiary
4	MARANGONI GRP Private Limited	50.000%	Joint Venture
5	Rajendra V Gandhi; Managing Director		Key Managerial Personnel (KMP)
6	Harsh R Gandhi; Joint Managing Director		
7	Ganesh A Ghangurde; Chief Financial Officer (upto 6th August 2018); Company Secretary (upto 12th February 2019)		
8	Shilpa Mehta; Chief Financial Officer (from 7th August 2018)		
9	Abhijeet Sawant; Company Secretary (from 13th February 2019)		
10	Nayna R. Gandhi		Relatives of Key Managerial Personnel (KMP)
11	Hemal H. Gandhi		
12	Mahesh V. Gandhi		
13	Alphanso Netsecure Pvt. Ltd.		Enterprises over which Key Managerial Personnel are able to exercise significant influence
14	GRP Employees Group Gratuity Trust		Post Employment Benefits Plans
15	GRP Employees Group Superannuation Scheme		

Sr. No.	Particulars	Subsidiaries		Joint Venture		Key Managerial Personnel	
		2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
1	Loan given	48.91	59.25	-	-	-	-
2	Loan repaid	516.16	-	-	-	-	-
3	Loan outstanding	-	467.25	-	-	-	-
4	Interest charged	39.69	45.60	-	-	-	-
5	Interest received	114.62	-	-	-	-	-
6	Interest outstanding (net of TDS)	-	78.91	-	-	-	-
7	Shareholding	306.01	1.01	112.70	73.83	-	-
8	Shares subscribed during the year	305.00	-	38.88	26.97	-	-
9	Investment in Partners Capital	335.12	-	-	-	-	-
10	Purchase of Goods	707.20	623.68	-	-	-	-
11	Sale of Services	-	-	2.25	0.24	-	-
12	Purchase of Assets	6.51	-	-	-	-	-
13	Sale of Scrap / Assets	1.59	19.19	-	-	-	-
14	Contributions during the year	-	-	-	-	-	-
15	Outstanding Receivable	-	-	24.25	21.25	-	-
16	Outstanding Payable	57.83	31.66	-	-	-	-
17	Remuneration paid	-	-	-	-	364.57	312.81
18	Sitting Fees Paid	-	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2019

(₹ in Lakh)

Sr. No.	Particulars	Relatives of Key Managerial Personnel		Enterprises over which Key Managerial Personnel are able to exercise significant influence		Post Employment Benefit plans	
		2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
1	Loan given	-	-	-	-	-	-
2	Loan repaid	-	-	-	-	-	-
3	Loan outstanding	-	-	-	-	-	-
4	Interest charged	-	-	-	-	-	-
5	Interest received	-	-	-	-	-	-
6	Interest outstanding (net of TDS)	-	-	-	-	-	-
7	Shareholding	-	-	-	-	-	-
8	Shares subscribed during the year	-	-	-	-	-	-
9	Investment in Partners Capital	-	-	-	-	-	-
10	Purchase of Goods	-	-	0.67	0.67	-	-
11	Sale of Services	-	-	-	-	-	-
12	Purchase of Assets	-	-	-	-	-	-
13	Sale of Scrap / Assets	-	-	-	-	-	-
14	Contributions during the year	-	-	-	-	65.32	60.39
15	Outstanding Receivable	-	-	-	-	-	-
16	Outstanding Payable	-	-	-	-	-	-
17	Remuneration paid	19.97	14.86	-	-	-	-
18	Sitting Fees Paid	1.50	0.90	-	-	-	-

Disclosure in respect of material transactions of the same type with related parties during the year

Sr. No.	Particulars	Year ended 31-03-2019	Year ended 31-03-2018
1	**Loan given** - Grip Polymers Ltd	48.91	59.25
2	**Loan repaid** - Grip Polymers Ltd	516.16	-
3	**Loan Outstanding** - Grip Polymers Ltd	-	467.25
4	**Interest charged** - Grip Polymers Ltd	39.69	45.60
5	**Interest received** - Grip Polymers Ltd	114.62	-
6	**Interest outstanding (net of TDS)** - Grip Polymers Ltd	-	78.91
7	**Shareholding**		
	- Grip Polymers Ltd	306.01	1.01
	- MARANGONI GRP Private Limited	112.70	73.83
8	**Shares subscribed during the year**		
	- Grip Polymers Ltd	305.00	-
	- MARANGONI GRP Private Limited	38.88	26.97
9	**Investment in Partners capital** - Gripsurya Recycling LLP	335.12	-
10	**Purchase of Goods**		
	- Gripsurya Recycling LLP	707.20	623.68
	- Alphanso Netsecure Private Limited	0.67	0.67
11	**Sale of Services** - MARANGONI GRP Private Limited	2.25	0.24
12	**Purchase of Assets** - Gripsurya Recycling LLP	6.51	-
13	**Sale of Scrap / Assets -** Gripsurya Recycling LLP	1.59	19.19
14	**Contributions during the year**		
	GRP Employees Group Gratuity Trust	40.50	36.70
	GRP Employees Group Superannuation Scheme	24.82	23.69
15	**Outstanding Receivable -** MARANGONI GRP Private Limited	24.25	21.25
16	**Outstanding Payable -** Gripsurya Recycling LLP	57.83	31.66
17	**Remuneration paid**		
	- Rajendra V Gandhi	100.36	93.42
	- Harsh R Gandhi	147.50	135.46
	- Ganesh A Ghangurde	91.66	83.93
	- Hemal H Gandhi	19.97	14.86
18	**Sitting Fees Paid**		
	- Mahesh V Gandhi	0.75	0.30
	- Nayna R. Gandhi	0.75	0.60

Terms and conditions of transactions with related partie

Transaction entered into with related party are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured, interest free and will be settled in cash. There have been no guarantees received or provided for any related party receivables or payables.

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2019

(₹ in Lakh)

Compensation of Key management personnel			
Sr. No.	Particulars	Year ended 31-03-2019	Year ended 31-03-2018
1	Short-term employee benefits	334.58	286.85
2	Post-employment benefits	29.99	25.96
3	Other long-term benefits	-	-
4	Termination benefits	-	-
5	Share-based payments	-	
	Total Compensation paid to Key Management personnel	**364.57**	**312.81**

37	RESEARCH & DEVELOPMENT ELIGIBLE FOR DEDUCTION UNDER SECTION 35(2AB) OF INCOME TAX ACT, 1961	Year ended 31-03-2019	Year ended 31-03-2018
	Accounting for Research & Development expenditure incurred :		
(a)	Capital Expenditure incurred on Equipments & Machinery	22.69	2.90
(b)	Capital Expenditure incurred on Buildings, Furniture, office equipments & Computer Hardware	-	2.33
(c)	Capital Work in Progress	14.79	14.79
(d)	Revenue Expenditure incurred towards the R&D Projects	174.36	178.40

38 SEGMENT REPORTING:

As per Indian Accounting Standard (Ind AS) -108 on Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators of business segment/s in which the company operates, 'Reclaim Rubber' has been identified as reportable segment and smaller business segments not separately reportable have been grouped under the heading 'Others'.

The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting.

a) Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

b) Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

Sr. No.	Particulars	Reclaim Rubber		Others		Unallocable		Total	
		2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
1	**Segment Revenue**								
	Gross Revenue from Operations	35,691.21	30,670.96	1,852.56	745.19	-	-	37,543.77	31,416.15
	Less: Goods & Service Tax	1,766.95	1,195.88	80.63	30.06	-	-	1,847.57	1,225.94
	Net Revenue from Operations	33,924.27	29,475.08	1,771.93	715.13	-	-	35,696.20	30,190.21
2	**Segment Results before Interest & Tax**	3,071.40	2,923.29	212.70	(117.62)	(1,995.30)	(2,128.98)	1,288.79	676.70
	Less: Interest Expenses	-	-	-	-	-	-	464.62	429.60
	Profit before Tax	3,071.40	2,923.29	212.70	(117.62)	(1,995.30)	(2,128.98)	824.17	247.10
	Current Tax	-	-	-	-	-	-	276.57	337.59
	Deferred Tax	-	-	-	-	-	-	(90.55)	(188.77)
	Profit After Tax	3,071.40	2,923.29	212.70	(117.62)	(1,995.30)	(2,128.98)	638.15	98.28
3	**Other Information**								
	Segment Assets	19,574.20	18,520.92	2,782.79	2,099.21	2,633.36	2,434.93	24,990.36	23,055.06
	Segment Liabilities	2,676.95	2,275.19	144.19	82.56	8,789.98	7,998.47	11,611.12	10,356.22
	Capital Expenditure	775.77	406.10	94.48	202.46	14.69	3.81	884.94	612.37
	Depreciation / Amortisation Expenses	1,116.76	1,171.04	102.36	77.29	76.50	87.36	1,295.61	1,335.69

1 The reportable Segments are further described below
- Reclaim Rubber segment includes production and marketing of Reclaim rubber products
- Others segment includes Windmill, Custom Die Forms, Engineering Plastics and Polymer Composite Products.

2 There are transactions with a single external customer which amounts to 10% or more of the Company's revenue.

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2019

(₹ in Lakh)

39	CORPORATE SOCIAL RESPONSIBILITY EXPENSES:	Year ended 31-03-2019	Year ended 31-03-2018
A	Gross amount required to be spent by the company during the year.	-	26.30
B	Amount Spent during the year on:		

	Year 2018-19			Year 2017-18		
	In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
i) Construction/acquisition of any asset	4.60	-	4.60	3.03	-	3.03
ii) On purposes other than(i) above	15.55	-	15.55	25.90	-	25.90
	20.15	**-**	**20.15**	**28.92**	**-**	**28.92**

As per the provision under Section 135 of the Companies Act, 2013, the company is not required to spend towards Corporate Social responsibility for the Financial Year 2018-19.

40	EARNINGS PER SHARE:	Year ended 31-03-2019	Year ended 31-03-2018
-	Net Profit after tax for the year	638.15	98.28
-	Number of equity shares of ₹ 10/- each.	1,333,333	1,333,333
-	Earnings per share - Basic	47.86	7.37
-	Earnings per share -Diluted	47.86	7.37
-	Face value per equity share	10.00	10.00

41 INVESTMENT IN LIMITED LIABILITY PARTNERSHIP:

The Company is a partner in Gripsurya Recycling LLP, following are closing balance of their capital account

Name of Partners in Gripsurya Recycling LLP	Profit Sharing Ratio (in %)	As at 31-03-2019
GRP Ltd	99.886%	335.12
Grip Polymers Ltd	0.102%	0.34
Ganesh Ghangurde	0.006%	0.02
Hemant Kaul	0.006%	0.02

42 DISCLOSURE REQUIRED UNDER SECTION 186(4) OF COMPANIES ACT, 2013:

The details of loans, guarantees and investments under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

(i) Details of investment made are given in Note 3

(ii) Details of loans given by the Company are as follows:

Name of the Entity	Relationship	As at 31-03-2019	As at 31-03-2018
Grip Polymers Limited	Wholly owned subsidiary	-	467.25

(iii) There are no guarantees issued by the Company in accordance with section 186 of the Companies Act, 2013 read with rules issued thereunder.

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2019

(₹ in Lakh)

43 FAIR VALUATION MEASUREMENT HIERARCHY

A CATEGORY-WISE CLASSIFICATION OF FINANCIAL INSTRUMENTS

	Refer Note	As at 31-03-2019	As at 31-03-2018
Financial assets measured at fair value through profit or loss (FVTPL)			
Forward Contract	11	72.09	-
Financial assets measured at fair value through other comprehensive income (FVTOCI)			
Forward Contract	11	58.07	-
Financial assets measured at amortised cost			
Loan to Subsidiary company	4 & 10	-	467.25
Trade Receivables	7	6,503.70	5,124.71
Cash and cash equivalents	8	436.10	89.52
Bank balances other than mentioned above	9	21.00	23.91
Accrued Interest Income	11	17.87	94.73
Financial liabilities measured at fair value through profit or loss (FVTPL)			
Forward Contract	20	1.40	14.35
Financial liabilities measured at fair value through other comprehensive income (FVTOCI)			
Forward Contract	20	(0.28)	31.65
Financial liabilities measured at amortised cost			
Rupee Term Loan from Banks	15 & 20	475.25	1,030.09
Deferred Payment Liability	15 & 20	29.63	47.75
Foreign Currency Working Capital Demand Loan from Banks	18	4,316.50	3,223.26
Rupee Working Capital Demand Loan from Banks	18	1,569.53	1,303.37
Trade payables	19	2,177.32	1,549.75
Interest accrued and due on borrowings	20	20.61	11.46
Unclaimed Dividend	20	7.81	10.50
Creditors for Capital Goods & Services	20	41.25	20.54
Deposit from Dealers	20	60.40	60.40
Security Deposit for Let out property	20	5.65	0.25

The above table does not include financial assets measured at Cost. (Refer note 3)

B FAIR VALUE MEASUREMENTS

(i) The following table provides the fair value measurement hierarchy of the company's financial assets and liabilities:

Particulars	Carrying Amount	Fair Value hierarchy		
		Quoted prices in active markets (Level 1)	Significant Observable inputs (Level 2)	Significant Unobservable inputs (Level 3)
As at 31-03-2019				
Financial Assets				
At Fair Value Through P&L (FVTPL)				
Other Financial Assets	72.09	-	72.09	-
At Fair Value Through OCI (FVTOCI)				
Other Financial Assets	58.07	-	58.07	-
Financial Liabilities				
At Fair Value Through P&L (FVTPL)				
Other Financial Liabilities	1.40	-	1.40	-
At Fair Value Through OCI (FVTOCI)				
Other Financial Liabilities	(0.28)	-	(0.28)	-
As at 31-03-2018				
Financial Liabilities				
At Fair Value Through P&L (FVTPL)				
Other Financial Liabilities	14.35	-	14.35	-
At Fair Value Through OCI (FVTOCI)				
Other Financial Liabilities	31.65	-	31.65	-

(ii) Financial Instrument measured at Amortised Cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

44 FINANCIAL RISK MANAGEMENT - OBJECTIVES AND POLICIES

The Company's financial liabilities comprise mainly of borrowings, trade payables and other payables. The Company's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other receivables.

The Company is exposed to Market risk, Credit risk and Liquidity risk. The Board of Directors ('Board') oversee the management of these financial risks through its Risk Management Committee. The Risk Management Policy of the Company formulated by the Risk Management Committee and approved by the Board, states the Company's approach to address uncertainties in its endeavour to achieve its stated and implicit objectives. It prescribes the roles and responsibilities of the Company's management, the structure for managing risks and the framework for risk management. The framework seeks to identify, assess and mitigate financial risks in order to minimize potential adverse effects on the Company's financial performance.

The following disclosures summarize the Company's exposure to financial risks and information regarding use of derivatives employed to manage exposures to such risks. Quantitative sensitivity analysis have been provided to reflect the impact of reasonably possible changes in market rates on the financial results, cash flows and financial position of the Company.

1) Market Risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk and currency risk. Financial instruments affected by market risk includes borrowings, investments, trade payables, trade receivables, loans and derivative financial instruments.

a) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Interest Rate Exposure

	As at 31-03-2019	As at 31-03-2018
Borrowings		
Long Term Floating Loan	-	358.84
Long Term Fixed Loan	504.88	719.00
Short Term Loan	5,859.94	4,526.64

Impact on Interest Expenses for the year on 0.5% change in Interest rate

Changes in rate	Effect on profit before tax		Effect on total equity	
	Year ended 31-03-2019	Year ended 31-03-2018	As at 31-03-2019	As at 31-03-2018
+0.5%	(29.30)	(24.43)	(29.30)	(24.43)
-0.5%	29.30	24.43	29.30	24.43

b) Foreign Currency Risk

The company's business objective includes safe-guarding its earnings against foreign exchange rate fluctuation. The company has adopted a structured risk management policy to hedge all these risks within an acceptable risk limit and an approved hedge accounting framework which allows for Fair Value and Cash Flow hedges. Hedging instruments include forward/options instruments to achieve this objective. There are no option contracts outstanding as at 31-Mar-2019.

(i) Exposure in foreign currency - Hedged

The Company enters into forward exchange contracts to hedge against its foreign currency exposures relating to the underlying transactions and firm commitments. The Company does not enter into any derivative instruments for trading or speculative purposes.

The forward exchange contracts used for hedging foreign currency exposure and outstanding as at reporting date are as under:

Currency	(FC in lakhs)		(₹ in lakhs)	
	As at 31-03-2019	As at 31-03-2018	As at 31-03-2019	As at 31-03-2018
EUR	4.70	7.00	362.64	570.32
USD	10.00	5.00	695.75	327.49

(ii) Exposure in foreign currency - Unhedged

Payables	(FC in lakhs)		(₹ in lakhs)	
	As at 31-03-2019	As at 31-03-2018	As at 31-03-2019	As at 31-03-2018
EUR	17.51	21.95	1,351.38	1,773.48
USD	40.55	23.97	2,804.06	1,562.32

Receivables	(FC in lakhs)		(₹ in lakhs)	
	As at 31-03-2019	As at 31-03-2018	As at 31-03-2019	As at 31-03-2018
EUR	10.86	12.06	837.11	969.38
USD	36.69	15.77	2,533.36	1,025.94
JPY	14.12	23.18	8.81	14.26
THB	0.04	0.04	0.09	0.08

(iii) Sensitivity

The Company is mainly exposed to changes in EUR & USD. The below table demonstrates the sensitivity to a 5% increase or decrease in the EUR / USD against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Company as at the reporting date. 5% represents management's assessment of reasonably possible change in foreign exchange rate.

Foreign Currency	Change in rate	Effect on profit after tax		Effect on total equity	
		Year ended 2018-19	Year ended 2017-18	As at 31-03-2019	As at 31-03-2018
EUR	+5%	(25.71)	(40.18)	(25.71)	(40.18)
EUR	-5%	25.71	40.18	25.71	40.18
USD	+5%	(13.54)	(26.82)	(13.54)	(26.82)
USD	-5%	13.54	26.82	13.54	26.82

c) Other Price Risks:

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. Other price risk arises from financial assets such as investments in equity instruments. Company has invested in unquoted Equity Instruments and hence its exposure to change in market value is minimal.

2) Credit Risk:

Credit risk refers to a risk that a counterparty will default on its contractual obligation resulting in a financial loss to the Company. Credit risk primarily arises from financial asset such as trade receivables and Derivative financial instruments and other balances with banks, loans and other receivables. The Company exposure to credit risk in disclosed in note 7, 8, 9, 10 and 11. The Company has adopted a policy of only dealing with counterparties that have sufficient credit rating. The Company's exposure and credit ratings of its counterparties are continuously monitored and the aggregate value of transaction is reasonably spread amongst the counterparties.

Credit risk arising from investment in derivative financial instrument and other balances with bank is limited and there is no collateral held against these because the counterparties are banks and recognised financial institution with high credit ratings assigned by international credit rating agencies.

The average credit period on sale of products and services is maximum of 60-90 days. Credit risk arising from trade receivables in managed in accordance with Company's established policy, procedures and controls relating to customer credit risk management. Credit quality of Customer is assessed and accordingly individual credit limit is defined. The concentration of credit risk is limited due to the fact that customer base is large.

Movement in expected credit loss allowance on trade receivables	As at 31-03-2019	As at 31-03-2018
Balance at the beginning of the year	7.70	7.65
Loss allowance measured at lifetime expected credit loss	2.68	0.05
Balance at the end of the year	10.38	7.70

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2019 (₹ in Lakh)

3) Liquidity Risk:

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Company has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The Company also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

The table below analysis non-derivative financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Non Derivative Liabilities	Refer Note	< 1 year	1 - 5 years	Above 5 years	Total
At 31st March 2019					
Long Term Borrowings	15 & 20	215.60	289.29	-	504.88
Short Term Borrowings	18	5,886.02	-	-	5,886.02
Trade Payables	19	2,177.32	-	-	2,177.32
Other Financial Liabilities	20	135.73	-	-	135.73
At 31st March 2018					
Long Term Borrowings	15 & 20	572.96	504.88	-	1,077.84
Short Term Borrowings	18	4,526.64	-	-	4,526.64
Trade Payables	19	1,549.75	-	-	1,549.75
Other Financial Liabilities	20	103.15	-	-	103.15

Derivative Liabilities	Refer Note	< 1 year	1 - 5 years	Above 5 years	Total
At 31st March 2019					
Forward Contract	20	1.12	-	-	1.12
At 31st March 2018					
Forward Contract	20	45.99	-	-	45.99

4) Hedge Accounting:

The company's business objective includes safe-guarding its foreign currency earnings against movements in foreign exchange and interest rates. Company has adopted a structured risk management policy to hedge all these risks within an acceptable risk limit and an approved hedge accounting framework which allows for Fair Value and Cash Flow hedges. Hedging instruments consists of forwards to achieve this objective. The table below shows the position of hedging instruments and hedged items as of the balance sheet date.

Disclosure of effects of hedge accounting

A Fair Value Hedge

Hedging Instrument		Carrying amount				
Type of Hedge and Risks	**Nominal Value**	**Assets**	**Liabilities**	**Changes in FV**	**Hedge Maturity Date**	**Line Item in Balance Sheet**
Foreign currency risk component - Forward Contract	1,371.92	1,299.83	-	72.09	Apr-19 to May-19	Current Financial Assets : Others
Foreign currency risk component - Forward Contract	242.85	-	241.45	1.40	Sep-19	Current Financial Liabilities : Others

Hedging Items	Carrying amount			
Type of Hedge and Risks	**Assets**	**Liabilities**	**Changes in FV**	**Line Item in Balance Sheet**
Trade Receivables	1,371.92	-	(72.09)	Current Financial Assets : Trade Receivables
Foreign Currency Working Capital Loan	-	242.85	(1.40)	Current Financial Liabilities : Borrowings

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2019

(₹ in Lakh)

B. Cashflow Hedge

Hedging Instrument

Type of Hedge and Risks	Nominal Value	Carrying amount		Changes in FV	Hedge Maturity Date	Line Item in Balance Sheet
		Assets	Liabilities			
Foreign currency risk component - Forward Contract	1,792.52	1,734.45	-	58.07	Jun-19 to Jan-20	Current Financial Assets : Others
Foreign currency risk component - Forward Contract	328.57	-	328.85	(0.28)	Apr-19 to Jun-19	Current Financial Liabilities : Others

Hedging Items

Type of Hedge and Risks	Nominal Value	Changes in FV	Cashflow Hedge Reserve	Line Item in Balance Sheet
Foreign Currency Risk				
Highly probable Exports	1,792.52	58.07	58.07	Other Equity
Highly probable Imports	328.57	(0.28)	(0.28)	Other Equity

45 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

The gearing ratio at end of the reporting period was as follows.

	As at 31-03-2019	As at 31-03-2018
Gross Debt	6,390.90	5,604.48
Cash and Marketable Securities	436.10	89.52
Net Debt (A)	5,954.80	5,514.96
Total Equity (As per Balance Sheet) (B)	13,379.23	12,698.83
Net Gearing (A/B)	0.45	0.43

46 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved for issue by the board of directors on 27th May, 2019.

47 EVENTS AFTER THE REPORTING PERIOD

The Board of Directors have recommended dividend of ₹ 8/- per fully paid up equity share of ₹ 10/- each, aggregating ₹128.59 lakhs, including ₹ 21.92 lakhs dividend distribution tax for the financial year 2018-19, which is based on relevant share capital as on 31st March 2019. The actual dividend amount will be dependent on the relevant share capital outstanding as on the record date / book closure.

As per our Report of even date

For and on behalf of the Board of Directors

For DKP & Associates
Chartered Accountants
Firm Registration No. 126305W

Rajendra V Gandhi
Managing Director

Harsh R Gandhi
Joint Managing Director

Deepak K. Doshi
Partner
Membership No. 037148

Shilpa Mehta
Chief Financial Officer

Abhijeet Sawant
Company Secretary

Mumbai, 27th May, 2019

Mumbai, 27th May, 2019

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

TO THE MEMBERS OF GRP LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of GRP Limited ("herein after referred to as "Holding Company") and its subsidiaries (Holding company and its subsidiaries together referred as "the Group") and its Joint venture, which comprise the Consolidated Balance Sheet as at 31st March 2019, Consolidated the Statement of profit and loss (Including Other Comprehensive Income), Consolidated Statement of changes in equity and Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Consolidated Financial Statements").

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the Consolidated state of affairs of the Group and as at March 31, 2019, and its Consolidated Profit including Other Comprehensive Income, Consolidated changes in equity and its Consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of Consolidated financial statement in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its Joint venture 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 Consolidated Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on Consolidated Financial statements.

Key Audit Matter

Key audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statement of the current period. These matters were addressed in the context of our audit of the consolidated financial statement as a whole, and informing our opinion thereon, we do not provide a separate opinion on these matters.

We have determined the matters described below to be the Key Audit Matters to be communicated in our report.

1. **Key Audit Matters**

Revenue Recognition –Rebates and discounts

Revenue is measured based on transaction price, which is the consideration, adjusted for rebates, discounts. As disclosed in Note 1.4(J) to the consolidated financial statements, revenue is recognised upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those goods. Revenue is recognised net of rebates, discounts, incentives, scheme allowances and estimated sales returns owed to the customers based on the arrangement with customers.

The recognition and measurement of rebates, discounts, incentives and schemes allowances, including establishing an appropriate accrual at year end, involves significant judgement and estimates, particularly the expected level of claims of each of the customers.

To determine these estimates, Management is required to consider historical experience, Contractual terms and future expectation of revenue. Management judgement is also significantly impacted by volatility in the market and actions of the third party.

Auditor's Response

Principle Audit Procedures.

We obtained an understanding of the Group's process for making estimates in these areas and performed the following procedures:

We tested the design and operating effectiveness of the key controls related to rebates/discount and returns. We obtained an understanding of the key contractual arrangements with customer, for rebate/discount and returns.

We considered the accuracy of the management's estimates in previous years by comparing historical accrued liabilities to actual settlements.

We considered the adequacy of the Group's revenue recognition accounting policies, including the recognition and measurement of the deductions to gross sales relating to rebates /discounts and returns and related disclosures.

2. **Key Audit Matters**

Evaluation of Uncertain tax positions.

Refer Note No. 11 and 33 of the Consolidated Financial Statements

The Group has pending disputes in respect of the Indirect Taxes which involves the significant judgement to determine the possible outcomes of these disputes as at 31st March 2019 other current assets includes Indirect Taxes refund receivable of ₹ 164.43 lakh which are pending adjudication.

Auditor's Response

Principle Audit Procedure

Obtained the details of completed tax assessment and demands raised up to year ended 31st March 2019 from management. We have considered legal precedence and other rulings in evaluating management's positions on these disputes. Additionally, we considered the effect of new information in respect of the same as at April 1, 2018 to evaluate whether any changes was required to management's position on these uncertainties and for the tax refund due to the Group we have reviewed the nature of amount recoverable and likelihood of their recoverability on the final resolution.

Other Information

The Holding Company's Management and Board of Directors is responsible for the preparation of other information. The other information obtained on the date of Auditor's Report is Director Report, Corporate Governance report and Management Discussion and analysis report but does not include the consolidated financial statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the Consolidated financial position, consolidated financial performance including Other Comprehensive Income, consolidated changes in equity and Consolidated Cash Flows of the Group and its Joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of directors of the companies included in the Group and of its Joint venture 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; 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 Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, the respective management and Board of Directors of the Companies included in the Group and of its Joint Venture are responsible for assessing the ability of each of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The respective Board of Directors of each of the Company included in the Group and its joint venture are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing 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 Consolidated Financial Statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013 as amended, we are also responsible for expressing our opinion on whether the Holding Company and its subsidiary and joint venture has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on these assumptions. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group as well as its Joint Venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 197(16) of the Act, we report that the Holding Company, its Subsidiary and joint Venture has paid remuneration to its directors during the year in accordance with the provisions of the limits laid down under Section 197 read with Schedule V of the Act.

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

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept so far as it appears from our examination of those books.

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated the Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015, as amended.

   (e) On the basis of the written representations received from the directors of the Holding Company, subsidiary company and its Joint Venture as on 31st March, 2019 taken on record by the Board of Directors of the Holding Company, subsidiary Company and its Joint venture, none of the directors is disqualified as on 31st March, 2019 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 with reference to financial statements of the Holding Company and Subsidiary Company and joint venture and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**".

   (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 as amended, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Consolidated Financial statements disclose the impact of pending litigations on its Consolidated Financial Position of the Group and its Joint Venture - Refer Note No. 33 to the consolidated financial statements.

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

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its Subsidiary and joint venture during the year ended 31st March, 2019.

For DKP & Associates
Chartered Accountants
Firm's Registration No. 126305W

D K Doshi
Partner
Membership No. 037148

Date : 27th May, 2019
Place : Mumbai

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF GRP LIMITED

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act").

We have audited the internal financial controls with reference to consolidated financial statements of GRP Limited ("herein after referred to as "Holding Company") and its subsidiary Company and Joint venture as of March 31, 2019 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

In our opinion, the Holding Company and its Subsidiary and joint venture has, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at March 31, 2019, based on the internal financial controls with reference to Consolidated financial statements 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 (the "Guidance Note").

Management Responsibility for the Internal Financial Controls

The Respective Board of directors of Holding Company and its Subsidiary Company and joint venture are responsible for establishing and maintaining internal financial controls with reference to Financial Statements based on the internal control over financial reporting criteria established by the Respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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 respective 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by ICAI and the Standards on auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, 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 Consolidated 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 Holding Company's and Subsidiary Company and a joint venture internal financial controls system with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to consolidated financial statements 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 with reference to financial statements 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 with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to Consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control over consolidated financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For DKP & Associates
Chartered Accountants
Firm's Registration No. 126305W

D K Doshi
Partner
Membership No. 037148

Date : 27th May, 2019
Place : Mumbai

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2019

(₹ in Lakh)

	Notes	As at 31-Mar-2019	As at 31-Mar-2018
ASSETS			
NON-CURRENT ASSETS			
Property, Plant and Equipment	2A	12,073.70	12,457.71
Capital work in progress	2B	97.25	222.14
Investment Property	2C	109.56	111.88
Intangible assets	2D	21.26	27.94
Intangible assets under development	2E	11.79	14.10
Financial Assets			
Investments	3	61.15	82.94
Others	4	0.33	0.30
Other Non-current assets	5	515.08	393.79
Total Non-Current Assets		**12,890.12**	**13,310.80**
CURRENT ASSETS			
Inventories	6	3,481.39	3,409.84
Financial Assets			
Trade receivables	7	6,573.29	5,151.96
Cash and cash equivalents	8	440.25	93.53
Other Bank balances	9	21.00	23.91
Other Financial Assets	10	148.03	27.75
Other Current Assets	11	1,123.90	942.31
Total Current Assets		**11,787.86**	**9,649.30**
Total Assets		**24,677.98**	**22,960.10**
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	12	133.33	133.33
Other Equity	13	12,847.75	12,273.50
Equity attributable to owners of the Company		**12,981.08**	**12,406.83**
Non-Controlling Interests		**0.04**	**0.04**
Total Equity		**12,981.12**	**12,406.87**
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial Liabilities			
Borrowings	14	289.29	533.63
Other Financial liabilities	15	11.00	12.00
Provisions	16	54.47	71.52
Deferred Tax Liabilities (Net)	17	2,137.60	2,197.22
Total Non-Current Liabilities		**2,492.36**	**2,814.37**

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2019

(₹ in Lakh)

	Notes	As at 31-Mar-2019	As at 31-Mar-2018
CURRENT LIABILITIES			
NON-CURRENT LIABILITIES			
Financial Liabilities			
Borrowings	14	289.29	533.63
Other Financial liabilities	15	11.00	12.00
Provisions	16	54.47	71.52
Deferred Tax Liabilities (Net)	17	2,137.60	2,197.22
Total Non-Current Liabilities		**2,492.36**	**2,814.37**
CURRENT LIABILITIES			
Financial Liabilities			
Borrowings	18	5,929.78	4,575.90
Trade Payables			
- Dues of micro and small enterprises	19	180.11	154.72
- Dues of creditors other than micro and small enterprises	19	1,990.14	1,416.80
Other Financial liabilities	20	382.19	773.36
Other Current Liabilities	21	691.48	769.30
Provisions	22	3.48	11.37
Current Tax Liabilities (Net)	23	27.32	37.41
Total Current Liabilities		**9,204.50**	**7,738.86**
Total Liabilities		**11,696.86**	**10,553.23**
Total Equity and Liabilities		**24,677.98**	**22,960.10**
Significant Accounting policies	1		
See accompanying Notes to the Financial Statements	2 - 47		

As per our Report of even date

For and on behalf of the Board of Directors

For DKP & Associates
Chartered Accountants
Firm Registration No. 126305W

Rajendra V Gandhi
Managing Director

Harsh R Gandhi
Joint Managing Director

Deepak K. Doshi
Partner
Membership No. 037148

Shilpa Mehta
Chief Financial Officer

Abhijeet Sawant
Company Secretary

Mumbai, 27th May, 2019

Mumbai, 27th May, 2019

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED 31st MARCH, 2019

(₹ in Lakh)

	Notes	Year Ended 31-Mar-2019	Year Ended 31-Mar-2018
INCOME			
Revenue from Operations	24	37,687.86	31,511.31
Less: Goods and Service Tax Recovered		1,951.01	1,270.77
Revenue from Operations (Net)		35,736.85	30,240.54
Other Income	25	38.11	70.51
Total Income		**35,774.96**	**30,311.05**
EXPENSES			
Cost of Materials consumed		17,068.88	13,352.78
Changes in inventories of finished goods and work-in-progress	26	(0.83)	380.66
Excise duty		-	258.68
Employee benefits expenses	27	5,863.12	5,252.03
Finance Costs	28	462.29	444.42
Depreciation & Amortisation expense	29	1,331.04	1,390.96
Other Expenses	30	10,269.10	9,105.47
Total Expenses		**34,993.59**	**30,185.00**
Profit Before Share of Profit / (Loss) of Joint Ventures, Exceptional Items and Tax		**781.37**	**126.05**
Share of Profit / (Loss) of Joint Ventures		(60.00)	(49.10)
Profit before Exceptional items and Tax		**721.37**	**76.95**
Exceptional Items		-	-
Profit Before Tax		**721.37**	**76.95**
Tax Expense			
- Current Tax	31	333.38	381.86
- Short / (Excess) Provision for earlier years		(55.02)	(40.92)
- Deferred Tax		(89.67)	(188.77)
Total Tax Expenses		**188.69**	**152.17**
Profit for the year		**532.68**	**(75.22)**
Other Comprehensive Income			
A) Items that will not be reclassified to statement of profit and loss			
- Remeasurement benefit of defined benefit plans		3.57	96.50
- Income tax expense on remeasurement benefit of defined benefit plans		(1.19)	(33.40)
B) Items that will be reclassified to statement of profit and loss			
- Fair Valuation of Financial Instruments		(0.67)	(1.54)
- Cashflow Hedge Reserve		90.00	(77.14)
- Income tax expense on Cashflow Hedge Reserve		(30.05)	26.70
Total Other Comprehensive Income (A + B)		61.66	11.13
Total Comprehensive Income for the year		**594.34**	**(64.09)**
Profit for the year attributable to			
- Owners of the Company		532.68	(75.19)
- Non-controlling interest		(0.00)	(0.03)
		532.68	**(75.22)**

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED 31st MARCH, 2019

(₹ in Lakh)

	Notes	Year Ended 31-Mar-2019	Year Ended 31-Mar-2018
Other comprehensive income for the year attributable to			
- Owners of the Company		61.66	11.13
- Non-controlling interest		-	-
		61.66	**11.13**
Total comprehensive income for the year attributable to			
- Owners of the Company		594.34	(64.07)
- Non-controlling interest		(0.00)	(0.03)
		594.34	**(64.09)**
Earning Per Equity share of Face value of ₹ 10/- each	40		
(1) Basic (in ₹)		39.95	(5.64)
(2) Diluted (in ₹)		39.95	(5.64)
Significant Accounting policies	1		
See accompanying Notes to the Financial Statements	2-47		

As per our Report of even date

For DKP & Associates
Chartered Accountants
Firm Registration No. 126305W

Deepak K. Doshi
Partner
Membership No. 037148

Mumbai, 27th May, 2019

For and on behalf of the Board of Directors

Rajendra V Gandhi
Managing Director

Harsh R Gandhi
Joint Managing Director

Shilpa Mehta
Chief Financial Officer

Abhijeet Sawant
Company Secretary

Mumbai, 27th May, 2019

CONSOLIDATED CASHFLOW STATEMENT FOR YEAR ENDED 31st MARCH, 2019

(₹ in Lakh)

	As at 31-Mar-2019	As at 31-Mar-2018
Cash flow from Operating activities		
Net profit before tax and extra ordinary items	721.37	76.95
Adjustments for		
- Depreciation	1,331.05	1,390.96
- Loss of associates	60.00	49.10
- (Profit) / Loss on sale of assets (Net)	17.89	0.40
- Fixed Assets Discarded	0.86	-
- Amortization of Deferred Income	(1.00)	(1.00)
- Interest Income	(7.61)	(17.66)
- Interest Expense	462.29	444.42
- Rent Income	(14.85)	(4.32)
- Dividend Income	-	(0.06)
- Provision for Doubtful Debts	7.90	3.51
- Employee benefits expenses	(3.10)	9.81
Operating Profit before working capital changes	**2,574.80**	**1,952.11**
Adjustments for		
- (Increase)/Decrease in Trade and other receivables	(1,745.54)	(826.80)
- (Increase)/Decrease in Inventories	(71.56)	1,115.18
- Increase/(Decrease) in Trade and other payable	501.31	(2.44)
Cash generated from operations	**1,259.02**	**2,238.05**
Direct taxes paid (net of refund)	(289.59)	(47.74)
Net cash generated from operating activities	**969.43**	**2,190.31**
Cash flow from investing activities		
- Interest received	17.48	6.10
- Sale proceeds of fixed assets	51.31	58.62
- Rent Income	14.85	4.32
- Dividend Income	-	0.06
- Investments	(38.87)	(5.46)
- Investment in Fixed Deposit	-	22.58
- Fixed Deposits in Bank	(0.03)	-
- Purchase of fixed assets	(922.18)	(745.60)
Net cash used in investing activities	**(877.44)**	**(659.37)**
Cash flow from financing activities		
- Loans repaid (Net of borrowings)	742.59	(869.69)
- Interest paid	(465.06)	(447.08)
- Dividend & Dividend tax paid	(22.78)	(160.71)
Net cash used in financing activities	**254.75**	**(1,477.48)**
Net increase / (Decrease) in cash and cash equivalents	**346.73**	**53.45**
Cash and cash equivalents at the beginning of the year	93.52	40.07
Cash and cash equivalents at the closing of the period	**440.25**	**93.53**

CONSOLIDATED CASHFLOW STATEMENT FOR YEAR ENDED 31st MARCH, 2019

(₹ in Lakh)

	As at 31-Mar-2019	As at 31-Mar-2018
Cash and Bank Balances		
Cash and cash equivalents		
Cash on hand	3.07	3.18
Balance with banks		
- In Current accounts	17.85	15.04
- In Cash Credit Accounts	26.29	-
- In EEFC accounts	393.04	75.31
	440.26	**93.53**
Other Bank Balance (Refer note 10)	21.00	23.91

CHANGE IN LIABILITY ARISING FROM FINANCING ACTIVITIES

	1st April, 2018	Cash Flow	Foreign Exchange Movement	31st March, 2019
Borrowing - Long Term (Refer Note 14)	1,097.17	(593.17)	-	504.00
Borrowing - Short Term (Refer Note 18)	4,575.90	1,482.27	(128.39)	5,929.78
	5,673.07	**889.10**	**(128.39)**	**6,433.78**

	1st April, 2017	Cash Flow	Foreign Exchange Movement	31st March, 2018
Borrowing - Long Term (Refer Note 14)	1,607.09	(509.92)	-	1,097.17
Borrowing - Short Term (Refer Note 18)	5,003.53	(490.14)	62.50	4,575.90
	6,610.62	**(1,000.06)**	**62.50**	**5,673.07**

The above Cash Flow Statement has been prepared under the “Indirect Method” as set out in the Indian Accounting Standard (IND AS-7) - Statement of Cashflow

As per our Report of even date

For and on behalf of the Board of Directors

For DKP & Associates
Chartered Accountants
Firm Registration No. 126305W

Rajendra V Gandhi
Managing Director

Harsh R Gandhi
Joint Managing Director

Deepak K. Doshi
Partner
Membership No. 037148

Shilpa Mehta
Chief Financial Officer

Abhijeet Sawant
Company Secretary

Mumbai, 27th May, 2019

Mumbai, 27th May, 2019

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED 31st MARCH, 2019

(₹ in Lakh)

	As at 31-Mar-2019	As at 31-Mar-2018
A) Equity Share Capital		
Balance at the beginning of the reporting year	133.33	133.33
Changes in Equity Share capital during the year	-	-
Balance at the end of the reporting year	133.33	133.33

B) Other Equity	Reserves and Surplus						Other comprehensive Income	Total
	Special Capital incentive and Subsidy	Profit on re-issue of forfeited shares	Securities Premium account	Excess of Share in Net Assets of subsidiary Company/ Joint Venture	General Reserve	Retained Earnings		
Balance at the beginning of the reporting period i.e. 1st April, 2018 **(a)**	53.30	0.01	41.67	1.02	6,509.32	5,860.54	32.18	12,498.04
Profit for the year	-	-	-	-	-	(75.19)	-	(75.19)
Items of OCI for the year, net of tax								
Re-measurement gain/(loss) of defined benefit plans	-	-	-	-	-	-	63.11	63.11
Net fair value gain / (loss) on investment in equity instruments through OCI	-	-	-	-	-	-	(1.54)	(1.54)
Fair value changes on cash flow hedge, net of tax	-	-	-	-	-		(50.44)	(50.44)
Total Comprehensive Income (b)	-	-	-	-	-	(75.19)	11.13	(64.07)
Appropriation during the year								
Dividends	-	-	-	-	-	(133.33)	-	(133.33)
Tax on dividend	-	-	-	-	-	(27.14)	-	(27.14)
Total of Appropriations (c)	-	-	-	-	-	(160.48)	-	(160.48)
Balance at the end of the reporting period i.e. 31st March, 2018 (a+b+c=d)	**53.30**	**0.01**	**41.67**	**1.02**	**6,509.32**	**5,624.87**	**43.31**	**12,273.50**
Profit for the year	-	-	-	-	-	532.68	-	532.68
Items of OCI for the year, net of tax								
Remeasurement gain/(loss) of defined benefit plans	-	-	-	-	-	-	2.38	2.38
Net fair value gain / (loss) on investment in equity instruments through OCI	-	-	-	-	-	-	(0.67)	(0.67)
Fair value changes on cash flow hedge, net of tax	-	-	-	-	-	-	59.95	59.95
Total Comprehensive Income (e)	-	-	-	-	-	532.68	61.66	594.34
Appropriation during the year								
Dividends	-	-	-	-	-	(16.67)	-	(16.67)
Tax on dividend	-	-	-	-	-	(3.43)	-	(3.43)
Total of Appropriations (f)	-	-	-	-	-	(20.09)	-	(20.09)
Balance at the end of the reporting period i.e. 31st March, 2019 (d+e+f)	**53.30**	**0.01**	**41.67**	**1.02**	**6,509.32**	**6,137.46**	**104.97**	**12,847.74**

As per our Report of even date

For and on behalf of the Board of Directors

For DKP & Associates
Chartered Accountants
Firm Registration No. 126305W

Rajendra V Gandhi
Managing Director

Harsh R Gandhi
Joint Managing Director

Deepak K. Doshi
Partner
Membership No. 037148

Shilpa Mehta
Chief Financial Officer

Abhijeet Sawant
Company Secretary

Mumbai, 27th May, 2019

Mumbai, 27th May, 2019

CORPORATE INFORMATION

The consolidated financial statements comprise financial statements of GRP Limited (the Parent), its subsidiaries and Joint Venture (collectively, the Group) for the year ended 31st March, 2019.

The Parent Company is domiciled and incorporated in India under the Indian Companies Act, 1956. The Registered Office of the Company is situated at Plot No.8, GIDC Estate, Ankleshwar - 393 002, Dist. Bharuch, Gujarat, India.

The Group is engaged mainly in manufacturing of Reclaim Rubber, other rubber recycling activities and commercial vehicle tyre re-treading.

1 SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

SIGNIFICANT ACCOUNTING POLICIES:

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

1.1 Basis of preparation and presentation of financial statements:

These financial statements are the consolidated financial statements of the Group prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, as amended from time to time.

These consolidated financial statements have been prepared and presented under the historical cost convention, except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements. These financial statements are presented in Indian Rupees, which is also its functional currency, and all values are rounded to the nearest lakhs, except when otherwise stated.

1.2 Current / Non-current classification:

For the purpose of current/non-current classification of assets and liabilities, the Group has ascertained its normal operating cycle as twelve months. This is based on the nature of products and services and the time between the acquisition of assets or inventories for manufacturing and their realization in cash and cash equivalents.

1.3 Principles of consolidation:

The consolidated financial statements relate to GRP Limited ('the Parent Company') and its subsidiaries and joint ventures. The consolidated financial statements have been prepared on the following basis:

a The financial statements of the Parent Company and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.

b Profits or losses resulting from intra-group transactions that are recognised in assets, such as inventory and property, plant & equipment, are eliminated in full.

c Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

d Non Controlling Interest's share of profit / loss of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.

e Non Controlling Interest's share of net assets of consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet separate from liabilities and the equity of the Company's shareholders.

Investment in Joint Ventures has been accounted under the equity method as per Ind AS 28 - Investments in Associates and Joint Ventures.

1.4 Summary of Significant Accounting policies

(A) Property, Plant and Equipment

Tangible assets:

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Expenses directly attributable to new manufacturing facility during its construction period including borrowing costs are capitalized, if the recognition criteria are met. Expenditure related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant heads of property, plant and equipment if the recognition criteria are met.

Gains or losses arising from derecognition of assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss.

Capital work in progress and Capital advances:

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of property, plant and equipment outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

Depreciation:

Depreciation on assets is provided on straight line method for the period for which the assets have been used as under:

(a) Depreciation on assets is provided over the useful life of assets as prescribed under schedule II of the Companies Act, 2013.

(b) Plant and machinery which have worked for more than single shift, depreciation is provided for accordingly as per rate prescribed in schedule II of the Companies Act, 2013.

(c) Leasehold land is amortised over the period of lease.

(d) The Subsidiary LLP (previously Stepdown Subsidiary) accounts depreciation on fixed assets on written down value method using the rates specified under the Income Tax Act, 1961.

Intangible Assets and Amortisation:

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful lives. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly. Gain or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognized as income or expense in the Statement of Profit and Loss. The period of amortisation is as under :

Asset	Period of amortisation
Computer Software	6 years
Copyrights	10 years
Trademark	10 years
Design & Development	5 years

(B) Finance Costs:

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalise, all other borrowing costs are charged to the statement of profit and loss for the period in which they are incurred.

(C) Investment Properties:

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group for its business, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and wherever applicable its borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of profit and loss for the period in which they are incurred.

Investment properties are depreciated using the straight-line method over their estimated useful lives as follows:

Asset Category	Useful life	Basis for charging Depreciation
Office Building	60	Life as prescribed under Schedule-II of the Companies Act, 2013

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the note 2C. Fair values are determined based on an annual evaluation performed by an external independent valuer.

(D) Impairment of non-financial assets - property, plant and equipment and intangible assets:

The Group assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(E) Government Grants and Subsidy:

Special capital incentive and subsidy received from the Government for setting up or expansion of an industrial undertaking in undeveloped area of State, is credited to Special capital incentive and subsidy account under Capital Reserve Account.

(F) Tax Expenses:

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current tax:

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961.

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

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 Group will pay normal income tax during the specified period. At each balance sheet date the Group 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.

Deferred tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under the Income Tax Act, 1961.

Deferred tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

Presentation of current and deferred tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income.

(G) Inventories:

Items of inventories are measured at lower of cost or net realisable value after providing for obsolescence, if any. Cost of Inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing them to their respective present location and condition. Cost of raw materials, stores & spares, packing materials are determined on weighted average basis. However raw materials are written down to realisable value only if the cost of the related finished goods is not expected to recover the cost of raw materials.

Work-in-progress and finished goods are valued at lower of cost and net realisable value. Cost of work in progress and finished goods is determined on absorption costing method which include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

(H) Financial Instruments:

1 Financial Assets

a Initial recognition and measurement:

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition.

b Subsequent measurement

I Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

II Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

III Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

c Impairment of financial assets

In accordance with Ind AS 109, the Group uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument). For trade receivables Group applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Group uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Group uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

2 Financial Liabilities

a Initial recognition and measurement:

All financial liabilities are recognized initially at fair value and in case of loans and borrowings, net of directly attributable cost. Cost of recurring nature are directly recognised in profit or loss as finance cost.

b Subsequent measurement:

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

3 Derivative Financial Instruments

The Group uses various derivative financial instruments such as currency swaps and forwards to mitigate the risk of changes in interest rates and exchange rates. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedges which is recognised in Other Comprehensive Income and later to Statement of Profit and Loss when the hedged item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial assets or non-financial liability.

4 Derecognition of financial instruments

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

(I) Fair Value:

The Group measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 — inputs that are unobservable for the asset or liability

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

(J) Revenue Recognition:

(i) Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services.

Generally, control is transferred upon shipment of goods to the customer or when the goods are made available to the customer, provided transfer of title to the customer occurs and the Group has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue from rendering of services is recognised over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

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

(ii) Income from Power generation is accounted on the basis of certification of Gujarat Electricity Development Authority.

(iii) Credits on account of Duty drawback and other benefits, which are due to be received with reasonable certainty, are accrued upon completion of exports.

(iv) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

(v) Dividend income is recognized when the right to receive dividend is established.

(K) Foreign currency transactions and translation:

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

(L) Employees Benefits:

Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Expense in respect of other short term benefits is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

Post Employment Employee Benefits :

(i) **Defined Contribution Plans :**

(a) Provident Fund:

The Group makes specified monthly contribution to statutory provident fund in accordance with the Employees Provident Fund & Miscellaneous Provisions Act, 1952, which is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee.

(b) Superannuation:

The Parent Company has Superannuation Plan for its executives - a defined contribution plan. The Parent Company makes annual contribution of the covered employees' salary, subject to maximum of ₹ 1.50 lakh per employee, for the executive opting for the benefit. The plan is managed by a Trust and the funds are invested with Life Insurance Corporation of India under its Group Superannuation Scheme. Annual contributions as specified under the Trust deed are paid to the Life Insurance Corporation of India and recognised as an expense of the year in which the liability is incurred.

(ii) **Defined Benefit Plans:**

(a) Gratuity:

The Parent Company pays gratuity to the employees who have completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act, 1972.

The gratuity liability amount is contributed to the approved gratuity fund formed exclusively for gratuity payment to the employees. The gratuity fund has been approved by respective Income Tax authorities.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post-employment and other long term benefits are charged to the Other Comprehensive Income. For Subsidiaries & Joint Venture gratuity benefit are provided on the basis of management estimate.

(b) Leave Encashment:

Provision for leave encashment, which is a defined benefit, is made based on actuarial valuation done by an independent agency of notified actuaries by using the projected unit credit method. Actuarial Gains / Losses, if any are recognised in the statement of profit and loss. For Subsidiaries & Joint Venture gratuity benefit are provided on the basis of management estimate.

(M) Lease:

As a lessee:

Lease agreements where the risk & rewards, incidental to ownership of an asset substantially vest with the lessor are recognised as operating lease. Operating lease payments are recognised as an expense in the profit and loss statement on straight line basis over the lease term.

Leasehold land where the period of lease is upto 20 years is classified as operating lease. All other lease of land are classified as Financial Lease.

As a lessor:

The Group has leased premises where the Group has substantially retained all the risks and rewards of ownership are classified as operating leases. Lease income on such operating leases are recognised in the statement of profit and loss on a straight line basis over the lease term or other systematic basis which is representative of the time pattern in which benefit derived from the use of the leased asset is diminished. Initial direct costs are recognised as an expense in the statement of profit and loss in the period in which they are incurred.

(N) Research and Development:

Revenue expenditure on Research and Development is charged in the period in which it is incurred. Capital Expenditure for Research and Development is capitalised when commissioned and included in the Plant, Property and Equipment and depreciated in accordance with the policies stated for Property, Plant and Equipment.

(O) Provisions, Contingent Liabilities and Contingent Assets:

Provisions: Provisions are recognised when there is a present obligation as a result of a past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

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

Contingent Assets: Contingent Assets are neither recognised nor disclosed in the financial statements.

(P) Segment reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Group. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Group.

(Q) 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 original maturity of three months or less.

(R) Earnings Per Share:

The Group reports basic and diluted earning per share (EPS) in accordance with the Indian 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.

1.5 Key accounting estimates and judgements

The preparation of the consolidated financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Depreciation/amortisation and useful lives of property, plant and equipment/intangible assets

Property, plant and equipment/intangible assets are depreciated/amortised over the estimated useful lives of the assets, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/ amortisation to be provided during any reporting period. The useful lives and residual values are based on the Group's historical experience with similar assets and take into account anticipated technological changes. The depreciation/ amortisation for future periods is revised if there are significant changes from previous estimates.

b) Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

c) Defined benefit obligation

The costs of providing pensions and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in Note 37, 'Employee benefits'.

d) Income Tax:

The Group's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions (Refer Note 33).

e) Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

1.6 Recent Indian Accounting Standards (Ind AS)

On 30th March, 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 – Leases and certain amendment to existing Ind AS. These amendments shall be applicable to the Company from 1st April, 2019.

(A) Issue of Ind AS 116 - Leases

Ind AS 116 will supersede the current standard on leases i.e. Ind AS 17- Leases. As per Ind AS 116, the lessor will have to bring to books all the non-cancellable portion of leasing arrangement.

(B) Amendment to Existing issued Ind AS

The MCA has also carried out amendments of the following accounting standards:

(i) Ind AS 101- First time adoption of Indian Accounting Standards

(ii) Ind AS 103 – Business Combinations

(iii) Ind AS 109 - Financial Instruments

(iv) Ind AS 111 – Joint Arrangements

(v) Ind AS 12 – Income Taxes

(vi) Ind AS 19 – Employee Benefits

(vii) Ind AS 23 – Borrowing Costs

(viii) Ind AS 28 - Investment in Associates and Joint Ventures.

Application of above standards are not expected to have any significant impact on the Consolidated Financial Statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2019 (₹ in Lakh)

2 PROPERTY, PLANT AND EQUIPMENT

2A TANGIBLE ASSETS

Particulars	Gross Block				Depreciation / Amortisation				Net Book Value	
	As at 01-04-2018	Additions	Deduction	As at 31-03-2019	As at 01-04-2018	For the year	Deduction	As at 31-03-2019	As at 31-03-2019	As at 31-03-2018
Lease hold Land	988.17	-	-	988.17	59.85	11.57	-	71.42	916.75	928.31
Roads	513.95	60.59	-	574.54	308.91	52.96	-	361.87	212.67	205.04
Buildings	6,393.16	27.46	(0.43)	6,420.19	1,339.22	189.18	(0.02)	1,528.38	4,891.81	5,053.95
Plant and Machinery	14,607.86	860.42	(249.43)	15,218.85	8,725.76	979.22	(179.17)	9,525.82	5,693.03	5,882.09
Furniture & Fixtures	390.90	4.82	-	395.71	249.32	35.28	-	284.60	111.12	141.58
Office equipments	209.44	16.21	(6.39)	219.26	151.43	16.30	(6.07)	161.66	57.60	58.01
Computer Hardware	154.06	9.10	(0.44)	162.72	134.40	7.83	(0.41)	141.82	20.91	19.66
Vehicles	158.27	1.77	(28.94)	131.09	50.60	16.95	(23.73)	43.81	87.28	107.67
Material Handling Vehicles	76.57	31.31	-	107.87	15.17	10.18	-	25.34	82.53	61.40
Total	**23,492.36**	**1,011.67**	**(285.62)**	**24,218.40**	**11,034.65**	**1,319.46**	**(209.40)**	**12,144.71**	**12,073.70**	**12,457.71**
Previous Year	23,051.23	634.82	(193.68)	23,492.36	9,806.41	1,363.70	(135.46)	11,034.65	12,457.71	13,244.81

Notes:

1 Refer to note 14 for information on Property, plant & equipment pledged as security by the Company.

2 Refer to note 33 for disclosure of contractual commitments for the acquisition of Property, plant & equipment.

2B CAPITAL WORK IN PROGRESS

Particulars	As at 31-03-2019	As at 31-03-2018
Factory Building	-	5.30
Plant & Machinery	16.40	136.20
Other Assets	80.85	80.85
Total	**97.25**	**222.14**

Notes:

1 Addition to capital work in progress includes borrowing cost on Term Loan.

Particulars	FY 2018-19	FY 2017-18
Plant and Machinery	4.76	7.25
Total	**4.76**	**7.25**

2C INVESTMENT PROPERTY

Particulars	Gross Block				Depreciation / Amortisation				Net Book Value	
	As at 01-04-2018	Additions	Deduction	As at 31-03-2019	As at 01-04-2018	For the year	Deduction	As at 31-03-2019	As at 31-03-2019	As at 31-03-2018
Buildings	138.23	-	-	138.23	26.35	2.32	-	28.67	109.56	111.88
Total	**138.23**	**-**	**-**	**138.23**	**26.35**	**2.32**	**-**	**28.67**	**109.56**	**111.88**
Previous Year	138.23	-	-	138.23	24.02	2.32	-	26.35	111.88	114.21

Information regarding Income & Expenditure of Investment Property

Particulars	FY 2018-19	FY 2017-18
Rental Income derived from Investment Property	12.60	4.32
Direct Operating expenses (including repairs and maintenance) generating rental income	(1.07)	(0.22)
Direct Operating expenses (including repairs and maintenance) that did not generate rental income	(0.69)	(1.71)
Profit from investment properties before depreciation	**10.84**	**2.38**
Depreciation	(2.32)	(2.32)
Profit from investment properties	**8.51**	**0.06**

As at 31st March 2019 and 31st March 2018, the fair values of the properties are based on valuations performed by an independent valuer.

The company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2019 (₹ in Lakh)

Fair Value of the Investment Property is as under

Fair Value	Office Building
Balance as at 01-Apr-2018	297.20
Fair value difference for the year	7.43
Purchases	-
Balance as at 31-Mar-2019	304.63

Particulars	Significant unobservable Inputs	Range of change in fair value per 5% (+/-) change in rate per sq. mtr. As at 31-03-2019
Office Building	Sales price of similar properties adjusted for peculiar factors of the property valued.	14.86

Leasing arrangements

Investment property is leased to tenant under operating lease with rentals payable on monthly basis.

The future minimum estimated lease rental income is as follows	FY 2018-19	FY 2017-18
Not later than 1 year	9.00	-
Later than 1 year but not later than 5 years	-	-
Later than 5 years	-	-

2D. INTANGIBLE ASSETS

Particulars	Gross Block				Depreciation / Amortisation				Net Book Value	
	As at 01-04-2018	Additions	Deduction	As at 31-03-2019	As at 01-04-2018	For the year	Deductions	As at 31-03-2019	As at 31-03-2019	As at 31-03-2018
Computer Software	217.62	-	-	217.62	196.94	8.16	-	205.09	12.53	20.69
Copyrights	11.06	-	-	11.06	3.81	1.11	-	4.92	6.15	7.25
Trademark	-	2.58	-	2.58	-	0.00	-	0.00	2.58	-
TOTAL	**228.69**	**2.58**	**-**	**231.27**	**200.75**	**9.26**	**-**	**210.01**	**21.26**	**27.94**
Previous Year	228.69	-	-	228.69	181.71	19.03	-	200.75	27.94	46.97

2E. INTANGIBLE ASSETS UNDER DEVELOPMENT

	As at 31-03-2019	As at 31-03-2018
Trademark, Brand and Patents	11.79	14.10

3 NON CURRENT FINANCIAL ASSETS : INVESTMENTS

Particulars	Face Value	As at 31-03-2019		As at 31-03-2018	
		Units (Nos.)	(₹ in lakhs)	Units (Nos.)	(₹ in lakhs)
Investment in Quoted Equity Shares, fully paid up (at FVOCI)					
Bank of Baroda	2	5000	6.44	5000	7.11
Investments measured at Cost					
Investment in equity shares of Joint Ventures					
Marangoni GRP Pvt. Ltd.	1	9,921,723	-	6,034,075	21.12
Investment in equity shares of other Companies					
Narmada Clean Tech	10	129,000	12.90	129,000	12.90
Iris Ecopower Venture Pvt. Ltd.	10	412,500	41.25	632,500	41.25
OPGS Power Gujarat Pvt. Ltd.	0.1	280,000	0.56	280,000	0.56
Total			**61.15**		**82.94**
Aggregate amount of quoted investment			0.85		0.85
Market value of quoted investment			6.44		7.11
Aggregate amount of unquoted investments			54.71		75.83

Category-wise Non current Investment	As at 31-03-2019	As at 31-03-2018
Financial assets measured at cost	54.71	75.83
Financial assets measured at fair value through other comprehensive income	6.44	7.11
Total Non Current Investment	**61.15**	**82.94**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2019 (₹ in Lakh)

4	NON CURRENT FINANCIAL ASSETS : OTHERS (UNSECURED)	As at 31-03-2019	As at 31-03-2018
	At Amortized Cost		
	Fixed Deposit accounts with Bank (Maturity more than 12 months)	0.33	0.30
	Total	**0.33**	**0.30**

5	OTHER NON CURRENT ASSETS (UNSECURED, CONSIDERED GOOD)	As at 31-03-2019	As at 31-03-2018
	Leasehold Land	4.84	5.29
	Capital Advances	113.54	51.61
	Advances other than capital advances		
	- Security Deposits	346.44	287.32
	- Other Advances & Deposits	28.24	28.17
	Prepaid Expenses (Refer note 11)	22.02	21.09
	Preliminary Expenses	-	0.32
	Total	**515.08**	**393.79**

6	INVENTORIES	As at 31-03-2019	As at 31-03-2018
	Raw Materials	1,686.88	1,589.18
	Work-in-progress	520.65	401.35
	Finished goods		
	- In hand	572.50	549.40
	- In transit	408.42	550.00
	Stores and spares	207.28	228.62
	Fuel Materials	20.38	17.58
	Packing Materials	53.02	55.62
	Stock of Others	12.25	18.09
	Total	**3,481.39**	**3,409.84**

Note : Inventories written down to net realisable value during the year 2018-2019 : Work-in -progress ₹ 69.98 lakhs (2017-2018 : Nil); Finished Goods ₹19.65 lakhs (2017-2018 ₹ 61.02 lakhs) and Stores and Spares ₹ 12.99 lakhs (2017-2018 : Nil).

7.	CURRENT FINANCIAL ASSETS : TRADE RECEIVABLES	As at 31-03-2019	As at 31-03-2018
	Trade Receivables considered good - Unsecured	6,578.92	5,159.66
	Less: Allowance for expected credit loss	(5.64)	(7.70)
		6,573.29	**5,151.96**
	Trade Receivables - credit impaired	6.32	-
	Less: Allowance for expected credit loss	(6.32)	-
		-	-
	Total	**6,573.29**	**5,151.96**

Movement of Impairment Allowance (allowance for expected credit loss)

	FY 2018-19	FY 2017-18
Impairment Allowance		
Opening Balance	7.70	7.65
Provided during the year	7.91	2.30
Amount Written back	-	(0.79)
Amount Written Off	(3.65)	(1.45)
Closing Balance	11.96	7.70

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2019 (₹ in Lakh)

8 CURRENT FINANCIAL ASSETS : CASH AND CASH EQUIVALENTS	As at 31-03-2019	As at 31-03-2018
Cash on hand	3.08	3.18
Balances with Banks		
- In Current Accounts	17.85	15.04
- In Cash Credit Accounts	26.29	-
- In EEFC Accounts	393.04	75.31
Total	**440.25**	**93.53**

9 CURRENT FINANCIAL ASSETS : OTHER BANK BALANCES	As at 31-03-2019	As at 31-03-2018
Other Bank Balances		
Unclaimed dividend accounts	7.81	10.50
Term deposits held as margin money against bank guarantee and other commitments	13.19	13.41
Total	**21.00**	**23.91**

10 CURRENT FINANCIAL ASSETS : OTHERS	As at 31-03-2019	As at 31-03-2018
Accrued Interest Income	17.87	27.75
Others*	130.16	-
Total	**148.03**	**27.75**

* Others represents fair value of derivatives

11 OTHER CURRENT ASSETS (UNSECURED, CONSIDERED GOOD)	As at 31-03-2019	As at 31-03-2018
Advances other than capital advances	155.15	151.90
Security Deposits	51.18	9.38
Balance with Central Excise & GST Authorities	777.65	683.27
Prepaid Expenses (Refer note 5)	61.05	50.35
Receivable from LIC (Gratuity claim)	5.82	5.82
Duty drawback Receivable	72.18	41.59
Others	0.86	-
Total	**1,123.91**	**942.31**

12. EQUITY	As at 31-03-2019	As at 31-03-2018
Authorized		
15,00,000 equity shares of ₹ 10 each	150.00	150.00
Issued, Subscribed and fully Paid up		
13,33,333 equity shares of ₹10 each	133.33	133.33
Total	**133.33**	**133.33**

	As at 31-03-2019		As at 31-03-2019	
	Units (Nos)	(₹ in lakhs)	Units (Nos)	(₹ in lakhs)
At the beginning of the year	1,333,333	133.33	1,333,333	133.33
Add: Issued during the year	-	-	-	-
At the end of the year	1,333,333	133.33	1,333,333	133.33

Rights, preferences and restrictions attached to shares

1. 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.
2. 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.

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

	As at 31-03-2019		As at 31-03-2018	
	Shares (Nos)	% of Holding	Shares (Nos)	% of Holding
Meera Philip	81,666	6.12%	81,666	6.12%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2019 (₹ in Lakh)

13 OTHER EQUITY	As at 31-03-2019	As at 31-03-2018
Capital reserve		
Special capital incentive and subsidy		
Balance as per last Balance sheet	53.30	53.30
Profit on re-issue of forfeited shares		
Balance as per last Balance sheet	0.01	0.01
Securities Premium		
Balance as per last Balance sheet	41.67	41.67
Excess of Share in Net Assets of subsidiary company / Joint Venture		
Balance as per last Balance sheet	1.02	1.02
General Reserve		
Balance as at beginning of the year	6,509.32	6,509.32
Add: Transferred from the statement of profit and loss account	-	-
Balance as at the end of the year	6,509.32	6,509.32
Retained Earnings		
As per last Balance sheet	5,624.87	5,860.54
Add: Profit for the year	532.68	(75.19)
Less: Appropriations :		
Dividend on Equity Shares (Dividend per Share ₹ 10, Previous year ₹ 10)	(16.67)	(133.33)
Tax on Dividend	(3.43)	(27.14)
Transfer to general reserve	-	-
Balance as at the end of the year	**6,137.46**	**5,624.87**
Other Comprehensive Income (OCI)		
As per last Balance sheet	43.31	32.18
Add: Movement in OCI (Net) during the year	61.67	11.13
Balance as at the end of the year	**104.98**	**43.31**
Total	**12,847.75**	**12,273.50**

Description of nature and purpose of each reserve

General Reserve - General reserve is created from time to time by way of transfer from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

Capital Reserve - Capital reserve represents Special Capital subsidy received and profit on re-issue of forfeited shares

14 NON CURRENT FINANCIAL LIABILITIES : BORROWINGS	As at 31-03-2019	As at 31-03-2018	As at 31-03-2019	As at 31-03-2018
	Current Maturity		**Non - Current portion**	
Secured - At Amortised Cost				
Term Loans from Banks				
- Rupee Loan	224.75	593.17	279.25	504.00
	224.75	**593.17**	**279.25**	**504.00**
Unsecured - At Amortised Cost				
Deferred Payment Liability	19.60	18.12	10.04	29.63
	19.60	**18.12**	**10.04**	**29.63**
	244.35	**611.29**	**289.29**	**533.63**
Amount disclosed under the head Current Financial Liabilities : Others (refer note 20)	**(244.35)**	**(611.29)**	**-**	**-**
Total	**-**	**-**	**289.29**	**533.63**

1 Borrowings are measured at amortised Cost

Nature of security and terms of repayment for borrowings:

2 **Rupee loan from HDFC Bank Ltd of ₹ Nil (31st March 2018: ₹ 358.84 lakh) for Capex**

First exclusive charge by way of hypothecation of plant & machinery which are funded through this loan and by way of extension of equitable mortgage on office at 510, Kohinoor City, Kurla (West), Mumbai. Loan fully repaid on 13th February 2019.

3 **Rupee loan from Citi Bank N.A. of ₹ 475.25 lakh (31st March 2018: ₹ 671.25 lakh) for Capex**

First exclusive charge by way of hypothecation on Plant & Machinery which are funded through Citi Bank term loan.

Repayable in 16 equal quarterly instalments beginning from 11th July 2017 along with interest @ 10.20% p.a.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2019 (₹ in Lakh)

4 **Rupee loan from HDFC Bank Ltd of ₹ 28.75 lakh (31st March 2018: ₹ 67.08 lakh) for Capex**

First exclusive charge by way of mortgage of immovable properties (including land & building) and hypothecation of all movable property, plant and equipment (including plant & machinery) and current assets of LLP's factory located at Pithampur, Dist. Dhar, Madhya Pradesh.

Repayable in 12 equal quarterly instalments beginning from 6th February 2017 along with interest @ 12% p.a.

5 **Deferred Payment Liability**

(a) Vehicle loan of ₹ 9.48 lakh (31st March 2018: ₹ 18.28 lakh) is secured by vehicles under hypothecation with bank. Loan is repayable in 36 monthly instalments beginning from April2017 along with interest @ 8.51% p.a.

(b) Vehicle loan of ₹ 20.15 lakh (31st March 2018: ₹ 29.47 lakh) is secured by vehicles under hypothecation with NBFC. Loan is repayable in 48 monthly instalments from March 2017 along with interest @ 8.27% p.a.

6 For explanation on the Group's Interest rate risk and foreign currency risk refer Note 42

15 NON CURRENT FINANCIAL LIABILITIES : OTHERS		As at 31-03-2019	As at 31-03-2018
Deferred Income (refer note 20)		11.00	12.00
	Total	**11.00**	**12.00**

16. NON CURRENT LIABILITIES (PROVISIONAL) :		As at 31-03-2019	As at 31-03-2018
Provision for Leave encashment (refer note 22)		54.47	71.52
	Total	**54.47**	**71.52**

17. DEFERRED TAX LIABILITIES (NET)	As at 31-03-2019	As at 31-03-2018
At the start of the year	2,197.22	2,412.69
Charge/(credit) to Statement of Profit and Loss	(89.67)	(188.77)
Charge/(credit) to Other Comprehensive Income	30.05	(26.70)
At the end of year	**2,137.60**	**2,197.22**

Component of Deferred tax liabilities / (asset)	As at 31-03-2018	Charge/(credit) to Profit and Loss	Charge/(Credit) to Other Comprehensive Income	As at 31-03-2019
Deferred tax liabilities / (asset) in relation to:				
Property, plant and equipment	2,304.58	(192.83)	-	2,111.74
Financial assets	(19.74)	20.32	-	0.58
Loan and advances	20.33	(2.28)	-	18.05
Provisions	(81.25)	61.90	-	(19.35)
Others	(26.70)	23.23	30.05	26.58
Total	**2,197.22**	**(89.67)**	**30.05**	**2,137.60**

18 CURRENT FINANCIAL LIABILITIES : BORROWINGS		As at 31-03-2019	As at 31-03-2018
Secured - At Amortised Cost			
Working Capital Loan payable on demand from banks			
Foreign Currency Loans		4,316.50	3,223.26
Rupee Loans		1,613.28	1,352.63
	Total	**5,929.78**	**4,575.90**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2019 (₹ in Lakh)

Nature of security and terms of repayment for secured borrowings:

1 **Working Capital Loan from HDFC Bank Ltd of ₹ 4,425.73 lakh (31st March 2018: ₹ 2,889.29 lakh)**

First pari passu charge by way of hypothecation of entire current assets, both present and future at par with other banks. First pari passu charge on entire property, plant and equipment located at Ankleshwar & Panoli plant of the company at par with other banks.

2 **Working Capital loan from Citi Bank N. A. of ₹ 1,460.29 lakh (31st March 2018: ₹ 1,637.35 lakh)**

Secured by first pari passu charge in favour of Citi Bank N.A. by way of hypothecation of entire current assets, both present & future at par with other banks. First Pari Passu charge on property, plant and equipment situated at Ankleshwar & Panoli Plant, District Bharuch, Gujarat at par with other banks.

3 **Working Capital loan from HDFC Bank Ltd of ₹ 43.76 lakh (31st March 2018: ₹ 49.26 lakh)**

First exclusive charge by way of hypothecation of entire current assets, both present and future, including inventories, book debts, bills receivables and entire movable property, plant and equipment and mortgage of immovable property of the LLP.

4 For explanation on the company's Interest risk and foreign currency risk refer Note 42

19	CURRENT FINANCIAL LIABILITIES : TRADE PAYABLES		As at 31-03-2019	As at 31-03-2018
	Dues of micro and small enterprises		180.11	154.72
	Dues of creditors other than micro and small enterprises		1,990.14	1,416.80
		Total	**2,170.26**	**1,571.53**

Details of Micro and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act,2006 ("MSMED Act").

To comply with the requirement of The Micro, Small and Medium Enterprises Development Act, 2006, the Company requested its suppliers to confirm it whether they are covered as Micro, Small or Medium enterprise as is defined in the said Act. Based on the communication received from such suppliers confirming their coverage as such enterprise, the company has recognized them for the necessary treatment as provided under the Act, from the date of receipt of such confirmations and are disclosed in note below.

	As at 31-03-2019	As at 31-03-2018
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount outstanding (whether due or not) to micro and small enterprises	180.11	154.72
- Interest due thereon	0.16	0.17
The amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006.	-	-
The amount of payment made to the supplier beyond the appointed day during the year	470.51	726.00
Amount of interest due and payable on delayed payments	5.46	6.65
Amount of interest accrued and remaining unpaid as at year end	18.82	13.20
The amount of further interest due and payable even in the succeeding year	-	-

20	CURRENT FINANCIAL LIABILITIES : OTHERS		As at 31-03-2019	As at 31-03-2018
	Current maturities of Long-term borrowings (refer note 14)		244.35	611.29
	Interest accrued and due on borrowings		20.61	23.39
	Unclaimed Dividend*		7.81	10.50
	Creditors for Capital Goods & Services		41.25	20.54
	Deposit from Dealers		60.40	60.40
	Deferred Income (refer note 15)		1.00	1.00
	Security Deposit for Let out property		5.65	0.25
	Others**		1.12	45.99
		Total	**382.19**	**773.36**

*There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as on 31st March, 2019.
**Others represents fair value of derivatives

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2019 (₹ in Lakh)

21	OTHER CURRENT LIABILITIES	As at 31-03-2019	As at 31-03-2018
	Advances from customers	8.75	58.79
	Statutory dues	99.11	108.07
	Others	583.61	602.44
	Total	**691.47**	**769.30**

22	CURRENT LIABILITIES : PROVISIONS	As at 31-03-2019	As at 31-03-2018
	Current maturities of Long-term provisions of Employees Benefit expenses (refer note 16)		
	- Provision for Leave encashment	3.48	11.37
	Total	**3.48**	**11.37**

23	CURRENT TAX LIABILITIES (NET)	As at 31-03-2019	As at 31-03-2018
	Opening Balance	37.41	(65.63)
	Add: Provision for Income-tax for the year	333.39	381.86
	Add: Tax on defined benefit plans	1.19	33.40
	Less: MAT credit Adjusted	-	(223.55)
	Less: Short / (Excess) Provision for earlier years	(55.02)	(40.92)
	Less: Advance Tax Paid	(289.64)	(47.74)
	Closing Balance	**27.32**	**37.41**

24	REVENUE FROM OPERATIONS:	Year ended 31-03-2019	Year ended 31-03-2018
	Revenue from Operations	37,297.49	31,135.63
	Power generation from Windmill	80.68	69.78
	Export incentives	309.69	305.90
	Revenue from Operations (Gross)	**37,687.86**	**31,511.31**
	Less: Goods and Service Tax Recovered	1,951.01	1,270.77
	Revenue from Operations (Net)	**35,736.85**	**30,240.54**

Consequent to introduction of Goods and Service Tax (GST) w.e.f. 1st July 2017 , Revenue for the year is presented net of GST in compliance with Indian Accounting Standard (Ind AS) 115 Revenue. The Revenue from Operations for the year ended 31st March, 2018 are inclusive of excise duty upto period end 30th June, 2018 and accordingly those are not comparable with the Revenue from Operations for the year ended 31st March, 2019 to that extent.

Dis-aggregation of Revenue

Revenue based on Geography

	Year ended 31-03-2019	Year ended 31-03-2018
Export	25,352.82	21,091.21
Domestic	10,384.03	9,149.33
Total	**35,736.85**	**30,240.54**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2019 (₹ in Lakh)

25	OTHER INCOME:		Year ended 31-03-2019	Year ended 31-03-2018
	Interest Income		7.60	17.66
	Royalty Income		-	0.24
	Dividend Income		-	0.06
	Amortization of State Government Subsidy		6.84	1.46
	Amortization of Deferred Income		1.00	1.00
	Other Non-operating Income		22.67	50.08
		Total	**38.11**	**70.51**

26	CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE:		Year ended 31-03-2019	Year ended 31-03-2018
	Stock at the beginning of the year:			
	Finished goods		549.40	896.73
	Goods-in-transit (Finished Goods)		550.00	556.04
	Work-in-progress		401.35	428.63
		(A)	**1,500.75**	**1,881.41**
	Stock at the end of the year:			
	Finished goods		572.50	549.40
	Goods-in-transit (Finished Goods)		408.42	550.00
	Work-in-progress		520.65	401.35
		(B)	**1,501.58**	**1,500.75**
	Total	**(A) - (B)**	**(0.83)**	**380.66**

27	EMPLOYEE BENEFITS EXPENSES:		Year ended 31-03-2019	Year ended 31-03-2018
	Salaries and Wages		5,195.98	4,628.00
	Contribution to Provident fund and Other funds*		398.95	404.93
	Staff Welfare and other benefits		268.18	219.09
		Total	**5,863.12**	**5,252.03**

*For Disclosure as per IND-AS 19 'Employee Benefits' refer note 35

28	FINANCE COST:		Year ended 31-03-2019	Year ended 31-03-2018
	Interest on Term & Working Capital Loans*		4.37	17.60
	Financial Charges		74.47	45.41
		Total	**462.29**	**444.42**

* Interest Expenses are net of Interest Capitalised of ₹ 4.76 lakhs (Previous year ₹ 7.25 lakhs) (Refer note 2B-2)

29	DEPRECIATION AND AMORTISATION EXPENSES:		Year ended 31-03-2019	Year ended 31-03-2018
	Depreciation on Property, Plant & Equipment		1,319.46	1,359.85
	Depreciation on Investment Property		2.32	2.32
	Amortisation of Intangible Assets		9.26	28.78
		Total	**1,331.04**	**1,390.96**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2019 (₹ in Lakh)

30	OTHER EXPENSES:	Year ended 31-03-2019	Year ended 31-03-2018
	Manufacturing Expenses		
	Packing Material consumed	917.91	868.15
	Stores and Spare Parts Consumed	694.41	554.25
	Power, Fuel & Water Consumed :		
	- Power Consumption	4,018.22	3,532.26
	- Fuel Consumption	912.58	645.08
	- Water Consumption	52.00	42.54
	Repairs & Maintenance Expenses :		
	- Plant & Machineries	367.78	330.63
	- Factory Buildings	28.67	47.05
		6,991.58	**6,019.95**
	Sales & Distribution expenses		
	Freight & Forwarding expenses	2,480.64	2,172.67
	Other Selling and Distribution expenses	83.21	63.77
		2,563.85	**2,236.44**
	Administration & Other Expenses		
	Insurance	32.68	37.51
	Vehicle Expenses	129.05	97.84
	Printing & Stationery	21.09	17.86
	Advertisements	3.32	3.20
	Rent, Lease Rent & Other Charges	1.40	2.14
	Repairs to Other Assets	97.29	103.06
	Legal & Professional charges	279.68	177.61
	Travelling & Conveyance	178.43	160.71
	Postage & Telephones	27.92	29.99
	Provision for expected credit loss	7.91	1.50
	Net Loss on foreign currency transactions and translation	(408.22)	44.22
	Auditors Remuneration (Refer note 32)	10.92	2.23
	Directors' Sitting Fees	9.85	5.20
	Commission to Director	10.90	4.50
	Rate and Taxes	16.80	15.62
	Corporate Social Responsibility Expenses (Refer note 39)	20.15	28.92
	Factory / Office Expenses	53.24	43.98
	Office electricity expenses	14.32	14.69
	Other Expenses	189.04	149.46
	Net Loss on Sale of Property, Plant and Equipment	17.89	0.40
	Variation in CED on Stock of finished goods	-	(91.57)
		713.67	**849.07**
	Total	**10,269.10**	**9,105.47**

31 INCOME TAX:

A The note below details the major components of income tax expenses for the year ended 31st March 2019 and 31st March 2018. The note further describes the significant estimates made in relation to company's income tax position and also explains how the income tax expense is impacted by non-assessable and non-deductible items.

Particulars	Year ended 31-03-2019	Year ended 31-03-2018
Current Tax	**278.36**	**340.94**
Current Tax	333.38	381.86
(Excess) / Short Provision for earlier years	(55.02)	(40.92)
Deferred Tax	**(89.67)**	**(188.77)**
Deferred Tax	(89.67)	(188.77)
Income tax expense reported in the statement of profit and loss	**188.69**	**152.17**
Other Comprehensive Income (OCI)		
Income tax relating to items that will not be reclassified to profit or loss	1.19	33.40
Deferred tax relating to items that will be reclassified to profit or loss	30.05	(26.70)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2019 (₹ in Lakh)

B Reconciliation of tax expenses and the accounting profit multiplied by applicable tax rate as notified under Income Tax Act, 1961 enacted in India for the years ended 31st March, 2019 and 31st March, 2018.

Particulars	**Year ended 31-03-2019**	**Year ended 31-03-2018**
Profit before income tax expense	721.37	76.95
Income tax expense calculated at 33.384% (31st March 2018 : 34.608%)	**240.82**	**26.63**
Tax effect of adjustments in calculating taxable income		
- Disallowance of expenses as per Income tax	575.20	639.55
- Allowance of expenses (Depreciation, R&D)	(482.07)	(283.17)
Effect if difference in tax rates for subsidiary companies	(0.57)	(1.15)
Current Tax Provision (A)	**333.38**	**381.86**
Short / (Excess) Provision for earlier years (B)	**(55.02)**	**(40.92)**
Incremental Deferred Tax Liability on account of Property, Plant and Equipment and Intangible Assets	(192.84)	(179.66)
Incremental Deferred Tax Liability / (Asset) on account of Financial Assets and Other Items	103.17	(9.11)
Deferred Tax Provision (C)	**(89.67)**	**(188.77)**
Tax Expenses recognised in Statement of Profit and Loss (A+B+C)	**188.69**	**152.17**
Effective Tax rate	**26.16%**	**197.75%**

32 **DETAILS OF PAYMENT TO AUDITORS EXCLUDING TAXES:**	**Year ended 31-03-2019**	**Year ended 31-03-2018**
Statutory Audit fees	7.15	0.70
Limited Review fees	0.75	0.75
Tax Audit fees	2.25	0.25
Reimbursement of expenses	0.77	0.53
Total	**10.92**	**2.23**

33 **CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR) :**	**Year ended 31-03-2019**	**Year ended 31-03-2018**
Guarantees issued by Banks (Net)	371.53	350.55
Letter of Credit	88.65	43.65
Claims against the company (Including Sales tax, Excise duty, etc.) not acknowledged as debts		
- Sales Tax	204.62	193.54
- Excise Duty & Service Tax	144.85	144.88
- Income Tax liability	118.90	142.45
Estimated amount of contracts remaining to be executed on capital account towards PPE	139.21	37.63
Total	**1,067.76**	**912.69**

34 **LEASES:**	**Year ended 31-03-2019**	**Year ended 31-03-2018**
Vehicles taken on Operating Lease:		
The Group has entered into lease agreement for twenty vehicles taken on operating lease for a term of 48 and 36 months. The future minimum lease payments under non cancellable operating lease are as under		
(a) Not later than 1 year	82.92	53.72
(b) Later than 1 year but not later than 5 years	152.56	86.32
(c) Later than 5 years	-	-
Premises given on Operating Lease:		
The Company has given premises on operating lease to Marangoni GRP Private Limited for a term of 36 months.		
- Gross carrying amount as on balance sheet date	13.37	-
- Accumulated depreciation amount as on balance sheet date	(2.25)	-
- Net carrying amount as on balance sheet date	11.12	-
- Depreciation recognised in statement of profit and loss	0.18	-
The future minimum lease rental income is as follows		
(a) Not later than 1 year	3.00	-
(b) Later than 1 year but not later than 5 years	3.75	-
(c) Later than 5 years	-	-

Premises given on Operating Lease: Refer note 2C

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2019 (₹ in Lakh)

35 EMPLOYEE BENEFITS :

As per Indian Accounting Standard 19 "Employee benefits", the disclosures as defined are given below :

The Group has various schemes for long term benefits such as provident fund, superannuation, gratuity and leave encashment. The Group's defined contribution plans are Employees' Provident fund and Pension Scheme (under the provision of the Employees' Provident Fund and Miscellaneous Provisions Act, 1952) since the Group has no further obligation beyond making the contributions

A Defined Contribution Plans

Contribution to Defined Contribution Plans, recognised as expense for the year is as under :

		Year ended 31-03-2019	Year ended 31-03-2018
i	Employer's Contribution to Provident & Pension Fund	250.54	231.12
ii	Employer's Contribution to Superannuation Fund	24.82	23.69

B Defined Benefit Plans

Disclosure Statement as Per Indian Accounting Standard 19

Defined Benefit Gratuity Plan (Funded)

The Company has a defined benefit gratuity plan in India (funded). The company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. The fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

Gratuity is a defined benefit plan and company is exposed to the Following Risks:

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on Government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching (ALM) Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

During the year, there were no plan amendments, curtailments and settlements.

A separate trust fund is created to manage the Gratuity plan and the contributions towards the trust fund is done as guided by rule 103 of Income Tax Rules, 1962.

Defined Benefit Privilege Leave Plan (Unfunded)

The company operates a defined Privilege Leave plan for certain specified employees and is payable upon the employee satisfying certain conditions, as approved by the Management.

		As at 31-03-2019	As at 31-03-2018
		Gratuity Funded	
i)	**Reconciliation of opening and closing balances of Defined Benefit Obligation**		
	Defined Benefit Obligation at beginning of the year	511.29	573.62
	Current Service Cost	53.37	50.16
	Past Service Cost	-	33.45
	Interest Cost	40.14	42.10
	Actuarial (Gain) / Loss	35.53	(122.33)
	Benefits Paid	(73.01)	(65.71)
	Defined Benefit Obligation at year end	**567.32**	**511.29**
ii)	**Reconciliation of opening and closing balances of fair value of Plan Assets**		
	Fair value of Plan Assets at beginning of year	570.05	582.15
	Expected Return on Plan Assets	44.75	42.73
	Employer Contribution	40.50	36.70
	Benefits Paid	(73.01)	(65.71)
	Actuarial (Gain) / Loss	39.10	(25.82)
	Fair value of Plan Assets at year end	**621.38**	**570.05**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2019 (₹ in Lakh)

		As at 31-03-2019	As at 31-03-2018
		Gratuity Funded	
iii)	**Reconciliation of fair value of Assets and Obligations**		
	Present Value of Benefit Obligation at the end of the Period	567.32	511.29
	Fair value of plan assets as at end of the year	621.38	570.05
	Funded status (Surplus/ (Deficit))	54.07	58.75
	Net (Liability)/Asset Recognized in the Balance Sheet	**54.07**	**58.75**
iv)	**Expenses recognised during the year**		
	Current service cost	53.37	50.16
	Past service cost	-	33.45
	Actuarial (Gains)/Losses on Obligation For the Period	-	-
	Net Interest cost	(4.61)	(0.63)
	Expenses recognised in the statement of profit and loss account	**48.76**	**82.98**
	Actuarial (Gains)/Losses on Obligation for the Period	35.53	(122.33)
	Return on Plan Assets, Excluding Interest Income	(39.10)	25.82
	Net (Income)/Expense for the Period Recognized in OCI	**(3.57)**	**(96.50)**
v)	**Actuarial Assumptions**		
	Discount Rate	7.79%	7.85%
	Salary Escalation	5.00%	5.00%

C Sensitivity Analysis

The key assumption and sensitivity of the defined benefit obligation to changes in the weighted principal assumption is:

Particulars	**Year ended 31-03-2019**	**Year ended 31-03-2018**
Expected Return on Plan Assets	7.79%	7.85%
Rate of Discounting	7.79%	7.85%
Rate of Salary Increase	5.00%	5.00%
Rate of Employee Turnover	2.00%	2.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	

Particulars	**Year ended 31-03-2019**	**Year ended 31-03-2018**
Delta Effect of +1% Change in Rate of Discounting	(46.49)	(38.26)
Delta Effect of -1% Change in Rate of Discounting	54.68	45.09
Delta Effect of +1% Change in Rate of Salary Increase	54.79	45.07
Delta Effect of -1% Change in Rate of Salary Increase	(47.27)	(38.79)
Delta Effect of +1% Change in Rate of Employee Turnover	13.61	11.60
Delta Effect of -1% Change in Rate of Employee Turnover	(15.64)	(13.38)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2019 (₹ in Lakh)

36 RELATED PARTIES DISCLOSURE:

Sr.	Name of Related Party	% Share	Relationship
1	MARANGONI GRP Private Limited	50.000%	Joint Venture
2	Rajendra V Gandhi; Managing Director		Key Managerial Personnel (KMP)
3	Harsh R Gandhi; Joint Managing Director		
4	Ganesh A Ghangurde; Chief Financial Officer (upto 6th August 2018); Company Secretary (upto 12th February 2019)		
5	Shilpa Mehta; Chief Financial Officer (from 7th August 2018)		
6	Abhijeet Sawant; Company Secretary (from 13th February 2019)		
7	Nayna R. Gandhi		Relatives of Key Managerial Personnel (KMP)
8	Hemal H. Gandhi		
9	Mahesh V. Gandhi		
10	Alphanso Netsecure Pvt. Ltd.		Enterprises over which Key Managerial Personnel are able to exercise significant influence
11	GRP Employees Group Gratuity Trust		Post Employment Benefits Plans
12	GRP Employees Group Superannuation Scheme		

Sr. No.	Particulars	Joint Venture		Key Managerial Personnel	
		2018-19	2017-18	2018-19	2017-18
1	Shareholding	112.70	73.83	-	-
2	Shares subscribed during the year	38.88	26.97	-	-
3	Purchase of Goods	-	6.04	-	-
4	Sale of Goods and Services	34.79	7.07	-	-
5	Contributions during the year	-	-	-	
6	Outstanding Receivable	53.94	25.22	-	-
7	Remuneration paid	-	-	364.57	312.81
8	Sitting Fees Paid	-	-	-	-

Sr. No.	Particulars	Relatives of Key Managerial Personnel		Enterprises over which Key Managerial Personnel are able to exercise significant influence		Post Employment Benefit plans	
		2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
1	Shareholding	-	-	-	-	-	-
2	Shares subscribed during the year	-	-	-	-		
3	Purchase of Goods	-	-	0.67	0.67	-	-
4	Sale of Services	-	-	-	-	-	-
5	Contributions during the year	-	-	-	-	65.32	60.39
6	Outstanding Receivable	-	-	-	-	-	-
7	Remuneration paid	19.97	14.86	-	-	-	-
8	Sitting Fees Paid	1.50	0.90	-	-	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2019 (₹ in Lakh)

Disclosure in respect of material transactions of the same type with related parties during the year

Sr. No.	Particulars	Year ended 31-03-2019	Year ended 31-03-2018
1	**Shareholding** - MARANGONI GRP Private Limited	112.70	73.83
2	**Shares subscribed during the year** - MARANGONI GRP Private Limited	38.88	26.97
3	**Purchase of Goods**		
	- MARANGONI GRP Private Limited	-	6.04
	- Alphanso Netsecure Private Limited	0.67	0.67
4	**Sale of Goods and Services** - MARANGONI GRP Private Limited	34.79	7.07
5	**Contributions during the year**		
	GRP Employees Group Gratuity Trust	40.50	36.70
	GRP Employees Group Superannuation Scheme	24.82	23.69
6	**Outstanding Receivable -** MARANGONI GRP Private Limited	53.94	25.22
7	**Remuneration paid**		
	- Rajendra V Gandhi	100.36	93.42
	- Harsh R Gandhi	147.50	135.46
	- Ganesh A Ghangurde	91.66	83.93
	- Hemal H Gandhi	19.97	14.86
8	**Sitting Fees Paid**		
	- Mahesh V Gandhi	0.75	0.30
	- Nayna R. Gandhi	0.75	0.60

Terms and conditions of transactions with related partie

Transaction entered into with related party are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured, interest free and will be settled in cash. There have been no guarantees received or provided for any related party receivables or payables.

Compensation of Key management personnel

Sr. No.	Particulars	Year ended 31-03-2019	Year ended 31-03-2018
1	Short-term employee benefits	334.58	286.85
2	Post-employment benefits	29.99	25.96
3	Other long-term benefits	-	-
4	Termination benefits	-	-
5	Share-based payments	-	
	Total Compensation paid to Key Management personnel	**364.57**	**312.81**

37	RESEARCH & DEVELOPMENT ELIGIBLE FOR DEDUCTION UNDER SECTION 35(2AB) OF INCOME TAX ACT, 1961	Year ended 31-03-2019	Year ended 31-03-2018
	Accounting for Research & Development expenditure incurred :		
(a)	Capital Expenditure incurred on Equipments & Machinery	22.69	2.90
(b)	Capital Expenditure incurred on Buildings, Furniture, office equipments & Computer Hardware	-	2.33
(c)	Capital Work in Progress	14.79	14.79
(d)	Revenue Expenditure incurred towards the R&D Projects	174.36	178.40

38 SEGMENT REPORTING:

As per Indian Accounting Standard (Ind AS) -108 on Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the Group's performance and allocates resources based on an analysis of various performance indicators of business segment/s in which the company operates, 'Reclaim Rubber' has been identified as reportable segment and smaller business segments not separately reportable have been grouped under the heading 'Others'.

The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting.

a) Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

b) Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2019 (₹ in Lakh)

Sr. No.	Particulars	Reclaim Rubber		Others		Unallocable		Total	
		2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
1	**Segment Revenue**								
	Gross Revenue from Operations	35,835.30	30,766.12	1,852.56	745.19	-	-	37,687.86	31,511.31
	Less: Goods & Service Tax	1,870.38	1,240.71	80.63	30.06	-	-	1,951.01	1,270.77
	Net Revenue from Operations	33,964.92	29,525.41	1,771.93	715.13	-	-	35,736.85	30,240.54
2	**Segment Results before Interest & Tax**	3,092.36	2,963.80	212.70	(117.62)	(2,061.40)	(2,275.71)	1,243.65	570.47
	Less: Interest Expenses	-	-	-	-	-	-	462.29	444.42
	Add: Share of Profit/(Loss) of Joint Ventures	-	-	-	-	-	-	(60.00)	(49.10)
	Profit before Tax	3,092.36	2,963.80	212.70	(117.62)	(2,061.40)	(2,275.71)	721.37	76.95
	Current Tax	-	-	-	-	-	-	278.36	340.94
	Deferred Tax	-	-	-	-	-	-	(89.67)	(188.77)
	Profit After Tax	3,092.36	2,963.80	212.70	(117.62)	(2,061.40)	(2,275.71)	532.68	(75.22)
3	**Other Information**								
	Segment Assets	19,367.61	19,024.04	2,667.35	2,099.21	2,643.02	2,434.93	24,677.98	23,558.18
	Segment Liabilities	2,750.52	3,068.63	144.19	82.56	8,802.15	8,000.12	11,696.86	11,151.31
	Capital Expenditure	777.88	445.47	94.48	202.46	14.69	3.81	887.05	651.74
	Depreciation / Amortisation Expenses	1,152.19	1,216.56	102.36	77.29	76.49	97.11	1,331.04	1,390.96

1 The reportable Segments are further described below :
- Reclaim Rubber segment includes production and marketing of Reclaim rubber products
- Others segment includes Windmill, Custom Die Forms, Engineering Plastics and Polymer Composite Products.

2 There are transactions with a single external customer which amounts to 10% or more of the Group's revenue.

39	CORPORATE SOCIAL RESPONSIBILITY EXPENSES:	Year ended 31-03-2019	Year ended 31-03-2018
A	Gross amount required to be spent by the company during the year.	-	26.30
B	Amount Spent during the year on:		

	Year 2018-19			Year 2017-18		
	In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
i) Construction/acquisition of any asset	4.60	-	4.60	3.03	-	3.03
ii) On purposes other than(i) above	15.55	-	15.55	25.90	-	25.90
	20.15	**-**	**20.15**	**28.92**	**-**	**28.92**

As per the provision under Section 135 of the Companies Act, 2013, the company is not required to spend towards Corporate Social responsibility for the Financial Year 2018-19.

40	EARNINGS PER SHARE:	Year ended 31-03-2019	Year ended 31-03-2018
-	Net Profit after tax for the year	532.68	(75.22)
-	Number of equity shares of ₹10/- each.	1,333,333	1,333,333
-	Earnings per share - Basic	39.95	(5.64)
-	Earnings per share -Diluted	39.95	(5.64)
-	Face value per equity share	10.00	10.00

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2019 (₹ in Lakh)

41 FAIR VALUATION MEASUREMENT HIERARCHY

A CATEGORY-WISE CLASSIFICATION OF FINANCIAL INSTRUMENTS

	Refer Note	As at 31-03-2019	As at 31-03-2018
Financial assets measured at fair value through profit or loss (FVTPL)			
Forward Contract	10	72.09	-
Financial assets measured at fair value through other comprehensive income (FVTOCI)			
Investment in Equity Shares - Bank of Baroda	3	6.44	7.11
Forward Contract	10	58.07	-
Financial assets measured at amortised cost			
Trade Receivables	7	6,573.29	5,151.96
Cash and cash equivalents	8	440.25	93.53
Bank balances other than mentioned above	9	21.00	23.91
Accrued Interest Income	10	17.87	27.75
Financial liabilities measured at fair value through profit or loss (FVTPL)			
Forward Contract	20	1.40	14.35
Financial liabilities measured at fair value through other comprehensive income (FVTOCI)			
Forward Contract	20	(0.28)	31.65
Financial liabilities measured at amortised cost			
Rupee Term Loan from Banks	14 & 20	504.00	1,097.17
Deferred Payment Liability	14 & 20	29.63	47.75
Deferred Income	15 & 20	12.00	13.00
Foreign Currency Working Capital Demand Loan from Banks	18	4,316.50	3,223.26
Rupee Working Capital Demand Loan from Banks	18	1,613.28	1,352.63
Trade payables	19	2,170.26	1,571.53
Interest accrued and due on borrowings	20	20.61	23.39
Unclaimed Dividend	20	7.81	10.50
Creditors for Capital Goods & Services	20	41.25	20.54
Deposit from Dealers	20	60.40	60.40
Security Deposit for Let out property	20	5.65	0.25

The above table does not include financial assets measured at Cost. (Refer note 3)

B FAIR VALUE MEASUREMENTS

(i) The following table provides the fair value measurement hierarchy of the company's financial assets and liabilities:

Particulars	Carrying Amount	Fair Value Hierarchy		
		Quoted prices in active markets (Level 1)	Significant Observable inputs (Level 2)	Significant Unobservable inputs (Level 3)
As at 31-03-2019				
Financial Assets				
At Fair Value Through P&L (FVTPL)				
Other Financial Assets	72.09	-	72.09	-
At Fair Value Through OCI (FVTOCI)				
Investment in Equity Shares - Bank of Baroda	6.44	6.44	-	-
Other Financial Assets	58.07	-	58.07	-
Financial Liabilities				
At Fair Value Through P&L (FVTPL)				
Other Financial Liabilities	1.40	-	1.40	-
At Fair Value Through OCI (FVTOCI)				
Other Financial Liabilities	(0.28)	-	(0.28)	-
As at 31-03-2018				
Financial Assets				
At Fair Value Through OCI (FVTOCI)				
Investment in Equity Shares - Bank of Baroda	7.11	7.11	-	-
Financial Liabilities				
At Fair Value Through P&L (FVTPL)				
Other Financial Liabilities	14.35	-	14.35	-
At Fair Value Through OCI (FVTOCI)				
Other Financial Liabilities	31.65	-	31.65	-

(ii) Financial Instrument measured at Amortised Cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

42. FINANCIAL RISK MANAGEMENT - OBJECTIVES AND POLICIES

The Group's financial liabilities comprise mainly of borrowings, trade payables and other payables. The Group's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other receivables.

The Group is exposed to Market risk, Credit risk and Liquidity risk. The Board of Directors ('Board') oversee the management of these financial risks through its Risk Management Committee. The Risk Management Policy of the Group formulated by the Risk Management Committee and approved by the Board, states the Group's approach to address uncertainties in its endeavour to achieve its stated and implicit objectives. It prescribes the roles and responsibilities of the Group's management, the structure for managing risks and the framework for risk management. The framework seeks to identify, assess and mitigate financial risks in order to minimize potential adverse effects on the Group's financial performance.

The following disclosures summarize the Group's exposure to financial risks and information regarding use of derivatives employed to manage exposures to such risks. Quantitative sensitivity analysis have been provided to reflect the impact of reasonably possible changes in market rates on the financial results, cash flows and financial position of the Group.

1) Market Risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk and currency risk. Financial instruments affected by market risk includes borrowings, investments, trade payables, trade receivables, loans and derivative financial instruments.

a) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Group's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Interest Rate Exposure

	As at 31-03-2019	As at 31-03-2018
Borrowings		
Long Term Floating Loan	-	358.84
Long Term Fixed Loan	533.63	786.08
Short Term Loan	5,929.78	4,575.90

Impact on Interest Expenses for the year on 0.5% change in Interest rate

Changes in rate	Effect on profit before tax		Effect on total equity	
	Year ended 31-03-2019	Year ended 31-03-2018	As at 31-03-2019	As at 31-03-2018
+0.5%	(29.30)	(24.43)	(29.30)	(24.43)
-0.5% 29.30	24.43	29.30	24.43	

b) Foreign Currency Risk

The Group's business objective includes safe-guarding its earnings against foreign exchange rate fluctuation. The Group has adopted a structured risk management policy to hedge all these risks within an acceptable risk limit and an approved hedge accounting framework which allows for Fair Value and Cash Flow hedges. Hedging instruments include forward/options instruments to achieve this objective. There are no option contracts outstanding as at 31st March, 2019.

(i) Exposure in foreign currency - Hedged

The Group enters into forward exchange contracts to hedge against its foreign currency exposures relating to the underlying transactions and firm commitments. The Group does not enter into any derivative instruments for trading or speculative purposes.

The forward exchange contracts used for hedging foreign currency exposure and outstanding as at reporting date are as under:

Currency	(FC in lakhs)		(₹ in lakhs)	
	As at 31-03-2019	As at 31-03-2018	As at 31-03-2019	As at 31-03-2018
EUR	4.70	7.00	362.64	570.32
USD	10.00	5.00	695.75	327.49

(ii) Exposure in foreign currency - Unhedged

Payable	(FC in lakhs)		(₹ in lakhs)	
	As at 31-03-2019	As at 31-03-2018	As at 31-03-2019	As at 31-03-2018
EUR	17.67	21.11	1,364.12	1,786.58
USD	40.55	23.97	2,804.06	1,562.32

Receivables	(FC in lakhs)		(₹ in lakhs)	
	As at 31-03-2019	As at 31-03-2018	As at 31-03-2019	As at 31-03-2018
EUR	10.86	12.06	837.11	969.38
USD	36.69	15.77	2,533.36	1,025.94
JPY	14.12	23.18	8.81	14.26
THB	0.04	0.04	0.09	0.08

(iii) Sensitivity

The Group is mainly exposed to changes in EUR & USD. The below table demonstrates the sensitivity to a 5% increase or decrease in the EUR / USD against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Group as at the reporting date. 5% represents management's assessment of reasonably possible change in foreign exchange rate.

Foreign Currency	Change in rate	Effect on profit after tax		Effect on total equity	
		Year ended 31-03-2019	Year ended 31-03-2018	As at 31-03-2019	As at 31-03-2018
EUR	+5%	(26.35)	(40.84)	(26.35)	(40.84)
EUR	-5%	26.35	40.84	26.35	40.84
USD	+5%	(13.54)	(26.82)	(13.54)	(26.82)
USD	-5%	13.54	26.82	13.54	26.82

c) Other Price Risks:

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. Other price risk arises from financial assets such as investments in equity instruments. The Group is exposed to price risk arising mainly from investments in equity instruments recognised at FVTOCI. As at 31st March, 2019, the carrying value of such equity instruments recognised at FVTOCI amounts to ₹ 6.44 lakhs (Previous year ₹ 7.11 lakhs as at 31st March 2018). The details of such investments in equity instruments are given in Note 3.

2) Credit Risk:

Credit risk refers to a risk that a counter party will default on its contractual obligation resulting in a financial loss to the Group. Credit risk primarily arises from financial asset such as trade receivables and Derivative financial instruments and other balances with banks, loans and other receivables. The Group's exposure to credit risk is disclosed in note 7, 8, 9 and 10. The Group has adopted a policy of only dealing with counter parties that have sufficient credit rating. The Group's exposure and credit ratings of its counter parties are continuously monitored and the aggregate value of transaction is reasonably spread amongst the counter parties.

Credit risk arising from investment in derivative financial instrument and other balances with bank is limited and there is no collateral held against these because the counter parties are banks and recognised financial institution with high credit ratings assigned by international credit rating agencies.

The average credit period on sale of products and services is maximum of 60-90 days. Credit risk arising from trade receivables is managed in accordance with Group's established policy, procedures, and controls relating to customer credit risk management. Credit quality of Customer is assessed and accordingly individual credit limit is defined. The concentration of credit risk is limited due to the fact that customer base is large.

Movement in expected credit loss allowance on trade receivables

	As at 31-03-2019	As at 31-03-2018
Balance at the beginning of the year	7.70	7.65
Loss allowance measured at lifetime expected credit loss	4.26	0.05
Balance at the end of the year	11.96	7.70

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2019 (₹ in Lakh)

3) Liquidity Risk:

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Group has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The Group also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

The table below analysis non-derivative financial liabilities of the Group into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Non Derivative Liabilities	Refer Note	< 1 year	1 - 5 years	Above 5 years	Total
At 31st March 2019					
Long Term Borrowings	14 & 20	244.35	289.29	-	533.63
Short Term Borrowings	18	5,929.78	-	-	5,929.78
Trade Payables	19	2,170.26	-	-	2,170.26
Other Financial Liabilities	20	136.73	-	-	136.73
At 31st March 2018					
Long Term Borrowings	14 & 20	611.29	533.63	-	1,144.92
Short Term Borrowings	18	4,575.90	-	-	4,575.90
Trade Payables	19	1,571.53	-	-	1,571.53
Other Financial Liabilities	20	116.07	-	-	116.07

Derivative Liabilities	Refer Note	< 1 year	1 - 5 years	Above 5 years	Total
At 31st March 2019					
Forward Contract	20	1.12	-	-	1.12
At 31st March 2018					
Forward Contract	20	45.99	-	-	45.99

4) Hedge Accounting:

The Group's business objective includes safe-guarding its foreign currency earnings against movements in foreign exchange and interest rates. Group has adopted a structured risk management policy to hedge all these risks within an acceptable risk limit and an approved hedge accounting framework which allows for Fair Value and Cash Flow hedges. Hedging instruments consists of forwards to achieve this objective. The table below shows the position of hedging instruments and hedged items as of the balance sheet date.

Disclosure of effects of hedge accounting

A Fair Value Hedge

Hedging Instrument

Type of Hedge and Risks	Nominal Value	Carrying amount		Changes in FV	Hedge Maturity Date	Line Item in Balance Sheet
		Assets	Liabilities			
Foreign currency risk component - Forward Contract	1,371.92	1,299.83	-	72.09	April 2019 to May 2019	Current Financial Assets : Others
Foreign currency risk component - Forward Contract	242.85	-	241.45	1.40	September 2019	Current Financial Liabilities : Others

Hedging Items

Type of Hedge and Risks	Carrying amount		Changes in FV	Line Item in Balance Sheet
	Assets	Liabilities		
Trade Receivables	1,371.92	-	(72.09)	Current Financial Assets : Trade Receivables
Foreign Currency Working Capital Loan	-	242.85	(1.40)	Current Financial Liabilities : Borrowings

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2019 (₹ in Lakh)

B. Cashflow Hedge

Hedging Instrument

Type of Hedge and Risks	Nominal Value	Carrying amount		Changes in FV	Hedge Maturity Date	Line Item in Balance Sheet
		Assets	Liabilities			
Foreign currency risk component - Forward Contract	1,792.52	1,734.45	-	58.07	June 2019 to January 2020	Current Financial Assets : Others
Foreign currency risk component - Forward Contract	328.57	-	328.85	(0.28)	April 2019 to June 2019	Current Financial Liabilities : Others

Hedging Items

Type of Hedge and Risks	Nominal Value	Changes in FV	Cashflow Hedge Reserve	Line Item in Balance Sheet
Foreign Currency Risk				
Highly probable Exports	1,792.52	58.07	58.07	Other Equity
Highly probable Imports	328.57	(0.28)	(0.28)	Other Equity

43 DETAILS OF SUBSIDIARY AND JOINT VENTURE

Name of the Company	Country of Incorporation	% of Holding	
		As at 31-03-2019	As at 31-03-2018
Subsidiary			
Grip Polymers Limited	India	100.000%	100.000%
Grip Surya Recycling LLP (Partners capital share by GRP Ltd. w.e.f 24th December 2018)	India	99.886%	-
Stepdown Subsidiary			
Grip Surya Recycling LLP (Subsidiary of Grip Polymers Ltd. Upto 23rd December 2018)	India	-	99.970%
Joint Venture			
Marangoni GRP Private Limited	India	50.000%	50.000%

44. DISCLOSURE OF ADDITIONAL INFORMATION PERTAINING TO THE PARENT COMPANY, SUBSIDIARIES AND JOINT VENTURE AS PER SCHEDULE III OF THE COMPANIES ACT, 2013

Name of the company	FY 2018-19							
	Net Assets (Total Assets minus Total Liabilities)		Share in Profit or Loss		Other Comprehensive Income		Total Comprehensive Income	
	As a % of consolidated Net Assets	Net Assets	As a % of consolidated Profit or Loss	Profit / (Loss)	As a % of consolidated OCI	OCI	As a % of consolidated TCI	TCI
Parent Company:								
GRP Limited	100.49%	13,044.11	118.46%	631.00	101.09%	62.33	116.66%	693.33
Subsidiary Company:								
Grip Polymers Limited	0.07%	8.98	-6.49%	(34.59)	-1.09%	(0.67)	-5.93%	(35.26)
Gripsurya Recycling LLP	2.58%	335.50	-0.75%	(3.97)	0.00%	-	-0.67%	(3.97)
Joint Venture:								
Marangoni GRP Private Limited	-0.04%	(4.81)	-11.78%	(62.74)	0.00%	-	-10.56%	(62.74)
Non-Controlling Interests	0.00%	0.04	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
Sub Total		**13,383.82**		**529.70**		**61.66**		**591.36**
Adjustments arising out of consolidation	-3.10%	(402.70)	0.56%	2.98	0.00%	-	0.50%	2.98
Grand Total	**100.00%**	**12,981.12**	**100.00%**	**532.68**	**100.00%**	**61.66**	**100.00%**	**594.34**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2019 (₹ in Lakh)

Name of the company	FY 2017-18							
	Net Assets (Total Assets minus Total Liabilities)		Share in Profit or Loss		Other Comprehensive Income		Total Comprehensive Income	
	As a % of consolidated Net Assets	Net Assets	As a % of consolidated Profit or Loss	Profit / (Loss)	As a % of consolidated OCI	OCI	As a % of consolidated TCI	TCI
Parent Company:								
GRP Limited	102.35%	12,698.83	-130.66%	98.28	113.82%	12.66	-173.08%	110.94
Subsidiary Company:								
Grip Polymers Limited	-3.06%	(379.71)	60.67%	(45.64)	-13.82%	(1.54)	73.60%	(47.18)
Stepdown Subsidiary:								
Gripsurya Recycling LLP	1.05%	130.41	125.83%	(94.65)	0.00%	-	147.66%	(94.65)
Joint Venture:								
Marangoni GRP Private Limited	0.15%	19.05	65.28%	(49.10)	0.00%	-	76.60%	(49.10)
Non-Controlling Interests	0.00%	0.04	0.04%	(0.03)	0.00%	-	0.04%	(0.03)
Sub Total		**12,468.62**		**(91.14)**		**11.12**		**(80.01)**
Adjustments arising out of consolidation	0.50%	(61.76)	-21.16%	15.92	0.00%	-	-24.83%	15.92
Grand Total	**100.00%**	**12,406.86**	**100.00%**	**(75.22)**	**100.00%**	**11.12**	**100.00%**	**(64.10)**

45 CAPITAL MANAGEMENT

For the purpose of the Group's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Group. The primary objective of the Group when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

The gearing ratio at end of the reporting period was as follows.

	As at 31-03-2019	As at 31-03-2018
Gross Debt	6,463.41	5,720.82
Cash and Marketable Securities	440.25	93.53
Net Debt (A)	6,023.16	5,627.29
Total Equity (As per Balance Sheet) (B)	12,981.08	12,406.83
Net Gearing (A/B)	0.46	0.45

46 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved for issue by the board of directors on 27th May, 2019.

47 EVENTS AFTER THE REPORTING PERIOD

The Board of Directors have recommended dividend of ₹ 8/- per fully paid up equity share of ₹10/- each, aggregating ₹128.59 lakhs, including ₹ 21.92 lakhs dividend distribution tax for the financial year 2018-19, which is based on relevant share capital as on 31st March, 2019. The actual dividend amount will be dependent on the relevant share capital outstanding as on the record date / book closure.

As per our Report of even date

For DKP & Associates
Chartered Accountants
Firm Registration No. 126305W

Deepak K. Doshi
Partner
Membership No. 037148

Mumbai, 27th May, 2019

For and on behalf of the Board of Directors

Rajendra V Gandhi
Managing Director

Harsh R Gandhi
Joint Managing Director

Shilpa Mehta
Chief Financial Officer

Abhijeet Sawant
Company Secretary

Mumbai, 27th May, 2019

NOTES

RESEARCH & TECHNOLOGY

PRODUCT

Ultra High Tensile NR Reclaim (TS~100) for Tyres & GRG

Grey Butyl Reclaim

REACH Certified indigenous anti-tack solution

PROCESS

Automated Material Handling Systems

Granulation Technology from USA

Metal Detection Technology from Germany

APPLICATIONS

UHT in tyre tread and tread rubber

HT in cushion gum

EPDM in roofing

Butyl in adhesives & sound dampers

Global Certifications & Commitments

- REACH
- ISO 9001:2015
- IATF 16949*
- ISO 45001:2018
- ISO 14001:2015
- Ecovadis
- CDP
- UN Global Compact

*2 Locations certified; rest under final audit