

GRIP POLYMERS LIMITED

25th Annual Report

2017 - 18

CIN : U25200MH1993PLC074922

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

GRIP POLYMERS LIMITED

Directors' Report to the Members,

Your Directors have pleasure to present the 25th Annual Report together with the Audited Accounts for the year ended 31st March, 2018.

1. FINANCIAL RESULTS:

Total income for the year is Rs.13,49,025/- (previous year Rs. 2,57,375/-). Net loss after tax for the year is Rs.1,40,28,541/- (Previous year of Rs1,37,59,937/-).

The turnover of Gripsurya Recycling LLP (Subsidiary body corporate of the Company), during the year was Rs.5,80,10,044/-. However as the retreading business is still under stabilization phase, this business has incurred net loss of Rs.94,67,556/-.

2. DIVIDEND:

In view of the losses, Directors do not recommend payment of any dividend for the year.

3. DIRECTOR:

In accordance with the provisions of the Companies Act, 2013, Harsh R. Gandhi, retires by rotation at the 25th Annual General Meeting and being eligible offers himself for reappointment.

4. NUMBER OF BOARD MEETINGS:

Company held Four (4) board meetings during the financial year 2017-18.

5. DIRECTORS' RESPONSIBILITY STATEMENT:

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

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company for the year ended 31st March, 2018 and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

6. AUDITORS :

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 24th Annual General Meeting of the company held on 9th August, 2017, for a period of 5 (Five) consecutive financial years, from the conclusion of the Twenty Fourth Annual General Meeting of the Company until the conclusion of the Twenty Ninth Annual General Meeting of the Company.

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

Sr. No.	Particulars	Amount (Rs.)
1	Loans (A): Loan to Gripsurya Recycling LLP (LLP in which Company is holding majority stake)	1,48,00,000
a.	<u>Investments (B):</u> <u>Trade Investment</u> Investment in capital account of Gripsurya Recycling LLP	1,30,37,087
b.	<u>Non-Trade Investment</u> 5000 equity shares of Rs.2 each fully paid up held in Bank of Baroda	7,11,000
	Total	2,85,48,087

8. 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 Board of Directors of your company.

The details of contracts and arrangement with related parties of your company for the financial year ended 31st March, 2018 is given in Note No.24 to the financial statements of your company.

9. ANNUAL RETURN :

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

10. SUBSIDIARY :

Company has majority stake in entity viz., Gripsurya Recycling LLP, which is into business of rubber scrap shredding and tyre re-treading. Statement containing salient features of the financial statement of Gripsurya Recycling LLP in form AOC – I (part A) is attached to this report. (Annexure 2).

11. RISK MANAGEMENT

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

For and on behalf of the Board of Directors

Date : 25th May, 2018
Place: Mumbai

Rajendra Gandhi
Chairperson

Regd. Office : 510, A Wing, Kohinoor City Commercial I, Kiroi Road, Kurla (W), Mumbai – 400 070.
T : +91 22 6708 2500/2600, F : + 91 22 6708 2599
CIN : U25200MH1993PLC074922

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

(ii) Shareholding of Promoters

Shareholder's Name	Shareholding at the beginning of the year (01.04.2017)		Shareholding at the end of the year (31.03.2018)		% change in shareholding during the year
	No. of shares	% total no of shares of the Company	No. of shares	% total no of shares of the Company	
1. GRP Limited	50000	100	50000	100	-
2. Rajendra V Gandhi	0	0	0	0	-
3. Nayna R Gandhi	0	0	0	0	-
Total	50000	100	50000	100	-

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

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

	Name of Promoter	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year (01.04.2017)					
Date wise Increase/ decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):	There is no change in the shareholding of promoters during the year				
At the End of the year (31.03.2018)					

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

For Each of the Top 10 Shareholders	Name of Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year (01.04.2017)	NIL	NIL	NIL	NIL	NIL
Date wise Increase/ decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):					
At the End of the year (31.03.2018)	NIL	NIL	NIL	NIL	NIL

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

For Each of the Directors and KMP	Name of Directors / KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year (01.04.2017)	1)Rajendra V Gandhi 2)Harsh R Gandhi 3)Nayna R Gandhi	Nil Nil Nil			
Date wise Increase/ decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):					
At the End of the year (31.03.2018)	1)Rajendra V Gandhi 2)Harsh R Gandhi 3)Nayna R Gandhi			Nil Nil Nil	

V. INDEBTEDNESS

(Rs. In Lacs)

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2017)				
i) Principal Amount	0	40800000	0	40800000
ii) Interest due but not paid	0	3786409	0	3786409
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	44586409	0	44586409
Change in Indebtedness during the financial year				
• Addition	0	10029161	0	10029161
• Reduction	0	0	0	0
Net Change	0	0	0	0
Indebtedness at the end of the financial year (31.03.2018)				
i) Principal Amount	0	46725000	0	46725000
ii) Interest due but not paid	0	7890570	0	7890570
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	54615570	0	54615570

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Company has not paid any remuneration to any of the directors of the company during the financial year 2017-18. The company does not have any Key Managerial Personnel as defined under the Companies Act, 2013 during the financial year 2017-18.

VII. 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.

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

Part "A" : Subsidiaries

1	Sr. No.	1
2	Name of the subsidiary	Gripsurya Recycling LLP
3	The date since when subsidiary was acquired	6 th July, 2016
4	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable
5	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Not Applicable
6	Share capital	Rs. 1,30,40,817/-
7	Reserves and surplus	Nil
8	Total assets (excluding investments)	Rs. 5,04,27,219/-
9	Total liabilities	Rs. 3,73,86,402/-
10	Investments	--
11	Turnover	Rs.5,88,68,087/-
12	Profit / (Loss) before taxation	Rs. (94,67,556/-)
13	Provision for taxation	Nil
14	Profit / (Loss) after taxation	Rs. (94,67,556/-)
15	Proposed Dividend	Nil
16	% of shareholding	99.97%
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

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

Place : Mumbai
Date : 25th May, 2018

Rajendra Gandhi
Chairperson

Independent Auditor's Report

To The Members of
GRIP POLYMERS LIMITED

Report on the Financial Statements

We have audited the accompanying Financial Statements of **Grip Polymers Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information. (herein after referred to as "Ind AS Financial Statements")

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act and rules made there under.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS Financial Statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Ind AS Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Financial Statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs of the Company as at March 31, 2018, and its profit (including comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matters

Figures for the year ended 31 March 2017 have been audited by the predecessor auditor who have expressed an unmodified opinion dated 29th May 2017 on the financial statements, prepared as per previous GAAP. These have been reworked/regrouped by the Management to make them Ind AS compliant.

Our opinion on the financial statements is not modified in respect of the above matter.

The financial statements are prepared on a Going Concern basis, even though the net worth of the company is negative, since in the opinion of the Management the same is expected to turn positive as the LLP in which company is a partner has commenced its manufacturing operations and is hopeful of turnaround in its operations.

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 in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Ind AS Financial Statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with relevant rules issued thereunder.
 - e) On the basis of the written representations received from the directors as on March 31, 2018 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
 1. The Company disclosed the impact of pending litigations as at March 31,2018 on its financial position in its Ind AS Financial Statements-Refer Note No.36.
 2. The Company has made provision, as at March 31, 2018 as required under the applicable law or accounting standards, for material foreseeable losses, if any on long-term contracts including derivative contracts.
 3. There has been no delay in transferring the amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year.

For DKP & Associates

Chartered Accountants
(Firm Registration no. 126305W)

D K Doshi
Partner
Membership No.037148
Mumbai
Date: 25th May 2018

"ANNEXURE A" TO THE INDEPENDENT AUDITORS' REPORT ON THE IND AS FINANCIAL STATEMENTS OF GRIP POLYMERS LIMITED

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

- i. The company is not having any tangible fixed assets, hence clause (i)(a) & (i)b of paragraph 3 of the Order is not applicable to the Company.
- ii. There was no inventory during the year, hence clauses (ii)(a), (ii)(b) and (iii)(c) of paragraph 3 of the Order is not applicable to the Company.
- iii. The Company has granted unsecured Loans to a Limited Liability Partnership (LLP), in which the Company is a major Partner, which is covered in register maintained under Section 189 of the Act. The Company has not granted any secured/unsecured loans to Companies, firms or other parties covered in the register maintained under section 189 of the act.
 - a) In our opinion and according to the information and explanations given to us, the terms and conditions of grant of aforesaid loan to LLP is not prima facie prejudicial to the interest of the Company.
 - b) In respect of the aforesaid loan to LLP in which the Company is a major Partner, we have been informed by the Management that the schedule of repayment of principal amount and interest is under renegotiation.
 - c) As the repayment of principal amount and interest is under renegotiation the same is not treated as overdue.
- iv. In our opinion and according to the information and explanations given to us the Company has complied with provisions of section 185 and 186 with respect of loans and investments made. We are informed that company has not provided any guarantee or securities during the year.
- 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. We have been informed that the company is not covered under the rules made by the Central Government of India in respect of the maintenance of cost records as has been specified under sub-section (1) of Section 148 of the Act. We have, therefore, not examined the records with a view to determine whether they are accurate or complete.
- vii. In respect of Statutory dues :
 - a. According to information and explanation given to us and the records of the Company, examined by us , in our opinion undisputed statutory dues including income tax, service tax, goods and service tax and any other statutory dues have been regularly deposited with appropriate authorities by the company According to information and explanation given to us , no undisputed amount in respect of the aforesaid dues were outstanding as at March 31, 2018 for a period of more than six months from the date of becoming payable.
 - b. According to the information and explanations given to us and to the records of the Company examined by us, there are no 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 March 31 , 2018 which have not been deposited on account of dispute.
- viii. According to the information and explanation given to us and based on our audit procedures, the Company has no borrowings from financial institution or bank or Government or by way of debentures hence clause (viii) of paragraph 3 of the Order is not applicable to the Company.
- ix. According to the information and explanation given to us and based on our audit procedures, the Company has not raised any initial public officer or further public offer (including debt instruments) and 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 and according to the information and explanations given to us, no material 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, the company has not paid/ provided managerial remuneration during the year. Accordingly, clause (xi) of paragraph 3 of the Order is not applicable to the Company.
- xii. In our opinion and according to the information and explanations given to us, company is not a Nidhi company and hence reporting under clause (xii) of paragraph 3 of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with sections 177 and 188 of the Act and their details of such transactions have been disclosed in the Ind AS Financial Statements, as required by the applicable Indian 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 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, 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. Hence, clause (xv) of the paragraph 3 of the Order is not applicable to the Company.
- xvi. In our opinion and according to the information and explanations provided to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, since the company is a major partner in LLP, which is engaged in manufacturing activity.

For DKP & Associates

Chartered Accountants
(Firm Registration no. 126305W)

D K Doshi
Partner
Membership No.037148
Mumbai
Date: 25th May 2018

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT ON THE IND AS FINANCIAL STATEMENTS OF GRIP POLYMERS 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 over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the Internal Financial Control over financial reporting of **Grip Polymers Limited** ("the Company") as of March 31, 2018 in conjunction with our audit of the Ind AS Financial Statements of the Company for the year then ended.

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 over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (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 over financial reporting 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS 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 Ind AS Financial Statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For DKP & Associates

Chartered Accountants
(Firm Registration no. 126305W)

D K Doshi
Partner
Membership No.037148
Mumbai
Date: 25th May 2018

GRIP POLYMERS LIMITED

BALANCE SHEET AS AT 31st MARCH, 2018

		As at 31-Mar-2018	As at 31-Mar-2017	(Amount in ₹) As at 01-Apr-2016
ASSETS				
NON-CURRENT ASSETS				
Intangible assets	2	-	9,75,024	-
Financial Assets				
Investments	3	1,37,48,087	2,33,66,553	1,52,13,621
Loans	4	1,48,00,000	68,00,000	-
Others	5	29,533	1,56,809	1,54,341
		2,85,77,620	3,12,98,386	1,53,67,962
CURRENT ASSETS				
Financial Assets				
Cash and cash equivalents	6	1,71,237	2,78,725	1,22,216
Other Balances with Bank	7	-	22,65,501	26,21,743
Others	8	11,92,291	55,529	-
Current Tax Assets (Net)	9	-	3,119	-
Other Current Assets	10	41,745	41,745	49,471
		14,05,273	26,44,619	27,93,430
Total Assets		2,99,82,893	3,39,43,005	1,81,61,392
EQUITY AND LIABILITIES				
EQUITY				
Equity Share Capital	11	5,00,000	5,00,000	5,00,000
Other Equity	12	(2,54,30,186)	(1,12,47,895)	23,82,792
		(2,49,30,186)	(1,07,47,895)	28,82,792
LIABILITIES				
NON-CURRENT LIABILITIES				
Financial Liabilities				
Borrowings	13	3,73,17,000	3,62,08,000	1,40,00,000
		3,73,17,000	3,62,08,000	1,40,00,000
CURRENT LIABILITIES				
Financial Liabilities				
Borrowings	14	1,72,98,570	83,78,409	12,20,036
Trade Payables	15	295	14,375	16,713
Other Current Liabilities	16	1,14,511	90,116	34,904
Current Tax Liabilities (Net)	17	1,82,703	-	6,947
		1,75,96,079	84,82,900	12,78,600
Total Liabilities		2,99,82,893	3,39,43,005	1,81,61,392
Significant Accounting policies	1			
See accompanying Notes to the Financial Statements	2-33			

As per our Report of even date

For DKP & Associates
Chartered Accountants
Registration No. 126305W

For and on behalf of the Board of Directors

Rajendra V Gandhi
Chairperson

Deepak K. Doshi
Partner
Membership no. 037148

Mumbai, 25th May, 2018

Mumbai, 25th May, 2018

GRIP POLYMERS LIMITED

STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED 31st MARCH, 2018

	Notes	Year ended 31-Mar-2018	(Amount in ₹) Year ended 31-Mar-2017
INCOME			
Other Income	18	13,49,025	2,57,375
Total Income		13,49,025	2,57,375
EXPENSES			
Finance Costs	19	45,60,179	28,51,526
Depreciation & Amortisation expense	20	9,75,024	-
Other Expenses	21	95,07,563	1,11,25,867
Total Expenses		1,50,42,766	1,39,77,393
Profit before tax		(1,36,93,741)	(1,37,20,018)
Tax Expense			
- Current Tax		3,34,800	40,100
- Short / (Excess) Provision for earlier years		-	(181)
Total Tax Expenses		3,34,800	39,919
Profit for the year		(1,40,28,541)	(1,37,59,937)
Other Comprehensive Income			
Items that will be reclassified to profit or loss			
(i) Fair valuation of financial instrument		(1,53,750)	1,29,250
Total Other Comprehensive Income		(1,53,750)	1,29,250
Total Comprehensive Income for the year		(1,41,82,291)	(1,36,30,687)
Earning Per Equity share of Face value of ₹ 10/- each	26		
(1) Basic (in ₹)		(280.57)	(275.20)
(2) Diluted (in ₹)		(280.57)	(275.20)
Significant Accounting policies	1		
See accompanying Notes to the Financial Statements	2-33		

As per our Report of even date

For DKP & Associates
Chartered Accountants
Registration No. 126305W

Deepak K. Doshi
Partner
Membership no. 037148

Mumbai, 25th May, 2018

For and on behalf of the Board of Directors

Rajendra V Gandhi
Chairperson

Mumbai, 25th May, 2018

GRIP POLYMERS LIMITED

CASHFLOW STATEMENT FOR YEAR ENDED 31st MARCH, 2018

	(Amount in ₹)	
	As at 31-Mar-2018	As at 31-Mar-2017
A Cash flow from Operating activities		
Net profit before tax and extra ordinary items	(1,36,93,741)	(1,37,20,018)
Adjustments for		
- Depreciation and Amortization	9,75,024	-
- Share of (profit) / loss in LLP	94,64,716	1,09,92,296
- Interest (Net)	32,17,154	25,94,151
- Interest on Income Tax	-	5,795
- Dividend Income	(6,000)	-
	<u>1,36,50,894</u>	<u>1,35,92,242</u>
Operating Profit before working capital changes	(42,847)	(1,27,776)
Adjustments for		
- (Increase)/Decrease in Trade and other receivables	-	7,726
- Increase/(Decrease) in Trade payable	10,316	52,873
	<u>10,316</u>	<u>60,599</u>
Cash generated from operations	(32,531)	(67,177)
Direct taxes paid (net of refund)	(1,48,978)	(55,780)
Net cash from operating activities	(1,81,509)	(1,22,957)
B Cash flow from investing activities		
- Interest received	2,06,263	2,01,846
- Dividend Income	6,000	-
- Fixed Deposits in Bank with Maturity period of more than 3 months	23,92,777	3,53,774
- Investment in LLP		(1,90,15,977)
- Loan to LLP in which company has stake	(80,00,000)	(68,00,000)
- Payment for Goodwill for acquiring stake in LLP	-	(9,75,024)
Net cash used in investing activities	(53,94,960)	(2,62,35,381)
C Cash flow from financing activities		
- Loans borrowed (Net of repayment)	59,25,000	2,68,00,000
- Interest paid	(4,56,018)	(2,85,153)
Net cash used in financing activities	54,68,982	2,65,14,847
Net increase / (Decrease) in cash and cash equivalents	(1,07,487)	1,56,509
Cash and cash equivalents at the beginning of the year	2,78,725	1,22,216
Cash and cash equivalents at the closing of the period	1,71,237	2,78,725
Cash and cash equivalents includes:		
- Cash & Bank Balance	1,71,237	2,78,725

Notes:

Notes:

- (i) Figures in brackets are outflows.
- (ii) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (IND AS-7) - Statement of Cashflow
- (iii) Previous year's figures have been re-grouped wherever necessary to conform to current year's classification.

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

For DKP & Associates
Chartered Accountants
Registration No. 126305W

For and on behalf of the Board of Directors

Rajendra V Gandhi
Chairperson

Deepak K. Doshi
Partner
Membership no. 037148

Mumbai, 25th May, 2018

Mumbai, 25th May, 2018

GRIP POLYMERS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED 31st MARCH, 2018

(Amount in ₹)

A) Equity Share Capital	As at 31-Mar-2018	As at 31-Mar-2017	As at 1-Apr-2016
Balance at the beginning of the reporting year	5,00,000.00	5,00,000.00	5,00,000.00
Changes in Equity Share capital during the year	-	-	-
Balance at the end of the reporting year	5,00,000.00	5,00,000.00	5,00,000.00

B) Other Equity	Reserves & Surplus		Equity instruments through OCI	Other items of Comprehensive Income	TOTAL
	General Reserve	Retained Earnings			
Balance at the beginning of the reporting period i.e. 1 st April, 2016	8,41,711	15,41,081	-	-	23,82,792
Total Comprehensive Income for the year	-	(1,37,59,937)			(1,37,59,937)
Fair value gain / (loss) on investment in equity instruments through OCI	-	-	1,29,250	-	1,29,250
Balance at the end of the reporting period i.e. 31st March, 2017	8,41,711	(1,22,18,856)	1,29,250	-	(1,12,47,895)
Total Comprehensive Income for the year	-	(1,40,28,541)			(1,40,28,541)
Fair value gain / (loss) on investment in equity instruments through OCI	-	-	(1,53,750)	-	(1,53,750)
Balance at the end of the reporting period i.e. 31st March, 2018	8,41,711	(2,62,47,397)	(24,500)	-	(2,54,30,186)

As per our Report of even date

For DKP & Associates
Chartered Accountants
Registration No. 126305W

For and on behalf of the Board of Directors

Rajendra V Gandhi
Chairperson

Deepak K. Doshi
Partner
Membership no. 037148

Mumbai, 25th May, 2018

Mumbai, 25th May, 2018

GRIP POLYMERS LIMITED

Effect of Ind AS adoption on the Balance Sheet as at 1st April, 2016

(Amount in ₹)

	Notes	Indian GAAP	Effects of transition to Ind AS	Ind AS
ASSETS				
NON-CURRENT ASSETS				
Financial Assets				
Investments	32(B)	1,45,63,121	6,50,500	1,52,13,621
Others		1,54,341	-	1,54,341
		1,47,17,462	6,50,500	1,53,67,962
CURRENT ASSETS				
Financial Assets				
Cash and cash equivalents		1,22,216	-	1,22,216
Bank balances other than mentioned above		26,21,743	-	26,21,743
Other Current Assets		49,471	-	49,471
		27,93,430	-	27,93,430
Total Assets		1,75,10,892	6,50,500	1,81,61,392
EQUITY AND LIABILITIES				
EQUITY				
Equity Share Capital		5,00,000	-	5,00,000
Other Equity	32(B)	17,32,292	6,50,500	23,82,792
		22,32,292	6,50,500	28,82,792
LIABILITIES				
NON-CURRENT LIABILITIES				
Financial Liabilities				
Borrowings		1,40,00,000	-	1,40,00,000
		1,40,00,000	-	1,40,00,000
CURRENT LIABILITIES				
Financial Liabilities				
Borrowings		12,20,036	-	12,20,036
Trade Payables		16,713	-	16,713
Other Current Liabilities		34,904	-	34,904
Current Tax Liabilities (Net)		6,947	-	6,947
		12,78,600	-	12,78,600
Total Liabilities		1,75,10,892	6,50,500	1,81,61,392

GRIP POLYMERS LIMITED

Effect of Ind AS adoption on the Balance Sheet as at 31st March, 2017

(Amount in ₹)				
	Notes	Indian GAAP	Effects of transition to Ind AS	Ind AS
ASSETS				
NON-CURRENT ASSETS				
Other Intangible assets		9,75,024	-	9,75,024
Financial Assets				
Investments	32(B)	2,24,86,825	8,79,728	2,33,66,553
Loans		68,00,000	-	68,00,000
Others		1,56,809	-	1,56,809
		3,04,18,658	8,79,728	3,12,98,386
CURRENT ASSETS				
Financial Assets				
Cash and cash equivalents		2,78,725	-	2,78,725
Bank balances other than mentioned above		22,65,501	-	22,65,501
Others		55,529	-	55,529
Current Tax Assets (Net)		3,119	-	3,119
Other Current Assets		41,745	(0)	41,745
		26,44,619	(0)	26,44,619
Total Assets		3,30,63,277	8,79,728	3,39,43,005
EQUITY AND LIABILITIES				
EQUITY				
Equity Share Capital		5,00,000	-	5,00,000
Other Equity	32(B)	(1,21,27,623)	8,79,728	(1,12,47,895)
		(1,16,27,623)	8,79,728	(1,07,47,895)
LIABILITIES				
NON-CURRENT LIABILITIES				
Financial Liabilities				
Borrowings		3,62,08,000	-	3,62,08,000
		3,62,08,000	-	3,62,08,000
CURRENT LIABILITIES				
Financial Liabilities				
Borrowings		83,78,409	-	83,78,409
Trade Payables		14,375	-	14,375
Other Current Liabilities		90,116	-	90,116
		84,82,900	-	84,82,900
Total Liabilities		3,30,63,277	8,79,728	3,39,43,005

GRIP POLYMERS LIMITED

Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended 31st March, 2017

(Amount in ₹)				
	Notes	Indian GAAP	Effects of transition to Ind AS	Ind AS
INCOME				
Other Income		2,57,375	-	2,57,375
Total Income		2,57,375	-	2,57,375
EXPENSES				
Finance Costs		28,51,526	-	28,51,526
Other Expenses	32(B)	1,12,25,845	(99,978)	1,11,25,867
Total Expenses		1,40,77,371	(99,978)	1,39,77,393
Profit before tax		(1,38,19,996)	99,978	(1,37,20,018)
Tax Expense				
- Current Tax		40,100	-	40,100
- Short / (Excess) Provision for earlier years		(181)	-	(181)
Total Tax Expenses		39,919	-	39,919
Profit for the year		(1,38,59,915)	99,978	(1,37,59,937)
Other Comprehensive Income				
Items that will be reclassified to profit or loss				
(i) Fair valuation of financial instrument	32(B)	-	1,29,250	1,29,250
Total Other Comprehensive Income		-	1,29,250	1,29,250
Total Comprehensive Income for the year		(1,38,59,915)	2,29,228	(1,36,30,687)

Reconciliation of Profit and Other Equity between Ind AS and Previous GAAP

Particulars	Net Profit		Other Equity	
	Year Ended 31 March 2017	As at 31 March 2017	As at 1 April 2016	As at 1 April 2016
Net Profit / Other Equity as per Previous Indian GAAP	(1,38,59,915)	(1,21,27,623)	17,32,292	17,32,292
Fair value gain / (losses) on Financial Instruments	1,29,250	7,79,750	6,50,500	6,50,500
Change in share of profit / loss in LLP	99,978	99,978	-	-
Net profit before OCI / Other Equity as per Ind AS	(1,36,30,687)	(1,12,47,895)	23,82,792	23,82,792

GRIP POLYMERS LTDNOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2018

Amount in ₹

Corporate Information

Grip Polymers Limited (the 'Company') is a public limited company domiciled and incorporated in India under the Indian Companies Act, 1956. The registered office of the Company is located at 510 A Wing, Kohinoor Commercial-I, Kiroli Road, off LBS Marg, Kurla (W), Mumbai.

The Company's holding company is GRP Ltd.

1 SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS:**1.1 Basis of preparation and presentation:**

These financial statements are 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, 2015.

For all periods up to and including the year ended 31st March, 2017, the Company had prepared its financial statements in accordance with Accounting Standards notified under the Section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP'). Detailed explanation on how the transition from previous GAAP to Ind AS has affected the Company's Balance Sheet, financial performance and cash flows is given under Note 30.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting 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 company's first Ind AS standalone financial statements, are presented in Indian Rupees, which is also its functional currency.

1.2 Summary of Significant Accounting policies:**(A) Property, Plant & Equipment****Intangible Assets**

Intangible Asset acquired separately is measured on initial recognition at cost. Following initial recognition, intangible asset is carried at cost less accumulated amortisation and accumulated impairment losses if any.

(B) Investment:**a) Investment in Equity:**

All equity investments are measured at fair value, with value changes recognised in Other Comprehensive Income.

b) Investment in Limited Liability Partnership

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

(C) Taxes:

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

(D) Revenue Recognition:

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

(ii) Dividend income is recognised when the right to receive dividend is established.

(iii) Share of profits / losses in LLP is accounted for, once the amount of the share of profit /loss is ascertained and credited /debited to the Company's account in the books of the LLP firm.

(E) Provisions, Contingent Liabilities and Contingent Assets:

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

(F) Earning per Share:

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

(G) Cash and cash equivalents:

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

(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. Regular way purchase and sale of financial assets are recognised using trade date accounting.

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.

GRIP POLYMERS LTD

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2018

Amount in ₹

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.

2) Financial Liabilities

a) Initial recognition and measurement:

All financial liabilities are recognized initially at fair value and in case of loans and borrowings and payables, 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.

(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.

1.3 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 recorded 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) 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 22).

2 PROPERTY, PLANT AND EQUIPMENT

2A INTANGIBLE ASSETS

Particulars	Gross Block			Depreciation / Amortisation			Net Book Value	
	As at 01-04-2017	Additions	As at 31-03-2018	As at 01-04-2017	For the year	As at 31-03-2018	As at 31-03-2018	As at 01-04-2017
Goodwill	9,75,024	-	9,75,024	-	9,75,024	9,75,024	-	9,75,024
TOTAL	9,75,024	-	9,75,024	-	9,75,024	9,75,024	-	9,75,024

Particulars	Gross Block			Depreciation / Amortisation			Net Book Value	
	As at 01-04-2016	Additions	As at 31-03-2017	As at 01-04-2016	For the year	As at 31-03-2017	As at 31-03-2017	As at 01-04-2016
Goodwill	-	9,75,024	9,75,024	-	-	-	9,75,024	-
TOTAL	-	9,75,024	9,75,024	-	-	-	9,75,024	-

GRIP POLYMERS LTD

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2018

Amount in ₹

3 NON CURRENT FINANCIAL ASSETS : INVESTMENTS

	Face Value	As at 31-03-2018		As at 31-03-2017		As at 01-04-2016	
		Units (Nos)	Amount in ₹	Units (Nos)	Amount in ₹	Units (Nos)	Amount in ₹
At Cost							
Investment in Capital account of Limited Liability Partnership Gripsurya Recycling LLP			1,30,37,087		2,25,01,803		1,44,78,121
Investment in Quoted Equity Shares (at FVOCI) Bank of Baroda	2	5,000	7,11,000	5,000	8,64,750	5,000	7,35,500
TOTAL			1,37,48,087		2,33,66,553		1,52,13,621
Aggregate amount of quoted investment			85,000		85,000		85,000
Market value of quoted investment			7,11,000		8,64,750		7,35,500
Aggregate amount of unquoted investments			1,30,37,087		2,25,01,803		1,44,78,121
Category-wise Non current investment							
					As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
Financial assets measured at cost					1,30,37,087	2,25,01,803	1,44,78,121
Financial assets measured at fair value through other comprehensive income					7,11,000	8,64,750	7,35,500
Total Non Current Investment					1,37,48,087	2,33,66,553	1,52,13,621

4 NON CURRENT FINANCIAL ASSETS : LOANS

	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
(At Amortized Cost) (Unsecured) Loan to Gripsurya Recycling LLP*		1,48,00,000	68,00,000
TOTAL		1,48,00,000	68,00,000

* LLP in which company is holding stake

5 NON CURRENT FINANCIAL ASSETS : OTHERS

	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
(At Amortized Cost) (Unsecured) Fixed Deposit accounts with Bank (Maturity more than 12 months)		29,533	1,56,809
TOTAL		29,533	1,56,809

6 CURRENT FINANCIAL ASSETS : CASH AND CASH EQUIVALENTS

	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
Balances with Banks - In Current Accounts	1,66,428	2,73,916	1,17,117
Cash on hand	4,809	4,809	5,099
TOTAL	1,71,237	2,78,725	1,22,216

7 CURRENT FINANCIAL ASSETS : OTHER BANK BALANCES

	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
Other Bank Balances Fixed Deposit accounts (Maturity more than 3 months but less than 12 months)	-	22,65,501	26,21,743
TOTAL		22,65,501	26,21,743

8 CURRENT FINANCIAL ASSETS : OTHERS

	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
Accrued Interest Income	11,92,291	55,529	-
TOTAL	11,92,291	55,529	-

9 CURRENT TAX ASSETS (NET)

	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
Opening Balance	-	(6,947)	-
Add: Provision for Income-tax for the year		(40,100)	
Less: Advance Tax Paid		25,598	
Less: Taxes paid for earlier years		24,568	
Closing Balance		3,119	

10 OTHER CURRENT ASSETS

	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
Advances other than capital advances	41,745	41,745	49,471
TOTAL	41,745	41,745	49,471

11 EQUITY SHARE CAPITAL

	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
Authorized 50,000 equity shares of ₹ 10 each	5,00,000	5,00,000	5,00,000
Issued, Subscribed and Paid up 50,000 equity shares of ₹ 10 each	5,00,000	5,00,000	5,00,000
TOTAL	5,00,000	5,00,000	5,00,000

	As at 31-03-2018		As at 31-03-2017		As at 01-04-2016	
	Units (Nos)	Amount in ₹	Units (Nos)	Amount in ₹	Units (Nos)	Amount in ₹
At the beginning of the year	50,000	5,00,000	50,000	5,00,000	50,000	5,00,000
Add: Issued during the year	-	-	-	-	-	-
At the end of the year	50,000	5,00,000	50,000	5,00,000	50,000	5,00,000

GRIP POLYMERS LTD

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2018

Amount in ₹

Rights, preferences and restrictions attached to shares

- The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/-. Each holder of equity shares is entitled to one vote per share.
- The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
- In the event of liquidation of the Company, the holders of the equity shares 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 31-03-2018		As at 31-03-2017		As at 01-04-2016	
	Shares (Nos)	% of Holding	Shares (Nos)	% of Holding	Shares (Nos)	% of Holding
GRP Limited	50,000	100.00%	50,000	100.00%	50,000	100.00%

	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
12 OTHER EQUITY			
General Reserve			
Balance as at beginning of the year	8,41,711	8,41,711	8,41,711
Balance as at the end of the year	8,41,711	8,41,711	8,41,711
Retained Earnings			
As per last Balance sheet	(1,22,18,856)	15,41,081	15,15,866
Fair valuation of Financial Instrument	-	-	6,50,500
Add: Profit for the year	(1,40,28,541)	(1,37,59,937)	(6,25,285)
Balance as at the end of the year	(2,62,47,397)	(1,22,18,856)	15,41,081
Other Comprehensive Income (OCI)			
As per last Balance sheet	1,29,250	-	-
Add: Movement in OCI (Net) during the year	(1,53,750)	1,29,250	-
Balance as at the end of the year	(24,500)	1,29,250	-
TOTAL	(2,54,30,186)	(1,12,47,895)	23,82,792
13 NON CURRENT FINANCIAL LIABILITIES : BORROWINGS	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
(At Amortized Cost) (Unsecured)			
Loan From Holding Company	3,73,17,000	3,62,08,000	1,40,00,000
TOTAL	3,73,17,000	3,62,08,000	1,40,00,000
14 CURRENT FINANCIAL LIABILITIES : BORROWINGS	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
Unsecured:			
Loan From GRP Ltd. (Holding Company)	94,08,000	45,92,000	-
Interest accrued and due on borrowings	78,90,570	37,86,409	12,20,036
TOTAL	1,72,98,570	83,78,409	12,20,036
15 CURRENT FINANCIAL LIABILITIES : TRADE PAYABLES	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
Due to Micro, Small and Medium Enterprises	-	-	-
Due to Others	295	14,375	16,713
TOTAL	295	14,375	16,713
There are no amounts outstanding to Micro, Small and Medium Enterprises as at March 31, 2018 and no amount were overdue during the year for which disclosure requirements under Micro, Small and Medium Enterprises Development Act, 2006 are applicable.			
16 OTHER CURRENT LIABILITIES	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
Statutory dues	1,14,511	90,115	34,904
TOTAL	1,14,511	90,115	34,904
17 CURRENT TAX LIABILITIES (NET)	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
Opening Balance	(3,119)	-	(7,066)
Add: Provision for Income-tax for the year	3,34,800	-	52,000
Less: Advance Tax Paid	(1,48,978)	-	(23,318)
Less: Taxes paid for earlier years	-	-	(14,669)
Closing Balance	1,82,703	-	6,947
18 OTHER INCOME:	Year ended 31-03-2018	Year ended 31-03-2017	
Interest Income	13,43,025	2,57,375	
Dividend Income	6,000	-	
TOTAL	13,49,025	2,57,375	
19 FINANCE COST:	Year ended 31-03-2018	Year ended 31-03-2017	
Interest on Loans	45,60,179	28,51,526	
TOTAL	45,60,179	28,51,526	
20 DEPRECIATION AND AMORTIZATION EXPENSES:	Year ended 31-03-2018	Year ended 31-03-2017	
Depreciation on Intangible Assets	9,75,024	-	
TOTAL	9,75,024	-	

GRIP POLYMERS LTD

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2018

21 OTHER EXPENSES:	Year ended 31-03-2018	Year ended 31-03-2017
Administration & Other Expenses		
Bank charges	723	27,125
Telephone expenses	20,467	27,300
Payment to Auditors (refer note 23)	-	14,375
Professional Fees	11,000	-
Professional Tax Company	2,500	2,500
Other Expenses	8,157	56,477
Share of Loss in LLP	94,64,716	1,09,92,296
Interest on income tax	-	5,795
TOTAL	95,07,563	1,11,25,867

22 INCOME TAX:	Year ended 31-03-2018	Year ended 31-03-2017
A The major components of income tax expense for the year ended 31st March 2018 and 31st March 2017 are:		
Current Tax	3,34,800	40,100
Short / (Excess) Provision for earlier years	-	(181)
Income tax expense reported in the statement of Profit & Loss	3,34,800	39,919

B Reconciliation of tax expenses and the accounting profit for the year is as under:	Year ended 31-03-2018	Year ended 31-03-2017
Profit/(Loss) before Tax	(1,36,93,741)	(1,37,20,018)
Income tax expense calculated at 25.75% (31 March 2017 : 30.9%)	(35,26,138)	(42,39,486)
Tax effect of adjustments in calculating taxable income		
- Expenses Disallowance for Exempt Income	11,74,250	8,81,176
- Share of loss of Partnership firm	24,37,164	33,96,619
- intangible assets W/off	2,51,069	-
- Dividend income	(1,545)	-
- Other Disallowances	-	1,791
- Short / (Excess) Provision for earlier years	-	(181)
	3,34,800	39,919

23 DETAILS OF PAYMENT TO AUDITORS:	Year ended 31-03-2018	Year ended 31-03-2017
Statutory Audit fees	-	8,625
Other Matters	-	5,750
TOTAL	-	14,375

24 RELATED PARTIES DISCLOSURE:

Sr.	Name of Related Party	% Share	Relationship
1	GRP Limited	100.00%	Holding Company
2	Gripsurya Recycling LLP	99.97%	Subsidiary LLP
3	Rajendra V. Gandhi, Chairperson		Key Managerial Personnel (KMP)
4	Nayna R. Gandhi, Director		
5	Harsh R. Gandhi, Director		

Sr.	Particulars	GRP Ltd (Holding Company)		Gripsurya Recycling LLP (Subsidiary LLP)	
		2017-18	2016-17	2017-18	2016-17
1	Shareholding	1,01,000	1,01,000	-	-
2	Loan Taken	59,25,000	2,68,00,000	-	-
3	Loan outstanding (Liability)	4,67,25,000	4,08,00,000	-	-
4	Loan outstanding (Asset)	-	-	1,48,00,000	68,00,000
5	Capital contribution	-	-	2,25,01,803	3,34,94,098
6	Share of profit / (loss)	-	-	(94,64,716)	(1,09,92,296)
7	Interest Income	-	-	12,63,069	61,699
8	Interest Expenses	45,60,178	28,51,526	-	-
9	Interest Receivable	-	-	11,92,291	55,529
10	Interest Payable	78,90,570	37,86,409	-	-

25 GOING CONCERN ASSUMPTION:

The financial statements are prepared on a Going Concern basis, even though the net worth of the company is negative, since in the opinion of the Management, LLP in which company is a partner has commenced its manufacturing operations and is hopeful of turnaround in its operations.

26 EARNINGS PER SHARE:	Year ended 31-03-2018	Year ended 31-03-2017
- Net Profit after tax for the year	(1,40,28,541)	(1,37,59,937)
- Excess Provision for tax for earlier years	-	(181)
- Net Profit attributable to Equity Shareholders	(1,40,28,541)	(1,37,59,756)
- Number of equity shares of ₹ 10/- each.	50,000	50,000
- Earnings per share - Basic	(280.57)	(275.20)
- Earnings per share -Diluted	(280.57)	(275.20)
- Face value per equity share	10.00	10.00

GRIP POLYMERS LTD

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2018**27 INVESTMENT IN PARTNERSHIP FIRM:**

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	Closing Bal as on 31.03.2018	Closing Bal as on 31.03.2017
Grip Polymers Ltd	99.97%	1,30,37,087	2,25,01,803
Ganesh Ghangurde	0.015%	1,865	3,285
Hemant Kaul	0.015%	1,865	3,285

28 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
(ii) Details of loans given by the Company are as follows:

Name of the Entity	Relationship	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
Gripsurya Recycling LLP	Subsidiary LLP	1,48,00,000	68,00,000	-

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

29 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 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, currency risk & other price risk such as equity price risk & commodity 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 a financial instrument will fluctuate because of changes in interest rates.

The company has taken loan from its holding company which is at fixed interest rate & also given loan to its LLP at fixed interest rate, hence there is no interest rate risk.

b) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

The company has no transactions in foreign currencies, hence there is no foreign currency risk.

c) Other Price Risk

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 Company is exposed to price risk arising mainly from investments in equity instruments recognised at FVTOCI. As at 31st March, 2018, the carrying value of such equity instruments recognised at FVTOCI amounts to ₹ 7,11,000 (Previous year ₹ 8,64,750 as at 31st March 2017 and ₹ 7,35,500 as at 1st April 2016). The details of such investments in equity instruments are given in Note 3.

2) Credit Risk:

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as other balances with banks, loans and other receivables.

The loans and other receivable are due from subsidiary LLP in which company hold majority share, hence company's exposure to credit risk is minimum.

Credit risk from balance with banks and financial institutions is managed by the company's treasury department in accordance with the company's policy. Investment of surplus funds are made as per the approved investment policy. Investment limits are set to minimise the concentration of risks and therefore mitigate financial loss if any.

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 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.

GRIP POLYMERS LTD

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31st MARCH, 2018

	< 1 Year	1-5 Year	Above 5 Years	Total
At 31st March 2018				
Borrowings	1,72,98,570	3,73,17,000	-	5,46,15,570
Trade Payables	295	-	-	295
At 31st March 2017				
Borrowings	83,78,409	3,62,08,000	-	4,45,86,409
Trade Payables	14,375	-	-	14,375
At 1st April 2016				
Borrowings	12,20,036	1,40,00,000	-	1,52,20,036
Trade Payables	16,713	-	-	16,713

30 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 31-03-2018	As at 31-03-2017	As at 01-04-2016
Gross Debt	4,67,25,000	4,08,00,000	1,40,00,000
Cash and Marketable Securities	1,71,237	2,78,725	1,22,216
Net Debt (A)	4,65,53,763	4,05,21,276	1,38,77,784
Total Equity (As per Balance Sheet) (B)	(2,49,30,186)	(1,07,47,895)	28,82,792
Net Gearing (A/B)	-	-	5

31 FINANCIAL INSTRUMENTS

Fair value measurement hierarchy:

Particulars	As at 31st Mar 2018			As at 31st Mar 2017			As at 1st April 2016		
	Carrying Amount	Level of inputs used in		Carrying Amount	Level of inputs used in		Carrying Amount	Level of inputs used in	
		Level 1	Level 2		Level 1	Level 2		Level 1	Level 2
Financial Assets									
At Amortized Cost									
Cash and Bank balances	1,71,237	-	-	2,78,725	-	-	1,22,216	-	-
Loans	1,48,00,000	-	-	68,00,000	-	-	-	-	-
Other Financial Assets	12,21,824	-	-	2,12,338	-	-	1,54,341	-	-
At FVTOCI									
Financial Instruments	7,11,000	7,11,000	-	8,64,750	8,64,750	-	7,35,500	7,35,500	-
Financial Liabilities									
At Amortized Cost									
Borrowings	5,46,15,570	-	-	4,45,86,409	-	-	1,52,20,036	-	-
Trade Payables	295	-	-	14,375	-	-	16,713	-	-

The financial instruments are categorized into two levels based on the inputs used to arrive at fair value measurements as described below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities; and

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

32 FIRST TIME ADOPTION OF IND AS

The Company has adopted Ind AS with effect from 1st April 2017 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Reserves as at 1st April 2016. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and Schedule III.

A) Exemptions from retrospective application**(i) Investments in subsidiaries, joint ventures and associates**

The Company has elected to measure investment in subsidiary LLP at cost.

(ii) Fair value as deemed cost exemption

The Company has elected to measure items of intangible assets at its carrying value at the transition date.

B) Notes to the reconciliation of equity as at 1st April 2016 and 31st March 2017 and total comprehensive income for the year ended 31st March 2017**Investments****i) Investment in quoted equity share**

Under Indian GAAP, the company accounted for non-current investments in quoted equity share as investments measured at cost. Under Ind AS, the company has designated such instruments as financial assets at fair value through other comprehensive income (FVTOCI).

Ind AS requires the above investments to be recognised at fair value (except investments in equity shares of subsidiary and associate companies).

On the date of transition to Ind AS, the difference between the fair value of Non-Current Investments as per Ind AS and their corresponding carrying amount as per financial statements prepared under Previous GAAP, has resulted in an increase in the carrying amount of these investments by ₹ 6,50,500 which has been recognised directly in retained earnings (Equity).

As at 31st March 2017, the difference between the fair value of Non-Current Investments as per Ind AS and their corresponding carrying amount as per financial statements prepared under Previous GAAP, has resulted in an increase in the carrying amount of these investments by ₹ 7,79,750. On such fair valuation, net gain amounting to ₹ 1,29,250 has been recognised in other comprehensive income in the Statement of Profit and Loss.

ii) Share of Loss in Gripsurya Recycling LLP has undergone change due to Ind AS transition in the FY 2016-17. Hence carrying value of investment in Gripsurya Recycling LLP has increased by Rs 99,978.**33 APPROVAL OF FINANCIAL STATEMENTS**

The financial statements were approved for issue by the Board of Directors on May 25, 2018.

For DKP & Associates
Chartered Accountants
Registration No. 126305W

Deepak K. Doshi
Partner
Membership no. 037148

Mumbai, 25th May, 2018

For and on behalf of the Board of Directors

Rajendra V Gandhi
Chairperson

Mumbai, 25th May, 2018