

E-Letter

GPLASEC\2021-22

Date: August 14, 2021

BSE Limited

Phiroze Jeejeebhoy Towers,
 1st Floor, New Trading Ring
 Rotunda, Dalal Street, Mumbai – 400001

Scrip Code: 532457

National Stock Exchange of India Limited

Plot No. C/1, Block-G Exchange Plaza,
 5th Floor, Bandra Kurla Complex,
 Bandra (E), Mumbai – 400051

SYMBOL: GULPOLY

Dear Sir/Ma'am,

Sub: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for Meetings of equity shareholders, secured creditors and unsecured creditors of the Company

Ref: In the matter of the Scheme of Amalgamation of Gulshan Holdings Private Limited and East Delhi Importers & Exporters Private Limited with Gulshan Polyols Limited and their respective shareholders and creditors (“Scheme”)

1. This is to inform you that by an Order dated July 14, 2021 (“**Tribunal Order**”), the Allahabad Bench of National Company Law Tribunal (“**Tribunal**”) has directed meeting to be held of the equity shareholders, unsecured creditors, and secured creditors.
2. In pursuance of the Tribunal Order and as directed therein and in compliance with the Companies Act, 2013 (“**the Act**”) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”), further notice is hereby given that a meeting of equity shareholders, unsecured creditors and secured creditors of the Transferee Company will be held at **Solitaire INN Hotel, 6 Mile Stone, Meerut Road, National Highway 58, Muzaffarnagar, Uttar Pradesh-251002** on **Saturday, the 18th day of September, 2021** in the following manner:

Meeting of Equity Shareholders	12:00 P.M. IST
Meeting of Unsecured Creditors	1:00 P.M. IST
Meeting of Secured Creditors	2:00 P.M. IST

3. The Company is providing to its equity shareholders facility to exercise their right to vote on the resolution proposed to be passed (i) remotely, using an electronic voting system on the dates mentioned herein below (“**remote e-voting**”); and (ii) at the Meeting by ballot/polling paper (“**voting at the Meeting**”). The equity shareholders shall have the facility and option of voting

on the resolution for approval of the Scheme by casting vote through remote e-voting during the period as stated below:


Remote E-Voting Period	
Commencement of Voting	Wednesday, September 15, 2021 at 9:00 A.M. (IST)
End of Voting	Friday, September 17, 2021 at 5:00 P.M. (IST)

4. The unsecured creditors and secured creditors can vote on resolutions through physical voting during the meeting. Assent or dissent of the secured creditors or unsecured creditors, as the case may be, in person or by proxy on the resolution mentioned in the Notice would only be taken through ballot / polling paper in the Meeting
5. An equity shareholder, 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, i.e., **Saturday, September 11, 2021** only shall be entitled to exercise his/her/its voting rights on the resolution proposed in the Notice and attend the meeting of equity shareholders. A person who is not an equity shareholder as on the cut-off date, should treat the Notice for information purpose only.
6. An unsecured creditor or a secured creditor, whose name is recorded in the Books of the Transferee Company as on the cut-off date, i.e., **Wednesday, March 31, 2021** only shall be entitled to exercise his/her/its voting rights on the resolution proposed in the Notice and attend the meeting of unsecured creditors or secured creditors, as the case may be. A person who is not an unsecured creditor or a secured creditor as on the cut-off date, should treat the notice for information purpose only.
7. Copy of the Notice and Statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Act read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, of the aforesaid three meetings are attached herewith. The same can also be accessed / downloaded using the below given link: http://www.gulshanindia.com/scheme_of_amalgamation.html.

You are requested to disseminate the above intimation on your website.

Thanking you,

For, **GULSHAN POLYOLS LIMITED**


(Asha Mittal)
Company Secretary
M. No.: ACS-32348





GULSHAN POLYOLS LIMITED

CIN: L24231UP2000PLC034918

Registered Office: 9th K.M., Jansath Road, Muzaffanagar – 251001, Uttar Pradesh, India.

Phone: +91 11 49999200; **Fax:** +91 11 49999202

E-mail: cs@gulshanindia.com, **Website:** www.gulshanindia.com

**NOTICE CONVENING MEETING OF THE EQUITY SHAREHOLDERS OF
GULSHAN POLYOLS LIMITED PURSUANT TO ORDER DATED JULY 14, 2021 OF
THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, ALLAHABAD BENCH**

Meeting	
Day	Saturday
Date	September 18, 2021
Time	12:00 P.M. (IST)
Venue of Meeting	Solitaire INN Hotel, 6 Mile Stone, Meerut Road, National Highway 58, Muzaffarnagar, Uttar Pradesh-251002
Cut off date for e-voting	Saturday, September 11, 2021
Remote e-voting start date and time	Wednesday, September 15, 2021 at 9:00 A.M. (IST)
Remote e-voting end date and time	Friday, September 17, 2021 at 5:00 P.M. (IST)

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The Notice of the Meeting, Statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the CAA Rules (page nos. A-1 to A-37), Annexure I to Annexure XVIII (page nos. B-1 to B-243) and form of proxy, attendance slip and route map (page nos. C-1 to C5) constitute a single and complete set of documents and should be read together as they form an integral part of this document.

IN THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, ALLAHABAD BENCH
CA (CAA) No. 09/ALD of 2021

IN THE MATTER OF SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

AND

IN THE MATTER OF THE SCHEME OF AMALGAMATION BETWEEN GULSHAN HOLDINGS PRIVATE LIMITED, EAST
DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED WITH GULSHAN POLYOLS LIMITED

AND

Gulshan Holdings Private Limited, a company incorporated)
under the Companies Act, 1956 having Corporate Identity)
Number: U74899UP1985PTC128005 and its registered office at)
9th K.M., Jansath Road, Muzaffanagar – 251001, Uttar Pradesh,) ... Transferor Company No. 1
India.)

East Delhi Importers & Exporters Private Limited, a company)
incorporated under the Companies Act, 1956 having Corporate)
Identity Number: U60231UP1997PTC129363 and its registered)
office at 9th K.M., Jansath Road, Muzaffanagar – 251001, Uttar) ... Transferor Company No. 2
Pradesh, India.)

Gulshan Polyols Limited, a company incorporated under the)
Companies Act, 1956 having Corporate Identity Number:)
L24231UP2000PLC034918 and its registered office at 9th K.M.,)
Jansath Road, Muzaffanagar – 251001, Uttar Pradesh, India.) ... Company/Transferee Company

NOTICE CONVENING MEETING OF EQUITY SHAREHOLDERS

To,

**All the Equity Shareholders of
Gulshan Polyols Limited**

1. NOTICE is hereby given that, in accordance with the Order dated July 14, 2021 in the above-mentioned Company Scheme Application, passed by the Hon'ble National Company Law Tribunal, Allahabad Bench ("**Tribunal**") ("**Tribunal Order**"), a meeting of the equity shareholders of the Transferee Company, will be held for the purpose of their considering, and if thought fit, approving, with or without modification(s), the proposed Scheme of Amalgamation of Gulshan Holdings Private Limited ("**Transferor Company No. 1**") and East Delhi Importers & Exporters Private Limited ("**Transferor Company No. 2**") with Gulshan Polyols Limited ("**Transferee Company**" or "**Company**") and their respective shareholders and creditors ("**Scheme**") at **Solitaire INN Hotel, 6 Mile Stone, Meerut Road, National Highway 58, Muzaffarnagar, Uttar Pradesh-251002** on **Saturday, September 18, 2021 at 12.00 p.m. (IST)**, being the venue, date and time as decided by the Hon'ble Tribunal in the Tribunal Order.
2. Pursuant to the said Tribunal Order and as directed therein, the meeting of the equity shareholders of the Transferee Company ("**Meeting**") will be held at aforementioned venue, date and time in compliance with the applicable provisions of the Companies Act, 2013 ("**Act**") and Securities and Exchange Board of India (Listing

Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”) to consider, and if thought fit, pass, with or without modification(s), the following resolution for approval of the Scheme by requisite majority as prescribed under Section 230 (1) and (6) read with Section 232(1) of the Act and SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017 and SEBI Circular SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020, as amended:

“**RESOLVED THAT** pursuant to the provisions of Section 230 read with section 232 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions of the Companies Act, 2013, the rules, circulars, and notifications made thereunder (including any statutory modification or re-enactment thereof) as may be applicable, the Securities Exchange Board of India Circular No CFD/DIL3/CIR/2017/21 dated March 10, 2017, the observation letters issued by BSE Limited *vide* letter dated February 01, 2021 and the National Stock Exchange of India Limited *vide* letter dated January 29, 2021 respectively and subject to provisions of the Memorandum and Articles of Association of the Company and subject to approval of the Hon’ble National Company Law Tribunal, Allahabad Bench (‘**NCLT**’) and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the Hon’ble NCLT or by any regulatory or other authorities, while granting such consents, approvals and permissions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the ‘**Board**’, which term shall deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any other person authorized by it to exercise its powers including the powers conferred by this Resolution), the arrangement embodied in the Scheme of Amalgamation of Gulshan Holdings Private Limited and East Delhi Importers & Exporters Private Limited with Gulshan Polyols Limited and their respective Shareholders and creditors (‘**Scheme**’), be and is hereby approved.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the amalgamation embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the Hon’ble NCLT while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any doubts or difficulties that may arise in giving effect to the Scheme, as the Board may deem fit and proper.”

3. Due to difficulty in dispatch of the Notice along with the explanatory statement by post or courier, on account of threat posed by COVID-19 pandemic situation and as permitted under by the Hon’ble Tribunal, the Company is sending the Notice in electronic form only. In compliance with Regulation 44 of the Listing Regulations and pursuant to the provisions of Sections 108 and 110 of the Companies Act read with the rules framed thereunder and the MCA Circulars, the Company has extended only the remote e-voting facility for its members, to enable them to cast their votes electronically instead of submitting the postal ballot form. The instructions for remote e-voting are appended to the Notice. The members can vote on resolution through remote e-voting facility or through voting during the meeting. Assent or dissent of the members on the resolution mentioned in the Notice would only be taken through the remote e-voting system. Only those Members, who will be present in the Meeting in person or by proxy and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through ballot / polling paper in the Meeting.
4. **TAKE FURTHER NOTICE** that the equity shareholders shall have the facility and option of voting on the resolution for approval of the Scheme by casting their votes (a) through ballot/polling paper available at the Meeting to be held physically or (b) by remote electronic voting (“**remote e-voting**”) during the period as stated below:

Remote E-Voting Period	
Commencement of Voting	Wednesday, September 15, 2021 at 9:00 A.M. (IST)
End of Voting	Friday, September 17, 2021 at 5:00 P.M. (IST)

5. 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, i.e., **Saturday, September 11, 2021** only shall be entitled to exercise his/her/its voting rights on the resolution proposed in the Notice and attend the Meeting. A person who is not an equity shareholder as on the cut-off date, should treat the Notice for information purpose only.
6. A copy of the said Scheme, statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("**CAA Rules**") along with all annexures to such statement are enclosed herewith. A copy of this Notice and the accompanying documents are also placed on the website of the Company viz. www.gulshanindia.com; the website of National Securities Depository Limited (www.nsdl.co.in), being the agency appointed by the Company to provide the e-voting and other facilities for convening of the Meeting; and the website of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com.
7. Copies of the said Scheme and of the statement under Section 230 of the Companies Act, 2013 read with Rule 6(3) of the CAA Rules can be obtained free of charge on any day (except Saturday, Sunday and public holidays) at the registered office of the Transferee Company at 9th K.M., Jansath Road, Muzaffanagar – 251001. Persons entitled to attend and vote at the Meeting may vote in person, by proxy, or through e-voting, provided that all proxies in the prescribed form, duly completed and signed or authenticated by the concerned person, are deposited at the registered office of the Transferee Company as mentioned above not later than 48 hours before the scheduled time of the Meeting. Forms of Proxy can be obtained free of charge on any day (except Saturday, Sunday and public holidays) at the registered office of the Transferee Company at 9th K.M., Jansath Road, Muzaffanagar – 251001.
8. The Hon'ble Tribunal has appointed Mr. Rajeev K Goel, as the Chairperson of the Meeting, including for any adjournment(s) thereof. The Tribunal has also appointed Mr. Anadi Krishna Narayan, as the Alternate Chairperson for the meeting including for any adjournment(s) thereof and appointed Mr. Shashi Kant Gupta as the Scrutinizer for the Meeting, including for any adjournment(s) thereof. The Scheme, if approved by the Meeting, will be subject to the subsequent approval of the Hon'ble Tribunal.
9. The above-mentioned Scheme, if approved at the aforesaid Meeting, will be subject to the subsequent sanction of the Tribunal and such other approvals, permissions and sanctions of regulatory or other authorities, as may be necessary.

Sd/-
Rajeev K Goel
Chairperson appointed by
Tribunal for the Meeting

Uttar Pradesh, August 14, 2021

Registered Office: 9th K.M., Jansath Road,
Muzaffanagar – 251001,
Uttar Pradesh, India.
Phone: +91 11 49999200
Fax: +91 11 49999202
E-mail: cs@gulshanindia.com
Website: www.gulshanindia.com

Notes:

- 1. PURSUANT TO THE DIRECTIONS OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, ALLAHABAD BENCH ("TRIBUNAL") VIDE ITS ORDER DATED JULY 14, 2021, ONLY AN EQUITY SHAREHOLDER OF THE TRANSFEREE COMPANY IS ENTITLED TO VOTE IN PERSON, BY PROXY OR THROUGH ELECTRONIC MEANS.**
- 2. AN EQUITY SHAREHOLDER OF THE TRANSFEREE COMPANY IS ENTITLED TO ATTEND AND VOTE AT THE TRIBUNAL CONVENED MEETING OF THE EQUITY SHAREHOLDERS ("MEETING"), EITHER IN PERSON OR BY PROXY OR THROUGH AN AUTHORIZED REPRESENTATIVE, AS THE CASE MAY BE. WHERE A BODY CORPORATE WHICH IS AN EQUITY SHAREHOLDER AUTHORIZES ANY PERSON TO ACT AS ITS REPRESENTATIVE AT THE MEETING, A COPY OF THE RESOLUTION OF THE BOARD OF DIRECTORS OR OTHER GOVERNING BODY OF SUCH BODY CORPORATE AUTHORIZING SUCH PERSON TO ACT AS ITS REPRESENTATIVE AT THE MEETING, AND CERTIFIED TO BE A TRUE COPY BY A DIRECTOR, THE MANAGER, THE SECRETARY, OR OTHER AUTHORIZED OFFICER OF SUCH BODY CORPORATE SHALL BE LODGED WITH THE TRANSFEREE COMPANY AT ITS REGISTERED OFFICE NOT LATER THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING.**
- 3. PURSUANT TO SECTION 105 OF THE COMPANIES ACT, 2013 READ WITH RULE 19 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014, A PERSON CAN ACT AS PROXY ON BEHALF OF THE EQUITY SHAREHOLDERS NOT EXCEEDING 50 AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL EQUITY SHARE CAPITAL OF THE TRANSFEREE COMPANY CARRYING VOTING RIGHTS. AN EQUITY SHAREHOLDER HOLDING MORE THAN 10% OF THE TOTAL EQUITY SHARE CAPITAL OF THE TRANSFEREE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR EQUITY SHAREHOLDER.**
4. An equity shareholder/its proxy, attending the Meeting, is requested to bring the Attendance Slip duly completed and signed along with a copy of the deposited Form of Proxy (in case of a proxy). Equity shareholders holding shares in dematerialized form are requested to bring their Client Master List/ Depository Participant Statement/ Delivery Instruction Slip reflecting their Client ID and DP ID Number for easier identification of attendance at the Meeting.
5. In case of joint holders attending the Meeting, only such joint holder whose name appears at the top in the hierarchy of names shall be entitled to vote.
6. An equity shareholder (in case such equity shareholder is an individual) or the authorized representative of the equity shareholder (in case such equity shareholder is a body corporate) or the proxy should carry their valid and legible identity proof (i.e. a PAN Card/ Aadhaar Card/ Passport/ Driving License/ Voter ID Card). Additionally, an equity shareholder (in case such equity shareholder is a sole proprietorship) or the proxy should carry a valid document evidencing the individual as the proprietor of the sole proprietorship.
7. The statement pursuant to Sections 230 and 232 read with Section 102 and other applicable provisions of the Companies Act, 2013 ("**Act**") and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in respect of the business set out in the Notice of the Meeting is annexed hereto.
8. The Notice of the Meeting and the accompanying documents mentioned in the Index are being sent through electronic mode to those equity shareholders whose email addresses are registered with the

Company / Depositories and by way of publication of notice in Newspapers (as mentioned below) for the equity shareholders whose email addresses are not registered with the Company / Depositories.

9. 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 (specified above in the Notice) only shall be entitled to exercise his/ her/ its voting rights on the resolution proposed in the Notice and attend the Meeting. A person who is not an equity shareholder as on the cut-off date, should treat the Notice for information purpose only.
10. The equity shareholders may note that the aforesaid documents are also available on the website of the Company and can be accessed / downloaded using the below given link: http://www.gulshanindia.com/scheme_of_amalgamation.html and on the website of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively, and on the website of National Securities Depository Limited at www.nsdl.co.in.

If so desired, equity shareholders may obtain a physical copy of the Notice and the accompanying documents, i.e., Scheme and the Statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 etc., free of charge. A written request in this regard, along with details of your shareholding in the Company, may be addressed to the Company Secretary at cs@gulshanindia.com.

11. The notice, Explanatory Statement together with the documents accompanying the same, are being sent through by email to those equity shareholders who have registered their email ID's with the Transferee Company and/or the Depository Participants, whose names appear in the register of members/ list of beneficial owners as received from National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL").
12. In terms of the directions contained in the Order, the quorum for the Meeting shall be in accordance with Section 103 of the Act. Further, in case the aforesaid quorum for the Meeting is not present within the time appointed for the meeting, then the meeting shall be adjourned for half an hour, and thereafter the equity shareholders, present and voting (provided there is at least one equity shareholder present), shall be deemed to constitute the quorum. For the purposes of computing the quorum, the valid proxies/authorized representatives shall also be considered.
13. In terms of Sections 230 to 232 of the Act, the Scheme shall be considered approved by the equity shareholders of the Transferee Company if the resolution mentioned in the notice has been approved by a majority in number representing three-fourths in value of the equity shareholding of the Transferee Company, voting in person, by proxy, or through electronic means.
14. In terms of the directions contained in the Order, the advertisement of the Meeting will be published in the "**Financial Express**" (in English) and "**Jansatta**" (Hindi) indicating the day, date, place and time of the Meeting and stating that the copies of the Scheme, Explanatory Statement and the Form of Proxy can be obtained free of charge on any day (except Saturday, Sunday and public holidays) from the registered office of the Transferee Company at 9th K.M., Jansath Road, Muzaffanagar – 251001.
15. It may be noted that the ballot / polling paper will be provided at the Meeting venue.

16. The voting rights of an equity shareholder shall be in proportion to such equity shareholder's equity shareholding in the Transferee Company as on Saturday, September 11, 2021.
17. The E-Voting Sequence Number, User ID and Password along with the detailed instruction are set out below under the section "Voting through electronic means".
18. The voting rights for the purposes of voting in meeting and e-voting shall be reckoned on the basis of the paid-up value of the equity shares registered in the name of the equity shareholders as on Saturday, the 11th day of September, 2021 and a person who is not an equity shareholder on such date should treat the notice for information purposes only.
19. It is clarified that casting of votes by e-voting does not disentitle an equity shareholder from attending the Meeting. However, any equity shareholder who has voted through e-voting cannot vote at the Meeting.
20. The scrutinizer will submit his report to the chairperson after completion of the scrutiny of the e-votes and the ballot / polling paper submitted by the equity shareholders. The scrutinizer's decision on the validity of the votes shall be final. The results of the voting along with the Scrutinizer's Report shall be displayed at the registered office of the Transferee Company situated at 9th K.M., Jansath Road, Muzaffanagar – 251001 and its website(www.gulshanindia.com) and www.nsdl.co.in, besides being communicated to the stock exchanges where the equity shares of the Transferee Company are listed, namely, the National Stock Exchange of India Limited and BSE Limited (collectively, the "**Stock Exchanges**").
21. The voting period for e-voting commences on Wednesday, September 15, 2021 at 9:00 A.M. (IST) and ends on Friday, September 17, 2021 at 5:00 P.M. (IST). During this period, the equity shareholders holding equity shares either in physical form or in dematerialized form, as on Saturday, September 11, 2021, being the cut-off date, may cast their vote (for or against) remotely. Once the vote on the resolution is cast by an equity shareholder, such equity shareholder will not be allowed to change it subsequently.

PROCEDURE FOR REMOTE E-VOTING AND E-VOTING AT THE MEETING:

22. Pursuant to the directions of the Tribunal given under the Tribunal Order and the provisions of Section 108 and other applicable provisions of the Act read with the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing to its equity shareholders facility to exercise their right to vote on the resolution proposed to be passed (i) remotely, using an electronic voting system on the dates mentioned herein below ("**remote e-voting**"); and (ii) at the Meeting by ballot/polling paper ("**voting at the Meeting**").

The Company has engaged the services of National Securities Depository Limited ("**NSDL**") as the agency to provide the facility for remote e-voting. The manner of voting using remote e-voting facility is provided in the instructions given below.

The remote e-voting facility will be available during the voting period specified above in the Notice.

The remote e-voting will not be allowed beyond the end date and time specified in the voting period as stated in the Notice and the remote e-voting module shall be forthwith disabled by NSDL upon expiry of the aforesaid period.

Further, the facility for voting through ballot/polling paper will also be made available at the Meeting and equity shareholders attending the Meeting who have not cast their votes by remote e-voting will be able to vote at the Meeting through such facility.

Voting rights of an equity shareholder / beneficial owner shall be in proportion to his/her/its shareholding in the paid-up equity share capital of the Company as on the cut-off date (specified in the Notice).

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system is mentioned below:

A) Login method for remote e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider – NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period . 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com/. Select “Register Online for IDeAS” Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available

	against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 1) Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2) After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

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

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

Login type	Helpdesk details
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Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP 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. Password details for shareholders other than Individual shareholders 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, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
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.
 - c) 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 etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
 7. After entering your password, tick 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.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send 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 e-mail to skgupta1903@gmail.com 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.

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Amit Vishal at

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to cs@gulshanindia.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to cs@gulshanindia.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained above i.e., **Login method for e-Voting for Individual shareholders holding securities in demat mode.**
3. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**IN THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, ALLAHABAD BENCH
CA (CAA) No. 09/ALD of 2021**

IN THE MATTER OF SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

AND

IN THE MATTER OF THE SCHEME OF AMALGAMATION BETWEEN GULSHAN HOLDINGS PRIVATE LIMITED, EAST DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED WITH GULSHAN POLYOLS LIMITED

AND

Gulshan Holdings Private Limited, a company incorporated)
under the Companies Act, 1956 having Corporate Identity)
Number: U74899UP1985PTC128005 and its registered office at)
9th K.M., Jansath Road, Muzaffanagar – 251001, Uttar Pradesh,) ... Transferor Company No. 1
India.)

East Delhi Importers & Exporters Private Limited, a company)
incorporated under the Companies Act, 1956 having Corporate)
Identity Number: U60231UP1997PTC129363 and its registered)
office at 9th K.M., Jansath Road, Muzaffanagar – 251001, Uttar) ... Transferor Company No. 2
Pradesh, India.)

Gulshan Polyols Limited, a company incorporated under the)
Companies Act, 1956 having Corporate Identity Number:)
L24231UP2000PLC034918 and its registered office at 9th K.M.,)
Jansath Road, Muzaffanagar – 251001, Uttar Pradesh, India.) ... Company/Transferee Company

STATEMENT UNDER SECTIONS 230 AND 232 READ WITH SECTION 102 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 (“ACT”) AND RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 (“CAA RULES”) TO THE NOTICE OF THE MEETING OF EQUITY SHAREHOLDERS OF GULSHAN POLYOLS LIMITED, TRANSFEE COMPANY, CONVENED PURSUANT TO ORDER OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, ALLAHABAD BENCH (“TRIBUNAL”) DATED JULY 14, 2021 (“TRIBUNAL ORDER”)

I. Meeting for the Scheme

This is an Explanatory Statement accompanying the Notice convening the meeting of equity shareholders of Gulshan Polyols Limited (“**Company**” or “**Transferee Company**”), for the purpose of their considering and if thought fit, approving, with or without modification(s), the proposed Scheme of Amalgamation between Gulshan Holdings Private Limited (“**Transferor Company No. 1**”) and East Delhi Importers & Exporters Private Limited (“**Transferor Company No. 2**”) (collectively referred to as the “**Transferor Companies**”) with Gulshan Polyols Limited (“**Transferee Company**” or “**Company**”) and their respective shareholders and creditors (“**Scheme**”). The Scheme provides for: (a) Amalgamation (merger by absorption) of Transferor Company No. 1 into and with the Transferee Company and consequent dissolution of the Transferor Company No. 1 without winding up; and (b) Amalgamation (merger by absorption) of Transferor Company No. 2 into and with Transferee Company and consequent dissolution of the Transferor Company No. 2 without winding up, under Sections 230 to 232 and other applicable provisions of the Act.

Capital terms not defined herein and used in the Notice and this Statement shall have the same meaning as ascribed to them in the Scheme.

II. Rationale and Benefits of the Scheme

The amalgamation of the Transferor Companies with the Transferee Company would *inter alia* have the following benefits:

- a) Help in achieving improved operational efficiency and optimum advantages and also to achieve greater efficiency and synergy in operations by combining the activities of the Transferor Companies with the Transferee Company. Accordingly, the Scheme would strengthen and complement the businesses of the Companies;
- b) The amalgamated entity will benefit from optimum utilization of manpower through improved organizational capacity and leadership, arising from the combination of people from the Transferor Companies and Transferee Company which have diverse skills, talent, management expertise, enlarged knowledge base and vast experience to compete successfully in an increased competitive industry;
- c) The amalgamated entity shall reduce fixed costs by removing duplicate departments, operations and lower the cost of the Company relative to the same revenue stream and shall thus increase the profit margins;
- d) The amalgamation will offer a simplified corporate structure to the amalgamated entity;
- e) Under a liberalised, fast changing and highly competitive environment, this amalgamation shall strengthen the business of the Transferor Companies and the Transferee Company by pooling up the resources, business expertise, business processes and assets for common purpose and hence optimum utilization;
- f) The synergies that exist between the entities in terms of services and resources can be put to the best advantage of all stakeholders;
- g) The amalgamation will result in better economic control, increased financial strength and flexibility and enhance the ability of the amalgamated entity to undertake large projects, thereby contributing to enhancement of future business potential;
- h) Cost savings are expected to flow from more focused operational efforts, rationalisation, standardisation and simplification of business processes, productivity and improvements, improved procurement and the elimination of duplication and rationalization of administrative expenses;
- i) The consolidation of the companies engaged in similar & complementary line of business in one entity, under a single centralized system of management, will result in the management being able to exercise greater control over the operations of the companies and which will help in synchronising the operations. This will also result in the management being enabled to undertake any re-structuring /re-organization of the various business undertakings of the companies for the purposes of achieving optimum efficiency /and or to attract investments in the individual business undertakings of the Companies.

III. Background of the Companies

1. Particulars of the Transferor Company No. 1

- a. **Gulshan Holdings Private Limited** is a private limited Company within the meaning of the Companies

Act, 2013, having its registered office at 9th K.M., Jansath Road, Muzaffarnagar - 251001, Uttar Pradesh, India and Corporate Identity Number (CIN) U74899UP1985PTC128005. The Transferor Company No. 1 was originally incorporated as a Company limited by shares on 20th November, 1985 under Companies Act, 1956 under the name of “Gulshan Marketing Private Limited”. Thereafter, pursuant to Section 23 of the Companies Act, 1956 and under the order of the Central Government, the name of the Transferor Company No. 1 was changed to Gulshan Holdings Private Limited and a fresh certificate of change of name was issued to the Company on February 14, 2002. The Transferor Company No. 1 by a special resolution shifted its registered office from the State of Delhi to the State of Uttar Pradesh from the jurisdiction of Registrar of Companies, NCT of Delhi & Haryana to the Registrar of Companies, Kanpur, and the same was confirmed by the order of the Regional Director, Northern Region, Delhi dated February 25, 2020. A certificate of registration issued by Registrar of Companies for the change of state was issued to the Transferor Company No. 1 on March 19, 2020. The Permanent Account Number (PAN) of the Transferor Company No. 1 is AAACG5688F. The Equity Shares of the Transferor Company No. 1 are not listed on any of the Stock Exchanges. The Transferor Company No. 1 is the holding Company of Transferee Company and holds 56.22% equity shareholding in the Transferee Company. The email address of the Transferor Company No. 1 is cs@gulshanindia.com.

- b. Main Objects of the Transferor Company No. 1 have been summarized as below for the perusal of the shareholders:

“1. To take or otherwise acquire, and hold shares in any other company having objects altogether or in part similar to those of this company or carrying on any business capable of being conducted so as to directly or indirectly benefit this company.

2. To guarantee the payment of money unsecured or secured by or payable under or in respect of promissory notes bonds, debentures, debenture stocks, contracts mortgages, charges, obligations, instants and securities of any company or of any authority, supreme, municipal local or otherwise or of any person whomsoever whether incorporated or not incorporated, and generally to guarantee or become sureties for the performance of any contracts and obligations.

3. To invest in other than investment in Company’s own shares and deal with the moneys in the company, not immediately required upon, in such securities and in such manner as may from time to time be determined.

4. To buy or sell or trade in any goods on behalf of its principal or otherwise.”

- c. The share capital of the Transferor Company No. 1 as on date of this Notice is as follows:

Particulars	Amount in INR
Authorized Share Capital	
55,500 Equity Shares of Rs. 1000/- each.	5,55,00,000
Total	5,55,00,000
Issued, Subscribed and Paid-up Share Capital	
707 Equity Shares of Rs. 1000/- each.	7,07,000
Total	7,07,000

The latest annual financial statements of the Transferor Company No. 1 have been audited for the financial year ended on March 31, 2021. Consolidated and standalone audited financial results of the Transferor Company No. 1 for the year ended March 31, 2021 are attached collectively hereto as Annexure “XV”.

- d. The details of Directors and Promoters of the Transferor Company No. 1 (as on the date of the Notice) along with their addresses are mentioned herein below:

Sr. No.	Name	Category	Address
Directors			
1.	Dr. Chandra Kumar Jain	Non-Executive Director	N-142, Panchsheel Park, Malviya Nagar, Hauz Khas, South Delhi, Delhi-110017
2.	Mrs. Mridula Jain	Non-Executive Director	N-142, Panchsheel Park, Malviya Nagar, Hauz Khas, South Delhi, Delhi-110017
3.	Mrs. Arushi Jain	Non-Executive Director	S-237, 2nd Floor, Panchsheel Park, Delhi-110017
Sr. No.	Name	Address	
Promoters			
1.	Dr. Chandra Kumar Jain	N-142, Panchsheel Park, Malviya Nagar, Hauz Khas, South Delhi, Delhi-110017	
2.	Mrs. Mridula Jain	N-142, Panchsheel Park, Malviya Nagar, Hauz Khas, South Delhi, Delhi-110017	
3.	Ms. Arushi Jain	S-237, 2nd Floor, Panchsheel Park, Delhi-110017	
4.	Ms. Aditi Pasari	S-319, Greater Kailash, Part-II, Greater Kailash S.O., South Delhi, Delhi-110048	
5.	Ms. Anubha Gupta	A-5 Block-A, Kalindi Colony, East of Kailash, South Delhi, Delhi-110065	

2. Particulars of the Transferor Company No. 2

- a. **East Delhi Importers & Exporters Private Limited** is a private limited Company within the meaning of the Companies Act, 2013, having its registered office at 9th K.M., Jansath Road, Muzaffarnagar - 251001, Uttar Pradesh, India and Corporate Identity Number (CIN) U60231UP1997PTC129363. The Transferor Company No. 2 was originally incorporated as a Company limited by shares on 23rd July, 1997 under Companies Act, 1956 under the name of “Atul Transport Private Limited”. Thereafter, pursuant to Section 23 of the Companies Act, 1956 and under the order of the Central Government, the name of the Transferor Company No. 2 was changed to East Delhi Importers and Exporters Private Limited and a fresh certificate of change of name was issued to the Company on June 23, 2007. The Transferor Company No. 2 by a special resolution shifted its registered office from the State of Delhi to the State of Uttar Pradesh from the jurisdiction of Registrar of Companies, NCT of Delhi & Haryana to the Registrar of Companies, Kanpur, and the same was confirmed by the order of the Regional Director, Northern Region, Delhi dated February 25, 2020. A certificate of registration issued by Registrar of Companies, Kanpur for the change of state was issued to the company on June 10, 2020. The Permanent Account Number (PAN) of the Transferor Company No. 2 is AABCA3294L. The Equity Shares of the Transferor Company No. 2 are not listed on any of the Stock Exchanges. The email address of the Transferor Company No. 2 is akg@gulshanindia.com.

- b. Main Objects of the Transferor Company No. 2 have been summarized as below for the perusal of the shareholders:

"1. To carry on the business as exporters, importers, buyers, sellers, distributors, agents, brokers, factors, stockiest, commission agents and dealers, of Textile, cotton, fabric, silk, jute, woolen, and synthetics, leather wear , Organic and inorganic chemicals, domestic and industrial acids, sugar, sugar products, alcohol, rubber, plastic and all kinds of plastics products, tannery products, Engineering goods, machine tools, small tools, metals, alloys, iron pipe fitting, nuts and bolts, bicycles and accessories, automobile parts and steel, stainless steel and iron products, ores and scraps, metallurgical residues hides, skins, leather goods, furs, bristles, tobacco (raw and manufactured) hemp, seeds, edible and non-edible oils bones crushed and uncrushed, industrial diamonds, coal and charcoal, glue, gums and resine, ivory, lac, shellac, manures, paper and paper products, food and food products, pulp or rags, rubber, tanning, substances, wax, qulartz, crystal, chemicals and chemical preparations, plastic and lineoleum articles, glass and glassware, handicrafts, handloom, toys, liquid gold, precious stones, ornaments, jewelleries, pearls, drugs and medicines, soaps, paints, paper and stationery, spot goods textile such as decorative, hand and machine made, readymade garments, carpets, rugs, artificial silk fabrics, cotton, woolen cloth and apparels, dressing materials, cosmetics, wigs, belts, belting, cinematograph, films, exposed, gramophone, records, stardh, umbrellas, crown corks, batteries, surgical and musical instruments, marble and hardware items, books and manuscripts, electric and electronic products, sanitary wares and fittings, cellulosic and cellulosic products, fibre yarn, hosiery bran, fruits, dry foods, grains and pulses, flour, confectionary, alcohol, beverages, perfumed spirits, spices, tea, coffee, sugar and molasses, vegetables and its products, processed foods and packed foods, fish and sea foods/products.

2. To buy, procure, sell, import, export or otherwise deal in the computer software, programmes, packages, computer hardware and computer peripheral.

3. To carry in India or abroad business of importers and exporters, merchants, general order suppliers, commission, agents, representatives, distributors, royalty, owners, contractors, auctioneers, guarantee brokers, indent agents, mercantile agents, passage agents, principals, factors, organizers, concessionaires, sale agents, sub-agents, insurance agents, enquiry agents, patent agents, advertisement agents, transport contractors, shipping agents, surveyors, valuers, trasurers, furnishers, decorators, general representatives agents in all its branches in respect of items stated (1& 2 above).

4. To carry on business as general carriers, transporters and freight forwarders and to provide carrier freight transport, courier, taxi, truck, light or heavy haulage and delivery services by land, road, railway, sea, river, canal, water or air for and in connection with any containers, packages, parcels, mails, goods or bulk commodities.

5. To carry passengers by air, road, rail, land, sea, or water, to operate any taxi service and to construct, equip, maintain, work, purchase, sell, export, import, lease, hire, let on hire, repair, refurbish, or otherwise deal in any aircraft, ship, car, bus or any kind of vehicle or mode of transport.

6. To carry, collect, receive, load, unload, store, consign, distribute, transfer and deliver goods, wares, merchandise, parcels, packages, baggage, freight, animals, livestock, timber, coal, oil, ores and other property of every description by any mode of transportation, and generally for such

purposes to acquire, manage and operate warehouses, and bounded warehouses, act as agents for shippers and consigners, and to issue warehouse warrants and receipts and bills of loading.

7. To carry on the business as manufactures in respect of various items mentioned in object Clause III (A) 1 and to develop the computer software, programmes, packages, computer hardware and computer peripheral.”

- c. The share capital of the Transferor Company No. 2 as on date of this Notice is as follows:

Particulars	Amount in INR
Authorized Share Capital	
10,000 Equity Shares of Rs. 10/- each.	1,00,000
Total	1,00,000
Issued, Subscribed and Paid-up Share Capital	
10,000 Equity Shares of Rs. 10/- each.	1,00,000
Total	1,00,000

The latest annual financial statements of the Transferor Company No. 2 have been audited for the financial year ended on March 31, 2021. The audited financial results of the Transferor Company No. 2 for the year ended March 31, 2021 is attached hereto as Annexure “XVI”.

- e. The details of Directors and Promoters of the Transferor Company No. 2 (as on the date of the Notice) along with their addresses are mentioned herein below:

Sr. No.	Name	Category	Address
Directors			
1.	Mr. Avdhesh Kumar Garg	Non-Executive Director	SF-1, Plot No. 147, Sector 4, Vaishali, Ghaziabad, Uttar Pradesh- 201010
2.	Ms. Aditi Pasari	Non-Executive Director	S-319, Greater Kailash, Part-II, Greater Kailash S.O., South Delhi, Delhi-110048, India
Sr. No.	Name	Address	
Promoters			
1.	Dr. Chandra Kumar Jain	N-142, Panchsheel Park, Malviya Nagar, Hauz Khas, South Delhi, Delhi-110017	
2.	Mrs. Mridula Jain	N-142, Panchsheel Park, Malviya Nagar, Hauz Khas, South Delhi, Delhi-110017	
3.	Ms. Arushi Jain	S-237, 2nd Floor, Panchsheel Park, Delhi-110017	

3. Particulars of the Transferee Company

- a. **Gulshan Polyols Limited** is a public limited company within the meaning of the Companies Act, 2013 having its registered office at 9th K.M., Jansath Road, Muzaffarnagar - 251001, Uttar Pradesh, India and Corporate Identity Number (CIN) L24231UP2000PLC034918. The equity shares of the Transferee Company are listed at BSE Limited (“**BSE**”) and National Stock Exchange of India Limited (“**NSE**”). The Transferee Company was originally incorporated on 20th October 2000 as a limited

Company under the provisions of the Companies Act, 1956. The Permanent Account Number (PAN) of the Transferee Company is AABCG3954F. The email address of the Transferee Company is cs@gulshanindia.com.

- b. Main Objects of the Transferee Company have been summarized as below for the perusal of the shareholders:

"1. To carry on the business as manufacturer, dealer, importer, exporter, and generally to deal in Starch made from all type of grains and topioca, Starch Derivatives like sorbitol, DMH, Mannitol, Maltodextrin, Dextrose, Lysine, Fructose, Liquid Glucose and all allied products and by products thereof.

2. To carry on the business as manufacturer, mining, dealer, exporter, importer in all type of inorganic chemicals and minerals such as activated and precipitated Calcium Carbonate of all grades and specifications, Chalk, Industrial chalk, Calcite, soap stones, all varieties of stones including lime, marbles, granite and all allied products and by products thereof.

3. To carry on the business as manufacturer, bottler, dearer, exporter, importer in all type of alcohol made from molasses & grains including IMFL, ENA, ATA, Country Liquor, Wine, and all allied products and by products thereof.

4. To carry on the business as manufacturer, dealer, exporter, importer in all type of paper, paper products, Sugar, Sugar beets, sugar cane, Gur, cab, Khandsari, jaggery, molasses, yeast, syrups Fertilizers, manures, medicines of all kinds including Calcium Carbide, Sodium Hydrosulphate, acids, alkaliessalts, Dyes, caustic soda, soda ash, glass etc., pharmaceuticals, petroleum and other oils andtheir byproducts, derivatives, compounds, mixtures, formulations and all kinds of commodities having chemical properties, industrial greases and lubricants, Glycerin, Distilled water, water soluble, water for injection, and / or otherwise deal in such commodities.

5. To design, invent, assemble, manufacture, generate, buy, sell, lease, import, export, conduct, research, impart training, develop, maintain, repair, hire, rent on hire, to let out the land & building, alter design, distribute, provide services including consultancy and / or otherwise deal in wind power, Hydro power, Thermal power, Solar power, power equipments, power transmission, power transformer, power infrastructure, electric cables or otherwise deal in power sector.

6. To carry on the business as manufacturers, producers, growers, exporters, buyers, sellers, agents, merchant and dealers in all kinds of Agro products including caster seed processing, processed /canned mushrooms, fruits, vegetables, flowers, herbs and forest products, their stems, roots, leaves and seeds etc. and their various products and by products like squashes, concentrates, juices, ready to serve beverages, crushes, jams, slices pickles, chutnies, ketchups, peel oils, pomace, peel, cattle feed, seeds synthetic sweetened aerated waters, canned and dehydrated vegetables, purees, soups, pastes, chips and wafers.

7. To carry on the business in all their respective forms and branches and to grow, produce manufacture, process, prepare, refine, extract, manipulate, hydrolyze, deodorise, grind, bleach, hydrogenate, buy, sell or otherwise deal in all kind of agricultural, horticultural, milk and milk products, maltery and brewery, dairy and dairy products, poultry and farm product and products including food grains, edible oils, meat, fish, eggs, food and food products and preparations of any

nature and description whatsoever.

8. To carry on the business in India or abroad of Information Technology (IT), Information Technology Enabled services (ITES), providing, taking or otherwise dealing, training, educating, imparting knowledge, consultancy in computer software, hardware including the business of data entry, programming, processing, developing, Importing/ Exporting/ initiating of software data records, information, developing the module whether technical or otherwise, to carry on the business or the services of call centers, back office processing, Embedded software business, Smart Card, ASP, Outsourcing including Business Process Outsourcing (BPO) and Knowledge Process Outsourcing (KPO), Communication & Networking, Media & Entertainment (including TV Channels) TV serial development, distribution or otherwise dealing in entertainment and media business, Web Development Services, purchase or sell of websites, website developments & designing including development, distribution or otherwise dealing in entertainment and media business, Web Development Services, purchase, or sell of websites, website developments & designing including development of dot com business, chat shows, Medical Transcription, On-site services etc. or any other related or allied business, services etc. directly or indirectly.

9. To purchase, acquire, build, construct, alter, enlarge, remove, pull down, replace, maintain, improve, develop, work control, manage and let out on hire any land, building, houses, offices, apartments, colonies, factories, go-downs, mills, sheds, ships, machinery, engines, water-works, gasworks, bridges, wharves, reservoirs, roads, tramways, railways, branches or sidings, hotels, clubs, restaurants, shopping complexes, shopping malls, multiplexes, places of worship, places of amusements, pleasure grounds, park, gardens, reading rooms, stores, shops, dairies, and other works and conveniences and infrastructures or otherwise deal in real estate sector.

10. To design, invent, assemble, manufacture, buy, sell, lease, import, export, conduct research, impart training, develop, maintain, repair, hire, let on hire, to let out the land & building, alter design, distribute, provide services including consultancy or otherwise deal in telecom hardware, telecom software, telecommunications equipments and their components including valves, transistors, micro-motors, resistors, condensers, coils magnetic, heads, with their parts, accessories and fittings.

11. To carry on the business as engineers, consultant, developers, manufacturers, importer, exporter, buy, sale, agent, distributor or otherwise deal in all kinds of electronic goods, electronic equipment and equipments operated electronically.

12. To plan, augment, establish, develop, erect, commission, set up, operate, maintain and supply all types of Plants, in India or elsewhere, to manufacture Calcium Carbonate of all grades and specifications (including Percipated Calcium Carbonate, Dry Ground Calcium Carbonate and Wet Grind/Ground Calcium Carbonate), Starch or Starch derivatives and to provide or acquire technical know-how, technical information, process engineering, design and drawings, layouts, blue prints useful for designing, erection, construction, commissioning, operation and maintenance of plant and equipment required for any of the business of the company.

13. To carry on the business as manufacturer, producer, trader, seller, buyers, exporters, distributor, commission agents, brokers, stockiest, consignment and indenting agents in all kind of cosmetics & toiletries including skin care, beauty care, health care, body care products and Ayurvedic, Herbal, Allopathic, unani, siddha, Homeopathic, Bio-chemic Medicines, Aroma therapy products, their

derivatives, by-products, residue, deodorants, all kinds of perfumery & other compounds, disinfecting and cleansing compounds, aerosol and pump- spray products, baby products, skin creams and other cosmetics creams, soaps & shampoos and other bath products, pre-shave shaving and after-shave shaving preparations, oils, greases, ointments, pomades, health tonics, general medicines, and other allied goods and cosmetics.”

- c. The share capital of the Transferee Company as on date of this Notice is as follows:

Particulars	Amount in INR
Authorized Share Capital	
22,50,00,000 Equity Shares of Rs. 1/- each.	22,50,00,000
2,50,000 Redeemable Preference Shares (0%) of Rs. 10/- each.	25,00,000
14,50,000 Redeemable Preference Shares (0-10%) of Rs. 100/- each.	14,50,00,000
Total	37,25,00,000
Issued, Subscribed and Paid-up Share Capital	
4,69,17,020 Equity Shares of Rs. 1/- each	4,69,17,020
9,75,000 Redeemable Preference Shares (8%) of Rs. 100/- each	9,75,00,000
Total	14,44,17,020

The latest annual financial statements of the Transferee Company have been audited for the financial year ended on March 31, 2021. The audited financial results of the Transferee Company for the year ended March 31, 2021 and unaudited financial results (limited reviewed) of the Transferee Company for the quarter ended June 30, 2021 are attached hereto as Annexure XIV.

- d. The details of Directors and Promoters of the Transferee Company (as on the date of the Notice) along with their addresses are mentioned herein below:

Sr. No.	Name	Category	Address
Directors			
1.	Dr. Chandra Kumar Jain	Chairman and Managing Director	N-142, Panchsheel Park, Malviya Nagar, Hauz Khas, South Delhi, Delhi-110017
2.	Mr. Jeewan Jyoti Bhagat	Non-Executive Independent Director	E-372, 3rd Floor Greater Kailash - 2 New Delhi 110048
3.	Mr. Ashwani Kumar Vats	Whole Time Director and CEO	A-10, Surajmal Vihar, Delhi - 110092
4.	Mr. Akhilesh Kumar Maheshwari	Non-Executive Independent Director	D-149, Second Floor, D-Block Preet Vihar New Delhi 110092 DL IN
5.	Ms. Aditi Pasari	Whole Time Director	S-319, Greater Kailash, Part-II, Greater Kailash S.O., South Delhi, Delhi-110048, India
6.	Ms. Arushi Jain	Whole Time Director	S-237, 2nd Floor, Panchsheel Park, Delhi-110017
7.	Mr. Rakesh Kumar Gupta	Non-Executive Independent Director	2B-358, Vasundhara Ghaziabad 201012 UP IN

8.	Ms. Archana Jain	Non-Executive Independent Director	F- 13, Kirti Nagar, Ramesh Nagar. H O West Delhi, New Delhi -110015
Sr. No.	Name	Address	
Promoters			
1.	Dr. Chandra Kumar Jain	N-142, Panchsheel Park, Malviya Nagar, Hauz Khas, South Delhi, Delhi-110017	
2.	Mrs. Mridula Jain	N-142, Panchsheel Park, Malviya Nagar, Hauz Khas, South Delhi, Delhi-110017	
3.	Ms. Arushi Jain	S-237, 2nd Floor, Panchsheel Park, Delhi-110017	
4.	Ms. Aditi Pasari	S-319, Greater Kailash, Part-II, Greater Kailash S.O., South Delhi, Delhi-110048	
5.	Ms. Anubha Gupta	A-5 Block-A, Kalindi Colony, East of Kailash, South Delhi, Delhi-110065	

IV. Salient Features of the Scheme

The salient features of the Scheme, inter alia, are as stated below. The capitalized terms used herein shall have the same meaning as ascribed to them in the Scheme:

- a. The Scheme provides for: (a) Amalgamation (merger by absorption) of Transferor Company No. 1 into and with the Transferee Company and consequent dissolution of the Transferor Company No. 1 without winding up; and (b) Amalgamation (merger by absorption) of Transferor Company No. 2 into and with Transferee Company and consequent dissolution of the Transferor Company No. 2 without winding up, under Sections 230 to 232 and other applicable provisions of the Act.
- b. In consideration for the amalgamation of the Transferor Companies and Transferee Company in terms of the Scheme and based on the Valuation Report and Fairness Opinion, Gulshan Polyols Limited will issue and allot 2,99,82,536 (Two Crore Ninety-Nine Lakh Eighty-Two Thousands Five Hundred and Thirty Six) fully paid-up equity shares of the face value of INR 1/- (Rupee One) each, in the following manner:
 - i. 39,848 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.1000/- each fully paid up of Gulshan Holdings Private Limited.
 - ii. 181 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.10/- each fully paid up of East Delhi Importers and Exporters Private Limited
- c. The Scheme would not only lead to simplification of the shareholding structure and reduction of the shareholding tiers, but also demonstrate the promoter group direct commitment to and engagement with the Transferee Company. Also, it would lead to infusion of investments in forms of bank deposits, bank balance, securities, immoveable properties etc. into the Transferee Company which will enhance the capability of the Transferee Company to undertake operations at an enhanced business potential.
- d. The Appointed Date of the Scheme shall be the opening business hours of 1st April, 2020 or such other date as may be fixed or approved by the Appropriate Authority.

- e. The Scheme shall become effective from the Appointed Date but shall be operative from the Effective Date.
- f. The equity shares of the Transferee Company shall continue to be listed on the Stock Exchanges.

Note: The above are the salient features of the Scheme. The shareholders are requested to read the entire text of the Scheme annexed hereto to get fully acquainted with the provisions thereto.

V. Relationship subsisting between Parties to the Scheme

The Transferee Company is a subsidiary of the Transferor Company No. 1. The Transferor Company No. 2 is the entity owned and controlled by the promoter group of the Transferee Company and Transferor Company No. 1. All the companies are under the common management and control.

VI. Board approvals

1. The Board of Directors of the Transferee Company at its Board Meeting held on August 06, 2020 unanimously approved the Scheme, as detailed below:

Name of Director	Voted in favour / against / did not participate or vote
Mr. Jeewan Jyoti Bhagat	In Favour
Mr. Ashwani Kumar Vats	In Favour
Mr. Akhilesh Kumar Maheshwari	In Favour
Mr. Kailash Chandra Gupta	In Favour
Mr. Rakesh Kumar Gupta	In Favour
Mr. Ajay Jain	In Favour
Dr. Chandra Kumar Jain	Not Participated for this particular resolution
Ms. Arushi Jain	Not Participated for this particular resolution
Ms. Aditi Pasari	Not Participated for this particular resolution

2. The Board of Directors of the Transferor Company No. 1 at its Board Meeting held on August 06, 2020 unanimously approved the Scheme, as detailed below:

Name of Director	Voted in favour / against / did not participate or vote
Dr. Chandra Kumar Jain	In Favour
Mrs. Mridula Jain	In Favour
Ms. Arushi Jain	In Favour

3. The Board of Directors of the Transferor Company No. 2 at its Board Meeting held on August 06, 2020 unanimously approved the Scheme, as detailed below:

Name of Director	Voted in favour / against / did not participate or vote
Mr. Avdhesh Kumar Garg	In Favour
Ms. Aditi Pasari	In Favour

VII. Interest of Directors, Key Managerial Personnel (KMPs), their relatives and Debenture Trustee.

- None of the Directors, KMPs (as defined under the Act and rules framed thereunder) of the Transferee Company and their respective relatives (as defined under the Act and rules framed thereunder) has any interest in the Scheme except to the extent of their shareholding in the Company, if any. Save as aforesaid, none of the said Directors or the KMPs or their respective relatives has any material interest in the Scheme. The Transferee Company has not issued any debentures and hence, does not have Debenture Trustee.
- None of the Directors, KMPs (as defined under the Act and rules framed thereunder), as applicable, of the Transferor Companies and their respective relatives (as defined under the Act and rules framed thereunder), has any interest in the Scheme except to the extent of their shareholding in the Transferor Companies. Save as aforesaid, none of the said Directors or the KMPs, as applicable, or their respective relatives has any material interest in the Scheme. The Transferor Companies have not issued any debentures and hence, does not have Debenture Trustee.

Shareholding of the Directors and Key Managerial Personnel

(Based on shareholding data as on March 31, 2021)

- A. Detail of present Shareholding of the Directors and Key Managerial Personnel of the Transferee Company in the Transferor Companies, either singly or jointly or as nominee, is as under:

Sl. No.	Name of Directors & KMP and their Designation	Number of Shares held on March 31, 2021		
		Transferee Company	Transferor Company No. 1	Transferor Company No. 2
1.	Dr. Chandra Kumar Jain - Chairman & Managing Director	35,46,990	182	6,000
2.	Mr. Jeewan Jyoti Bhagat - Non-Executive Independent Director	25,000	-	-
3.	Mr. Ashwani Kumar Vats - Whole Time Director and CEO	-	-	-
4.	Mr. Akhilesh Kumar Maheshwari - Non-Executive Independent Director	2,350	-	-
5.	Ms. Aditi Pasari - Whole Time Director	72,599	124	-
6.	Ms. Arushi Jain – Whole Time Director	3,80,545	108	2,000
7.	Mr. Rakesh Kumar Gupta - Non-Executive Independent Director	-	-	-

8.	Ms. Archana Jain - Non-Executive Independent Director	-	-	-
9.	Mr. Rajiv Gupta- Chief Financial Officer	-	-	-
10.	Ms. Asha Mittal- Company Secretary	-	-	-

- B. Detail of present Shareholding of the Directors and Key Managerial Personnel of the Transferor Company No. 1 in the Transferee Company, either singly or jointly or a nominee, is as under:

Sl. No.	Name of Directors & KMP and their Designation	Number of Shares held on March 31, 2021	
		Transferor Company No. 1	Transferee Company
1.	Dr. Chandra Kumar Jain - Non-Executive Director	182	35,46,990
2.	Mrs. Mridula Jain - Non-Executive Director	173	4,60,105
3.	Ms. Arushi Jain – Non-Executive Director	108	3,80,545

- C. Detail of present Shareholding of the Directors and Key Managerial Personnel of the Transferor Company No. 2 in the Transferee Company, either singly or jointly or a nominee, is as under:

Sl. No.	Name of Directors & KMP and their Designation	Number of Shares held on March 31, 2021	
		Transferor Company No. 2	Transferee Company
1.	Mr. Avdhesh Kumar Garg- Non-Executive Director	-	-
2.	Ms. Aditi Pasari – Non-Executive Director	-	72,599

VIII. Effect of Scheme on stakeholders

(a)	Equity Shareholders (Promoters and Non-Promoters)	Upon the coming into the effect of the Scheme and in consideration of the transfer and vesting of the Transferor Companies, the Transferee Company shall issue and allot to the equity shareholders of the Transferor Companies, New Equity Shares of the Transferee Company in the ratio as enumerated in Clause 14 of Part III of the Scheme. Further, the authorized share capital of the Transferor Companies shall stand transferred to and be amalgamated / combined with the authorized share capital of the Transferee Company in the manner as stipulated in Clause 17 of Part III of the Scheme.
(b)	Preference Shareholders	No Impact.

(c)	Key Managerial Personnel (KMP)	The Transferee Company is not expecting any change in the KMPs of the Transferee Company in pursuance of the Scheme becoming effective.
(d)	Directors	<p>The Scheme will have no effect on the office of the existing Directors of the Transferee Company. It is pertinent to mention that since the Transferor Companies will be dissolved upon the Scheme becoming effective, Mr. Avdhesh Kumar Garg (Director of Transferor Company No. 2) and Mrs. Mridula Jain (Director of Transferor Company No. 1) will not hold office of directorship in the Transferee Company. All other common directors will continue to hold office of directorship in the Transferee Company.</p> <p>Further, no change in the Board of Directors of the Transferee Company is envisaged on account of the Scheme. It is clarified that, the composition of the Board of Directors of the Transferee Company may change by appointments, retirements or resignations in accordance with the provisions of the Act, SEBI Listing Regulations and Memorandum and Articles of Association of the Transferee Company.</p>
(e)	Creditors	<p>The liability of the creditors of the Transferee Company, under the Scheme, is neither being reduced nor being extinguished. The creditors of the Transferee Company would in no way be affected by the Scheme. They shall be paid as and when their debt becomes due.</p> <p>Further, the creditors of the Transferor Companies will become business creditors of the Transferee Company pursuant to the Scheme. They shall be paid as and when their debt becomes due.</p> <p>There will be no adverse impact on the rights and interest of the creditor(s) of the Transferee Company or Transferor Companies.</p>
(f)	Employees	<p>The Transferee Company is not expecting any change in the Employees of the Transferee Company in pursuance of the Scheme becoming effective. Moreover, all in-scope employees forming part of Transferor Company shall be transferred to the Transferee Company on the same terms and conditions on which they are engaged by the Transferor Companies.</p> <p>Thus, the Scheme will have no adverse effect on the employees of the Companies involved in the Scheme.</p>
(g)	Debenture holders, Bond holders, Depositors and	The Transferee Company and Transferor Company have not issued debentures, bonds and doesn't have debenture

	Debenture Trustees	trustee. Further, the Companies have not accepted deposit.
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IX. Amount due to Unsecured Creditors

The amount due to unsecured creditors of the Transferee Company, as on March 31, 2021 is INR 62,40,09,543/-. The amount due to unsecured creditors of the Transferor Company No. 1, as on March 31, 2021 is INR 47,000/-. The amount due to unsecured creditors of the Transferor Company No.2, as on March 31, 2021 is Nil/-.

X. Capital / Debt Restructuring

There is no debt restructuring envisaged in the Scheme. Upon the Scheme becoming effective, the existing equity share capital of the Transferee Company held by Transferor Companies shall stand cancelled and in consideration of the amalgamation of the Transferor Companies in the Transferee Company, the Transferee Company shall, without any further application, act or deed, issue and allot to the shareholders of the Transferor Companies, 2,99,82,536 (Two Crore Ninety Nine Lakh Eighty Two Thousands Five Hundred and Thirty Six) fully paid-up equity shares of the face value of INR 1/- (Rupee One) each, in the following manner:

- i. 39,848 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.1000/- each fully paid up of Gulshan Holdings Private Limited.
- ii. 181 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.10/- each fully paid up of East Delhi Importers and Exporters Private Limited.”

The Pre-Scheme and Post-Scheme Shareholding Pattern Capital Structure of the Transferee Company and Transferor Companies are given below:

PRE-SCHEME CAPITAL STRUCTURE OF THE TRANSFEE COMPANY

(Based on shareholding data as on March 31, 2021)

Particulars	Amount (Rs.)
Authorised Share Capital	
22,50,00,000 Equity Shares of Rs. 1/- each.	Rs. 22,50,00,000
2,50,000 Redeemable Preference Shares (0%) of Rs. 10/- each.	Rs. 25,00,000
14,50,000 Redeemable Preference Shares (0-10%) of Rs. 100/- each.	Rs. 14,50,00,000
Total	Rs. 37,25,00,000
Issued, Subscribed and Paid-up Share Capital	
4,69,17,020 Equity Shares of Rs. 1/- each	Rs. 4,69,17,020
9,75,000 Redeemable Preference Shares (8%) of Rs. 100/- each	Rs. 9,75,00,000
Total	Rs. 14,44,17,020

POST-SCHEME CAPITAL STRUCTURE OF THE TRANSFEE COMPANY

(Based on shareholding data as on March 31, 2021)

Particulars	Amount (Rs.)
Authorised Share Capital	
28,06,00,000 Equity Shares of Rs 1/- each.	Rs. 28,06,00,000
2,50,000 Redeemable Preference Shares (0%) of Rs. 10/- each.	Rs. 25,00,000
14,50,000 Redeemable Preference Shares (0-10%) of Rs. 100/- each.	Rs. 14,50,00,000

Total	Rs. 42,81,00,000
Issued, Subscribed and Paid-up Share Capital	
4,95,59,489 Equity Shares of Rs. 1/- each.	Rs. 4,95,59,489
9,75,000 Redeemable Preference Shares (8%) of Rs. 100/- each.	Rs. 9,75,00,000
Total	Rs. 14,70,59,489

PRE-SCHEME CAPITAL STRUCTURE OF THE TRANSFEROR COMPANY NO. 1

(Based on shareholding data as on March 31, 2021)

Particulars	Amount (Rs.)
Authorised Share Capital	
55,500 Equity Shares of Rs. 1000/- each.	Rs. 5,55,00,000
Total	Rs. 5,55,00,000
Issued, Subscribed and Paid-up Share Capital	
707 Equity Shares of Rs. 1000/- each.	Rs. 7,07,000
Total	Rs. 7,07,000

POST-SCHEME CAPITAL STRUCTURE OF THE TRANSFEROR COMPANY NO. 1

(Based on shareholding data as on March 31, 2021)

Upon the Scheme becoming effective, the Transferor Companies will get dissolved and the authorized capital of the Transferor Companies as on the Appointed Date shall stand merged with the authorized capital of the Transferee Company.

PRE-SCHEME CAPITAL STRUCTURE OF THE TRANSFEROR COMPANY NO. 2

(Based on shareholding data as on March 31, 2021)

Particulars	Amount (Rs.)
Authorised Share Capital	
10,000 Equity Shares of Rs. 10/- each.	Rs.1,00,000
Total	Rs. 1,00,000
Issued, Subscribed and Paid-up Share Capital	
10,000 Equity Shares of Rs. 10/- each.	Rs.1,00,000
Total	Rs. 1,00,000

POST-SCHEME CAPITAL STRUCTURE OF THE TRANSFEROR COMPANY NO. 2

(Based on shareholding data as on March 31, 2021)

Upon the Scheme becoming effective, the Transferor Companies will get dissolved and the authorized capital of the Transferor Companies as on the Appointed Date shall stand merged with the authorized capital of the Transferee Company.

PRE-SCHEME AND POST SCHEME SHAREHOLDING PATTERN OF THE TRANSFEE COMPANY

(Based on shareholding data as on March 31, 2021)

Sr. No.	Name & Category of Shareholders	Pre-Scheme		Post-Scheme	
		Total nos. shares held	Shareholding as a % of total no. of shares	Total nos. shares held	Shareholding as a % of total no. of shares
(A)	Shareholding of Promoter & Promoter Group				
1.	Indian				
	Dr. Chandra Kumar Jain	35,46,990	7.56%	1,18,85,326	23.98%
	Mrs. Mridula Jain	4,60,105	0.98%	77,15,809	15.57%
	Ms. Arushi Jain	3,80,545	0.81%	50,46,129	10.18%
	Ms. Aditi Pasari	72,599	0.15%	50,13,751	10.12%
	Mr. Anubha Gupta	1,98,132	0.42%	49,79,892	10.05%
	Gulshan Holdings Private Limited	2,63,75,047	56.22%	-	-
	East Delhi Importers & Exporters Private Limited	9,65,020	2.06%	-	-
2.	Foreign	-	-	-	-
	Total Shareholding of Promoter and Promoter Group	3,19,98,438	68.20%	3,46,40,907	69.90%
(B)	Public Shareholding				
1.	Institutions	-	-	-	-
2.	Non-Institutions	1,46,29,542	31.18%	1,46,29,542	29.52%
	Total Public Shareholding	1,46,29,542	31.18%	1,46,29,542	29.52%
(C)	Non-Promoter Non-Public Shareholding				
1.	Shares held by Custodians and against which DRs have been issued	-	-	-	-
2.	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations 2014)	2,89,040	0.62%	2,89,040	0.58%
	Total Non-Promoter Non-Public Shareholding	2,89,040	0.62%	2,89,040	0.58%
	Total- (A) + (B) + (C)	4,69,17,020	100%	4,95,59,489	100%

PRE-SCHEME AND POST SCHEME SHAREHOLDING PATTERN OF THE TRANSFEROR COMPANY NO. 1

(Based on shareholding data as on March 31, 2021)

Sr. No.	Name & Category of Shareholders	Pre-Scheme		Post-Scheme	
		Total nos. shares held	Shareholding as a % of total no. of shares	Total nos. shares held	Shareholding as a % of total no. of shares
(A)	Shareholding of Promoter & Promoter Group				
1.	Indian				
	Dr. Chandra Kumar Jain	182	25.74%	-	-
	Mrs. Mridula Jain	173	24.47%	-	-
	Ms. Arushi Jain	108	15.28%	-	-
	Ms. Aditi Pasari	124	17.54%	-	-
	Mr. Anubha Gupta	120	16.97%	-	-
2.	Foreign	-	-	-	-
	Total Shareholding of Promoter and Promoter Group	707	100%	-	-
(B)	Public Shareholding				
1.	Institutions	-	-	-	-
2.	Non-Institutions	-	-	-	-
	Total Public Shareholding	-	-	-	-
(C)	Non-Promoter Non-Public Shareholding				
1.	Shares held by Custodians and against which DRs have been issued	-	-	-	-
2.	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations 2014)	-	-	-	-
	Total Non-Promoter Non-Public Shareholding	-	-	-	-
	Total- (A) + (B) + (C)	707	100%	-	-

PRE-SCHEME AND POST SCHEME SHAREHOLDING PATTERN OF THE TRANSFEROR COMPANY NO. 2

(Based on shareholding data as on March 31, 2021)

Sr. No.	Name & Category of Shareholders	Pre-Scheme	Post-Scheme
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		Total nos. shares held	Shareholding as a % of total no. of shares	Total nos. shares held	Shareholding as a % of total no. of shares
(A)	Shareholding of Promoter & Promoter Group				
1.	Indian Dr. Chandra Kumar Jain Mrs. Mridula Jain Ms. Arushi Jain	6,000 2,000 2,000	60% 20% 20%	- - -	- - -
2.	Foreign	-	-	-	-
	Total Shareholding of Promoter and Promoter Group	10,000	100%	-	-
(B)	Public Shareholding				
1.	Institutions	-	-	-	-
2.	Non-Institutions	-	-	-	-
	Total Public Shareholding	-	-	-	-
(C)	Non-Promoter Non-Public Shareholding				
1.	Shares held by Custodians and against which DRs have been issued	-	-	-	-
2.	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations 2014)	-	-	-	-
	Total Non-Promoter Non-Public Shareholding	-	-	-	-
	Total- (A) + (B) + (C)	10,000	100%	-	-

XI. Auditors' Certificate on conformity of accounting treatment in the Scheme with Accounting Standards

The Auditors of the Transferee Company and of the Transferor Companies have confirmed that the accounting treatment specified in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Act.

XII. Approvals and intimations in relation to the Scheme

- i. In terms of Regulation 37 of the SEBI Listing Regulations read with SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017, BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**"), by their respective letters, dated February 01, 2021 and January 29, 2021 have issued their observations on the Scheme to the Company. Copies of the said observation letters issued by NSE and BSE to the Company are attached hereto as Annexure "VII" and Annexure "VIII" respectively. Further, in terms of the said SEBI Circular the Company has not received any

complaint relating to the Scheme and “NIL” complaint reports were led by the Company with NSE and BSE, copies of which are attached hereto as Annexure “V” and Annexure “VI” respectively.

- ii. In addition to the approval of the Tribunal, the Transferee Company and / or the Transferor Companies will obtain such necessary approvals/sanctions/no objection(s) from the regulatory or other governmental authorities in respect of the Scheme in accordance with law, as may be required.
- iii. Information pertaining to the Transferor Companies involved in the Scheme in the format prescribed for abridged prospectus as specified in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 along with the compliance report issued by D & A Financial Services (P) Limited, a Category I Merchant Banker are attached hereto as Annexure “XII” and Annexure “XIII” respectively.
- iv. No investigation proceedings have been instituted and/or are pending against the Transferee Company and the Transferor Companies under the Act.
- v. The Companies have filed a copy of the Scheme with the Registrar of Companies pursuant to Section 232(2)(b) of the Act.

XIII. Valuation Report and Fairness Opinion

The Valuation Report dated 6th August, 2020 issued by Mr. Vardhman Doogar, Chartered Accountant, Registered Valuer recommended below share entitlement ratio for the Scheme:

“In consideration for the amalgamation of the Transferor Companies and Transferee Company in terms of the Scheme and based on the Valuation Report and Fairness Opinion, Gulshan Polyols Limited will issue and allot 2,99,82,536 (Two Crore Ninety-Nine Lakh Eighty-Two Thousand Five Hundred and Thirty-Six) fully paid-up equity shares of the face value of INR 1/- (Rupee One) each, in the following manner:

- i. *39,848 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.1000/- each fully paid up of Gulshan Holdings Private Limited.*
- ii. *181 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.10/- each fully paid up of East Delhi Importers and Exporters Private Limited”*

The Fairness Opinion Report dated 6th August, 2020 issued by M/s. Navigant Corporate Advisors Limited, a Category I Merchant Banker, has been issued in respect of the Valuation Report wherein it has been stated that the proposed share entitlement ratio as recommended by the valuers, which forms the basis of the proposed Scheme, is fair.

The valuation methods used by the Mr. Vardhman Doogar, Chartered Accountant (Registered Valuer) for reckoning the aforesaid share entitlement ratio and the weights assigned to each method in reckoning the value per share are given below:

[Values in INR/Rs.]

Valuation Approach	Gulshan Polyols Limited	Gulshan Holdings Private Limited	East Delhi Importers and Exporters Private Limited

	Value per Share	Weight	Value per Share	Weight	Value per Share	Weight
Adjusted Net Asset Value Method	NA	NA	1,913,284.67	1	8,686.72	1
Discounted Cash Flow Method	57.34	0.5	NA	NA	NA	NA
Market Price Method	38.69	0.5	NA	NA	NA	NA
Fair Value per share	48.01		1,913,284.67		8,686.72	
Share Exchange Ratio (Rounded off)			39,848		181	

NA: Not Applicable

Please refer to the Valuation Reports and the Fairness Opinion that are enclosed as Annexure “III” and Annexure “IV” respectively.

XIV. Inspection of Documents

In addition to the documents annexed hereto, the electronic copy of following documents will be available for inspection in the “Investor Relations-Scheme of Amalgamation” section of the website of the Company: http://www.gulshanindia.com/scheme_of_amalgamation.html. Furthermore, copies of the following documents will be open for inspection to the equity shareholders of the Transferee Company at its registered office at 9th K.M., Jansath Road, Muzaffanagar – 251001 on all days except Saturday, Sunday and public holidays up to the date of the Meeting:

- a. Order dated July 14, 2021 passed by the Hon’ble National Company Law Tribunal, Allahabad Bench in Company Application No. (CAA) No. 09/ALD of 2021
- b. Memorandum and Articles of Association of the Transferee Company and Transferor Companies;
- c. Audited Standalone and Consolidated Financial Statements of the Transferor Company No. 1 for the financial year ended March 31, 2021;
- d. Audited Standalone Financial Statements of the Transferor Company No. 2 for the financial year ended March 31, 2021;
- e. Audited Standalone Financial Statements of the Transferee Company for the financial year ended March 31, 2021 and unaudited financial results (limited reviewed) of the Transferee Company for the quarter ended June 30, 2021;
- f. Copy of the Scheme;
- g. Certificates of the Statutory Auditors of the Transferee Company and the Transferor Companies confirming that the accounting treatment prescribed under the Scheme is in compliance with Section 133 of the Act and applicable accounting standards;
- h. The Valuation Report dated 6th August, 2020 issued by Mr. Vardhman Doogar, Chartered Accountant, Registered Valuer and the Fairness Opinion Report dated 6th August, 2020 issued by M/s. Navigant Corporate Advisors Limited, a Category I Merchant Banker;
- i. Complaint report submitted by the Transferee Company to the NSE on November 03, 2020;
- j. Complaint report submitted by the Transferee Company to BSE on September 29, 2020 and November 03, 2020;
- k. Observation letter dated January 29, 2021 issued by the NSE to the Transferee Company;
- l. Observation letter dated February 01, 2021 issued by BSE to the Transferee Company;
- m. Report of the Audit Committee of the Transferee Company recommending the Scheme;
- n. Reports adopted by the respective Boards' of each of the Companies pursuant to Section 232(2)(c) of the Act;

- o. Extracts of the resolutions dated August 06, 2020 passed by the Boards' of the Transferee Company, Transferor Company No. 1 and Transferor Company No. 2, inter alia, approving the Scheme and the filing thereof with the Tribunal;
- p. Information in the format prescribed for abridged prospectus pertaining to the unlisted entity i.e., Transferor Company No. 1 involved in the Scheme as specified in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 along with the compliance report issued by D & A Financial Services (P) Limited, a Category I Merchant Banker; and
- q. Information in the format prescribed for abridged prospectus pertaining to the unlisted entity i.e., Transferor Company No. 2 involved in the Scheme as specified in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 along with the compliance report issued by D & A Financial Services (P) Limited, a Category I Merchant Banker.

Based on the above and considering the rationale and benefits, in the opinion of the Board, the Scheme will be of advantage to, beneficial and in the interest of the Transferor Companies and the Transferee Company, their shareholders, creditors and other stakeholders and the terms thereof are fair and reasonable. The Board of Directors of the Transferee Company recommend the Scheme for approval of the shareholders.

The Directors and KMPs, as applicable, of the Transferee Company and of the Transferor Companies, and their relatives do not have any concern or interest, financially or otherwise, in the Scheme except as to the extent of their shareholding in the Companies as mentioned above in the pre-scheme and post-scheme shareholding pattern.

Sd/-
Rajeev K Goel
Chairperson appointed by
Tribunal for the Meeting

Uttar Pradesh, August 14, 2021

Registered Office:

9th K.M., Jansath Road, Muzaffanagar – 251001,

Uttar Pradesh, India.

Phone: +91 11 49999200

Fax: +91 11 49999202

E-mail: cs@gulshanindia.com

Website: www.gulshanindia.com

**SCHEME OF AMALGAMATION
UNDER SECTION 230 TO 232 AND OTHER APPLICABLE
PROVISIONS OF THE COMPANIES ACT, 2013**

**AMONGST
GULSHAN HOLDINGS PRIVATE LIMITED
(TRANSEOR COMPNAY 1)**

AND

**EAST DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED
(TRANSFEROR COMPANY 2)**

AND

**GULSHAN POLYOLS LIMITED
(TRANSFEREE COMPANY)**

AND

THEIR RESPECTIVE SHAREHOLDERS

PREAMBLE

- A. This Scheme of Amalgamation (**“Scheme”**) provides for the amalgamation of Gulshan Holdings Private Limited (**“Transferor Company 1”**) and East Delhi Importers & Exporters Private Limited (**“Transferor Company 2”**) with Gulshan Polyols Limited (**“Transferee Company”**) on a going concern basis pursuant to the provisions of Section 230 to 232 read with Companies (Compromise, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions of the Companies Act, 2013.
- B. **Gulshan Holdings Private Limited (“Transferor Company 1”)** having CIN : U74899UP1985PTC128005 and PAN : AAACG5688F was incorporated on 20th November, 1985 with Registrar of Companies, Delhi & Haryana as a Private Company, Limited by Shares, and presently having its registered office at 9th K.M., Jansath Road, Muzaffarnagar - 251001, Uttar Pradesh, India.
- C. **East Delhi Importers & Exporters Private Limited (“Transferor Company 2”)** having CIN: U60231UP1997PTC129363 and PAN AABCA3294L was incorporated on 23rd July 1997 with Registrar of Companies, Delhi & Haryana as a Private Company, Limited by Shares, and presently having its registered office at 9th K.M., Jansath Road, Muzaffarnagar - 251001, Uttar Pradesh, India.
- D. **Gulshan Polyols Limited (“Transferee Company”)** having CIN L24231UP2000PLC034918 and PAN AABCG3954F was incorporated on 20th October 2000 with Registrar of Companies, Kanpur as a Public Company, Limited by Shares, and presently having its registered office at 9th K.M., Jansath Road, Muzaffarnagar - 251001, Uttar Pradesh, India.
- E. The Scheme of Amalgamation is in the interest of the Transferor Company 1 and Transferor Company 2 and Transferee Company, their respective shareholders and creditors.

INTRODUCTION

1. This Scheme of Amalgamation (**“Scheme”**) is presented pursuant to the provisions of Sections 230-232 and other relevant provisions of the Companies Act, 2013 (**“the Act”**) as may be applicable, and in compliance with the applicable Section(s) of the Income-Tax Act, 1961 for the following:
 - 1.1 Amalgamation (merger by absorption) of Gulshan Holdings Private Limited (**“Transferor Company 1”**) into and with Gulshan Polyols Limited

(“Transferee Company”) and consequent dissolution of the Transferor Company 1 without winding up; and

1.2 Amalgamation (merger by absorption) of East Delhi Importers & Exporters Private Limited (“Transferor Company 2”) into and with Gulshan Polyols Limited (“Transferee Company”) and consequent dissolution of the Transferor Company 2 without winding up.

1.3 The Scheme of divided into the following parts:

Part	Particulars
I.	Background, Rationale, Definitions, Effective Date and Share Capital
II.	Amalgamation, transfer and vesting of Undertaking of the Transferor Company 1 and Transferor Company 2 into and with the Transferee Company and the matters incidental thereto.
III.	Consideration by the Transferee Company
IV.	Accounting Treatment
V.	Dissolution of Transferor Companies and matters incidental thereto

The Transferor Company 1 and Transferor Company 2 are collectively referred to herein as the Transferor Companies.

PART I: BACKGROUND, RATIONALE, DEFINITIONS, EFFECTIVE DATE AND SHARE CAPITAL

1. BACKGROUND AND DESCRIPTION OF THE COMPANIES

1.1 GULSHAN POLYOLS LIMITED (hereinafter referred as **“GPL”** or **“Transferee Company”**), is a public limited Company within the meaning of the Companies Act, 2013 having its registered office at 9th K.M., Jansath Road, Muzaffarnagar - 251001, Uttar Pradesh, India and Corporate Identity Number (CIN) L24231UP2000PLC034918. The equity shares of GPL are listed at BSE Limited (**“BSE”**) and National Stock Exchange of India Limited (**“NSE”**). GPL was originally incorporated on 20th October 2000 as a limited Company under the provisions of the Companies Act, 1956. The Permanent Account Number (**PAN**) of the Company is AABCG3954F. The Transferee Company is the subsidiary of the Transferor Company 1.

Transferee Company is engaged in the business of manufacturing multi-products such as starch sugar, high fructose rice syrup, brown rice syrup, rice syrup solids, calcium carbonate, agro based animal feed and alcohol. Further, the Transferee Company is engaged in installing onsite PCC plants.

1.2 GULSHAN HOLDINGS PRIVATE LIMITED (hereinafter referred to as **“GHPL”** or **“Transferor Company 1”**), is a private limited Company within the meaning of the Companies Act, 2013, having its registered office at 9th K.M., Jansath Road, Muzaffarnagar - 251001, Uttar Pradesh, India and Corporate Identity Number (CIN) U74899UP1985PTC128005. GHPL was originally incorporated as a Company limited by shares on 20th November, 1985 under Companies Act, 1956 under the name of **“Gulshan Marketing Private Limited”**. Thereafter, pursuant to Section 23 of the Companies Act, 1956 and under the order of the Central Government, the name of the Company was changed to Gulshan Holdings Private Limited and a fresh certificate of change of name was issued to the Company on February 14, 2002. The Company by a special resolution shifted its registered office from the State of Delhi to the State of Uttar Pradesh from the jurisdiction of Registrar of Companies, NCT of Delhi & Haryana to the Registrar of Companies, Kanpur, and the same was confirmed by the order of the Regional Director, Northern Region, Delhi dated February 25, 2020. A certificate of registration issued by Registrar of Companies for the change of state was issued to the Company on March 19, 2020. The Permanent Account Number (PAN) of the Company is AAACG5688F. The Equity Shares of the Transferor Company 1 are not listed on any of the Stock Exchanges. The Transferor Company 1 is the holding Company of Transferee Company.

Transferor Company 1 is engaged in the business of acquiring, investing and holding shares in companies having similar objects or companies providing value benefit, and guaranteeing the payment of money unsecured or secured by or payable under or in respect of contractual obligations. Also, The Transferor Company 1 is engaged in the business of trading goods.

1.3 EAST DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED (hereinafter referred to as **“EDIEPL”** or **“Transferor Company 2”**) is a private limited Company within the meaning of the Companies Act, 2013, having its registered office at 9th K.M., Jansath Road, Muzaffarnagar - 251001, Uttar Pradesh, India and Corporate Identity Number (CIN) U60231UP1997PTC129363. EDIEPL was originally incorporated as a Company limited by shares on 23rd July, 1997 under Companies Act, 1956 under the name of **“Atul Transport Private Limited”**. Thereafter, pursuant to Section 23 of the Companies Act, 1956 and under the order of the Central Government, the name

of the Company was changed to East Delhi Importers and Exporters Private Limited and a fresh certificate of change of name was issued to the Company on June 23, 2007. The Company by a special resolution shifted its registered office from the State of Delhi to the State of Uttar Pradesh from the jurisdiction of Registrar of Companies, NCT of Delhi & Haryana to the Registrar of Companies, Kanpur, and the same was confirmed by the order of the Regional Director, Northern Region, Delhi dated February 25, 2020. A certificate of registration issued by Registrar of Companies, Kanpur for the change of state was issued to the company on June 10, 2020. The Permanent Account Number (PAN) of the Company is AABCA3294L. The Equity Shares of the Transferor Company 2 are not listed on any of the Stock Exchanges.

Transferor Company 2 is engaged in the business of importing, exporting, dealing and trading multi-products which includes but not limited to textile products, chemicals, sugar and related products, engineering goods, molasses, grains, glassware, alcohol, oils, paper and related products, wood and timber etc. Further, the Company is engaged in the business as general carriers, transporters and freight forwarders, and exporting, importing, trading and dealing in the computer software, programmes, computer hardware and peripherals.

2. RATIONALE FOR THE SCHEME

With a view to consolidate complementary and similar businesses under a single entity and to achieve a streamlined corporate structure by way of group reorganisation, the management has envisaged to undertake the amalgamation of the Transferor Companies in the Transferee Company under this Scheme.

The amalgamation of the Transferor Companies with the Transferee Company would *inter alia* have the following benefits:

- a) Ensuring a streamlined group structure by reducing the number of legal entities;
- b) Reducing the multiplicity of legal and regulatory compliances required at present;
- c) Eliminating duplicative communication and coordination efforts across multiple entities;
- d) Rationalising cost by eliminating multiple record keeping and administrative functions;

- e) Help in achieving improved operational efficiency and optimum advantages and synergy in operations by combining the activities of the Transferor Companies with the Transferee Company. Accordingly, the Scheme would strengthen and complement the businesses of the Companies;
- f) The amalgamated entity will benefit from optimum utilization of manpower through improved organizational capacity and leadership, arising from the combination of people from the Transferor Companies and Transferee Company which have diverse skills, talent, management expertise, enlarged knowledge base and vast experience to compete successfully in an increased competitive industry;
- g) The amalgamated entity shall reduce fixed costs by removing duplicate departments, operations and lower the cost of the Company relative to the same revenue stream and shall thus increase the profit margins;
- h) Under a liberalised, fast changing and highly competitive environment, this amalgamation shall strengthen the business of the Transferor Companies and the Transferee Company by pooling up the resources, land, investment and assets for common purpose and hence optimum utilization;
- i) The amalgamation will result in better economic control, increased financial strength and flexibility and enhance the ability of the amalgamated entity to undertake large projects, thereby contributing to enhancement of future business potential;
- j) The amalgamation would not only lead to simplification of the shareholding structure and reduction of the shareholding tiers, but also demonstrate the promoter group direct commitment to and engagement with the Transferee Company;
- k) The amalgamation would lead to infusion of investments in forms of bank deposits, bank balance, securities etc. into the Transferee Company which will enhance the capability of the Transferee Company to undertake operations at an enhanced business potential.

In view of the aforesaid, the Board of Directors of the Transferor Companies as well as the Transferee Company have considered and proposed the amalgamation of the entire undertakings and businesses of the Transferor Companies with the Transferee Company in order to benefit the stakeholders of both Transferor Companies and Transferee Company. Accordingly, the Board of Directors of all the companies have formulated this Scheme of Amalgamation for the transfer and

vesting of the entire undertakings and businesses of the Transferor Companies to the Transferee Company pursuant to the provisions of Section 230 to Section 232 of the Companies Act, 2013, read with applicable Rules made thereunder and other applicable provisions of the Companies Act, 2013.

The Scheme is in the interest of the shareholders, creditors and employees of the Transferor and Transferee Companies and their stakeholders and would enable the Transferee Company to adopt a focused business approach for the maximization of benefits to the stakeholders. The Scheme shall not in any manner be prejudicial to the general public at large.

3. DEFINITIONS AND INTERPRETATIONS

DEFINITIONS

In this Scheme (as defined hereafter), unless repugnant to the meaning or context thereof, the following expressions shall have the following:

- i. **"Act" or "the Act"** means the Companies Act, 2013 (to the extent notified) and shall include any statutory modifications, re-enactment or amendments thereof for the time being in force and includes any rules, regulations, circulars or guidelines issued thereunder, as amended from time to time and shall include the Companies Act, 1956 (to the extent still in force);
- ii. **"Appointed Date"** means 1st April, 2020 or such other date as may be fixed or approved by the Appropriate Authority;
- iii. **"Appropriate Authority"** means any government, statutory, regulatory, departmental or public body or authority having jurisdiction over the Transferor Companies and the Transferee Company, including the Central Government, Regional Director, Registrar of Companies, the National Company Law Tribunal, NSE, BSE and SEBI;
- iv. **"Assets"** in relation to Transferor Companies means Fixed Assets, Loans and Advances, Investments, Current Assets, debit balance in Profit and Loss account and any other assets as per the books of the Transferor Companies as at March 31, 2020;
- v. **"Board of Directors" or "Board"** shall mean the Board of Directors of Transferor Companies and/or Transferee Company as the case may be and may include a duly constituted committee thereof for implementation of the Scheme;

- vi. **"BSE"** means BSE Limited;
- vii. **"Companies"** means collectively, the Transferor Companies and the Transferee Company;
- viii. **"Effective Date"** means the date on which the final order of the NCLT has been passed approving the Scheme either on the terms as originally approved by the Parties to the Scheme, or subject to such modifications as may be approved by the NCLT, as shall in the form and substance be acceptable to the Transferee and Transferor Companies and also read with conditions set out in Clause 5 and Clause 16.2.
References in this Scheme to "upon this Scheme becoming effective" or "effectiveness of this Scheme" or "Coming into Effect of this Scheme" shall mean the Effective Date;
- ix. **"Liabilities"** in relation to the Transferor Companies means Loan Funds, Current Liabilities, Reserves and Surpluses (including balance in Profit and Loss Account), provisions and all other liabilities of the Transferor Companies as per the books of the Transferor Companies as at March 31, 2020;
- x. **"National Company Law Tribunal" or "NCLT"** means the Hon'ble National Company Law Tribunal, Allahabad Bench;
- xi. **"NSE"** means National Stock Exchange of India Limited;
- xii. **"IT Act"** means the Income Tax Act, 1961 and shall include any statutory modifications, re-enactments or amendments thereof (including Income Tax Rules) for the time being in force;
- xiii. **"Proceedings"** include any suit, appeal or any legal proceeding of whatsoever nature in any Court of law, or tribunal or any judicial or quasi-judicial body or any assessment proceeding before any Statutory/Regulatory Authority under any law and also includes arbitration proceeding;
- xiv. **"Record Date"** means the date, after the Effective Date fixed by the Board of the Transferee Company for the purpose of determining the shareholders of the Transferor Companies to whom shares of the Transferee Company shall be issued and allotted pursuant to amalgamation under this Scheme;

- xv. **"Registrar of Companies" or "ROC"** means the relevant Registrar of Companies having territorial jurisdiction in the state(s) in which the respective registered offices of the Companies are located;
- xvi. **"SAST Regulations"** means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time;
- xvii. **"Scheme" or "this Scheme" or "the Scheme of Amalgamation"** means this Scheme of Amalgamation in its present form as submitted to the NCLT or this Scheme with any amendment(s) or modification(s) if any, made by the shareholders of the respective Companies and accepted by the Board of the respective Companies or such modification(s) as may be imposed by any Appropriate Authority and / or directed to be made by the NCLT while sanctioning the Scheme and accepted by the Boards of the respective Companies;
- xviii. **"SEBI"** means the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992;
- xix. **"SEBI Circulars"** means (i) Circular No. CFD/DIL3/CIR/2017/21 dated March 10 2017, (ii) Circular No. CFD/DIL3/CIR/2017/26 dated March 23, 2017, (iii) SEBI Circular No. CFD/DIL3/CIR/2017/105 dated September 21, 2017, (iv) SEBI Circular No CFD/DIL3/CIR/2018/2 dated January 03, 2018, (v) SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2019/192 dated September 12, 2019 issued by SEBI or any other circulars issued by SEBI applicable to scheme of arrangement from time to time;
- xx. **"Stock Exchanges"** means BSE and NSE collectively;
- xxi. **"Transferor Companies"** means Gulshan Holdings Private Limited and East Delhi Importers & Exporters Private Limited;
- xxii. **"Transferee Company"** means Gulshan Polyols Limited;
- xxiii. **"Undertaking" or "Undertaking of the Transferor Companies"** shall mean and include the whole of the assets, properties, liabilities and the undertaking(s) and entire business(es) of the Transferor Companies as a going concern and specifically include the following (without limitation):

- (a) All the assets and properties (whether movable or immovable, if any, tangible or intangible, real or personal, corporeal or incorporeal, present, future or contingent of whatsoever nature and wherever situated) of the Transferor Companies, including, without being limited to all their lands (freehold or leasehold), buildings, factory, work shop, all plant and machinery, fixed assets, godown, guest house, tenancy right, work in progress, show room, office equipment, accessories, power lines, power station, substation, railway tracks, vehicles, furniture and fixtures, deposits, assets, current assets, premises, investments of all kinds (including shares, scripts, stocks, bonds, debenture stocks, units), cash balances including with banks, loans (including working capital loan), advances, contingent rights or benefits, receivables, refunds, claims, earnest moneys, advances or deposits paid by the Transferor Companies, their goodwill, financial assets, lease and hire purchase contracts, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantee, reversions, powers, municipal permissions, authorities, allotments, approvals, consents, licences, registrations, contracts, engagements, arrangements, customer contracts, customer approvals, rights, titles, interests, benefits and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of, or enjoyed by the Transferor Companies including licenses, fixed and other assets, trade and service names liberties, patents, brand, trademarks, logo, designs, copyrights and other intellectual property rights of any nature whatsoever, import licences, quotas, permits, concessions, subsidies, approvals, authorisations, right to use and avail of telephones, telexes, facsimile connections, LAN installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets and properties and all agreements and all other interests held in trust, registrations, contracts, engagements, arrangements of all kinds, privileges and all other rights, benefits of all agreements, subsidies, grants, incentives, tax and other credits [including but not limited to credits in respect of Tax, income-tax, minimum alternate tax i.e. tax on book profits, (whether recorded or not in the financial statements), tax deducted at source, tax collected at source, advance tax, goods and service tax, value added tax, central sales tax, sales tax, CENVAT, MODVAT, excise duty, service tax, custom duty, octroy, entry tax etc.), tax losses (including unabsorbed depreciation), brought forward tax losses, book losses for minimum

alternate tax purposes, tax benefits and other claims and powers, all books of accounts, documents and records of whatsoever nature and wheresoever situated, easements, arrangements of all kind, privileges, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in the control of or vested or granted in favour of or enjoyed by the Transferor Companies or in connection with or relating to that of the Transferor Companies and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Companies

- (b) all intellectual property rights including patents designs, copyrights, trademarks, brands (whether registered or otherwise), logo, advertisement banner, goodwill, records, files, papers, computer programs, manuals, data, catalogues, sales material, lists of customers and suppliers, other customer information and all other records and documents relating to the business, activities and operations of the Transferor Companies;
- (c) all letters of intent, request for proposal, prequalification, bid acceptances (including benefit arising out of or in relation to any bank guarantees submitted to any authority in respect thereof by the Transferor Companies), tenders, contracts, deeds, memorandum of understanding, bonds, agreements, arrangements, track-record, technical know-how, technical experience (including experience in executing projects), experience, goodwill and all other rights, claims and powers and any other instrument of whatsoever nature and wheresoever situated belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Companies for all intents and purposes and specifically including but not limited to, the turnover, the profitability, performance, and market share, prequalification, net worth and reserves of the Transferor Companies;
- (d) right to any claim not preferred or made by the Transferor Companies in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Company and any interest thereon, with regard to any law, act or rule or Scheme made by the Government, and in respect of set-off, carry forward of unabsorbed losses and/or unabsorbed depreciation, deferred revenue expenditure, deduction, exemption, rebate, allowance,

amortization benefit, etc. under the Income-tax Act, 1961, or taxation laws of other countries, or any other or like benefits under the said statute(s) or under and in accordance with any law or statute, whether in India or anywhere outside India;

- (e) all debts (secured and unsecured), liabilities including contingent liabilities, duties, leases of the Transferor Companies and all other obligations of whatsoever kind, nature and description. Provided that, any reference in the security documents or arrangements entered into by the Transferor Companies and under which, the assets of the Transferor Companies stand offered as a security, for any financial assistance or obligation, the said reference shall be construed as a reference to the assets pertaining to that Undertakings of the Transferor Companies only as are vested in Transferee Company by virtue of the Scheme and the Scheme shall not operate to enlarge security for any loan, deposit or facility created by the Transferor Companies which shall vest in Transferee Company by virtue of the amalgamation and Transferee Company shall not be obliged to create any further or additional security thereof after the amalgamation has become effective;
- (f) all other obligations of whatsoever nature, including liabilities of the Transferor Companies with regard to their employees with respect to the payment of gratuity, pension benefits and the provident fund or compensation, if any, in the event of resignation, death, voluntary retirement or retrenchment;
- (g) all staff, workmen, and employees engaged in or relating to the business activities and operations of the Transferor Companies;
- (h) all balances with government, quasi-government authorities, municipal, local and other authorities and bodies, customers and any other persons, earnest moneys and/or security deposits paid or received by the Transferor Companies; and
- (i) all books, records, files, papers, product specifications and process information, records of standard operating procedures, computer programs along with their licenses, manuals and backup copies, drawings, other manuals, data catalogues, emails, presentation, correspondences /communications with third parties/authorities, quotations, sales and advertising materials, lists of present and former

customers and suppliers, customer credit information, customer pricing information, and other records whether in physical or electronic form.

It is intended that the definition of Undertakings of the Transferor Companies under this clause will enable the transfer of all property, assets, rights, duties, obligations, entitlements, benefits, employees and liabilities of Transferor Companies with Transferee Company pursuant to this Scheme becoming effective.

INTERPRETATION

In this Scheme, unless the context otherwise requires:

- (a) references to persons shall include individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships;
- (b) the headings are inserted for ease of reference only and shall not affect the construction or interpretation of this Scheme;
- (c) words in the singular shall include the plural and vice versa;
- (d) references to a clause or paragraph or schedule, as applicable, shall be deemed to be a reference to a clause or paragraph or schedule of this Scheme;
- (e) reference to the words 'hereof', 'herein' and 'hereby' and derivatives or similar words refer to this entire Scheme;
- (f) references to the words 'including', 'inter-alia' or any similar expression, shall be construed as illustrative and shall not limit the sense of the words preceding those terms; and
- (g) all the expressions which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 (including the regulations made thereunder), the Depositories Act, 1996, the IT Act or any other applicable laws, rules, regulations, bye laws, as the case may be, including any statutory modification or re-enactment thereof from time to time.
- (h) Any reference to any statute or statutory provision shall include:
 - i. all subordinate legislations made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated from time to time) and any retrospective amendment; and
 - ii. such provision as from time to time amended, modified, re-enacted or consolidated (whether before or after the filing of this Scheme) to the extent such amendment, modification, re-enactment or consolidation applies or is capable of applying to the matters contemplated under

this Scheme and (to the extent liability thereunder may exist or can arise) shall include any past statutory provision (as amended, modified, re-enacted or consolidated from time to time) which the provision referred to has directly or indirectly replaced.

4. SHARE CAPITAL OF THE COMPANIES

4.1 The Share Capital of **Transferee Company** as on 31st March, 2020 is as under:

4.1.1 Authorised Capital is Rs. 37,25,00,000 (Rupees Thirty Seven Crores and Twenty Five Lacs Only) divided into:

- i. Equity Share Capital of Rs. 22,50,00,000/- (Rupees Twenty Two Crores and Fifty Lacs Only) consisting of 22,50,00,000 (Twenty Two Crore and Fifty Lacs) Equity Shares of Rs. 1/- each;
- ii. Preference Share Capital Rs. 25, 00, 000/- (Rupees Twenty Five Lacs only) consisting of 2,50,000 (Two Lacs and Fifty Thousand) 0% (Zero Percent) Redeemable Preference Shares of Rs. 10/- each;
- iii. Preference Share Capital Rs. 14,50,00,000/- (Rupees Fourteen Crores and Fifty Lacs Only) consisting of 14,50,000 (Fourteen Lacs and Fifty Thousand) 0% -10% (Zero Percent to Ten Percent) Redeemable Preference Shares of Rs. 100/- each.

4.1.2 The issued, subscribed and paid up capital as at 31st March, 2020 was Rs. 14,44,17,020 (Rupees Fourteen Crores Forty Four Lacs Seventeen Thousand and Twenty Only) given as under:

- i. Equity Share Capital of Rs. 4,69,17,020/- (Rupees Four Crores Sixty Nine Lacs Seventeen Thousands and Twenty Only) consisting of 4,69,17,020 (Four Crores Sixty Nine Lacs Seventeen Thousands and Twenty) Equity Shares of Rs. 1/- each;
- ii. Preference Share Capital of Rs. 9,75,00,000 (Rupees Nine Crore and Seventy Five Lacs Only) consisting of 9,75,000 (Nine Lacs and Seventy Five Thousands) 8% Redeemable Preference Shares of Rs. 100/- each.

4.2 The Share Capital of **Transferor Company 1** as on 31st March, 2020 is as under:

4.2.1 Authorised Capital is Rs. 5,55,00,000 (Rupees Five Crores and Fifty Five Lacs Only) divided into 55,500 (Fifty Five Thousands and Five Hundreds) Equity Shares of Rs. 1000/- each.

4.2.2 The issued, subscribed and paid up share capital is Rs. 7,07,000 (Rupees Seven Lacs and Seven Thousands Only) divided into 707 (Seven Hundreds and Seven) Equity Shares of Rs. 1000/- each.

4.3 The Share Capital of **Transferor Company 2** as on 31st March, 2020 is as under:

4.3.1 Authorised Capital is Rs. 1,00,000 (Rupees One Lac Only) divided into 10,000 (Ten Thousands) Equity Shares of Rs. 10/- each.

4.3.2 The issued, subscribed and paid up share capital is Rs. 1,00,000 (Rupees One Lac Only) divided into 10,000 (Ten Thousands) Equity Shares of Rs. 10/- each.

5. DATE WHEN THE SCHEME COMES INTO OPERATION

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by NCLT, unless otherwise specified in the Scheme, operative from the Appointed Date as specified herein, shall become effective on the date on which certified copies of the final order of the Hon'ble NCLT sanctioning the Scheme as issued to the Transferor Companies and the Transferee Company and the same has been filed with the Registrar of Companies.

PART II

TRANSFER AND VESTING OF UNDERTAKING OF TRANSFEROR COMPANIES

6. TRANSFER OF UNDERTAKING OF TRANSFEROR COMPANIES

6.1 General

Upon coming into effect of this Scheme and with effect from the Appointed Date, the Undertakings of the Transferor Companies shall, pursuant to the sanction of this Scheme by the NCLT and pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, be and stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, as a going concern without any further act, instrument, deed, matter or thing so as to become, and as and from the Appointed Date, the properties, estates, assets, titles and interests of the Transferee Company by virtue of and in the manner provided in the Scheme subject to all charges, liens, mortgages, lis-pendens, if any, then affecting the same or any part thereof and all the creditors of the Transferor Companies shall become the creditors of the Transferee Company on the same terms and conditions.

6.2 Transfer of Assets

6.2.1 Without prejudice to the generality of Clause 6.1 above, upon coming into effect of this Scheme and with effect from the Appointed Date:

- (a) All assets and properties comprised in the Undertakings of the Transferor Companies of whatsoever nature and wheresoever situated, shall, under the provisions of Section 230 to 232 and all other applicable provisions, if any, of the Act, without any further act or deed be and stand transferred to and vested in the Transferee Company or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become, as and from the Appointed Date, the assets and properties of the Transferee Company.

Provided that Board of Directors of the Transferee Company shall be entitled, at its discretion and as may be advised or considered fit, expedient or necessary, to determine the classification/reclassification and treatment of any or all of the assets and/or employees or any other rights, interests, obligations or anything else transferred to and vested in the Transferee Company pursuant to this Scheme.

- (b) Without prejudice to the provisions of sub-clause (a) above in respect of such of the assets and properties of the Transferor Companies, as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and/or delivery, the same shall be so transferred by the Transferor Companies and shall, upon such transfer, become the assets and properties of the Transferee Company as an integral part of its Undertakings without requiring any deed or instrument or conveyance for the same.
- (c) In respect of the movables other than those dealt with in sub-clause (b) above including sundry debtors, receivables, bills, loans and advances, if any, whether recoverable in cash or in kind or for value to be recovered, bank balances, investments, earnest money and deposits with any Government, quasi-government authorities, local or other authority or body or with any company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the transferee Company without any notice or other intimation to the debtors (although the Transferee company may if it so deems appropriate, give notice in such form as it may deem fit and proper, to each person, debtors or depositors, as the case may be, that the said debt, loan, advance, balance or deposit stand transferred and vested in the Transferee Company).

- (d) The mutation of the ownership title, or interest in the immovable properties (whether freehold or leasehold of whatsoever nature and wherever so situated) related to the Transferor Companies in favour of the Transferee Company shall be made and duly recorded by the appropriate authorities pursuant to the sanction of this Scheme and it becoming effective without any other deed or act required therefor in accordance with the terms thereof.
- (e) All the licenses, permits, quotas, approvals, permissions, registrations, incentives, sales tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, customer registrations, customer approvals, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Companies and all rights and benefits that have accrued or which may accrue to the Transferor Companies, whether before or after the Appointed Date, shall under the provisions of Section 230 to 232 of the Act and all other applicable provisions, if any, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or deemed to be transferred to and vested in or be available to the Transferee Company so as to become as and from the Appointed Date, licences, permits, quotas, approvals, permissions, registrations, incentives, sales tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, customer registrations, customer approvals, liberties, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.
- (f) In so far as the various incentives, subsidies, special status and other benefits or privileges enjoyed (including minimum alternate tax, input tax credit, goods and services tax, sales tax, excise duty, custom duty, service tax, value added tax and other incentives), granted by any Government body, local authority or by any other person and availed of by the Transferor Companies is concerned, the same shall vest with and be available to the Transferee Company on the same terms and conditions as presently available to the Transferor Companies.
- (g) With effect from the Appointed Date all permits, quotas, rights, entitlements, tenancies and licenses relating to brands, trademarks, patents, copy rights, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Undertakings of

the Transferor Companies and which are subsisting or having effect immediately before the Appointed Date, shall be and remain in full force and effect in favour of the Transferee Company and may be enforced fully and effectually as if, instead of the Transferor Companies, the Transferee Company had been a beneficiary or obligee thereto.

- (h) With effect from the Appointed Date any statutory licenses, permissions, quotas, permits, approvals, consents, registrations, eligibility certificates, pre-qualification criteria, technical experience, fiscal incentives and no-objection certificates obtained and/or held by the Transferor Companies for their operations and/or to which the Transferor Companies are entitled to in terms of the various Statutes and / or Schemes of Union and State Governments, shall be available to and vest in, and/or be transferred to, the Transferee Company without any further act or deed and shall be appropriately mutated by the statutory authorities or any other person concerned therewith in favour of the Transferee Company. Since the Undertakings of the Transferor Companies will be transferred to and vested in the Transferee Company as going concerns without any break or interruption in the operations thereof, the Transferee Company shall be entitled to the benefit of all statutory and regulatory permissions, licenses, environmental approvals and consents including the statutory licenses, permissions or approvals or consents required to carry on the operations of the Transferor Companies shall vest in, and become available to, the Transferee Company upon the Scheme coming into effect.
- (i) The Transferor Companies shall, if so required, also give notice in such form as it may deem fit and proper to the debtors, that pursuant to the sanction of this Scheme by Appropriate Authority under and in accordance with Sections 230 to 232 and all other applicable provisions, if any, of the Act, the said debtors shall pay to the Transferee Company the debt, loan or advance or make payment of the same on account of the Transferor Companies and the right of the Transferor Companies to recover or realize the same stands extinguished.

6.2.2 All assets and properties of the Transferor Companies as on the Appointed Date, whether or not included in the books of the respective Transferor Companies, and all assets and properties, which are acquired by the

Transferor Companies on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of the Transferee Company and shall under the provisions of Sections 230 to 232 and all other applicable provisions if any of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme pursuant to the provisions of Section 230 to 232 of the Act, provided however that no onerous asset shall have been acquired by the Transferor Companies after the Appointed Date without the prior written consent of the Transferee Company.

6.3 From the Effective Date and till such time that the names of the bank accounts of the Transferor Companies are replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Companies, in its name, in so far as may be necessary.

6.4 In relation to the assets, properties and rights including rights arising from contracts, deeds, instruments and agreements, if any, which require separate documents of transfer including documents for attornment or endorsement, as the case may be, the Transferee Company will execute the necessary documents of transfer including documents for attornment or endorsement, as the case may be, as and when required or will enter into a novation agreement.

6.5 Transfer of Liabilities

6.5.1 Upon coming into effect of this Scheme and with effect from the Appointed Date, all Liabilities relating to and comprised in the respective Undertakings of the Transferor Companies shall, pursuant to the sanction of this Scheme by the Appropriate Authority and under the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, and the same shall be assumed by the Transferee Company to the extent they are outstanding on the Effective Date so as to become as from the Appointed Date the Liabilities of the Transferee Company on the same terms and conditions as were applicable to the respective Transferor Companies and the Transferee Company shall meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is party to any contract or arrangement by virtue of which such Liabilities have arisen in order to give effect to the provisions of this clause.

- 6.5.2 All debts, liabilities, duties and obligations of all the Transferor Companies shall, as on the Appointed Date, whether or not provided in the books of the respective Transferor Companies, and all debts and loans raised and used, and duties, liabilities and obligations incurred or which arise or accrue to the respective Transferor Companies on or after the Appointed Date till the Effective Date shall be deemed to be and shall become the debts, loans raised and used, duties, liabilities and obligations incurred by the Transferee Company by virtue of this Scheme.
- 6.5.3 Where any such debts, liabilities, duties and obligations of the respective Transferor Companies as on the Appointed Date have been discharged by the Transferor Companies after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to be for and on account of the Transferee Company.
- 6.5.4 All loans raised and utilized and all liabilities, duties and obligations incurred or undertaken by the respective Transferor Companies after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme and under the provisions of Sections 230 to 232 of the Act, without any further act, instrument or deed be and stand transferred to or vested in or deemed to have been transferred to and vested in the Transferee Company and shall become the loans and liabilities, duties and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
- 6.5.5 Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the respective Transferor Companies and the Transferee Company shall, *ipso facto*, stand discharged and come to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Transferee Company. It is hereby clarified that there will be no accrual of interest or other charges in respect of any such inter-company loans, advances and other obligations with effect from the Appointed Date.
- 6.5.6 The Transferee Company may, at any time, after the coming into effect of this Scheme in accordance hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of the creditors, or lenders, as the case may be, or in favour of any other party to the contract or arrangement to which the Transferor Companies are party or any writing, as may be necessary, in order to give formal effect to the provisions mentioned herein.

The Transferee Company shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of the Transferor Companies as well as to implement and carry out all such formalities and compliances referred to above.

6.5.7 The Scheme shall not operate to enlarge the security for any loan, deposit or facility created by or available to the Transferor Companies which shall vest in the Transferee Company by virtue of the amalgamation and the Transferee Company shall not be obliged to create any further, or additional security therefor after the amalgamation has become effective or otherwise.

6.5.8 Without prejudice to the foregoing provisions of this Clause 6.5.1:

- i. All debentures, bonds, notes or other debt securities, if any, of the Transferor Companies relating to the Liabilities comprised in their respective Undertakings (hereinafter referred to as the "**Debt Securities**") shall, under the provisions of Sections 230 to 232 and other relevant provisions of the Act, without any further act, instrument or deed, become the Debt Securities of the Transferee Company on the same terms and conditions and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in and shall be exercised by or against the Transferee Company to the same extent as if it were the respective Transferor Companies in respect of the Debt Securities so transferred and vested.
- ii. Any Debt Securities issued by the Transferor Companies and held by the Transferee Company shall, unless sold or transferred by the Transferee Company at any time prior to the Effective Date, stand cancelled as on the Effective Date and be of no effect and the Transferor Company shall have no further obligation in that behalf.

6.5.9 Any loans or other obligations, if any, due inter-se i.e. between the Transferor Companies with the Transferee Company as on the Appointed Date, and thereafter till the Effective Date, shall stand automatically extinguished.

6.6 Encumbrances

6.6.1 The transfer and vesting of the assets comprised in the respective Undertakings of the Transferor Companies to and in the Transferee Company under Clause 6.1 and Clause 6.2 of this Scheme shall be subject to the mortgage and charges, if any, affecting the same as hereinafter provided.

6.6.2 All the existing securities, charges, encumbrances or liens (**the "Encumbrances"**), if any, created by the Transferor Companies after the Appointed Date, in terms of the Scheme, over the assets comprised in their respective Undertakings or any part thereof transferred to the Transferee Company by virtue of this Scheme and in so far as such Encumbrances secure or relate to Liabilities of the Transferor Companies, the same shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company and such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company.

6.6.3 The transfer and vesting of the Undertakings of the Transferor Companies as aforesaid shall be subject to the existing securities, encumbrances, charges and mortgages, if any, subsisting, over or in respect of the property and assets or any part thereof of the Transferor Companies.

Provided however, that any reference in any security documents or arrangements (to which the Transferor Companies, is a party) pertaining to the assets of Transferor Companies offered or agreed to be offered as security for any financial assistance or obligations, shall be construed as reference only to such assets, as are offered or agreed to be offered as security, pertaining to the Transferor Companies as are vested in the Transferee Company by virtue of the aforesaid clauses, to the end and intent that such security, charge and mortgage shall not extend or be deemed to extend, to any of the other assets of the Transferor Companies or any of the assets of the Transferee Company. Further, the Transferee Company shall not be required to create any additional security over assets acquired by it under the Scheme for any loans, deposits or other financial assistance availed /to be availed by the Transferor Companies.

6.6.4 The existing Encumbrances over the assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective Date shall continue to relate to such assets and properties and shall not extend or attach to any of the assets and properties of the Transferor Companies transferred to and vested in the Transferee Company by virtue of this Scheme.

6.6.5 Any reference in any security documents or arrangements (to which a Transferor Company is a party) to the respective Transferor Company and in assets and properties, shall be construed as a reference to the Transferee

Company and the assets and properties of the Transferor Company transferred to the Transferee Company by virtue of this Scheme. Without prejudice to the foregoing provisions, the respective Transferor Company and the Transferee Company may execute any instruments or documents or do all acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge, with the Registrar of Companies to give formal effect to the above provisions, if required.

- 6.6.6 Upon the coming into effect of this Scheme, the Transferee Company alone shall be liable to perform all obligations in respect of the liabilities, which have been transferred to it in terms of the Scheme.
- 6.6.7 It is expressly provided that, save as herein provided, no other term or condition of the liabilities transferred to the Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication.
- 6.6.8 The provisions of this Clause 6.6.8 shall operate in accordance with the terms of the Scheme, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security documents; all of which instruments, deeds or writing shall stand modified and/or superseded by the foregoing provisions.
- 6.6.9 The Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute Deeds of Confirmation in favour of the secured creditors of the Transferor Companies or in favour of any other party to any contract or arrangement to which the respective Transferor Companies is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions of the Scheme, be deemed to be authorised to execute any such writings on behalf of the respective Transferor Companies and to implement or carry out all such formalities or compliance referred to above on the part of the respective Transferor Companies, required to be carried out or performed.

6.7 Taxes

All taxes (including but not limited to advance tax, self-assessment tax, regular tax, tax deducted at source, minimum alternate tax credits, dividend distribution tax, securities transaction tax, taxes withheld / paid in foreign country, value added tax, sales tax, service tax, goods and service tax etc.) paid / payable by or refunded

/ refundable to the Transferor Companies with effect from the Appointed Date, including all or any refunds or claims shall be treated as the tax liability or refunds / claims etc. as the case may be, of the Transferee Company, and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions, service tax input credits, GST input credits etc., as would have been available to the Transferor Companies, shall pursuant to this Scheme becoming effective be available to the Transferee Company. This clause is to be read along with Clause 24 of this Scheme.

6.8 Inter-Se Transactions

Without prejudice to the provisions of Clauses 6.1 to 6.4, with effect from the Appointed Date, all inter-party transactions between the Transferor Companies and the Transferee Company shall be considered as intra-party transactions for all purposes from the Appointed Date. For the removal of doubt, it is clarified that upon the Scheme coming into effect and with effect from the Appointed Date, to the extent there are inter-corporate loans, deposits, obligation, balances or other outstanding as between the Transferor Companies and/or the Transferee Company, the obligations in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of the Transferee Company for the reduction of such assets or liabilities as the case may be.

7. CONTRACTS, DEEDS ETC.

- (a) Upon the coming into effect of this Scheme and subject to the provisions hereof, all contracts, deeds, bonds, agreements, schemes, arrangements, assurances and other instruments of whatsoever nature to which any Transferor Companies is a party or to the benefit of which the respective Transferor Companies may be eligible and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect on or against or in favour of, as the case may be, and be enforced as fully and effectually as if, instead of the respective Transferor Company, the Transferee Company had been party or beneficiary or obligee thereto or thereunder.
- (b) Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (deeds of adherence), confirmations or other writings or arrangements with any party to any contract or arrangement to which any of the respective Transferor Company is a party or any writings may be necessary in order to give formal effect to the

provisions of this Scheme. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the respective Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the respective Transferor Company to be carried out or performed.

- (c) For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, statutory licences, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of any of the respective Transferor Company shall stand transferred to the Transferee Company, as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder and the rights and benefits under the same shall be available to the Transferee Company. The Transferee Company shall receive relevant approvals from the concerned Government Authorities as may be necessary in this behalf.

8. LEGAL PROCEEDINGS

On and from the Appointed Date, all suits, actions and legal proceedings by or against any of the respective Transferor Company pending and/or arising on or before the Effective Date shall be continued and/or enforced as desired by the Transferee Company and on and from the Effective Date, shall be continued and/or enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been instituted and/or pending and/or arising by or against the Transferee Company. The Transferee Company undertakes to continue to abide by any agreement/settlement, if any, entered into by the respective Transferor Company with any union/employee of the respective Transferor Company.

9. TRANSFER OF PROFITS/LOSSES AND RESERVES

With effect from the Appointed Date, all profits (including losses), reserves, income accruing to or losses and expenditure, if any (including payment of penalty, damages or costs of litigation) arising to or incurred by the Undertaking of the Transferor Companies shall for all purposes, be treated as the profits or reserves or income or losses or expenditure, as the case may be of the Transferee Company.

10. CONDUCT OF BUSINESS

- 10.1 With effect from the Appointed Date and up to and including the Effective Date:

- (a) The Transferor Companies shall carry on and shall be deemed to have carried on all their business and activities as hitherto and shall hold and stand possessed of their respective Undertakings on account of, and for the benefit of and in trust for, the Transferee Company.
- (b) All profits or incomes accruing or arising to the Transferor Companies, and all expenditure or losses arising or incurred (including all taxes, if any, paid or accruing in respect of any profit and income) by the Transferor Companies shall, for all purposes, be treated and be deemed to be and accrued as the profits or incomes or as the case may be, expenditure or losses (including taxes) of the Transferee Company.
- (c) All assets howsoever acquired by the Transferor Companies for carrying on their businesses, operations or activities and the liabilities relating thereto shall be deemed to have been acquired and are also contracted for and on behalf of the Transferee Company.
- (d) All taxes (including income tax, goods and services tax, sales tax, excise duty, customs duty, service tax, VAT etc.) paid or payable by the Transferor Companies in respect of the operations and/or the profits of their respective businesses/Undertaking before the Appointed Date, or after the Appointed Date, but before the Effective Date, shall be on account of the Transferee Company and, in so far as it relates to tax payment (including, without limitation, income tax, minimum alternate tax, sales tax, goods and services tax, excise duty, custom duty, service tax, VAT etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Companies in respect of the profits or activities or operation of their respective businesses after the Appointed Date, or during the period between the Appointed Date and Effective Date, the same shall be deemed to be the corresponding amount paid by the Transferee Company and shall, in all proceedings be dealt accordingly.
- (e) Any of the rights, powers, authorities and privileges attached or related or pertaining to and exercised by or available to the Transferor Companies shall be deemed to have been exercised by the Transferor Companies for and on behalf of and as agent for the Transferee Company. Similarly, any of the obligations, duties and commitments attached, related or pertaining to their Undertaking that has been

undertaken or discharged by the Transferor Companies shall be deemed to have been undertaken or discharged for and on behalf of and as agent of the transferee Company.

10.2 With effect from the first of the dates of filing of this Scheme with the NCLT and up to and including the Effective Date:

(a) The Transferor Companies shall preserve and carry on their businesses and activities with reasonable diligence and business prudence and shall not undertake any financial commitments of any nature whatsoever, borrow any amounts nor incur any liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments either for themselves or on behalf of its subsidiaries or group companies or any third party or sell, transfer, alienate, charge, mortgage or encumber or deal with their respective Undertakings or any part thereof save and except in each case in the following circumstances:

- i. if the same is in their ordinary course of businesses as carried on by it as on date of filing this Scheme with the NCLT; or
- ii. if the same is permitted by this Scheme; or
- iii. if written consent of the Transferee Company have been obtained.

(b) The Transferor Companies shall not take, enter into, perform or undertake, as applicable (i) any material decision in relation to their businesses and affairs and operations (ii) any agreement or transaction (other than an agreement or transaction in ordinary course of the respective Transferor Company's business); and (iii) such other matters as the Transferee Company may notify from time to time; without the prior written consent of the Transferee Company.

10.3 Without prejudice to the above, the Transferor Companies from the date of filing this Scheme with the NCLT shall not make any change in their respective capital structures whether by way of increase (by issue of equity shares on a rights basis, bonus shares or otherwise), decrease, reduction, reclassification, subdivision or consolidation, reorganization, or in any other manner which may, in any way, affect the Share Exchange Ratio except under any of the following circumstances:

- (a) By mutual consent of the respective Board of Directors of the Transferor Companies and the Transferee Company; or
- (b) By way of any obligation already subsisting as on the date of filing this Scheme with the Appropriate Authority.

10.4 The Transferee Company shall also be entitled, pending sanction of the Scheme, to apply to the Central Government, State Government, and all other agencies, departments and statutory authorities concerned, wherever necessary, for such consents, approvals and sanctions which the Transferee Company may require including the registration, approvals, exemptions, relieves, etc., as may be required / granted under any law for the time being in force for carrying on businesses of the Transferor Companies.

11. EMPLOYEES

11.1 Upon coming into effect of this Scheme:

- (a) All the employees of the Transferor Companies who are in employment as on the Effective Date shall become the employees of the Transferee Company with effect from the Effective Date without any break or interruption in service and on terms and conditions as to employment and remuneration not less favourable than those on which they are engaged or employed by the Transferor Companies. It is clarified that the employees of the Transferor Companies who become employees of the Transferee Company by virtue of this Scheme, shall not be entitled to the employment policies and shall not be entitled to avail of any schemes and benefits that may be applicable and available to any of the employees of the Transferee Company (including the benefits of or under any Employee Stock Option Schemes applicable to or covering all or any of the employees of the Transferee Company), unless otherwise determined by the Transferee Company. The Transferee Company undertakes to continue to abide by any agreement/settlement, if any, entered into by the Transferor Companies with any union/employee of the Transferor Companies.
- (b) The existing provident fund, gratuity fund and pension and/or superannuation fund or trusts or retirement funds or benefits created by the Transferor Companies or any other special funds created or existing for the benefit of the concerned employees of the Transferor Companies (collectively referred to as "**Funds**") and the investment made out of such Funds shall, at an appropriate stage, be transferred to the Transferee Company to be held for the benefit of the concerned employees. The Funds shall, subject to the necessary approvals and permission and at the discretion of the Transferee Company, either be continued as separate funds of the Transferee Company for the benefit of the employees of the Transferor Companies or be transferred to and merged with other similar funds of the Transferee Company. In the event that the Transferee Company does not have its own fund with respect to any such Funds, the

Transferee Company may, subject to necessary approvals and permissions, continue to maintain the existing Funds separately and contribute therein, until such time as the Transferee Company creates its own funds into which the Funds and the investments and contributions pertaining to the employees of the Transferor Companies shall be transferred to such funds of the Transferee Company.

11.2 With effect from the first of the dates of filing of this Scheme with the Appropriate Authority and up to and including the Effective Date the Transferor Companies shall not vary or modify the terms and conditions of employment of any of its employees, except with the written consent of the Transferee Company.

11.3 It is clarified that the services of all transferred staff, workmen and employees of the Transferor Companies to the Transferee Company will be treated as having been continuous for the purpose of the aforesaid employee benefits and / or liabilities. For the purpose of payment of any retrenchment compensation, gratuity, and / or other terminal benefits, and / or any other liability pertaining to staff, workmen and employees, the past services of such staff, workmen and employees with the Transferor Companies shall also be taken into account by the Transferee Company, who shall pay the same as and when payable.

12. SAVING OF CONCLUDED TRANSACTIONS

Subject to the terms of this Scheme, the transfer and the vesting of the Undertakings of the Transferor Companies under Clause 6 of this Scheme shall not affect any transaction or proceeding already concluded by the Transferor Companies on or before the Appointed Date or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things made, done and executed by the Transferor Companies as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.

13. OTHERS

13.1 The Scheme does not involve any compromise or composition with the creditors of the Transferor Companies or the Transferee Company and the rights of the creditors of the Transferor Companies and the Transferee Company are not affected in any manner.

13.2 The charge and/or security of the secured creditors of the Transferor Companies and the transferee Company shall remain unaffected by this Scheme.

- 13.3 On and from the Effective Date, and thereafter, the Transferee Company shall be entitled to operate all bank accounts of the Transferor Companies and realise all monies and complete and enforce all pending contracts and transactions and to issue credit notes in respect of the Transferor Companies in the name of the Transferee Company in so far as may be necessary until the transfer of rights and obligations of the Transferor Companies to the Transferee Company under this Scheme have been formally given effect to under such contracts and transactions.
- 13.4 Since each of the permissions, approvals, consents, sanctions, remissions, special reservations, holidays, incentives, concessions and other authorisations in relation to the Transferor Companies, shall stand transferred by the order of the Appropriate Authority to the Transferee Company, the Transferee Company shall file the relevant intimations, for the record of the statutory authorities who shall take them on file, pursuant to the vesting orders of the Appropriate Authority.

PART III

ISSUE OF CONSIDERATIONS BY TRANSFEREE COMPANY

14. CONSIDERATION

14.1 On Merger of Transferor Company 1 with the Transferee Company (i.e. GHPL with GPL)

(a) New Shares: Upon the Scheme coming into effect, the Transferee Company shall without any further act or deed, issue and allot 39,848 (Thirty Nine Thousands Eight Hundred and Forty Eight) Equity Shares of Rs.1/- each fully paid up for every 1 (One) Equity Share of Rs.1000/- each fully paid up held by the shareholders of the Transferor Company 1 whose names appear in the register of members as on the Record Date (as defined in the Scheme) or to their respective heirs, executors, administrators, or other legal representatives or successor-in-title as the case may be.

(b) Cancellation of Shares: Upon coming into effect of this Scheme, 2,63,75,047 (Two Crores Sixty Three Lacs Seventy Five Thousands and Forty Seven) Equity Shares of the Transferee Company held by the Transferor Company 1 or such other class of shares of Transferee Company held by Transferor Company 1 as on the Effective Date shall be extinguished or shall be deemed to be extinguished and all such equity shares and preference shares held by the Transferor Company 1 in the Transferee Company shall be cancelled and shall be deemed to be cancelled without any further application, act or deed. Further, the investment in the equity shares and preference shares of the Transferee

Company, appearing in the books of Transferor Company 1 shall, without any further act or deed stand cancelled.

14.2 On Merger of Transferor Company 2 with the Transferee Company (i.e. EDIEPL with GPL)

(a) New Shares: Upon the Scheme coming into effect, the Transferee Company shall without any further act or deed, issue and allot 181 (One Hundred and Eighty One) Equity Shares of Rs.1/- each fully paid up for every 1 (One) Equity Share of Rs.10/- each fully paid up held by the shareholders of the Transferor Company 2 whose names appear in the register of members as on the Record Date (as defined in the Scheme) or to their respective heirs, executors, administrators, or other legal representatives or successor-in-title as the case may be.

(b) Cancellation of Shares: Upon coming into effect of this Scheme, 9,65,020 (Nine Lacs Sixty Five Thousands and Twenty Only) Equity Shares of the Transferee Company held by the Transferor Company 2 or such other class of shares of Transferee Company held by Transferor Company 2 as on the Effective Date shall be extinguished or shall be deemed to be extinguished and all such shares held by the Transferor Company 2 in the Transferee Company shall be cancelled and shall be deemed to be cancelled without any further application, act or deed. Further, the investment in the equity shares and preference shares of the Transferee Company, appearing in the books of Transferor Company 2 shall, without any further act or deed stand cancelled.

14.3 The new shares to be issued by Transferee Company on merger of Transferor Companies with Transferee Company shall be subject to the provisions of the Memorandum and Articles of Association of Transferee Company.

14.4 At the time of issue and allotment of the equity shares, the Board of Directors of the Transferee Company shall consolidate all fractional entitlement and allot all equity shares in lieu thereof to a corporate trustee or such other authorised representative(s) as the Board of Directors of the Transferee Company shall appoint in this behalf, who shall hold the equity shares issued in the Transferee Company in trust on behalf of the equity shareholders entitled to fractional entitlements with the express understanding that such corporate trustee or other authorised representative(s) shall sell the same in the market at such time or times and at such price or prices or to such person or persons as it/he /she /they may deem fit and pay to the Transferee Company the net sale proceeds thereof whereupon the Transferee Company shall distribute such net proceeds (after deduction of applicable taxes, if any), to the equity shareholders in proportion to

their respective fractional entitlements. The Board of Directors of the Transferee Company, if it deems necessary, in the interest of allottees, approve such other method in this behalf as it may, in its absolute discretion deem fit.

14.5 The equity shares issued and allotted by the Transferee Company in terms of the Scheme shall rank pari-passu in all respect with the existing equity shares of the Transferee Company. Further, Transferee Company, if required, take all necessary steps to increase its authorised share capital for issue of equity shares pursuant to the Scheme.

14.6 In the event that the Transferor Companies and Transferee Company restructure its equity share capital by way of share split/consolidation/ issue of bonus shares during the pendency of the Scheme, the Share Exchange ratio shall be adjusted accordingly to take into account effect of such corporate actions.

14.7 The equity shares to be issued pursuant to this Scheme shall be issued to the shareholders of the Transferor Company in dematerialised form as permitted under Applicable Law. Pursuant to the issuance of shares in dematerialised form, there will not be any requirement to pay the stamp duty on such issuance.

14.8 In the event of there being any pending share transfers, whether lodged or outstanding of any shareholders of Transferor Companies, the Board of Directors of Transferor Companies shall be empowered prior to the Record Date, to effectuate such transfers in the Transferor Companies as if such changes in registered holders were operative as on the Record Date, in order to remove any difficulties arising to the transferors of the shares in relation to the equity shares issued by the Transferee Company after the Scheme is effected. The Board of Directors of the Transferee Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new members in the Transferee Company on account of difficulties faced in the transition period.

14.9 Upon the Scheme becoming effective, the issued, subscribed and paid up share capital of the Transferee Company shall stand suitably increased/ modified consequent upon the issuance of equity shares in accordance with the Scheme. It is clarified that no special resolution under Section 42 and Section 62 of the Act read with the applicable Rules thereunder or any other applicable provisions of the Act shall be required to be passed by the Transferee Company separately in a general meeting for issue of equity shares to the members of the Transferor Companies under this Scheme and on the shareholders of the Transferee Company approving this Scheme, it shall be deemed that they have given their

consent to the issue of equity shares of the Transferee Company to the members of Transferor Companies.

14.10 It is clarified that upon the approval of this Scheme by the shareholders of the Transferor Companies and Transferee Company under Sections 230 and 232 of the Act, the shareholders shall be deemed to have approved this Scheme under Sections 13, 14, 42, 62, 186, 188 and any other applicable provisions under the Act, and that no separate approval from the shareholders or others if so applicable to that extent shall be required to be sought by the parties for the matters specified in this Scheme.

15. LISTING OF NEW EQUITY SHARES

15.1 After the Effective Date of this Scheme, the new equity shares to be issued and allotted by the Transferee Company in terms of clause 14 above shall be listed and shall be admitted for trading on the Stock Exchanges by virtue of this Scheme and in accordance with the provisions of SEBI Circulars. Transferee Company shall make all requisite applications and shall otherwise comply with the provisions of the aforesaid circulars and Applicable Laws and take all steps to get its share capital including the new equity shares issued by it in pursuance to this Scheme listed on the Stock Exchanges.

15.2 The new equity shares allotted by the Transferee Company pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated Stock Exchanges.

15.3 There shall be no change in the shareholding pattern of the Transferee Company between the Record Date and the listing which may affect the basis on which approval is received from the Stock Exchanges.

16. APPROVALS

16.1 The Transferor Companies and the Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority, if required, under any law for such consents and approvals which the Transferee Company may require to own the respective undertakings intended to be amalgamated unto it as hereinabove and to carry on the respective businesses.

16.2 This Scheme is specifically conditional upon and subject to:

- (a) The approval of and agreement to the Scheme by requisite majority of the members and Creditors of the Transferor Companies and the Transferee Company as may be directed by the National Company Law Tribunal on the applications made for directions under Section 230 of the said Act;
- (b) The sanction of the NCLT being obtained under Sections 230 to 232 of the said Act in favour of the Transferor Companies and the Transferee Company and to the necessary order or orders under Section 232 of the said Act, being obtained;
- (c) Receipt of approval of observation letter in relation to the Scheme from the relevant Stock Exchanges and SEBI in terms of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015;
- (d) The approval of the public shareholders of the Transferee Company in accordance with the provisions of the SEBI Circulars issued in this behalf. Such approval of public shareholders will be obtained through postal ballot and e-voting, after disclosure of all material facts in the explanatory statement sent to the shareholders in relation to such resolution. The scheme is conditional upon scheme being approved by the public shareholders through e-voting in terms of para 9 (a) of part I of Annexure I of SEBI circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and the scheme shall be acted upon only if vote cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it; and
- (e) Any other sanction or approval of the appropriate authorities concerned, as may be considered necessary and appropriate by the respective Boards of Directors of the Transferor Companies and the Transferee Company being obtained and granted in respect of any of the matters for which such sanction or approval is required.

17. CONSOLIDATION OF AUTHORISED CAPITAL

17.1 The Clause V of the Memorandum and Articles of Association of the Transferee Company (relating to Authorised Share Capital) shall without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purpose of effecting this amendment, and no further resolution(s) under any other applicable provisions of the Act would be required to be separately passed, as the case may be and be replaced by the following clause:

"The Authorised Share Capital of the Company is Rs. 42,81,00,000/- (Rupees Forty Two Crores and Eighty One Lacs only) divided into 28,06,00,000 (Twenty Eight Crores and Six Lacs only) Equity Shares of Rs 1/- (Rupees One only) each, 2,50,000 (Two Lacs and Fifty Thousand) 0% (Zero Percent) Redeemable Preference Shares of Rs. 10/- (Rupees Ten only) each, 14,50,000 (Fourteen Lacs and Fifty Thousand) 0%-10% (Zero Percent to Ten Percent) Redeemable Preference Shares of Rs. 100/- (Rupees One Hundred only) each, all or any part of the Share Capital shall be capable of being increased or reduced, classified or reclassified or re organized in accordance with the Company's Regulations and legislative provisions for the time being in force in that behalf, with power to divide the Shares in the Capital for the time being into Equity Share Capital and Preference Share Capital, to attach thereto respectively any preferential, qualified, deferred or special rights, privileges or conditions and to vary, modify or abrogate any such rights, privileges or conditions".

17.2 Upon the Scheme becoming effective and the Transferor Companies being dissolved, the authorized capitals of the Transferor Companies as on the Appointed Date shall stand merged with the authorized capital of the Transferee Company, and the fee, if any, paid by Transferor Companies on its authorized capital before merger shall be set-off against any fees payable by the Transferee Company on its authorized share capital subsequent to the amalgamation.

17.3 For the purpose of increase in authorized share capital of the Transferee Company, the stamp duty and fees paid on the authorised capitals of the Transferor Companies shall be utilised and applied to the increased authorised share capital of the Transferee Company.

17.4 It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent/approval also to the alteration of the Memorandum and Articles of Association of the Transferee Company, as may be required under the Act, and Clause V of the Memorandum of Association of the Transferee Company.

PART IV ACCOUNTING TREATMENT

18. ACCOUNTING TREATMENT

18.1 Notwithstanding anything to the contrary contained in any other Clause in the Scheme, upon the Scheme becoming effective, the amalgamation of Transferor Companies into Transferee Company, shall be accounted as per "Pooling of Interest Method" in accordance with Indian Accounting Standard (Ind AS 103),

Business Combinations and other accounting principles prescribed under the Companies (Indian Accounting Standards) Rules, 2015 as notified under section 133 of the Companies Act, 2013;

18.2 The pooling of interest method is considered to involve the following:

- (a) The assets and liabilities of the combining entities are reflected at their carrying amount
- (b) No adjustments are made to reflect fair values, or recognise any new asset or liabilities. The only adjustments that are made are to harmonise the accounting policies

18.3 Comparative accounting period presented in the financial statements of the Transferee Company shall be restated for the accounting impact of merger, as stated above, as if the merger had occurred from the beginning of the comparative period in the financial statements.

PART V

DISSOLUTION OF THE TRANSFEROR COMPANIES AND GENERAL TERMS AND CONDITIONS

19. DISSOLUTION OF THE TRANSFEROR COMPANIES

On the coming into effect of this Scheme, the Transferor Companies shall stand dissolved without winding up and without any further act or deed under Section 232 of the Act.

20. VALIDITY OF EXISTING RESOLUTIONS ETC.

Upon the coming into effect of this Scheme, resolutions, if any, of any of the Transferor Companies, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolution has any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

21. PROCEEDINGS BEFORE THE APPROPRIATE AUTHORITY

- (a) The Transferor Companies and the Transferee Company shall file in the Appropriate Authority a joint application for convening and holding of meetings of their respective shareholders and creditors to be called, held and conducted in such manner or for their dispensation, as the Appropriate

Authority may direct and to consider and if thought fit to approve, with or without modification, this Scheme.

- (b) On this Scheme being agreed by the requisite majority of members/creditors of the Transferor Companies and the requisite majority of members/creditors of the Transferee Company, the Transferor Companies and the Transferee Company shall apply to the Appropriate Authority for sanctioning the Scheme of Amalgamation under Sections 230 and 232 of the Companies Act, 2013 and for such other order, or orders, as the Appropriate Authority may deem fit for carrying this Scheme into effect and for dissolution of the Transferor Companies without winding up.
- (c) It is hereby clarified that submissions of the Scheme to the Appropriate Authority and to any authorities for their respective approvals is without prejudice to all rights, interest, titles and defences that the Transferor Companies and the Transferee Company has or may have under or pursuant to all applicable laws.
- (d) The Transferor Companies and the Transferee Company shall also take such other steps as may be necessary or expedient to give full and formal effect to the provisions of this Scheme.

22. MODIFICATION OR AMENDMENTS TO SCHEME

22.1 The Transferor Companies and the Transferee Company by their respective Boards of Directors or any Committee thereof or any Director/ executive authorised in that behalf (hereinafter referred to as the "**Delegate**") may assent to, or make, from time to time, any modification(s) or addition(s) to this Scheme which may deem fit or which the NCLT or Appropriate Authority or any authorities under law may deem fit to approve or which the Appropriate Authority or any authorities under law may impose/suggest and which the Transferor Companies and the Transferee Company may in their absolute discretion accept or such modification(s) or addition(s) as the Transferor Companies and the Transferee Company or as the case may be, their respective Delegate may deem fit, or required for the purpose of resolving any doubts or difficulties that may arise in carrying out this Scheme, and the Transferor Companies and the Transferee Company by their respective Boards of Directors or delegates are authorised to do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect, or review the position relating to the satisfaction of the conditions of this Scheme and if necessary, waive any of such conditions (to the extent permissible under law) for bringing this Scheme into effect, and/or give such consents as may be required in terms of this Scheme.

- 22.2 In the event that any conditions are imposed by the Appropriate Authority or any Governmental Authorities, which any of the Transferor Companies or the Transferee Company finds unacceptable for any reason, then the respective Transferor Company and the Transferee Company shall be at liberty to withdraw the Scheme.
- 22.3 It is however, clarified that any amendment or modification to this Scheme after sanction thereof shall be made in accordance with the provisions contained in Section 231 of the Act or any statutory medication thereof.
- 22.4 For the purposes of giving effect to this Scheme or to any modification(s) thereof or addition(s) thereto, the Delegates of the Transferor Companies and the Transferee Company may give and are authorised to determine and give all such directions as are necessary for settling or removing any question of doubt or difficulty that may arise under this Scheme or in regard to the meaning or interpretation of any provision of this Scheme or implementation thereof or in any manner whatsoever connected therewith or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary to waive any such conditions (to the extent permissible in law) and such determination or directions or waiver, as the case may be shall be binding on all the parties, in the same manner as if the same were specifically incorporated in this Scheme.
- 22.5 For the purpose of giving effect to this Scheme or to any modifications/ amendments thereof, the Directors of the Transferor Companies (prior to its dissolution in pursuance to Scheme) and of the Transferee Company may give and are authorised to give all such directions as are necessary including directions for resolving any question of doubt or difficulty that may arise.
- 22.6 Further, post approval of the Scheme by NCLT, if there is any confusion in interpreting any clause of this Scheme, or otherwise, the Board of Directors of the respective Companies shall jointly have complete power to take the most sensible interpretation so as to render the Scheme operational.

23. WITHDRAWAL OF THE SCHEME

The Companies shall be at liberty to withdraw this Scheme at any time as may be mutually agreed by the Board of Directors of the respective Companies prior to the Effective Date. In such a case, the Companies shall respectively bear their own cost or as may be mutually agreed.

24. COMPLIANCE WITH TAX LAWS AS APPLICABLE TO THE SCHEME

- 24.1 This Scheme is in compliance with the conditions relating to "amalgamation" as specified under Section 2(1 B) of the IT Act. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date including resulting from a retrospective amendment of law or for any other reason whatsoever, till the time the Scheme becomes effective, the provisions of the said Section of the IT Act shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1 B) of the IT Act.
- 24.2 On or after the Effective Date, the Companies shall have the right to revise their financial statements and tax returns (including withholding tax returns) along with the prescribed forms, filings and annexures under the provisions of the IT Act (including for the purpose of re-computing income tax under the normal provisions, minimum alternative tax, and claiming other tax benefits), Wealth Tax Act, 1957, customs duty law, central sales tax, applicable state value added tax, service tax laws, excise duty laws, Goods and Services tax, VAT law or other tax laws, and to claim refunds and/or credits for taxes paid (including minimum alternate tax, tax deducted at source, goods and service tax, etc), and to claim tax benefits etc. and for matters incidental thereto, if required to give effect to the provisions of the Scheme.
- 24.3 As and from the Effective Date, all tax proceedings shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Companies. Further, all tax proceedings shall not in any way be prejudicially affected by reason of the amalgamation of the Transferor Companies with the Transferee Company or anything contained in the Scheme.
- 24.4 Any tax liabilities under the IT Act, Wealth Tax Act, 1957, customs duty laws, central sales tax, applicable state value added tax, service tax laws, excise duty laws, Goods and Service tax, VAT law or other applicable laws/ regulations dealing with taxes, duties, levies allocable or related to the business of the Transferor Companies to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred or stand transferred to Transferee Company. Any surplus in the provision for taxation / duties/ levies account including advance tax and tax deducted at source and MAT credit as on the date immediately preceding the Appointed Date will also be transferred to the account of the Transferee Company.

- 24.5 Any refund under the IT Act, Wealth-tax Act, 1957, customs duty laws, central sales tax, applicable state value added tax, service tax laws, excise duty laws, goods and service tax, VAT law or other applicable laws/ regulations dealing with taxes/ duties/ levies allocable or related to the business of the Transferor Companies due to Transferor Companies consequent to the assessment made on Transferor Companies and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.
- 24.6 Any tax payment (including, without limitation, income-tax, minimum alternate tax, taxes withheld/ paid in a foreign country, dividend distribution tax, securities transaction tax, sales tax, excise duty, custom duty, service tax, value added tax, goods and service tax, etc whether by way of deduction at source, advance tax or otherwise, howsoever, by the Transferor Companies in respect of the profits or activities or operation of the business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly. Further, any tax deducted at source by Transferor Companies/ Transferee Company including on payables to Transferee Company/ Transferor Companies on account of investments (if any) held by the Transferee Company in the Transferor Companies which has been deemed not to be accrued, shall be deemed to be advance taxes paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.
- 24.7 Obligation for deduction of tax at source on any payment made by or to be made by the Transferor Companies under the IT Act, Wealth Tax Act, 1957, customs duty laws, central sales tax, applicable state value added tax, service tax laws, excise duty laws, goods and service tax, VAT law or other applicable laws / regulations dealing with taxes / duties / levies shall be made or deemed to be have been made and duly complied with by the Transferee Company.
- 24.8 All deductions otherwise admissible to the Transferor Companies including payment admissible on actual payment or on deduction of appropriate taxes or on payment or tax deducted at source (such as under Sections 40, 40A, 43B, etc of the IT Act) shall be available for deduction to the Transferee Company as it would have been available to the Transferor Companies.

25. EXEMPTION UNDER SAST REGULATIONS

For avoidance of doubt, it is clarified that pursuant to amalgamation of the Transferor Companies into and with the Transferee Company, the issuance of equity shares of the Transferee Company to the shareholders of the Transferor

Companies to the shareholders of the Transferor Companies as consideration for amalgamation of the Transferor Companies into and with the Transferee Company in terms of the Scheme, is exempt under the provisions of the Regulation 10(1)(d)(ii) of SAST Regulations, and therefore, the requirement to make an “open offer” shall not be triggered in terms of provisions of the SAST Regulations.

26. COSTS AND EXPENSES

All costs, charges and expenses including but not limited to any stamp duty or registration fees or any lease premium payable on any deed, document, instrument or the NCLT Order pertaining to this Scheme or in connection with this Scheme and incidental to the completion of the merger of the Transferor Companies with the Transferee Company in pursuance of this Scheme shall be borne and paid by the Transferor Companies and Transferee Company. The Transferee Company shall be eligible for deduction of all such expenditure incurred as per Section 35DD of the IT Act.

27. MISCELLANEOUS

- 27.1 If any part of this Scheme is found to be unworkable for any reason whatsoever, in the sole discretion of the Transferor Companies and the Transferee Company either by their respective Boards of Directors or through Committees appointed by them in this behalf, the same shall not, subject to the decision of the Transferor Companies and the Transferee Company, affect the validity or implementation of the other parts and/or provisions of this Scheme.
- 27.2 In the event that any conditions imposed by the Appropriate Authority are found unacceptable for any reason whatsoever by any Transferor Company or the Transferee Company, then the respective Transferor Company and/or Transferee Company shall be entitled to withdraw the Scheme in which event no rights and liabilities whatsoever shall accrue to or be incurred inter se to or by the parties or any of them.
- 27.3 On the approval of the Scheme by the members of the Transferor Companies and Transferee Company pursuant to Section 230 of the Act, it shall be deemed that the said members have also accorded all relevant consents under other provisions of the Act to the extent the same may be considered applicable for the purpose of this Scheme.
- 27.4 The mutation of the title to the immovable properties shall be made and duly recorded by the appropriate authorities pursuant to the sanction of the Scheme and upon the Scheme becoming effective, in accordance with the terms hereof, in

favour of the Transferee Company in respect of the immovable properties vested in it. Any inchoate title or possessory title of the Transferor Companies or its predecessor companies shall be deemed to be the title of the Transferee Company.

- 27.5 Further, the Board of Directors of the Transferor Companies and the Transferee Company shall be entitled to revoke, cancel and declare the Scheme of no effect if the Board of Directors of the Transferor Companies and the Transferee Company are of view that the coming into effect of the Scheme in terms of the provisions of this Scheme or filing of the drawn up orders with any authority could have an adverse implication(s) on all or any of the Transferor Companies or the Transferee Companies.
- 27.6 If any part of this Scheme hereof is invalid, ruled illegal by any NCLT of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Transferor Companies and the Transferee Company that such part shall be severable from the remainder of the Scheme. Further, if the deletion of such part of this Scheme may cause this Scheme to become materially adverse to the any of the Transferor Companies and /or the Transferee Company, then in such case the Transferor Companies and /or the Transferee Company shall attempt to bring about a modification in the Scheme, as will best preserve for the Transferor Companies and the Transferee Company the benefits and obligations of the Scheme, including but not limited to such part. Without prejudice to above, if the modification required is not acceptable, then the Companies can withdraw the Scheme.
- 27.7 No investigation or proceedings under the Companies Act, 1956 and the Companies Act, 2013 are proceeding against the Transferor Companies and the Transferee Company.
- 27.8 The physical copies of the following documents are available for obtaining extract from or for making or obtaining copies of or for inspection by members and creditors at the registered office of the Transferor Companies and the Transferee Company during the business hours (10:00 A.M. To 6:00 P.M.) on all working days except Saturday and Sunday up to one day prior to date of meeting(s), if any, to be convened by the NCLT:
- Audited Financial Statements including consolidated financial statements (if any) for the year ended 31st March 2020 of the Transferor Companies and the Transferee Company;
 - Copy of Scheme of Arrangement/ Amalgamation;
 - Certificate issued by Auditor of the Transferee Company to the effect that the accounting treatment proposed in the Scheme of Amalgamation is in

conformity with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013;

- Valuation Report;
- Fairness Opinion;
- Abridged Prospectus of Transferor Companies;
- Other documents/ certificates as required under SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and the Companies Act, 2013.

27.9 There is no adverse effect of Scheme on any director, key managerial personnel, promoters, non-promoter members, creditors and employees of the Transferor Companies and the Transferee Company.

27.10 It is further provided that there are no other contracts or arrangements that are material to this scheme of amalgamation.

27.11 As part of the Scheme, post approval of the Scheme by the Appropriate Authority and listing of shares issued in Consideration, the Transferee Company may transfer or convey or lease or sell or otherwise dispose off the title of the immovable properties, fixed assets, loans and advances, investments, current assets, debit balance in profit and loss account and any other assets as per the books of the Transferor Companies transferred pursuant to the Scheme, to a foundation or a trust or a society or a company incorporated under Section 8 of the Act created or promoted by the Transferee Company, for the purpose of discharging obligation towards corporate social responsibility under Section 135 of the Act, and there would not be any requirement for any further act, deed, approvals, fees/duty payment or matters for giving effect to the obligations towards corporate social responsibility. The requirement to pay stamp duty will not arise on such transfer to a foundation or a trust or a society or a company incorporated under Section 8 of the Act created or promoted by the Transferee Company, for the purpose of discharging obligation towards corporate social responsibility under Section 135 of the Act or be set off from the payment of stamp duty on the NCLT's order by which the property, movable & immovable, owned by the Transferor Companies is transferred to or vested in the Transferee Company.

28. INDEMNITY BY TRANSFEROR COMPANIES & ITS SHAREHOLDERS

The Transferor Companies and its shareholders shall indemnify and hold harmless the Transferee Company and its directors, officers, representatives, partners, employees and agents (collectively referred as the "**Indemnified Persons**") for

losses, liabilities, costs, charges, expenses (whether or not resulting from third party claims), including those paid or suffered pursuant to any actions, proceedings, claims and including interests and penalties discharged by the Indemnified Persons which may devolve on Indemnified Persons on account of amalgamation of the Transferor Companies with the Transferee Company but would not have been payable by such Indemnified Persons otherwise, the form and manner as may be agreed amongst the Transferee Company and the shareholders of the Transferor Companies.

29. NO CASUE OF ACTION

No third party claiming to have acted or changed his position in anticipation of the Scheme taking effect, shall get any cause of action against the Transferor Companies or Transferee Company or their directors or officers, if this Scheme does not take effect or is withdrawn, cancelled, revoked, amended or modified for any reason whatsoever.

**IN THE NATIONAL COMPANY LAW TRIBUNAL
ALLAHABAD BENCH, ALLAHABAD**

Company Application No. CA(CAA)No. 09/ALD of 2021
(Under Section 230 & 232 of the Companies Act, 2013)

In the Matter of:

1. **Gulshan Holdings Private Limited**, a private limited company incorporated under the Companies Act, 1956 and having its registered office at 9th K.M., Jansath Road, Muzaffarnagar – 251001, Uttar Pradesh
.....Applicant Company No. 1/Transferor Company No. 1
2. **East Delhi Importers & Exporters Private Limited**, a private limited company incorporated under the Companies Act, 1956 and having its registered office at 9th K.M., Jansath Road, Muzaffarnagar – 251001, Uttar Pradesh
..... Applicant Company No. 2/Transferor Company No. 2

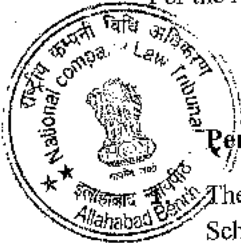
AND

3. **Gulshan Polyols Limited**, a public limited company incorporated under the Companies Act, 1956 and having its registered office at 9th K.M., Jansath Road, Muzaffarnagar – 251001, Uttar Pradesh
.....Applicant Company No. 3/Transferee Company

ORDER DELIVERED ON: 14.07.2021

CORAM: Justice(Retd) Rajesh Dayal Khare; Member(Judicial)

For the Applicant Companies : Ankit Kumar Singh, PCS

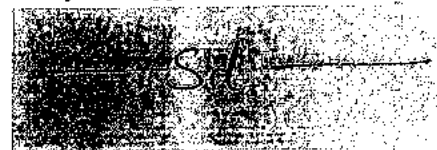


ORDER

Per se: Justice(Retd) Rajesh Dayal Khare; Member(Judicial)

The counsel for the Applicant Companies submits that that the present Scheme is a Scheme of Amalgamation of Gulshan Holdings Private Limited ("GHPL" or "the Transferor Company No. 1" or "Applicant Company No. 1") and East Delhi Importers & Exporters Private Limited ("EDIEPL" or "the Transferor Company No. 2" or "Applicant Company No. 2") with Gulshan Polyols Limited ("GPL" or "the Transferee Company" or "Applicant Company No. 3") and their respective Shareholders ("Scheme") under the provisions of Sections 230 to 232 of the Companies Act, 2013.

2. The counsel for the Applicant Companies submits that this 1st motion Application under Sections 230 & 232 of the companies Act, 2013 (herein after referred to as the "Act") read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (herein after referred to as "the Rules") is filed by the Applicants



Numbers 1 to 3 Companies seeking directions of this Tribunal to convene separate meetings of Secured Creditors, Un-secured Creditors and Equity Shareholders of the Transferee Company, to consider and, if deem fit, to approve the proposed Scheme of Amalgamation; and to dispense with the requirement of convening meetings of Equity Shareholders, Secured Creditors and Un-secured Creditors of the Transferor Companies No. 1 to 2; and Preference Shareholders of the Transferee Company. The Applicant No. 1 to 2 Companies are the Transferor Companies No. 1 to 2, whereas the Applicant No. 3 is the Transferee Company as stated in the proposed Scheme and in the Application.

3. The counsel for the Applicant Companies submits that the Transferor Company No. 1 is a private limited company registered under the provisions of the Companies Act, 1956. The Authorised Share Capital of the Transferor Company No. 1 is ₹5,55,00,000 divided into 55,500 Equity Shares of ₹1,000 each. The present Issued, Subscribed and Paid-up Share Capital of the Company is ₹7,07,000 divided into 707 Equity Shares of ₹1,000 each. The Main Objects of the Transferor Company No. 1 are set out in its Memorandum and Article of Association annexed with the Application and marked as *Annexure A-2 (Colly.)*.

Presently, the Transferor Company No. 1 is engaged in the business of acquiring, investing and holding shares in companies having similar objects or companies providing value benefit, and guaranteeing the payment of money unsecured or secured by or payable under or in respect of contractual obligations.

4. The counsel for the Applicant Companies submits that Transferor Company No. 2 is a private limited company registered under the provisions of the Companies Act, 1956. The Authorised Share Capital of the Transferor Company No. 2 is ₹1,00,000 divided into 10,000 Equity Shares of ₹10 each. The present Issued, Subscribed and Paid-up Share Capital of the Company is ₹1,00,000 divided into 10,000 Equity Shares of ₹10 each. The Main Objects of the Transferor Company No. 2 are set out in its Memorandum and Article of Association annexed with the Application and marked as *Annexure A-5 (Colly.)*.



Presently, the Transferor Company No. 2 is engaged in the business of importing, exporting, dealing and trading multi-products which includes but not limited to textile products, chemicals, sugar and related products, engineering goods, molasses, grains, glassware, alcohol, oils, paper and related products, wood and timber etc. Further, the Company is engaged in the business as general carriers, transporters and freight forwarders, and exporting, importing, trading and dealing in the computer software, programmes, computer hardware and peripherals.

5. The counsel for the Applicant Companies submits that the Transferee Company is a public limited company registered under the provisions of the Companies Act, 1956. The Authorised Share Capital of the Transferee Company is ₹37,25,00,000 divided into 22,50,00,000 Equity Shares of ₹1 each aggregating to ₹22,50,00,000; 2,50,000 Redeemable Preference Shares (0%) of ₹10 each aggregating to ₹25,00,000; and 14,50,000 Redeemable Preference Shares (0-10%) of ₹100 each aggregating to



14,50,00,000. The present Issued, Subscribed and Paid-up Share Capital of the Company is ₹14,44,17,020 divided into 4,69,17,020 Equity Shares of ₹1 each aggregating to ₹4,69,17,020; and 9,75,000 Redeemable Preference Shares (8%) of ₹100 each aggregating to 9,75,00,000. The equity shares of the Transferee are listed on National Stock Exchange of India Limited and BSE Limited. The Main Objects of the Transferee Company are set out in its Memorandum and Article of Association annexed with the Application and marked as *Annexure A-8 (Colly.)*.

Presently, the Transferee Company is engaged in the business of manufacturing multi-products such as starch sugar, high fructose rice syrup, brown rice syrup, rice syrup solids, calcium carbonate, agro based animal feed and alcohol. Further, the Transferee Company is engaged in installing onsite PCC plants.

6. The Counsel for the Applicant Companies submits that the Transferor Company No. 1 is a promoter holding company of the Transferee Company. The Transferor Company No. 2 is a promoter company of the Transferee Company. The registered office of the Applicant Companies is situated at 9th K.M., Jansath Road, Muzaffarnagar – 251001, Uttar Pradesh.
7. The Counsel for the Applicant Companies further submits that the Scheme has been approved by the board of directors of the Applicant Companies in their meetings held on 06th August, 2020 and the Appointed Date of the Scheme is fixed as 1st April, 2020.
8. The Counsel for the Applicant Companies further submits that the Applicant Companies have filed the Audited Financial Statements for the financial year ended 31st March, 2020 along with audited financial statements for the half year ended on 30th September, 2020.

The Counsel for the Applicant Companies further submits that Board of Directors and management of the Applicant Companies have proposed the Scheme for the following reasons or rationale:

- a. *Ensuring a streamlined group structure by reducing the number of legal entities;*
- b. *Reducing the multiplicity of legal and regulatory compliances required at present;*
- c. *Eliminating duplicative communication and coordination efforts across multiple entities;*
- d. *Rationalising cost by eliminating multiple record keeping and administrative functions;*
- e. *Help in achieving improved operational efficiency and optimum advantages and synergy in operations by combining the activities of the Transferor Companies*



with the Transferee Company. Accordingly, the Scheme would strengthen and complement the businesses of the Companies;

- f. The amalgamated entity will benefit from optimum utilization of manpower through improved organizational capacity and leadership, arising from the combination of people from the Transferor Companies and Transferee Company which have diverse skills, talent, management expertise, enlarged knowledge base and vast experience to compete successfully in an increased competitive industry;
- g. The amalgamated entity shall reduce fixed costs by removing duplicate departments, operations and lower the cost of the Company relative to the same revenue stream and shall thus increase the profit margins;
- h. Under a liberalised, fast changing and highly competitive environment, this amalgamation shall strengthen the business of the Transferor Companies and the Transferee Company by pooling up the resources, land, investment and assets for common purpose and hence optimum utilization;
- i. The amalgamation will result in better economic control, increased financial strength and flexibility and enhance the ability of the amalgamated entity to undertake large projects, thereby contributing to enhancement of future business potential;
- j. The amalgamation would not only lead to simplification of the shareholding structure and reduction of the shareholding tiers, but also demonstrate the promoter group direct commitment to and engagement with the Transferee Company;



The amalgamation would lead to infusion of investments in forms of bank deposits, bank balance, securities etc. into the Transferee Company which will enhance the capability of the Transferee Company to undertake operations at an enhanced business potential.

10. It is stated that no proceeding for inspection, inquiry or investigation under the provisions of the Companies Act, 2013, or under the provisions of the Companies Act, 1956 is pending against any of the Applicant Companies.
11. It is stated by the Applicant Companies that the proposed Scheme of Amalgamation does not envisage any buy back of shares.
12. The learned Counsel for the Applicant Companies filed details of Shareholders, Secured Creditors and Un-secured Creditors detailed below:

The Transferor Company No. 1



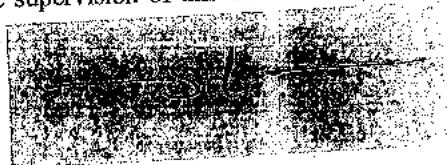
- i. The Transferor Company No. 1 has 5 (five) **Equity Shareholders** and all have given their consents by way of depositing individual affidavits.
- ii. The Transferor Company No. 1 has no **Secured Creditors as on date**. As on 30.09.2020, the Transferor Company No. 1 has 1 secured creditor. There is no outstanding liability as on date and the said loan has been fully adjusted with up-to-date mark up. The Transferor Company No.1 has fully repaid the outstanding dues of the secured creditor and the secured creditor is having no charge on any of the assets of the Transferor Company No.1. The said Secured Creditor has given its no outstanding dues confirmation by way of Affidavit.
- iii. The Transferor Company No. 1 has 1 (one) **Un-secured Creditor** and he has given his consent by way of depositing individual affidavit.

The Transferor Company No. 2

- i. The Transferor Company No. 2 has 3 (three) **Equity Shareholders** and all have given their consents by way of depositing individual affidavits.
- ii. The Transferor Company No. 2 has no **Secured Creditors**.
- iii. The Transferor Company No. 2 has no **Un-Secured Creditors**.

The Transferee Company

- i. The Transferee Company is listed public limited company and has 14,758 (fourteen thousand seven hundred and fifty-eight) **Equity Shareholders as on 30th September, 2020**. The Transferee Company is proposing to convene a physical meeting of its Equity Shareholders with e-voting facilities, under the supervision of this Tribunal to consider and approve the proposed Scheme of Amalgamation.
- ii. The Transferee Company has 1 (one) **Preference Shareholder** and he has given his consent by way of depositing individual affidavit.
- iii. The Transferee Company has 2 (two) **Secured Creditors as on date**. As on 30.09.2020, the Transferee Company had 3 (three) secured creditors. Out of those 3 (three) of the secured creditors of the Transferee Company as on 30.09.2020, 1 (one) secured creditor with name "Gulshan Mercantile Urban Co-operative Bank Limited" has been paid off all the outstanding dues. The said Secured Creditors has given its no outstanding dues confirmation by way of Affidavit. The Transferee Company is proposing to convene a physical meeting of its Secured Creditors, under the supervision of this Tribunal to consider and approve the proposed Scheme.



iv. The Transferee Company has about 634 (six hundred and thirty-four) **Un-secured Creditors as on 30th September, 2020**. The Transferee Company is proposing to convene a physical meeting of its Un-secured Creditors, under the supervision of this Tribunal to consider and approve the proposed Scheme of Amalgamation.

13. The Applicants have stated that the accounting treatment proposed in the Schemes is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013. Certificates from the respective Statutory Auditors of the Applicant Companies have been filed along with the Application.

14. Learned Counsel- CS Ankit Kumar Singh, appearing for the Applicant Companies, made the following contentions with respect to the dispensation of the requirement of convening meetings of the following persons:

- A. All the Equity Shareholders of the Transferor Companies No. 1 to 2 have given their written consents by way of affidavits. Therefore, the requirement of convening meetings of the Equity Shareholders of the Transferor Companies No. 1 to 2 may be dispensed with.
- B. All the Preference Shareholders of the Transferee Company have given their written consents by way of affidavits. Therefore, the requirement of convening meeting of the Preference Shareholders of the Transferee Company may be dispensed with.
- C. There is no Secured Creditor in the Transferor Companies No. 1 to 2. Therefore, there is no need to convene meetings of the Secured Creditor of the Transferor Companies No. 1 to 2.



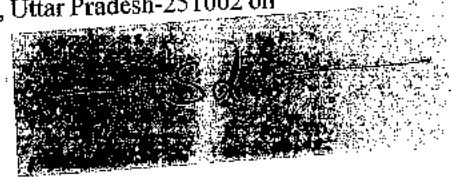
The Un-secured Creditors of the Transferor Companies No. 1 have given their written consents by way of affidavits. Further, Transferor Company No. 2 does not have any Un-secured Creditors. Therefore, the requirement of convening meeting of the Un-secured Creditors of the Transferor Companies No. 1 to 2 may be dispensed with.

15. Further, Learned Counsel- CS Ankit Kumar Singh, appearing for the Applicants, requested to convene the following meetings under the supervision of this Tribunal, for the purpose of considering and if deem fit, approving the proposed Scheme of Amalgamation:

- a. To convene a physical meeting of Secured Creditors of the Transferee Company, under the supervision of the Tribunal.
- b. To convene a physical meeting of Un-secured Creditors of the Transferee Company, under the supervision of the Tribunal.
- c. To convene a physical meeting of Equity Shareholders of the Transferee Company with facility of e-voting, under the supervision of the Tribunal.



16. This Tribunal directs that, in view of the consent affidavits given by the Equity Shareholders of the Transferor Companies No. 1 to 2, the requirement of convening meetings of the Equity Shareholders of the Transferor Companies No. 1 to 2, for the purpose of considering and if thought fit approving the proposed Scheme, is dispensed with.
17. This Tribunal directs that, in view of the consent affidavits given by the Preference Shareholders of the Transferee Company, the requirement of convening meeting of the Preference Shareholders of the Transferee Company, for the purpose of considering and if thought fit approving the proposed Scheme, is dispensed with.
18. As stated, there is no Secured Creditor in the Transferor Companies No. 1 to 2, accordingly, the requirement of convening the meetings of the Secured Creditors of the Transferor Companies No. 1 to 2, for the purpose of considering and if thought fit approving the proposed Scheme, is dispensed with.
19. This Tribunal directs that, in view of the consent affidavits given by the Un-secured Creditors of the Transferor Companies No. 1 and the fact that Transferor Company No. 2 does not have any Un-secured Creditors, the requirement of convening meetings of the Un-secured Creditors of the Transferor Companies No. 1 to 2, for the purpose of considering and if thought fit approving the proposed Scheme, is dispensed with.
20. This Tribunal directs conduct of meetings of shareholders and creditors of the Applicant Company No. 3 as follows:
- (a) A meeting of the Equity Shareholders of the Applicant Company No. 3 be convened and held at Solitaire INN Hotel, 6 Mile Stone, Meerut Road, National Highway 58, Muzaffarnagar, Uttar Pradesh-251002 on 18th September, 2021 at 12.00 p.m. for the purpose of considering and, if thought fit, approving with or without modification(s) the proposed amalgamation embodied in the Scheme.
 - (b) The Applicant Company No. 3 being a listed public limited company, is governed by the **SEBI circular no. CFD/DIL3/CIR/2017/21 dated 10th March, 2017** and is required to provide the facility of e-voting to its shareholders. Accordingly, voting by the Equity Shareholders of the Applicant Company No. 3 to the Scheme shall be carried out through e-voting, indicating the day, the date, and the time as aforesaid.
 - (c) A meeting of the Un-secured Creditors of the Applicant Company No. 3 be convened and held at Solitaire INN Hotel, 6 Mile Stone, Meerut Road, National Highway 58, Muzaffarnagar, Uttar Pradesh-251002 on



18th September, 2021 at 1.00p.m. for the purpose of considering and, if thought fit, approving with or without modification(s) the proposed amalgamation embodied in the Scheme.

- (d) A meeting of the Secured Creditors of the Applicant Company No. 3 be convened and held at Solitaire INN Hotel, 6 Mile Stone, Meerut Road, National Highway 58, Muzaffarnagar, Uttar Pradesh-251002 on 18th September, 2021 at 2.00 p.m. for the purpose of considering and, if thought fit, approving with or without modification(s) the proposed amalgamation embodied in the Scheme.

21. This Tribunal further issues directions with regard to notices as follows:

- (a) That at least 30 (thirty) days before the said Meeting of the Equity Shareholders or Secured Creditors or Unsecured Secured, as the case may be of the Applicant Company No. 3 to be held as aforesaid, a Notice convening the said Meeting at the day, date and time as aforesaid, together with a copy of the Scheme, a copy of Explanatory Statement disclosing all material facts as required under Section 230(3) of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rule, 2016 notified on 14th December, 2016 and the prescribed form of Proxy shall be sent by email to those Equity Shareholders, Secured Creditors and Unsecured Creditors subsisting as on March 31, 2021 in the books and accounts of the Company whose email addresses are duly registered with the Applicant Company No. 3, addressed to each of the shareholders or creditors, at their last known email addresses as per the records of the of the Applicant Company No.3. In case of such Equity Shareholders, Secured Creditors and Un-secured Creditors whose e-mail ids are not available with the Company, publication of notice in newspapers as mentioned below and putting the notice on the web-site of the Company, will be sufficient compliance.



- (b) That at least 30 (thirty) days before the said Meeting of the Equity Shareholders or Secured Creditors or Unsecured Secured, as may be applicable of the Applicant Company No. 3 to be held as aforesaid, a Notice convening the said Meeting at the day, date and time as aforesaid be published once each in 'Financial Express' in English and 'Jansatta' in Hindi, both having wide circulation in the State of Uttar Pradesh, and stating that copies of the Scheme and the said statement required to be furnished pursuant to section 230 (3) of the Companies Act, 2013 can be obtained free of charge at the Registered Office of the Transferee Company situated at 9th K.M., Jansath Road, Muzaffarnagar - 251001, Uttar Pradesh or by emailing the Applicant Company No. 3 at cs@gulshanindia.com.



- (c) That the aforesaid notices shall also state that Form of Proxy can be obtained free of charge at the Registered Office of the Transferee Company situated at 9th K.M., Jansath Road, Muzaffarnagar – 251001, Uttar Pradesh or by emailing the Applicant Company No. 3 at cs@gulshanindia.com.

22. This Tribunal hereby appoints Chairpersons for the meetings aforesaid is as follows:

- (a) Mr. Rajeev Goel, Advocate (Mobile No: 9311411839; Email: rajeev391@gmail.com) shall be the common Chairperson for the above said meetings or in respect of any adjournment thereof and his/her remuneration to act as the Chairperson is fixed at Rs. 1,00,000/- (Rupees One Lakh Only) on consolidated basis for all the above said meetings.
- (b) Mr. Anadi Krishna Narayan Advocate (Mobile No: 9838645884; Email : anadvocates@gmail.com) shall be the common Alternate Chairperson for the above said meetings or in respect of any adjournment thereof and his/her remuneration to act as the Alternate Chairperson is fixed at Rs. 1,00,000(Rupees One Lakh Only) on consolidated basis for all the above said meetings.
- (c) Mr. Shashi Kant Gupta, Company Secretary in practice, (Mobile No. 9415042137, E-mail: skgupta1903@gmail.com) is appointed as the common Scrutinizer for the above said meetings or in respect of any adjournment thereof and his remuneration to act as the Scrutinizer is fixed at Rs. 75,000/- (Rupees Seventy Five Thousand Only) on consolidated basis for all the above said meetings.
- (d) That the quorum of the aforesaid Meeting of the Equity Shareholders of the Applicant Company No. 3 shall be as prescribed under Section 103 of the Companies Act, 2013 present in person or proxy or Authorized representatives.
- (e) That the quorum for the aforesaid meeting of the Secured Creditors of the Transferee Company shall be 2 in number present in person or proxies or Authorized representatives.
- (f) That the quorum for the aforesaid meeting of the Un-secured Creditors of the Transferee Company shall be 5 in number as prescribed for Shareholders under Section 103 of the Companies Act, 2013 present in person or proxies or Authorized representatives.
- (g) That the value and number of the shares of each Shareholder shall be in accordance with the books / registers of the Applicant Company No. 3 or



depository records and where the entries in the books / register / depository records are disputed, the Chairperson of the meeting shall determine the value for the purpose of the aforesaid meeting and his/her decision in that behalf would be final.

- (h) The number or value of the Secured Creditors and Un-secured Creditors shall be in accordance with the records or registers of the Applicant Company and where the entries in the records or registers are disputed, the Chairperson of the meetings shall determine the number or value, as the case may be for purpose of the meetings.
- (i) The said Chairperson shall have all powers pursuant to sections 230 and 232 of the Companies Act, 2013 read with other applicable provisions of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, Companies (Management and Administration) Rules, 2014 and MCA Circulars, to the extent necessary and applicable, in relation to the conduct of the meeting including for deciding procedural questions that may arise at the meeting or at any adjournment thereof or any other matter including, an amendment to the Scheme or resolution, if any, proposed at the meeting by any person(s).
- (j) In case if the Quorum as noted above is not present at the meetings, then the meetings shall be adjourned by half an hour, and thereafter the persons present and voting shall be deemed to constitute the quorum. For the purpose of quorum valid proxies/Authorised Representatives shall also be considered.
- (k) That voting by proxy/authorized representative be permitted, provided that a proxy in the prescribed form duly signed by the person entitled to attend and vote at the meetings, are filed with the Applicant Company No. 3 at its Registered Office, not later than 48 hours before the aforesaid meeting vide Rule 10 of the Companies (CAA) Rules, 2016 read with Section 105 of the Act.



- 23.** In compliance of sub section(5) of Section 230 of the Act and Rule 8 of the Companies (CAA) Rules, 2016, the Applicant Companies shall send notice under sub section (3) of Section 230 read with Rule 6 of the Rules with a copy of the Scheme of Amalgamation, the explanatory statement and the disclosures mentioned in Rule 6 to (a) the Central Government through the office of the Regional Director, Northern Region, Ministry of Corporate Affairs, New Delhi; (b) the Registrar of Companies, Uttar Pradesh, Kanpur; and (c) The Official Liquidator, Uttar Pradesh, Allahabad; and (d) the Income Tax Authority within whose jurisdiction the respective Applicant Companies are assessed to tax, clearly indicating the PAN of the concerned company. The



said notices be sent either by Registered Post or by Speed Post or by Courier or by Hand Delivery or through e-mail at the Offices of the authorities as required by sub rule (2) of Rule 8 of the Rules. The aforesaid authorities, who desire to make any representation under sub section (5) of section 230, shall send the same to this Tribunal within a period of 30 (thirty) days from the date of receipt of such notice, failing which it shall be deemed that they have no representation to make on the proposed Scheme. As prayed in the Application, the Tribunal dispense with the requirement of service of notice under Section 230(3) read with Section 230(5) of the Companies Act, 2013 to the Securities and Exchange Board of India as well as the National Stock Exchange of India Limited and the BSE Limited, the stock exchanges on which the equity shares of the Transferee Company are listed in view of the observations of the National Stock Exchange of India Limited and the BSE Limited given in no objection/no adverse observation letter enclosed in the Application;

24. The Applicant Companies to file Affidavits not less than 7 (seven) days before the date fixed for the holding of the meetings and to report to this Tribunal that the directions regarding issuance of notices and advertisement of the meetings have been duly complied with as per Rule 12 of the Companies (CAA) Rules, 2016.
25. It is further ordered that the Chairperson shall report to this Tribunal on the result of the meetings in Form No. CAA-4, duly verified by his affidavit, as per Rule 14 of the Companies (CAA) Rules, 2016 within 7 (seven) working days from the date of conclusion of the aforesaid meetings.



26. With the above directions CA(CAA) No. 09/ALD of 2021 is disposed of accordingly.



JUSTICE RAJESH DAYAL KHARE

MEMBER (J)

Date: 14.07.2021

Swati Gupta.
(LRA)

CERTIFIED TO BE TRUE COPY
OF THE ORIGINAL

Sudama Yadav
Sudama Yadav
Assistant Registrar
National Company Law Tribunal
Allahabad Bench, Prayagraj (U.P.)

FREE OF COST

Compared by Me
Mahesh Sahai
15/7/2021

Vardhman Doogar

Annexure III

B. Com., FCA, CS, MIB

Registered Valuer (Securities or Financial Assets)

Registration No.: IBBI/RV/06/2019/10802

6th August, 2020

To,
The Board of Directors
Gulshan Polyols Limited
9th K.M., Jansat Road,
Muzaffarnagar - 251001,
Uttar Pradesh, India

To,
The Board of Directors
Gulshan Holdings Private Limited
9th K.M., Jansat Road,
Muzaffarnagar - 251001,
Uttar Pradesh, India

To,
The Board of Directors,
East Delhi Importers & Exporters Private Limited
9th K.M., Jansat Road,
Muzaffarnagar - 251001,
Uttar Pradesh, India

Subject: Recommendation of Share Exchange Ratio for the proposed amalgamation of Gulshan Holdings Private Limited and East Delhi Importers & Exporters Private Limited in consideration of issue and exchange of shares in Gulshan Polyols Limited to the Equity Shareholders of Gulshan Holdings Private Limited and East Delhi Importers & Exporters Private Limited (other than Gulshan Polyols Limited itself).

Dear Sir(s)/ Madam(s),

Referring to engagement letter dated 2nd June, 2020 whereby I, Mr. Vardhman Doogar has been appointed by the management of Gulshan Polyols Limited ("hereinafter referred to as "Company", "GPL", "Transferee Company"), Gulshan Holdings Private Limited ("hereinafter referred to as "Company", "GHPL", "Transferor Company"), East Delhi Importers & Exporters Private Limited ("hereinafter referred to as "Company", "EDIEPL", "Transferor Company") for recommendation of Fair Share Exchange Ratio for the proposed Scheme of Amalgamation of Gulshan Holdings Private Limited and East Delhi Importers & Exporters Private Limited with Gulshan Polyols Limited.

The Fair Share Exchange Ratio ("Swap Ratio") for this report refers to number of equity shares of GPL which would be issued to the equity shareholders of GHPL & EDIEPL pursuant to the proposed Scheme of Amalgamation.

GPL, GHPL and EDIEPL are hereinafter collectively referred to as the 'Companies'. Vardhman Doogar has been hereinafter referred to as 'Registered Valuer' or 'I' or 'me'.

Scope & Purpose of Valuation

Registered Valuer have been informed by the management of Companies (hereinafter referred to as the 'Management') that they are considering a proposal for amalgamation of GHPL and EDIEPL with GPL (hereinafter referred to as 'Amalgamation') pursuant to the Scheme of Amalgamation between the Companies and their respective shareholders under section 230 to 232 of the Companies Act, 2013. I have been informed that the Board of directors of both the Companies, in their respective meeting held on 6th August, 2020, have given in-principal approval for amalgamation of GHPL and EDIEPL with GPL.



In this regards, Registered Valuer have been appointed to undertake the fair valuation of the equity shares of the Companies and to recommend the share exchange ratio for the proposed scheme in accordance with Internationally accepted Valuation Standards/ ICAI Valuation Standards 2018 issued by Institute of Chartered Accountants of India.

Registered Valuer understand that the appointed date for the Proposed Amalgamation is 1st April, 2020 or such other date as approved by the National Company Law Tribunal as per the draft Scheme of Amalgamation. For the purpose of this valuation, 30th June, 2020 has been considered as the "Valuation Date".

The scope of our services is to conduct a relative valuation of the shares of the Companies and to recommend a Share Exchange Ratio.

This Report is subject to the scope limitations and disclaimers detailed hereinafter. As such, the report is to be read in totality, not in parts, in conjunction with the relevant documents referred to therein.

SOURCES OF INFORMATION

For the aforementioned purpose, we have relied on the following information about the Companies received from the management and / or gathered from public domain:

- Brief overview of the business of Companies and other relevant information;
- Salient features of the Proposed Amalgamation;
- Draft Scheme of Arrangement
- Audited Financial Statement of GPL, GHPL, and EDIEPL for the financial year 2017-18, 2018-19;
- Audited financial statements of the GPL, GHPL, and EDIEPL for the financial year 2019-20, with key financial assumptions;
- Any material financial changes in GPL, GHPL and EDIEPL from the 31st March, 2020 to the valuation date in the absence of the financials for the period ended 30th June, 2020.
- Management Certified Projected financial statements of the GPL from the 1st July, 2020 to 31st March 2025, with key financial assumptions;
- Fair Value Report of Immovable Properties by Er. Ratan Dev Garg (Registered Valuer under Companies Act, 2013) dated 18th June, 2020;
- Management Assumptions related to Risk and Growth Projections;
- We have also received necessary explanations and information, which we believed were relevant to the present valuation exercise from the executives and management of the company;
- Information (industry related as well as company specific) available on various public domains;
- Latest Shareholding pattern of the Companies.

For our analysis, we have also relied on published and secondary source of data. We have not independently verified the accuracy or timeliness of the same.



SCOPE LIMITATIONS & DISCLAIMERS

- This report is subject to the scope limitations detailed hereinafter. As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein and in the context of the purpose for which it is made. Further my report on recommendation of fair equity share exchange ratio of the Companies is in accordance with ICAI Valuation Standards (IVS) 2018.
- This Valuation Report, its contents and the results herein are specific to the purpose mentioned in this report; specific to the date of this Valuation report and based on the Audited balance sheet of the companies as at 31st March 2020. The management has represented that the business activities of GPL, GHPL, and EDIEPL have been carried out in the normal and ordinary course and we have been given to understand that there has not been any material change since 30th June, 2020 and date hereof in their respective operations and financial position.
- In accordance with the terms of our engagement, we have assumed and relied upon, without independent verification, (i) the accuracy of information made available to us by the Companies and (ii) the accuracy of the information that was publicly available, and formed substantial basis for this Report. We have not carried out a due diligence or audit of the Companies, nor have we independently investigated or otherwise verified the data provided by the Companies. We do not express any form of assurance that the financial information or other information as prepared and provided by the Companies is accurate. Also, with respect to explanations and information sought from the Companies, we have been given to understand by the Companies that they have not omitted any relevant and material factors and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. Accordingly, we do not express any opinion or offer any form of assurance regarding its accuracy and completeness.
- The Enterprise Value/ Equity Value arrived at under DCF approach is based on the working capital position as conveyed to us on zero date and any change in the same on the closing date would impact the cash flow and, hence, the valuation. Our conclusions are based on these assumptions and information given by/ on behalf of the Companies. The respective management of the Companies has indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our valuation analysis/results. Accordingly, we assume no responsibility for any errors in the information furnished by the Companies and their impact on the Valuation Report. However, nothing has come to our attention to indicate that the information provided was materially misstated / incorrect. We do not imply and it should not be construed that we have verified any of the information provided to us, or that our inquiries could have verified any matter, which a more extensive examination might disclose.
- During the course of work, we have relied upon the Financial Projections of GPL as provided to us by the management. The realizations of the projections are dependent on the continuing validity of the assumptions on which they are based. Since, the projections relate to the future, actual results may be different from the projected results because events and circumstances do not occur as expected, and differences may be material.
- Valuation work, by its very nature, cannot be regarded as an exact science and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgement. Given the same set of facts and using the same assumptions, expert opinion may differ due to number of separate judgement decisions, which have to be made. There can therefore be no standard formulae to establish an undisputable value, although certain formulae are helpful in assessing reasonableness. There is, therefore, no undisputable single exchange ratio. While we have provided our recommendation of the exchange Ratio based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion as to the exchange ratio.



- This report and its contents is prepared for the Companies and to be used only for the specific engagement and regulatory reporting purposes and must not be copied, disclosed or circulated or referred to or quoted in any correspondence, registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or discussion with any person. The report is confidential to the Companies and it is given on the express undertaking that will not be communicated, in whole or in part, to any third party without prior written consent of the Valuer. Neither this report nor its contents may be used for any other purpose other than in connection with this Proposed Amalgamation without prior written consent of the Valuer.
- Whilst all reasonable care has been taken to ensure that the facts stated in the report are accurate and the opinions given are fair and reasonable, neither I, nor my officers or employees shall in any way be responsible for the contents stated herein. Accordingly, we make no representation or warranty, express or implied, in respect of completeness, authenticity or accuracy of such statements. We expressly disclaim any and all liabilities, which may arise based upon the information used in this report. We owe responsibility only to the Board of Directors of the Companies and nobody else. We are not Liabile to any third party in relation to the issue of this report. In no event we shall be liable for any loss, damage, cost or expense arising in any way from fraudulent acts, misrepresentations or wilful default on the part of the Companies, their management, directors, employees or agents.
- A valuation of this nature is necessarily based on prevailing stock market, financial, economic and other conditions in general and industry trends in particular as in effect on, and the information made available to us as of, the date hereof. Events occurring after the date hereof, may affect this Report and the assumptions used in preparing it, and we have no obligation to update this Report.
- The Report assumes that the Companies comply fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that the Companies will be managed in a competent and responsible manner. Our conclusion of value assumes that the assets & liabilities of the Companies, reflected in their respective latest balance sheets remain intact as of the date hereof.
- In addition, we express no opinion or recommendation as to how the shareholders or creditors of Companies should vote at their respective meeting(s) to be held in connection with the Proposed Amalgamation.
- The fee for this engagement is not contingent upon the results of this report.
- Any person / party intending to provide finance / deal in the shares / business of any of the Companies shall do so after seeking their own professional advice and after carrying out their own due diligence procedures and therefore forms reliable basis for the valuation.
- In the course of valuation, we were provided with both written and verbal information, including market, technical, financial and operating data.

BACKGROUND OF COMPANIES

Gulshan Polyols Limited(GPL)

GPL was incorporated on 20th October 2000 with Registrar of Companies, Kanpur as a Public Company, Limited by Shares, having its registered office at 9th K.M., Jansat Road, Muzaffarnagar - 251001, Uttar Pradesh, India. The equity shares of GPL are listed at Bombay Stock Exchange Limited ("BSE") and National Stock Exchange of India Limited ("NSE") and Company is engaged in the business of manufacturing multi-products such as starch sugar, high fructose rice syrup, brown rice syrup, rice syrup solids, calcium carbonate, agro based animal feed, alcohol and installing onsite PCC plants.



The shareholding pattern of the Company as on 30th June, 2020 is as follows;

Category	No. of Shares	Shareholding in Percentage
Promoter and Promoter Group	3,19,98,438	68.20%
Public and Others	1,49,18,582	31.80%
Total	4,69,17,020	100%

Source: BSE

Face Value of INR 1/- each

Financial Snapshot of the Company;

(Amount, Rs. In Crores)

Particulars	2018-19	2019-20
Assets		
Property Plant & Equipments, CWIP & Intangible Assets	277.63	263.12
Non-Current Investments	0.47	0.42
Other Non-Current assets	6.20	6.92
Current Assets	197.92	186.52
Total	482.22	456.98
Equity & Liabilities		
Equity	290.55	305.29
Non-Current Liabilities	40.82	21.74
Current Liabilities	150.85	129.95
Total	482.22	456.98

Source: Audited/ Management Certified Financial Statement

Gulshan Holdings Private Limited (GHPL)

GHPL is a private limited company within the Companies Act, 2013, having its registered office at 9th K.M., Jansat Road, Muzaffarnagar - 251001, Uttar Pradesh, India and Corporate Identity Number (CIN) U74899DL1985PTC022582. GHPL was originally incorporated as a company limited by shares on 20th November, 1985 under Companies Act, 1956 under the name of "Gulshan Marketing Private Limited". Thereafter, pursuant to Section 23 of the Companies Act, 1956 and under the order of the Central Government, the name of the Company was changed to Gulshan Holdings Private Limited. GHPL engaged in the business of acquiring, investing and holding shares in companies having similar objects or companies providing value benefit, and guaranteeing the payment of money unsecured or secured by or payable under or in respect of contractual obligations.

The shareholding pattern of the Company as on 30th June, 2020 is as follows:

Category	No. of Shares	Shareholding in Percentage
Promoter and Promoter Group	707	100%
Public and Others	-	-
Total	707	100%

Source: Management Information

Face Value of INR 1000/- each



Financial Snapshot of the Company

(Amount, Rs. In Crores)

Particulars	2018-19	2019-20
Assets		
Property Plant & Equipments, CWIP & Intangible Assets	1.40	1.40
Non-Current Investments	7.15	30.11
Other Non-Current assets	19.02	1.60
Current Assets	14.84	11.06
Total	42.41	44.17
Equity & Liabilities		
Equity	41.21	43.17
Non-Current Liabilities	0.68	0.51
Current Liabilities	0.52	0.50
Total	42.41	44.17

Source: Audited/ Management Certified Financial Statement

East Delhi Importers & Exporters Private Limited (EDIEPL)

EDIEPL is a private limited company within the Companies Act, 2013, having its registered office at 9th K.M., Jansat Road, Muzaffarnagar - 251001, Uttar Pradesh, India and Corporate Identity Number (CIN) U60231DL1997PTC088674. EDIEPL was originally incorporated as a company limited by shares on 23rd July, 1997 under Companies Act, 1956 under the name of "Atul Transport Private Limited". Thereafter, pursuant to Section 23 of the Companies Act, 1956 and under the order of the Central Government, the name of the Company was changed to East Delhi Importers and Exporters Private Limited. EDIEPL engaged in the business of importing, exporting, dealing and trading multi-products which includes but not limited to textile products, chemicals, sugar and related products, engineering goods, molasses, grains, glassware, alcohol, oils, paper and related products, wood and timber etc. Currently, company is not in operation.

The shareholding pattern of the Company as on 30th June, 2020 is as follows:

Category	No. of Shares	Shareholding in Percentage
Promoter and Promoter Group	10,000	100%
Public and Others	-	-
Total	10,000	100%

Source: Management Information

Face Value of INR 10/- each

Financial Snapshot of the Company

(Amount, Rs. In Crores)

	2018-19	2019-20
Equity & Liabilities		
Shareholder's Fund	5.84	5.94
Non-Current Liabilities	0.00	0.00
Current Liabilities	0.32	0.05
Total	6.16	5.99
Assets		
Fixed Assets	1.38	1.37
Non-Current Investments	-	-
Other Non-Current assets	-	-
Current Assets	4.78	4.62
Total	6.16	5.99

Source: Audited Financial Statement



Registered valuer - Vardhman Doogar

Registered Valuer is a fellow member of The Institute of Chartered Accountants of India (ICAI) (Membership No.: 517347) practicing as a partner with Doogar & Associates, Chartered Accountants (FRN No.: 000561N).

The Registered Valuer is also registered with the Insolvency and Bankruptcy Board of India (IBBI), as a Registered Valuer for asset class - 'Securities or Financial Assets' with Registration No. IBBI/RV /06/2019/10802.

Procedure adopted for the purpose of valuation

In connection with this analysis, we have adopted the following procedures to carry out the valuation analysis:

- Requested and received financial and qualitative information relating to the Companies;
- Obtained and analyzed data available in public domain, as considered relevant by us;
- Discussed with the management and representatives of the respective Companies on understanding of the business and fundamental factors affecting the Companies;
- Undertook industry analysis:
 - Research publicly available market data including economic factors and industry trends that may impact the valuation;
 - Analysis of key trends and valuation multiples of comparable companies/comparable transactions, if any, using proprietary databases subscribed by us;
- Analysis of other publicly available information;
- Selection of valuation approach and valuation methodology/(ies), in accordance with IVS, as considered appropriate and relevant by us;
- Determination of relative values of the equity shares of the Companies;
- Further, at the request of respective Managements, we have had discussions with fairness opinion providers appointed by respective Companies on the valuation approach adopted and assumptions made.

VALUATION APPROACH

Arriving at the fair share exchange ratio for the proposed amalgamation would require determining the relative values of each company. These values are to be determined independently but on relative basis, and without considering the effect of proposed amalgamation.

The valuation methodology to be adopted varies from case to case depending upon different factors affecting valuation. The basis of valuation would depend on the purpose of valuation, nature of business, future prospects of the company & industry and other attendant circumstances.

Different methodologies are adopted for valuation of manufacturing, investment, property and trading companies. Investment and property companies are valued based on the market value or fair value of their underlying assets while manufacturing companies are valued in relation to profits from business and relative value of assets.

Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of a similar nature and our reasonable judgment, analysis of businesses, in an independent and bona fide manner based on our previous experience of assignments of a similar nature.



There are three generally accepted approaches to valuation:

- **COST APPROACH**
- **INCOME APPROACH**
- **MARKET APPROACH**

COST APPROACH:

The "cost" approach is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. This valuation approach is mainly used in case where the asset base dominates earnings capability or in case where the valuing entity is a Holding company deriving significant value from its Assets & Investments.

Under the Adjusted Net Asset Value ("NAV") Method, the assets and liabilities are considered at their realizable / market value including Intangible Assets and Contingent Liabilities if any which are not stated in the balance sheet. From the realizable value of the assets, the potential liabilities (including the preference share capital, if any) would be deducted.

For valuation of GHPL, we have considered this method, as entity has significant investments & property in their balance sheet and their historical book value and carrying value respectively reflect the intrinsic value of the business.

For valuation of EDIEPL, we have considered this method, as entity is not in operations and entity has significant investments & property in their balance sheet and their historical book value and carrying value respectively reflect the intrinsic value of the business.

For valuation of GPL which is an operating company & has a going concern scenario, the relative earning power which comes under the Income & Market approach is of great importance than the Asset Approach. Thus, the method has not been used for the valuation of GPL.

INCOME APPROACH

Discounted Cash Flow Method

The income approach is widely used for valuation under "Going Concern" basis. It focuses on the income generated by the company in the past as well as its future earning capability. The Discounted Cash Flow ("DCF") Method under the income approach seeks to arrive at a valuation based on the strength of future cash flows. Under the Discounted Cash Flow method (DCF), the projected free cash flows to the firm/ equity shareholders are discounted at the weighted average cost of capital/ cost of equity. The sum of the discounted value of such free cash flows is the value of the firm / equity. Using the DCF analysis involves determining the following:

Estimating Future free cash flows:

Free cash flows are the cash flows expected to be generated by the company that are available to the providers of the company's capital. We have taken the earnings before interest and tax, to which we have added depreciation. Further such earnings are adjusted for non-operating incomes and expenses so as to arrive at EBITDA. The perpetuity (terminal) value is calculated based on the business' potential for further growth beyond the explicit forecast period. Usually "constant growth model" is applied, which implies an expected constant level of growth for perpetuity in the cash flows over the last year of the forecast period.



Appropriate discount rate to be applied to cash flows:

The Free Cash Flows arrived at above are discounted at appropriate discount rate to arrive at the Present Value thereof. This discount rate should reflect the opportunity cost to the providers of capital. The opportunity cost equals the rate of return the capital provider expects to earn on other investments of equivalent risk. The discounting factor reflects not only the time value of money, but also risk associated with the business' future operations.

Equity Value

The Equity Value (aggregate of present value of explicit period and terminal period cash flows) so derived, is further adjusted for the cash, non-operating assets liabilities (e.g. fair value of investments in subsidiaries / associates, value of surplus assets, any contingent liabilities, etc.) and preference shareholders liability, if any, to arrive at value to the owners of the business.

For valuation of GPL which is an operating company & entity drive its value from earnings. We have assigned appropriate weight to this method. The free cash flows to the firm available in the explicit period and those in perpetuity are discounted by discounting factor based on Weighted Average Cost of Capital.

For valuation of GHPL & EDIEPL, these entities have significant investments in property in their balance sheet without any other operational source of income and their historical book value fairly reflects the intrinsic value of the business. So, therefore, this method has not been used for the valuation of GHPL & EDIEPL.

MARKET APPROACH

Under this approach, the valuation is based on the market value of the company in case of listed companies and comparable companies trading or transaction multiples for unlisted companies.

Comparable Company Quoted Multiple (CCM)/ Comparable Transaction Multiple (CTM) Method

Under CCM, value of the Company is arrived at by using multiples derived from valuations of comparable companies, as manifest through stock market valuations of listed companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation.

Under CTM, value of the company is arrived on the basis of transactions related to sale/ purchase/ investment in similar companies in the market outside of Stock Market.

Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

For valuation of GPL, GHPL & EDIEPL, in the absence of comparable company/ transaction to determine relevant multiples for estimating equity values of subject companies, we could not consider these methods for the purpose of valuation.

Minimum Pricing Guidelines (as per ICDR)

In compliance with the SEBI Circular CFD/DIL3/CIR/2017/21 dated 10th March, 2017 and Issue of Capital and Disclosure Requirements Regulations, 2018 (ICDR Regulations), issuance of shares pursuant to order under section 230 to 234 of the Companies Act, 2013 requires to follow pricing guidelines that apply to preferential issue, if any such issue is to be made to shareholders of an unlisted company.



Pricing of Equity Shares

As per regulation 164(1) of ICDR Regulations, the market price cannot be lower than the higher of following of the issuer listed company, if share is frequently traded:

- Average of the weekly high and low of the volume weighted average price during the 26 weeks preceding relevant date; or
- Average of weekly high and low of the volume weighted average price during the 2 weeks preceding relevant date.

Frequently traded shares means the shares of the issuer/ company, in which the traded turnover on any recognised stock exchange during the twelve calendar months preceding the relevant date, is at least ten per cent of the total number of shares of such class of shares of the issuer. Provided that where the share capital of a particular class of shares of the issuer is not identical throughout such period, the weighted average number of total shares of such class of the issuer shall represent the total number of shares.

The Relevant date for the purpose of computing pricing shall be the date of the board meeting.

In the present case, the trading volumes of the equity shares of GPL were more than 10% of the total number of shares during the twelve calendar months preceding the relevant date i.e. 6th August, 2020 on the NSE and accordingly equity shares of the company was classified as frequently traded shares under preferential issue pricing guidelines. EDIEPL & GHPL are not listed Company and hence Market Price Method is not applicable. Thus, the minimum pricing requirements of ICDR are applicable on amalgamation of EDIEPL and GHPL with GPL, since GPL is frequently traded.

CONCLUSION OF VALUATION APPROACH

Fair Value for the purpose of amalgamation have to be determined after taking into consideration all the factors and methodologies. Though, different values have been arrived at, under each of the above methodologies. For the purposes of recommending a Share exchange ratio, it is necessary to arrive at a single value for the equity shares of GPL, GHPL and EDIEPL. It is however important to note that in doing so, we are not attempting to arrive at the absolute equity values but at their relative values to facilitate the determination of fair exchange ratio. For this purpose, appropriate weights have been assigned to each method.

The relative value per share and the share exchange ratio recommended is provided as follows;

(Value per Share in INR)

Valuation Approach	GPL		GHPL		EDIEPL	
	Value per Share	Weight	Value per Share	Weight	Value per Share	Weight
Adjusted Net Asset Value Method	NA	NA	1,913,284.67	1	8,686.72	1
Discounted Cash Flow Method	57.34	0.5	NA	NA	NA	NA
Market Price Method	38.69	0.5	NA	NA	NA	NA
Fair Value per share	48.01		1,913,284.67		8,686.72	
Share Exchange Ratio (Rounded off)			39,848		181	

NA= Not Applicable



BASIS OF AMALGAMATION

The fair equity share exchange ratio has been arrived on the basis of a relative valuation of equity shares of GPL, GHPL and EDIEPL based on the approaches explained herein earlier and various qualitative factors relevant to the companies and the business dynamics and growth potential of the businesses, having regard to information base, management representation and perceptions, key underlying assumptions and limitations.

In light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined herein above, we consider that the fair exchange ratio for the amalgamation of GHPL and EDIEPL into GPL as follows.

In consideration of amalgamation of GHPL with GPL, the equity shareholders of GHPL shall receive 39,848 Equity Share(s) of Rs.1/- each in GPL as fully paid up for every 1 Equity Share of Rs.1000/- each fully paid-up held by the equity shareholders of GHPL in the capital of GHPL.

In consideration of amalgamation of EDIEPL with GPL, the equity shareholders of EDIEPL shall receive 181 Equity Share(s) of Rs.1/- each in GPL as fully paid up for every 1 Equity Share of Rs.10/- each fully paid-up held by the equity shareholders of EDIEPL in the capital of EDIEPL.

Equity shares already held by GHPL & EDIEPL in GPL as on the date of valuation shall stands cancelled.

This report is to be read in its entirety.

Yours Faithfully,


Vardhman Doogar

Registered Valuer No.: IBBI/RV/06/2019/10802

ICAI Membership No.: 517347

UDIN: 20517347AAAAJB9507

Place: Gurgaon

Date: 6th August, 2020



Annexure

Calculation of Market Price as per SEBI ICDR guidelines – Gulshan Polyols Limited

Calculation of 2 Weeks Volume Weighted Average Price

Weeks	Date	Volume Wgt	High	Low	Average
1	05-Aug-20	43.04	43.04	37.55	40.30
	04-Aug-20	42.05			
	03-Aug-20	39.96			
	31-Jul-20	39.64			
	30-Jul-20	37.55			
2	29-Jul-20	36.12	38.03	36.12	37.07
	28-Jul-20	36.70			
	27-Jul-20	36.76			
	24-Jul-20	36.59			
	23-Jul-20	38.03			
2 Weeks Volume Weighted Average Price					38.69

Calculation of 26 Weeks Volume Weighted Average Price

Weeks	Date	Volume Wgt	High	Low	Average
1	05-Aug-20	43.04	43.04	37.55	40.30
	04-Aug-20	42.05			
	03-Aug-20	39.96			
	31-Jul-20	39.64			
	30-Jul-20	37.55			
2	29-Jul-20	36.12	38.03	36.12	37.07
	28-Jul-20	36.70			
	27-Jul-20	36.76			
	24-Jul-20	36.59			
	23-Jul-20	38.03			
3	22-Jul-20	39.39	39.39	37.58	38.49
	21-Jul-20	38.81			
	20-Jul-20	37.58			
	17-Jul-20	38.25			
	16-Jul-20	38.00			
4	15-Jul-20	38.24	39.34	35.69	37.51
	14-Jul-20	39.34			
	13-Jul-20	39.04			
	10-Jul-20	36.78			
	09-Jul-20	35.69			
5	08-Jul-20	35.03	35.11	34.88	35.00
	07-Jul-20	34.88			
	06-Jul-20	35.04			
	03-Jul-20	34.93			
	02-Jul-20	35.11			
6	01-Jul-20	34.74	35.16	34.32	34.74
	30-Jun-20	34.32			
	29-Jun-20	34.33			
	26-Jun-20	35.16			
	25-Jun-20	35.16			



7	24-Jun-20	35.27	35.53	34.65	35.09
	23-Jun-20	35.53			
	22-Jun-20	34.77			
	19-Jun-20	35.29			
	18-Jun-20	34.65			
8	17-Jun-20	33.85	37.56	33.85	35.70
	16-Jun-20	35.86			
	15-Jun-20	35.86			
	12-Jun-20	34.20			
	11-Jun-20	37.56			
9	10-Jun-20	35.99	35.99	28.74	32.37
	09-Jun-20	34.55			
	08-Jun-20	32.94			
	05-Jun-20	31.40			
	04-Jun-20	28.74			
10	03-Jun-20	28.66	28.66	26.51	27.58
	02-Jun-20	28.20			
	01-Jun-20	27.05			
	29-May-20	26.51			
	28-May-20	26.55			
11	27-May-20	25.62	26.97	25.49	26.23
	26-May-20	26.97			
	22-May-20	26.03			
	21-May-20	25.49			
12	20-May-20	25.56	26.44	25.37	25.90
	19-May-20	25.46			
	18-May-20	25.37			
	15-May-20	26.04			
	14-May-20	26.44			
13	13-May-20	26.62	27.58	26.33	26.96
	12-May-20	26.33			
	11-May-20	26.69			
	08-May-20	27.09			
	07-May-20	27.58			
14	06-May-20	28.33	29.46	27.87	28.66
	05-May-20	28.84			
	04-May-20	27.87			
	30-Apr-20	29.46			
15	29-Apr-20	30.42	30.42	27.72	29.07
	28-Apr-20	29.17			
	27-Apr-20	27.93			
	24-Apr-20	27.72			
	23-Apr-20	28.41			
16	22-Apr-20	27.63	29.76	27.63	28.69
	21-Apr-20	28.49			
	20-Apr-20	29.76			
	17-Apr-20	29.28			
	16-Apr-20	29.29			
17	15-Apr-20	29.12	29.12	26.64	27.88
	13-Apr-20	27.71			
	09-Apr-20	26.64			
18	08-Apr-20	25.79	25.79	23.31	24.55
	07-Apr-20	24.59			
	03-Apr-20	23.31			



19	01-Apr-20	22.05	22.21	20.66	21.43
	31-Mar-20	21.04			
	30-Mar-20	20.66			
	27-Mar-20	22.21			
	26-Mar-20	21.98			
20	25-Mar-20	22.30	26.75	22.30	24.53
	24-Mar-20	23.45			
	23-Mar-20	24.67			
	20-Mar-20	25.63			
	19-Mar-20	26.75			
21	18-Mar-20	28.52	32.99	28.52	30.75
	17-Mar-20	29.53			
	16-Mar-20	30.62			
	13-Mar-20	30.97			
	12-Mar-20	32.99			
22	11-Mar-20	35.21	40.45	35.21	37.83
	09-Mar-20	38.07			
	06-Mar-20	40.45			
	05-Mar-20	39.07			
23	04-Mar-20	39.93	44.06	39.65	41.86
	03-Mar-20	39.65			
	02-Mar-20	41.76			
	28-Feb-20	42.79			
	27-Feb-20	44.06			
24	26-Feb-20	45.36	46.46	43.03	44.75
	25-Feb-20	46.46			
	24-Feb-20	46.11			
	20-Feb-20	43.03			
25	19-Feb-20	44.56	45.71	43.04	44.37
	18-Feb-20	43.11			
	17-Feb-20	43.04			
	14-Feb-20	43.68			
	13-Feb-20	45.71			
26	12-Feb-20	46.49	46.49	43.17	44.83
	11-Feb-20	44.01			
	10-Feb-20	43.28			
	07-Feb-20	43.17			
	06-Feb-20	45.41			
26 Weeks Volume Weighted Average Price					33.16



**FAIRNESS OPINION REPORT ON VALUATION FOR THE PROPOSED SCHEME OF
AMALGAMATION**

amongst

Gulshan Holdings Private Limited and East Delhi Importers & Exporters Private Limited

and

Gulshan Polyols Limited

By



Navigant

Navigant Corporate Advisors Limited
423, A Wing, Bonanza, Sahar Plaza Complex,
J.B. Nagar, Andheri Kurla Road,
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06th August, 2020

SEBI Registered Category I Merchant Banker

SEBI Registration No. INM000012243



Notice to Reader

Navigant Corporate Advisors Limited (“Navigant” / “NCAL” or “Authors of the Report”) is a SEBI registered ‘Category I’ Merchant banker in India and was engaged by Board of Directors of Gulshan Polyols Limited (“GPL” or “Transferee Company”) to prepare an Independent Fairness Opinion Report (“Report”) with respect to providing an independent opinion and assessment as to fairness of Valuation Report and Swap ratio determined by Mr. Vardhman Doogar, Registered Valuer (“Valuer”) an Independent Valuer for the purpose of intended proposed amalgamation of Gulshan Holdings Private Limited (“GHPL”, “Transferor Company”), East Delhi Importers & Exporters Private Limited (“EDIEPL”, “Transferor Company”) with Gulshan Polyols Limited (“GPL” or “Transferee Company”) pursuant to a Scheme of Amalgamation under section 230 to 232 and other applicable clauses of the companies Act, 2013 (“Scheme”).

GPL, GHPL and EDIEPL are collectively referred as “Companies”.

The Fairness Opinion Report (“Report”) has been prepared on the basis of the review of information provided to Navigant and specifically the Report on Swap ratio (hereinafter referred as Valuation Report) prepared by Valuer as an independent valuer. The report does not give any valuation or suggest any swap ratio; however, this report is limited to provide its fairness opinion on the Valuation Report.

The information contained in this Report is selective and is subject to updations, expansions, revisions and amendment. It does not purport to contain all the information recipients may require. No obligation is accepted to provide recipients with access to any additional information or to correct any inaccuracies which might become apparent.

This Report is based on data and explanations provided by the management and certain other data culled out from various websites believed to be reliable. Navigant has not independently verified any of the information contained herein. Neither the Company nor Navigant, nor affiliated bodies corporate, nor the directors, shareholders, managers, employees or agents of any of them, makes any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information contained in the Report. All such parties and entities expressly disclaim any and all liability for or based on or relating to any such information contained in, or errors in or omissions from, this Report or based on or relating to the Recipients’ use of this Report.



Date: 06th August, 2020

To,
The Board of Directors
Gulshan Polyols Limited
9th K.M., Jansat Road,
Muzaffarnagar - 251001,
Uttar Pradesh, India

To
The Board of Directors
Gulshan Holdings Private Limited
9th K.M., Jansat Road,
Muzaffarnagar - 251001,
Uttar Pradesh, India

To
The Board of Directors
East Delhi Importers & Exporters Private Limited
9th K.M., Jansat Road,
Muzaffarnagar - 251001,
Uttar Pradesh, India

Dear Members of the board,

Engagement Background

We Understand that the Board of Directors of Gulshan Holdings Private Limited (“GHPL”, “Transferor Company”), East Delhi Importers & Exporters Private Limited (“EDIEPL”, “Transferor Company”) and Gulshan Polyols Limited (“GPL” or “Transferee Company”) are considering a Scheme of Amalgamation between GHPL, EDIEPL and GPL and their respective Shareholders (“the Scheme”) for amalgamation of GHPL, and EDIEPL with GPL under the provisions of sections 230 to 232 and other relevant provisions of the Companies Act, 2013, as may be applicable for amalgamation of GHPL, EDIEPL with GPL.

We understand that the Valuation as well as the swap ratio thereof is based on the Valuation Certificate dated 6th August, 2020 issued by Mr. Vardhman Doogar, Registered Valuer (“Valuer”) (Membership. No. 517347).

We, Navigant Corporate Advisors Limited, a SEBI registered Category-I Merchant Banker, have been engaged by GPL to give a fairness opinion (“Opinion”) on Valuation Certificate dated 6th August, 2020 issued by Mr. Vardhman Doogar, Registered Valuer (“Valuer”) (Membership. No. 517347).



Background of the Companies

Gulshan Holdings Private Limited

(a) Gulshan Holdings Private Limited was incorporated on 20th November, 1985 as a private limited company with Registrar of Companies, Delhi & Haryana as a Private Company, Limited by Shares, having its registered office at 9th K.M., Jansat Road, Muzaffarnagar - 251001, Uttar Pradesh, India.

(b) GHPL was originally incorporated as a company limited by shares on 20th November, 1985 under Companies Act, 1956 under the name of “Gulshan Marketing Private Limited”. Thereafter, pursuant to Section 23 of the Companies Act, 1956 and under the order of the Central Government, the name of the Company was changed to Gulshan Holdings Private Limited and a fresh certificate of change of name was issued to the company.

(c) GHPL is engaged in the business of acquiring, investing and holding shares in companies having similar objects or companies providing value benefit, and guaranteeing the payment of money unsecured or secured by or payable under or in respect of contractual obligations. Also, The GHPL is engaged in the business of trading goods. Currently, company is not in operations.

The shareholding pattern of the Gulshan Holdings Private Limited as on June 30, 2020

Shareholders	Number of Shares	% Shareholding
Promoters Group	707	100%
Others	-	-
Total	707	100%

East Delhi Importers & Exporters Private Limited (EDIEPL)

(a) East Delhi Importers & Exporters Private Limited is a private limited company within the Companies Act, 2013, having its registered office at 9th K.M., Jansat Road, Muzaffarnagar - 251001, Uttar Pradesh, India and Corporate Identity Number (CIN) U60231DL1997PTC088674. EDIEPL was originally incorporated as a company limited by shares on 23rd July, 1997 under Companies Act, 1956 under the name of “Atul Transport Private Limited”. Thereafter, pursuant to Section 23 of the Companies Act, 1956 and under the order of the Central Government, the name of the Company was changed to East Delhi Importers and Exporters Private Limited and a fresh certificate of change of name was issued to the company

(b) EDIEPL is engaged in the business of importing, exporting, dealing and trading multi-products which includes but not limited to textile products, chemicals, sugar and related products, engineering goods, molasses, grains, glassware, alcohol, oils, paper and related products, wood and timber etc. Further, the company is engaged in the business as general carriers, transporters and freight forwarders, and exporting, importing, trading and dealing in the computer software, programmes, computer hardware and peripherals. Currently, company is not in operations



The Shareholding pattern of East Delhi Importers and Exporters Private Limited as on June 30, 2020

Shareholders	Number of Shares	% Shareholding
Promoters Group	10,000	100%
Others	-	-
Total	10,000	100%

Gulshan Polyols Limited

(a) Gulshan Polyols Limited was incorporated as a Public Limited Company under the provisions of the Companies Act, 1956 on GPL was incorporated on 20th October 2000 with Registrar of Companies, Kanpur as a Public Company, Limited by Shares, having its registered office at 9th K.M., Jansat Road, Muzaffarnagar - 251001, Uttar Pradesh, India. The equity shares of GPL are listed at Bombay Stock Exchange Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”).

(b) Transferee Company is engaged in the business of manufacturing multi-products such as starch sugar, high fructose rice syrup, brown rice syrup, rice syrup solids, calcium carbonate, agro based animal feed and alcohol. Further, the Transferee Company is engaged in installing onsite PCC plants.

The shareholding pattern of the Company as on 30th June, 2020 is as follows

Shareholders	Number of Shares	% Shareholding
Promoters Group	3,19,98,438	68.20%
Others	1,49,18,582	31.80%
Total	4,69,17,020	100%

Transaction Overview and Rational

GHPL is engaged in the business of “Trading of Goods and Holding Investments & Guarantees” while the EDIEPL is engaged in the business of “Transportation Services and Trading of Multi-Products” and GPL is engaged in the business of “Manufacturing & Dealing with Multi-Products”.

All the entities are engaged in complementary, similar and ancillary businesses pertaining to manufacturing, dealing and trading of multi-products.

Hence, with a view to consolidating complementary and similar businesses under a single entity and to achieve simplified corporate structure by way of group reorganisation, the management has envisaged to undertake the amalgamation of the Transferor Companies in the Transferee Company under this Scheme.



The amalgamation of the Transferor Companies with the Transferee Company would inter alia have the following benefits:

- Help in achieving improved operational efficiency and optimum advantages and also to achieve greater efficiency and synergy in operations by combining the activities of the Transferor Companies with the Transferee Company. Accordingly, the Scheme would strengthen and complement the businesses of the Companies ;
- The amalgamated entity will benefit from optimum utilization of manpower through improved organizational capacity and leadership, arising from the combination of people from the Transferor Companies and Transferee Company which have diverse skills, talent, management expertise, enlarged knowledge base and vast experience to compete successfully in an increased competitive industry;
- The amalgamated entity shall reduce fixed costs by removing duplicate departments, operations and lower the cost of the Company relative to the same revenue stream and shall thus increase the profit margins.
- Under a liberalised, fast changing and highly competitive environment, this amalgamation shall strengthen the business of the Transferor Companies and the Transferee Company by pooling up the resources, business expertise, business processes and assets for common purpose and hence optimum utilization;
- The synergies that exist between the entities in terms of services and resources can be put to the best advantage of all stakeholders;
- The amalgamation will result in better economic control, increased financial strength and flexibility and enhance the ability of the amalgamated entity to undertake large projects, thereby contributing to enhancement of future business potential;
- Cost savings are expected to flow from more focused operational efforts, rationalisation, standardisation and simplification of business processes, productivity and improvements, improved procurement and the elimination of duplication and rationalization of administrative expenses;
- The consolidation of the companies engaged in similar & complementary line of business in one entity, under a single centralized system of management, will result in the management being able to exercise greater control over the operations of the Companies and which will help in synchronising the operations. This will also result in the management being enabled to undertake any re-structuring /re-organization of the various business undertakings of the companies for the purposes of achieving optimum efficiency /and or to attract investments in the individual business undertakings of the Companies.



In view of the aforesaid, the Board of Directors of the Transferor Companies as well as the Transferee Company have considered and proposed the amalgamation of the entire undertakings and businesses of the Transferor Companies with the Transferee Company in order to benefit the stakeholders of both Transferor Companies and Transferee Company. Accordingly, the Board of Directors of all the companies have formulated this Scheme of Amalgamation for the transfer and vesting of the entire undertakings and businesses of the Transferor Companies to the Transferee Company pursuant to the provisions of Section 230 to Section 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013.

Information relied upon:

We have prepared the fairness opinion report on the basis of the information provided to us and inter alia the following:

- Share Exchange ratio report by CA Vardhman Doogar, Registered Valuer dated 6th August, 2020;
- Other information and explanations as provided by the management/Valuer.

Further, we had discussions on such matters which we believe are necessary or appropriate for the purpose of issuing the Report.

We assume no responsibility for the legal, tax, accounting or structuring matters including, but not limited to, legal or title concerns. Title to all subject business assets is assumed to be good and marketable and we would urge the company to carry out the independent assessment of the same prior to entering into any transaction, after giving due weightage to the results of such assessment.

We have been informed that all information relevant for the purpose of issuing the Fairness Opinion report has been disclosed to us and we are not aware of any material information that has been omitted or that remains undisclosed.

Valuation Summary:

Some of the methods considered by the valuer for arriving at fair value of shares of a company are as under:

"SEBI Guidelines for pricing of equity shares

The valuation of GPL has been conducted in compliance with the SEBI circular CFD/DIL3/CIR/2017/21 dated 10th March 2017 and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations (ICDR Regulations), which prescribe guidelines for pricing of shares of a listed entity:



Valuation Methodologies

The three main valuation approaches are the asset approach, income approach and market approach. There are several commonly used and accepted methods including those set out in the Valuation Standards, 2018 issued by Institute of Chartered Accountants of India, within the asset approach, income approach and market approach, for determining the relative fair value, which can be considered in the present case, to the extent relevant and applicable, to arrive at the Share Exchange Ratio for the purpose of proposed merger, such as:

1. Cost Approach
2. Income Approach
3. Market Approach

1. Cost Approach - Net Asset Value (NAV) Methodology

The “cost” approach is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. This valuation approach is mainly used in case where the asset base dominates earnings capability or in case where the valuing entity is a Holding company deriving significant value from its Assets & Investments.

Under the Adjusted Net Asset Value (“NAV”) Method, the assets and liabilities are considered at their realizable / market value including Intangible Assets and Contingent Liabilities if any which are not stated in the balance sheet. From the realizable value of the assets, the potential liabilities (including the preference share capital, if any) would be deducted.

For valuation of GHPL we have considered this method, as entity has significant investments & property in their balance sheet and their historical book value and fair value respectively reflect the intrinsic value of the business.

For valuation of EDIEPL we have considered this method, as entity is not in operations and entity has significant investments & property in their balance sheet their historical book value and fair value respectively reflect the intrinsic value of the business.

For valuation of GPL which is an operating company & has a going concern scenario, the relative earning power which comes under the Income & Market approach is of great importance than the Asset Approach. So, therefore, this method has not been used for the valuation exercise.

2. Income Approach - Discounted Cash Flows method (‘DCF’)

Discounted Cash Flow Method

The income approach is widely used for valuation under “Going Concern” basis. It focuses on the income generated by the company in the past as well as its future earning capability. The Discounted Cash Flow (“DCF”) Method under the income approach seeks to arrive at a valuation based on the strength of future cash flows.



Under the Discounted Cash Flow method (DCF), the projected free cash flows to the firm/ equity shareholders are discounted at the weighted average cost of capital/ cost of equity. The sum of the discounted value of such free cash flows is the value of the firm / equity. Using the DCF analysis involves determining the following:

Estimating future free cash flows:

Free cash flows are the cash flows expected to be generated by the company that are available to the providers of the company's capital. We have taken the earnings before interest and tax, to which we have added depreciation. Further such earnings are adjusted for non-operating incomes and expenses so as to arrive at EBITDA. The perpetuity (terminal) value is calculated based on the business' potential for further growth beyond the explicit forecast period. Usually "constant growth model" is applied, which implies an expected constant level of growth for perpetuity in the cash flows over the last year of the forecast period.

Appropriate discount rate to be applied to cash flows i.e. the cost of capital:

The Free Cash Flows arrived at above are discounted at appropriate discount rate to arrive at the Present Value thereof. This discount rate should reflect the opportunity cost to the providers of capital. The opportunity cost equals the rate of return the capital provider expects to earn on other investments of equivalent risk. The discounting factor reflects not only the time value of money, but also risk associated with the business' future operations.

Equity Value:

The Equity Value (aggregate of present value of explicit period and terminal period cash flows) so derived, is further adjusted for the cash, non-operating assets liabilities (e.g. fair value of investments in subsidiaries / associates, value of surplus assets, any contingent liabilities, etc.) and preference shareholders liability, if any, to arrive at value to the owners of the business.

For valuation of GPL which is an operating company & entity drive its value from earnings. We have assigned appropriate weight to this method. The free cash flows to the firm available in the explicit period and those in perpetuity are discounted by discounting factor based on Weighted Average Cost of Capital.

For valuation of GHPL & EDIEPL, these entities have significant investments in property in their balance sheet without any other operational business and their historical book value fairly reflects the intrinsic value of the business. So, therefore, this method has not been used for the valuation exercise.



3. Market Approach

Under this approach, the valuation is based on the market value of the company in case of listed companies and comparable companies trading or transaction multiples for unlisted companies.

Comparable Company Quoted Multiple (CCM)/ Comparable Transaction Multiple (CTM) Method

Under CCM, value of the Company is arrived at by using multiples derived from valuations of comparable companies, as manifest through stock market valuations of listed companies.

This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Under CTM, value of the company is arrived on the basis of transactions related to sale/ purchase/ investment in similar companies in the market outside of Stock Market.

Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

For valuation of GPL, GHPL & EDIEPL, in the absence of comparable company/ transaction to determine relevant multiples for estimating equity values of subject companies, we could not consider these methods for the purpose of valuation.

Pricing of Equity Shares

As per regulation 164(1) of ICDR Regulations, the market price cannot be lower than the higher of following of the issuer listed company, if share is frequently traded:

(a) Average of the weekly high and low of the volume weighted average price during the 26 weeks preceding relevant date; or

(b) Average of weekly high and low of the volume weighted average price during the 2 weeks preceding relevant date.

Frequently traded shares means the shares of the issuer, in which the traded turnover on any recognised stock exchange during the twelve calendar months preceding the relevant date, is at least ten per cent of the total number of shares of such class of shares of the issuer. Provided that where the share capital of a particular class of shares of the issuer is not identical throughout such period, the weighted average number of total shares of such class of the issuer shall represent the total number of shares.

The Relevant date for the purpose of computing pricing shall be the last working day immediately prior to the date of the board meeting.

In the present case, the trading volumes of the equity shares of GPL were more than 10% of the total number of shares during the twelve calendar months preceding the relevant date i.e. 6th August, 2020 on the NSE and accordingly equity shares of the company was classified as frequently traded shares under preferential issue pricing guidelines.



EDIEPL & GHPL not a listed Company and hence Market Price Method is not applicable. Thus, the minimum pricing requirements of ICDR are applicable on amalgamation of EDIEPL and GHPL with GPL, since GPL is frequently traded.

Share exchange ratio recommendation

Fair Value for the purpose of amalgamation have to be determined after taking into consideration all the factors and methodologies. Though, different values have been arrived at, under each of the above methodologies. For the purposes of recommending a Share exchange ratio, it is necessary to arrive at a single value for the equity shares of GPL, GHPL and EDIEPL. It is however important to note that in doing so, we are not attempting to arrive at the absolute equity values but at their relative values to facilitate the determination of fair exchange ratio. For this purpose, appropriate weights have been assigned to each method.



The relative value per share and the share exchange ratio recommended is provided as follows:

Share exchange ratio for the proposed amalgamation of GHPL and EDIEPL with GPL

Valuation Approach	GPL		GHPL		EDIEPL	
	Value per share	Weight	Value per share	Weight	Value per share	Weight
Adjusted Net Asset Value Method	N.A.	N.A.	19,13,284.67	1	8,686.72	1
Discounted Cash Flow Method	57.34	0.5	N.A.	N.A.	N.A.	N.A.
Market Price Method	38.69	0.5	N.A.	N.A.	N.A.	N.A.
Fair Value per share	48.01		19,13,284.67		8,686.72	
Share Exchange Ratio (Rounded off)			39,848		181	

Conclusion Ratio:

Valuer has recommend that:

In consideration of amalgamation of GHPL with GPL, the equity shareholders of GHPL shall receive 39,848 Equity Share(s) of Rs.1/- each in GPL as fully paid up for every 1 Equity Share of Rs.1000/- each fully paid-up held by the equity shareholders of GHPL in the capital of GHPL.

In consideration of amalgamation of EDIEPL with GPL, the equity shareholders of EDIEPL shall receive 181 Equity Share(s) of Rs.1/- each in GPL as fully paid up for every 1 Equity Share of Rs.10/- each fully paid-up held by the equity shareholders of EDIEPL in the capital of EDIEPL.

Equity shares already held by GHPL & EDIEPL in GPL as on the date of valuation shall stands cancelled.

N.A. = Not Applicable



Exclusions and Limitations

Our opinion and analysis is limited to the extent of review of the valuation report by the valuer and the Draft scheme document. In connection with the opinion, we have relied on the following information about the Companies received from the management and / or gathered from public domain:

- A) Brief overview of the business of Companies and other relevant information;
- B) Salient features of the Proposed Amalgamation;
- C) Draft Scheme of Arrangement
- D) Audited Financial Statement of GPL, GHPL, and EDIEPL for the financial year 2017-18, 2018-19;
- E) Audited financial statements of the GPL, GHPL, and EDIEPL for the financial year 2019-20, with key financial assumptions;
- F) Any material financial changes in GPL, GHPL and EDIEPL from the 31st March, 2020 to the valuation date in the absence of the financials for the period ended 30th June, 2020.
- G) Management Certified Projected financial statements of the GPL from the 1st July, 2020 to 31st March 2025, with key financial assumptions;
- H) Fair Value Report of Immovable Properties by Er. Ratan Dev Garg as on 18th June, 2020;
- I) Management Assumptions related to Risk and Growth Projections;
- J) We have also received necessary explanations and information, which we believed were relevant to the present valuation exercise from the executives and management of the company;
- K) Information (industry related as well as company specific) available on various public domains;
- L) Latest Shareholding pattern of the Companies.

For our analysis, we have also relied on published and secondary source of data. We have not independently verified the accuracy or timeliness of the same.

This opinion is intended only for the sole use and information of GPL, GHPL, & EDIEPL and in connection with the Scheme, including for the purpose of obtaining judicial and regulatory approvals for the Scheme or the purpose of complying with the SEBI regulations and requirement of stock exchanges on which the company is listed, and for no other purpose. We are not responsible in any way to any person/party/statutory authority for any decision of such person or party or authority based on this opinion. Any person/party intending to provide finance or invest in the shares/business of GHPL, EDIEPL and/or GPL or their subsidiaries /joint ventures/associates shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision.



For the purpose of this assignment, Navigant has relied on the Valuation Report for the proposed “Scheme of Amalgamation” of GHPL, EDIEPL and GPL and their respective shareholders and information and explanation provided to it, the accuracy whereof has not been evaluated by Navigant. Navigant’s work does not constitute certification or due diligence of any past working results and Navigant has relied upon the information provided to it as set out in working results of the aforesaid reports.

Navigant has not carried out any physical verification of the assets and liabilities of the companies and takes no responsibility on the identification and availability of such assets and liabilities.

We hereby give our consent to present and disclose the Fairness Opinion in the general meetings of the shareholders of GHPL, EDIEPL and GPL and to the Stock Exchanges and to the Registrar of Companies. Our opinion is not, nor should it be construed as our opining or certifying the compliance of the proposed Scheme of Amalgamation with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising thereon.

The information contained in this report is selective and is subject to updating, expansions, revisions and amendment, if any. It does not purport to contain all the information recipients may require. No obligation is accepted to provide recipients with access to any additional information or to correct any inaccuracies which might become apparent. Recipients are advised to independently conduct their own investigation and analysis of the business of the Companies. The report has been prepared solely for the purpose of giving a fairness opinion on Valuation Report issued for the proposed Scheme of Amalgamation between GHPL, EDIEPL and GPL and their respective shareholders, and may not be applicable or referred to or quoted in any other context.

Our opinion is dependent on the information provided to us being complete and accurate in all material respects. Our scope of work does not enable us to accept responsibility for the accuracy and completeness of the information provided to us. The scope of our assignment does not involve performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information used during the course of our work. As such we have not performed any audit, review or examinations of any of the historical or prospective information used and, therefore, do not express any opinion with regard to the same. In addition, we do not take any responsibility for any changes in the information used for any reason, which may occur subsequent to this date.

One should note that valuation is not an exact science and that estimating values necessarily involves selecting a method or approach that is suitable for the purpose. Moreover in this case where the shares of the company are being issued as consideration to the shareholders of GHPL, and EDIEPL, it is not the absolute valuation that is important for framing an opinion but the relative valuation of the company vis-a-vis shares of GHPL, and EDIEPL.



We have assumed that the Final Scheme will not differ in any material respect from the Draft Scheme Document shared with us.

We do not express any opinion as to any tax or other consequences that might arise from the Scheme on GHPL, EDIEPL and GPL and their respective shareholders, nor does our opinion address any legal, tax, regulatory or accounting matters, as to which we understand that the respective companies have obtained such advice as they deemed necessary from qualified professionals. We have undertaken no independent analysis of any potential or actual litigation, regulatory action, possible unasserted claims, government investigation or other contingent liabilities to which GHPL, EDIEPL and GPL and/or their associates/ subsidiaries, are or may be party.

The company has been provided with an opportunity to review the Draft Opinion as part of our standard practice to make sure that factual inaccuracy/omissions are avoided in our Final Opinion.

Our Opinion is not intended to and does not constitute a recommendation to any shareholder as to how such holder should vote or act in connection with the Scheme or any matter thereto.

Our Fairness Opinion:

On the basis of and subject to the foregoing, to the best of our knowledge and belief, it is our view that, as on the date thereof, the share exchange ratio as recommended by the valuer in relation to the proposed Amalgamation of GHPL and EDIEPL to GPL are fair, from a financial point of view, to the shareholders of the Company.

This being of our best of professional understanding, we hereby sign the Fairness Opinion report on valuation.

For Navigant Corporate Advisors Limited



Sarthak Vijlani
Managing Director

Date: 6th August, 2020

Place: Mumbai

Date: November 03, 2020

Annexure V

To,

National Stock Exchange of India Limited

Exchange Plaza,

Plot No. C/1, G Block, Bandra – Kurla

Complex,

Bandra (East),

Mumbai 400 051

Trading Symbol: **GULPOLY**

Dear Sir/Ma'am,

Sub: Report on Complaints

Ref: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("**LODR Regulations**") for the proposed Scheme of Amalgamation of Gulshan Holdings Private Limited ("**Transferor Company 1**") and East Delhi Importers & Exporters Private Limited ("**Transferor Company 2**") (collectively referred as the "**Transferor Companies**") with Gulshan Polyols Limited ("**Transferee Company**") ("**Scheme**")

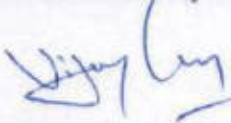
This has reference to the captioned subject application filed by the Company with National Stock Exchange of India Limited ("**NSE**") on September 11, 2020. The Scheme and other relevant documents were hosted by NSE on its website on October 09, 2020.

No complaints relating to the Scheme have been received during the period from **September 11, 2020 to October 30, 2020**. As required by Para I(A)(6) of Annexure I to the SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017, the "**Report on Complaints**" is enclosed.

Thanking You,

Yours faithfully,

For Gulshan Polyols Limited



Vijay Kumar Garg
(Company Secretary)

Encl.: As Above.

REPORT ON COMPLAINTS
(for the period from September 11, 2020 to October 30, 2020)

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	NIL
2.	Number of complaints forwarded by Stock Exchanges / SEBI	NIL
3.	Total number of complaints / comments received (1+2)	NIL
4.	Number of complaints resolved	NOT APPLICABLE
5.	Number of complaints pending	NOT APPLICABLE

Part B

Sr. No.	Name of the complainant	Date of complaint	Status (Resolved/Pending)
NOT APPLICABLE			

For Gulshan Polyols Limited



Vijay Kumar Garg
(Company Secretary)

Complaints Report:

Part A

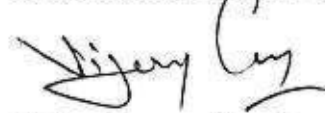
Annexure VI

Sr. No.	Particulars	Number
1.	Number of complaints received directly	0
2.	Number of complaints forwarded by Stock Exchange	0
3.	Total Number of complaints/comments received (1+2)	0
4.	Number of complaints resolved	0
5.	Number of complaints pending	0

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	NA	NA	NA
2.	NA	NA	NA
3.	NA	NA	NA

For, Gulshan Polyols Limited



(Vijay Kumar Garg)
Company Secretary

Place: New Delhi

Date: September 29, 2020



Date: November 03, 2020

To,

BSE Limited,
P.J. Towers, Dalal Street,
Mumbai – 400 001.
Scrip Code: **532457**
SYMBOL: **GULPOLY**

Sub: Report on Complaints

Ref: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (“**LODR Regulations**”) for the proposed Scheme of Amalgamation of Gulshan Holdings Private Limited (“**Transferor Company 1**”) and East Delhi Importers & Exporters Private Limited (“**Transferor Company 2**”) (collectively referred as the “**Transferor Companies**”) with Gulshan Polyols Limited (“**Transferee Company**”) (“**Scheme**”)

This has reference to the captioned subject application filed by the Company with BSE Limited (“**BSE**”) on September 11, 2020. The Scheme and other relevant documents were hosted by BSE on its website on September 21, 2020.

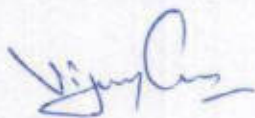
A ‘Report on Complaint’ dated September 29, 2020 has already been uploaded on the BSE’s listing portal and the same has been hosted on the BSE’s website.

No complaints relating to the Scheme have been received during the period from **September 11, 2020 to October 30, 2020**. As required by Para I(A)(6) of Annexure I to the SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017, the “**Report on Complaints**” is enclosed.

The aforesaid compliance is being made again in abundant caution.

Thanking You,

Yours faithfully,
For Gulshan Polyols Limited



Vijay Kumar Garg
(Company Secretary)

Encl.: As Above.

REPORT ON COMPLAINTS
(for the period from September 11, 2020 to October 30, 2020)

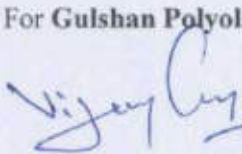

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	NIL
2.	Number of complaints forwarded by Stock Exchanges / SEBI	NIL
3.	Total number of complaints / comments received (1+2)	NIL
4.	Number of complaints resolved	NOT APPLICABLE
5.	Number of complaints pending	NOT APPLICABLE

Part B

Sr. No.	Name of the complainant	Date of complaint	Status (Resolved/Pending)
NOT APPLICABLE			

For Gulshan Polyols Limited

Vijay Kumar Garg
(Company Secretary)

National Stock Exchange Of India Limited

Annexure VII

Ref: NSE/LIST/24671_III

January 29, 2021

The Company Secretary
Gulshan Polyols Limited
9th K.M., Jansath Road,
Muzaffarnagar,
Uttar Pradesh – 251001

Kind Attn.: Mr. Vijay Kumar Garg

Dear Sir,

Sub: Observation Letter for Draft Scheme of Amalgamation between Gulshan Holdings Private Limited, East Delhi Importers & Exporters Private Limited, Gulshan Polyols Limited and their respective shareholders

We are in receipt of the Draft Scheme of Amalgamation between Gulshan Holdings Private Limited, East Delhi Importers & Exporters Private Limited, Gulshan Polyols Limited and their respective shareholders vide application dated September 11, 2020.

Based on our letter reference no Ref: NSE/LIST/24671 submitted to SEBI and pursuant to SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ('Circular'), kindly find following comments on the draft scheme:

- a. *The Company shall duly comply with various provisions of the Circular.*
- b. *The Company shall ensure that the financials of the companies involved in the Scheme is updated and are not more than 6 months old before filing the same with the Hon'ble National Company Law Tribunal (NCLT).*
- c. *The Company shall ensure that the proposed scheme is acted upon only if approved by the NCLT and if the majority votes cast by the public shareholders are in favour of the proposal.*
- d. *The Company shall ensure that additional information and undertakings, if any, submitted by the Company, after filing the scheme with the stock exchange, and from the date of receipt of this letter is displayed on the websites of the listed company.*
- e. *The Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before NCLT and the company is obliged to bring the observations to the notice of NCLT.*
- j. *It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/ observation/ representations.*

It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/representations.

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our “No-objection” in terms of Regulation 94 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines / Regulations issued by statutory authorities.

The validity of this “Observation Letter” shall be six months from January 29, 2021 within which the scheme shall be submitted to NCLT.

Yours faithfully,
For National Stock Exchange of India Limited

Jiten Patel
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL http://www.nseindia.com/corporates/content/further_issues.htm

DCS/AMAL/SD/R37/1889/2020-21

“E-Letter”

February 1, 2021

The Company Secretary,
GULSHAN POLYOLS LTD.
9th K M Jansath Road, Muzaffarnagar,
Uttar Pradesh, 251001

Annexure VIII

Sir/Madam,

Sub: Observation letter regarding the Draft Scheme of Amalgamation between Gulshan Holdings Pvt Ltd, East Delhi Importers & Exporters Pvt Ltd, Gulshan Polyols Ltd and their respective shareholders.

We are in receipt of the Draft Scheme of Amalgamation between Gulshan Holdings Pvt Ltd, East Delhi Importers & Exporters Pvt Ltd, Gulshan Polyols Ltd and their respective shareholders by Gulshan Polyols Ltd filed as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated January 29, 2021 has inter alia given the following comment(s) on the draft scheme of arrangement:

- **“The Company shall ensure that the financials of the companies involved in the Scheme is updated and are not more than 6 months old majority before filing the same with the Hon’ble National Company Law Tribunal”.**
- **“Company shall ensure that additional information and undertakings, if any, submitted by the Company, after filing the Scheme with the Stock Exchange, and from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges.”**
- **“Company shall duly comply with various provisions of the Circular.”**
- **“The Company shall ensure that the proposed scheme is acted upon only if approved by the NCLT and if the majority votes cast by the public shareholders are in favour of the proposal.”**
- **“Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT.”**
- **“It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations.”**

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.

- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted company involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the Listing Centre only and no physical filings would be accepted.** You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,

sd/-

Nitinkumar Pujari
Senior Manager

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF GULSHAN POLYOLS LIMITED AT ITS MEETING HELD ON AUGUST 06, 2020 AT G- 81, PREET VIHAR, DELHI- 110092 EXPLAINING EFFECT OF THE SCHEME ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS, LAYING OUT IN PARTICULAR THE SHARE ENTITLEMENT AS PER THE PROVISIONS OF SECTION 232(2)(C) OF THE COMPANIES ACT, 2013.

1. Background:

- 1.1 The Board of Directors (**"Board"**) of Gulshan Polyols Limited (**"the Transferee Company" or "GPL"**) at its meeting held on 6th August 2020 approved the scheme of amalgamation amongst the Gulshan Holdings Private Limited (**"GHPL" or "Transferor Company 1"**) and East Delhi Importers & Exporters Private Limited (**"EDIEPL" or "Transferor Company 2"**) (hereinafter together referred as the **"Transferor Companies"**) with the Transferee Company and their respective shareholders and creditors (**"the Scheme"**) to be implemented as per the terms specified in the Scheme.
- 1.2 As per the provisions of Section 232(2)(c) of Companies Act, 2013, the Board of Directors is required to prepare and adopt a report explaining the effect of the Scheme on each class of Shareholders, Key Managerial Personnel, Promoters and non-promoter Shareholders and the same is required to be appended with the Notice of the Meeting of Shareholders. This report of the Board is made in order to comply with the requirements of Section 232(2)(c) of Companies Act, 2013.
- 1.3 The following necessary documents were placed before the Board:
- Draft Scheme of Amalgamation initialled by the Company Secretary for the purposes of identification;
 - Valuation Report dated 6th August, 2020 prepared by Mr. Vardhman Doogar, Chartered Accountant (Registered Valuer) describing the methodology adopted by them in arriving at and recommending the Share Exchange Entitlement Ratio (**"Valuation Report"**);
 - Fairness Opinion dated 6th August, 2020 prepared by M/s. Navigant Corporate Advisors Limited, a Category I Merchant Banker providing the Fairness Opinion on the Share Entitlement Ratio recommended by the Valuer (**"Fairness Opinion"**);
 - Audit Committee Report dated 6th August, 2020 recommending the Scheme of Amalgamation.

2. Effect of Scheme of Amalgamation:

- 2.1 The Scheme contemplates amalgamation of Transferor Companies into the Transferee Company pursuant to the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and dissolution without winding up of the Transferor Companies pursuant thereto. It does not contemplate any compromise or arrangement with any other class of persons, apart from the shareholders of the respective companies.

2.2 Upon the Scheme becoming effective, the existing equity share capital of the Transferee Company held by Transferor Companies shall stand cancelled and in consideration of the amalgamation of the Transferor Companies in the Transferee Company, the Transferee Company shall, without any further application, act or deed, issue and allot to the shareholders of the Transferor Companies, 2,99,82,536 (Two Crore Ninety Nine Lakh Eighty Two Thousands Five Hundred and Thirty Six) full paid-up equity shares of the face value of INR 1/- (Rupee One) each, in the following manner:

- i. 39,848 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.1000/- each fully paid up of Gulshan Holdings Private Limited.
- ii. 181 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.10/- each fully paid up of East Delhi Importers and Exporters Private Limited.”

2.3 The amalgamation of the Transferor Companies with the Transferee Company would *inter alia* have the following benefits:

- a) Ensuring a streamlined group structure by reducing the number of legal entities;
- b) Reducing the multiplicity of legal and regulatory compliances required at present;
- c) Eliminating duplicative communication and coordination efforts across multiple entities;
- d) Rationalising cost by eliminating multiple record keeping and administrative functions;
- e) The amalgamation would not only lead to simplification of the shareholding structure and reduction of the shareholding tiers, but also demonstrate the promoter group direct commitment to and engagement with GPL;
- f) Strengthen the business of the Transferee Company by pooling up the resources, land, investment and assets for common purpose and hence optimum utilization.

2.4 The effect of the proposed Scheme of Amalgamation on the stakeholders of GPL would be as follows:


Effect of the Scheme on:

(a)	Equity Shareholders (Promoters and Non Promoters)	Upon the coming into the effect of the Scheme and in consideration of the transfer and vesting of the Transferor Companies, the Transferee Company shall issue and allot to the equity shareholders of the Transferor Companies, New Equity Shares of the Transferee Company in the ratio as enumerated in Clause 14 of Part III of the Scheme. Further, the authorized share capital of the Transferor Companies shall stand transferred to and be amalgamated / combined with the authorized share capital of the Transferee Company in the manner as stipulated in Clause 17 of Part III of the Scheme.
(b)	Preference Shareholders	No Impact.
(c)	Key Managerial Personnel (KMP)	The Transferee Company is not expecting any change in the KMPs of the Transferee Company in pursuance of the Scheme becoming effective.
(d)	Directors	No Impact. The Scheme will have no effect on the office of the existing Directors of the Transferee

		Company.
(e)	Creditors	No Impact. They shall be paid as and when their debt becomes due. The liability of the creditors of the Transferee Company, under the Scheme, is neither being reduced nor being extinguished. The creditors of the Transferee Company would in no way be affected by the Scheme.
(f)	Employees	The Transferee Company is not expecting any change in the Employees of the Transferee Company in pursuance of the Scheme becoming effective. Moreover, all in-scope employees forming part of Transferor Company shall be transferred to the Transferee Companies on the same terms and conditions on which they are engaged by the Transferor Companies.
(g)	Debenture holders, Bond holders, Depositors and Debenture Trustees	The Transferee Company has not issued debentures, bonds and doesn't have debenture trustee. Further, the Transferee Company has not accepted deposit.

2.5 In the opinion of the Board, the said scheme will be of advantage and beneficial to the Company, its Shareholders, Creditors and other Stakeholders and the terms thereof are fair and reasonable.

**BY THE ORDER OF THE BOARD
 FOR AND ON BEHALF OF
 GULSHAN POLYOLS LIMITED**



Ashwani Kumar Vats
CEO and Whole Time Director
DIN: 00062645
Place: Delhi
Date: August 05, 2021

GULSHAN HOLDINGS PRIVATE LIMITED

CIN No. U74899UP1985PTC128005

Regd. Office 9TH KM, Jansath Road,
Muzaffarnagar-251001, Uttar Pradesh

E-mail cs@gulshanindia.com

Phone No. 0131-32958800

Annexure X

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF GULSHAN HOLDINGS PRIVATE LIMITED AT ITS MEETING HELD ON AUGUST 06, 2020 AT G- 81, PREET VIHAR, DELHI- 110092 EXPLAINING EFFECT OF THE SCHEME ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS, LAYING OUT IN PARTICULAR THE SHARE ENTITLEMENT AS PER THE PROVISIONS OF SECTION 232(2)(C) OF THE COMPANIES ACT, 2013.

1. Background:

- 1.1 The Board of Directors (**"Board"**) of Gulshan Holdings Private Limited (**"the Transferor Company 1"** or **"GHPL"**) at its meeting held on 6th August 2020 approved the scheme of amalgamation amongst the Transferor Company 1 and East Delhi Importers & Exporters Private Limited (**"EDIEPL"** or **"Transferor Company 2"**) (hereinafter together referred as the **"Transferor Companies"**) with Gulshan Polyols Limited (**"Transferee Company"** or **"GPL"**) and their respective shareholders and creditors (**"the Scheme"**) to be implemented as per the terms specified in the Scheme.
- 1.2 As per the provisions of Section 232(2)(c) of Companies Act, 2013, the Board of Directors is required to prepare and adopt a report explaining the effect of the Scheme on each class of Shareholders, Key Managerial Personnel, Promoters and non-promoter Shareholders and the same is required to be appended with the Notice of the Meeting of Shareholders. This report of the Board is made in order to comply with the requirements of Section 232(2)(c) of Companies Act, 2013.
- 1.3 The following necessary documents were placed before the Board:
 - (a) Draft Scheme of Amalgamation initialled by the Company Secretary for the purposes of identification;
 - (b) Valuation Report dated 6th August, 2020 prepared by Mr. Vardhman Doogar, Chartered Accountant (Registered Valuer) describing the methodology adopted by them in arriving at and recommending the Share Exchange Entitlement Ratio (**"Valuation Report"**);
 - (c) Fairness Opinion dated 6th August, 2020 prepared by M/s. Navigant Corporate Advisors Limited, a Category I Merchant Banker providing the Fairness Opinion on the Share Entitlement Ratio recommended by the Valuer (**"Fairness Opinion"**);

2. Effect of Scheme of Amalgamation:

- 2.1 The Scheme contemplates amalgamation of Transferor Companies into the Transferee Company pursuant to the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and dissolution without winding up of the Transferor Companies pursuant thereto. It does not contemplate any compromise or arrangement with any other class of persons, apart from the shareholders of the respective companies.
- 2.2 Upon the Scheme becoming effective, the existing equity share capital of the Transferee Company held by Transferor Companies shall stand cancelled and in consideration of the amalgamation of the Transferor Companies in the Transferee Company, the Transferee Company shall, without any further

GULSHAN HOLDINGS PRIVATE LIMITED

CIN No. U74899UP1985PTC128005

Regd. Office 9TH KM, Jansath Road,
Muzaffarnagar-251001, Uttar Pradesh

E-mail cs@gulshanindia.com

Phone No. 0131-32958800

application, act or deed, issue and allot to the shareholders of the Transferor Companies, 2,99,82,536 (Two Crore Ninety Nine Lakh Eighty Two Thousands Five Hundred and Thirty Six) full paid-up equity shares of the face value of INR 1/- (Rupee One) each, in the following manner:

- i. 39,848 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.1000/- each fully paid up of Gulshan Holdings Private Limited.
- ii. 181 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.10/- each fully paid up of East Delhi Importers and Exporters Private Limited.”

2.3 The amalgamation of the Transferor Companies with the Transferee Company would *inter alia* have the following benefits:

- a) Ensuring a streamlined group structure by reducing the number of legal entities;
- b) Reducing the multiplicity of legal and regulatory compliances required at present;
- c) Eliminating duplicative communication and coordination efforts across multiple entities;
- d) Rationalising cost by eliminating multiple record keeping and administrative functions;
- e) The amalgamation would not only lead to simplification of the shareholding structure and reduction of the shareholding tiers, but also demonstrate the promoter group direct commitment to and engagement with GPL;
- f) Strengthen the business of the Transferee Company by pooling up the resources, land, investment and assets for common purpose and hence optimum utilization.

2.4 The effect of the proposed Scheme of Amalgamation on the stakeholders of Transferor Company 1 would be as follows:

Effect of the Scheme on:

(a)	Equity Shareholders (Promoters and Non-Promoters)	Upon the coming into the effect of the Scheme and in consideration of the transfer and vesting of the Transferor Companies, the Transferee Company shall issue and allot to the equity shareholders of the Transferor Companies, New Equity Shares of the Transferee Company in the ratio as enumerated in Clause 14 of Part III of the Scheme. Further, the authorized share capital of the Transferor Companies shall stand transferred to and be amalgamated / combined with the authorized share capital of the Transferee Company in the manner as stipulated in Clause 17 of Part III of the Scheme.
(b)	Preference Shareholders	The Transferor Company 1 has not issued preference shares.
(c)	Key Managerial Personnel (KMP)	It is expected to be no adverse effect of the said Scheme on the KMPs of the Transferor Company 1.
(d)	Directors	It is expected to be no adverse effect of the said Scheme on the directors of the Transferor Company

GULSHAN HOLDINGS PRIVATE LIMITED

CIN No. U74899UP1985PTC128005

Regd. Office 9TH KM, Jansath Road,
Muzaffarnagar-251001, Uttar Pradesh

E-mail cs@gulshanindia.com

Phone No. 0131-32958800

		1. Mrs. Mridula Jain (Director of Transferor Company 1) will not hold office of directorship in the Transferee Company. All other common directors will continue to hold office of directorship in the Transferee Company.
(e)	Creditors	<p>The creditors of the Transferor Company 1 will become business creditors of the Transferee Company pursuant to the Scheme. They shall be paid as and when their debt becomes due.</p> <p>There will be no adverse impact on the rights and interest of the creditor(s) of the Transferee Company 1.</p>
(f)	Employees	<p>All in-scope employees forming part of Transferor Company 1 shall be transferred to the Transferee Company on the same terms and conditions on which they are engaged by the Transferor Company 1.</p> <p>Thus, the Scheme will have no adverse effect on the employees of the Transferor Company 1.</p>
(g)	Debenture holders, Bond holders, Depositors and Debenture Trustees	The Transferor Company 1 has not issued debentures, bonds and doesn't have debenture trustee. Further, the Transferor Company 1 has not accepted deposit.

2.5 In the opinion of the Board, the said scheme will be of advantage and beneficial to the Company, its Shareholders, Creditors and other Stakeholders and the terms thereof are fair and reasonable.

BY THE ORDER OF THE BOARD
FOR AND ON BEHALF OF
GULSHAN HOLDINGS PRIVATE LIMITED



Dr. Chandra Kumar Jain

Director

DIN: 00062221

Place: Delhi

Date: August 05, 2021

EAST DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED

CIN No. U60231UP1997PTC129363

Regd. Office 9TH KM, Jansath Road,
Muzaffarnagar-251001, Uttar Pradesh

E-mail cs@gulshanindia.com

Phone No. 0131-32958800

Annexure XI

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF EAST DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED AT ITS MEETING HELD ON AUGUST 06, 2020 AT G-81, PREET VIHAR, DELHI- 110092 EXPLAINING EFFECT OF THE SCHEME ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS, LAYING OUT IN PARTICULAR THE SHARE ENTITLEMENT AS PER THE PROVISIONS OF SECTION 232(2)(C) OF THE COMPANIES ACT, 2013.

1. Background:

- 1.1 The Board of Directors (**"Board"**) of East Delhi Importers & Exporters Private Limited (**"EDIEPL"** or **"Transferor Company 2"**) at its meeting held on 6th August 2020 approved the scheme of amalgamation amongst Gulshan Holdings Private Limited (**"the Transferor Company 1"** or **"GHPL"**) and Transferor Company 2 (hereinafter together referred as the **"Transferor Companies"**) with Gulshan Polyols Limited (**"Transferee Company"** or **"GPL"**) and their respective shareholders and creditors (**"the Scheme"**) to be implemented as per the terms specified in the Scheme.
- 1.2 As per the provisions of Section 232(2)(c) of Companies Act, 2013, the Board of Directors is required to prepare and adopt a report explaining the effect of the Scheme on each class of Shareholders, Key Managerial Personnel, Promoters and non-promoter Shareholders and the same is required to be appended with the Notice of the Meeting of Shareholders. This report of the Board is made in order to comply with the requirements of Section 232(2)(c) of Companies Act, 2013.
- 1.3 The following necessary documents were placed before the Board:
 - (a) Draft Scheme of Amalgamation initialled by the Company Secretary for the purposes of identification;
 - (b) Valuation Report dated 6th August, 2020 prepared by Mr. Vardhman Doogar, Chartered Accountant (Registered Valuer) describing the methodology adopted by them in arriving at and recommending the Share Exchange Entitlement Ratio (**"Valuation Report"**);
 - (c) Fairness Opinion dated 6th August, 2020 prepared by M/s. Navigant Corporate Advisors Limited, a Category I Merchant Banker providing the Fairness Opinion on the Share Entitlement Ratio recommended by the Valuer (**"Fairness Opinion"**);

2. Effect of Scheme of Amalgamation:

- 2.1 The Scheme contemplates amalgamation of Transferor Companies into the Transferee Company pursuant to the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and dissolution without winding up of the Transferor Companies pursuant thereto. It does not contemplate any compromise or arrangement with any other class of persons, apart from the shareholders of the respective companies.
- 2.2 Upon the Scheme becoming effective, the existing equity share capital of the Transferee Company held by Transferor Companies shall stand cancelled and in consideration of the amalgamation of the Transferor Companies in the Transferee Company, the Transferee Company shall, without any further

EAST DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED

CIN No. U60231UP1997PTC129363

Regd. Office 9TH KM, Jansath Road,
Muzaffarnagar-251001, Uttar Pradesh

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Phone No. 0131-32958800

application, act or deed, issue and allot to the shareholders of the Transferor Companies, 2,99,82,536 (Two Crore Ninety Nine Lakh Eighty Two Thousands Five Hundred and Thirty Six) full paid-up equity shares of the face value of INR 1/- (Rupee One) each, in the following manner:

- i. 39,848 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.1000/- each fully paid up of Gulshan Holdings Private Limited.
- ii. 181 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.10/- each fully paid up of East Delhi Importers and Exporters Private Limited.”

2.3 The amalgamation of the Transferor Companies with the Transferee Company would *inter alia* have the following benefits:

- a) Ensuring a streamlined group structure by reducing the number of legal entities;
- b) Reducing the multiplicity of legal and regulatory compliances required at present;
- c) Eliminating duplicative communication and coordination efforts across multiple entities;
- d) Rationalising cost by eliminating multiple record keeping and administrative functions;
- e) The amalgamation would not only lead to simplification of the shareholding structure and reduction of the shareholding tiers, but also demonstrate the promoter group direct commitment to and engagement with GPL;
- f) Strengthen the business of the Transferee Company by pooling up the resources, land, investment and assets for common purpose and hence optimum utilization.

2.4 The effect of the proposed Scheme of Amalgamation on the stakeholders of Transferor Company 2 would be as follows:

Effect of the Scheme on:

(a)	Equity Shareholders (Promoters and Non-Promoters)	Upon the coming into the effect of the Scheme and in consideration of the transfer and vesting of the Transferor Companies, the Transferee Company shall issue and allot to the equity shareholders of the Transferor Companies, New Equity Shares of the Transferee Company in the ratio as enumerated in Clause 14 of Part III of the Scheme. Further, the authorized share capital of the Transferor Companies shall stand transferred to and be amalgamated / combined with the authorized share capital of the Transferee Company in the manner as stipulated in Clause 17 of Part III of the Scheme.
(b)	Preference Shareholders	The Transferor Company 2 has not issued preference shares.
(c)	Key Managerial Personnel (KMP)	It is expected to be no adverse effect of the said Scheme on the KMPs of the Transferor Company 2.
(d)	Directors	It is expected to be no adverse effect of the said Scheme on the directors of the Transferor Company

EAST DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED

CIN No. U60231UP1997PTC129363

**Regd. Office 9TH KM, Jansath Road,
Muzaffarnagar-251001, Uttar Pradesh**

E-mail cs@gulshanindia.com

Phone No. 0131-32958800

		2. Mr. Avdhesh Kumar Garg (Director of Transferor Company 2) will not hold office of directorship in the Transferee Company. All other common directors will continue to hold office of directorship in the Transferee Company.
(e)	Creditors	<p>The creditors of the Transferor Company 2 will become business creditors of the Transferee Company pursuant to the Scheme. They shall be paid as and when their debt becomes due.</p> <p>There will be no adverse impact on the rights and interest of the creditor(s) of the Transferor Company 2.</p>
(f)	Employees	<p>All in-scope employees forming part of Transferor Company 2 shall be transferred to the Transferee Company on the same terms and conditions on which they are engaged by the Transferor Company 2.</p> <p>Thus, the Scheme will have no adverse effect on the employees of the Transferor Company 2.</p>
(g)	Debenture holders, Bond holders, Depositors and Debenture Trustees	<p>The Transferor Company 2 has not issued debentures, bonds and doesn't have debenture trustee. Further, the Transferor Company 2 has not accepted deposit.</p>

2.5 In the opinion of the Board, the said scheme will be of advantage and beneficial to the Company, its Shareholders, Creditors and other Stakeholders and the terms thereof are fair and reasonable.

BY THE ORDER OF THE BOARD

FOR AND ON BEHALF OF

EAST DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED

Aditi Pasari

Aditi Pasari

Director

DIN: 00120753

Place: Delhi

Date: August 05, 2021

**D & A FINANCIAL SERVICES (P) LIMITED**

Merchant Banking & Corporate Advisory Services

Date: 5th August, 2021

Gulshan Holdings (P) Limited
9th KM, Jansath Road
Muzaffarnagar-251001
Uttar Pradesh

Subject: Compliance Report with respect to Abridged Prospectus in Compliance with requirement of Regulation 37 of the SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 read with SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated 22nd December, 2020 in terms of Scheme of Amalgamation of Gulshan Holdings (P) Limited ("Transferor Company No. 1") and East Delhi Importers & Exporters (P) Limited ("Transferor Company No. 2") and Gulshan Polyols Limited ("Transferee Company") and their respective shareholders and creditors under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder ("Scheme")

Dear Sir/s,

We, M/s D & A Financial Services (P) Limited, SEBI registered Merchant Banker, having SEBI Registration No. INM000011484 have been appointed by Gulshan Polyols Limited to provide a compliance report with respect to adequacy and accuracy of disclosure(s) made in the Abridged Prospectus with respect to Gulshan Holdings (P) Limited, under the Scheme as stated above.

Scope and Purpose of the Compliance Report

Pursuant to the requirements of SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated 22nd December, 2020, a compliance report has to be obtained from an independent Merchant Banker on the information disclosed in Abridged Prospectus in line with information required to be disclosed as per Part E of Schedule VI of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations").

The purpose of the report is to inform the shareholders and/or Creditors (Secured and Unsecured) about the details of the unlisted company to the extent applicable, involved in the scheme in line with the information required to be disclosed in line with Part E of Schedule VI of ICDR Regulations.



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D & A FINANCIAL SERVICES (P) LIMITED

Merchant Banking & Corporate Advisory Services

Sources of the Information

We have received the following information from the management and other related parties of the Company:

1. Proposed Scheme of Amalgamation.
2. Abridged Prospectus dated 5th August, 2021 prepared in accordance with SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated 22nd December, 2020.
3. Information/documents/undertakings etc. provided by management and other related parties of company pertaining to disclosures made in Abridged Prospectus dated 5th August, 2021.

Disclaimer: This Report is intended solely for the limited purpose mentioned earlier and should not be regarded as a recommendation to the investors to invest in the Company or deal in any form in the securities of the Company.

We have assumed that the documents/information provided to us in this respect, wherever required for the purpose of disclosures in Abridged Prospectus is complete in all respects.

This report is not meant for meeting any other regulatory or disclosure requirements, save and except as specified above, under any Indian or foreign law, statute, act guideline or similar instruction. The Management or related parties of Company are prohibited from using this report other than for its sole limited purpose and not to make a copy of this report available to any party other than those required by statute for carrying out the limited purpose of this report.

In no circumstances whatsoever, will D & A Financial Services (P) Limited, its Directors and Employees accept any responsibility of liability towards any third party for consequences arising out of the use of this report.



Compliance Report

We in the capacity of SEBI registered Merchant Banker do hereby certify that the information as disclosed in the Abridged Prospectus dated 5th August, 2021, is in line with disclosures required to be made as per Part E of Schedule VI of ICDR Regulations, to the extent applicable with respect to unlisted company i.e Gulshan Holdings (P) Limited and the disclosures made with respect to Gulshan Holdings (P) Limited, are accurate and adequate to the extent applicable.

Thanking You
For D & A Financial Services (P) Limited


(Priyaranjan)
Vice President/Authorized Signatory



SEBI Registration No. INM000011484

Place: New Delhi

DISCLOSURE DOCUMENT COMPRISING OF APPLICABLE INFORMATION IN THE FORMAT SPECIFIED FOR ABRIDGED PROSPECTUS

This disclosure document ("**Document**") contains applicable information pertaining to the unlisted company, Gulshan Holdings Private Limited, holding company of Gulshan Polyols Limited, and the proposed Scheme of Amalgamation amongst Gulshan Holdings Private Limited and East Delhi Importers and Exporters Private Limited with Gulshan Polyols Limited and their respective shareholders and creditors ("**Scheme**").

This Document has been prepared in connection with the above Scheme, pursuant to the Securities and Exchange Board of India ("**SEBI**") circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 and SEBI circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ("**SEBI Circulars**"). This Document should be read together with the Scheme.

THIS DOCUMENT CONTAINS 10 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES

NO EQUITY SHARES ARE PROPOSED TO BE OFFERED PURSUANT TO THIS DOCUMENT

You may download the Scheme from the website of Gulshan Polyols Limited i.e., www.gulshanindia.com or the website of the stock exchanges where the equity shares of Gulshan Polyols Limited are listed i.e., BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**") (BSE and NSE together hereinafter referred to as the "**Stock Exchanges**")

(Capitalised terms not defined herein shall have their meaning ascribed to them under the Scheme)

GULSHAN HOLDINGS PRIVATE LIMITED

Registered Office: at 9th K.M., Jansath Road, Muzaffarnagar - 251001, Uttar Pradesh, India

Telephone: +91 11 49999200, Website: Email: cs@gulshanindia.com

Corporate Identification Number (CIN): U74899UP1985PTC128005

Contact Person: Ms. Asha Mittal

NAME OF PROMOTER OF GULSHAN HOLDINGS PRIVATE LIMITED

Dr. Chandra Kumar Jain

Mrs. Mridula Jain

Ms. Arushi Jain

Ms. Aditi Pasari

Ms. Anubha Gupta

DETAILS OF THE SCHEME, LISTING AND PROCEDURE

The Scheme of Amalgamation amongst Gulshan Holdings Private Limited ("**Transferor Company No. 1**" or "**GHPL**") and East Delhi Importers and Exporters Private Limited ("**Transferor Company No. 2**" or "**EDIEPL**") (collectively referred to as the "**Transferor Companies**") with Gulshan Polyols Limited ("**Transferee Company**") and their respective shareholders and creditors ("**Scheme**") provides for (a) Amalgamation (merger by absorption) of Transferor Company No. 1 into and with the Transferee Company and consequent dissolution of the Transferor Company No. 1 without winding up; and (b) Amalgamation (merger by absorption) of Transferor Company No. 2 into and with Transferee Company and consequent dissolution of the Transferor Company No. 2 without winding up, under

Sections 230 to 232 and other applicable provisions of the Act. The Scheme also provides for various other matters consequent and incidental thereto.

Consideration under the Scheme: Upon the Scheme becoming effective, the existing equity share capital of the Transferee Company held by Transferor Companies shall stand cancelled and in consideration of the amalgamation of the Transferor Companies in the Transferee Company, the Transferee Company shall, without any further application, act or deed, issue and allot to the shareholders of the Transferor Companies, 2,99,82,536 (Two Crore Ninety Nine Lakh Eighty Two Thousands Five Hundred and Thirty Six) fully paid-up equity shares of the face value of INR 1/- (Rupee One) each, in the following manner:

- i. 39,848 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.1000/- each fully paid up of Gulshan Holdings Private Limited; and
- ii. 181 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.10/- each fully paid up of East Delhi Importers and Exporters Private Limited.

Rationale for the Scheme, as provided in the Scheme, is given below:

- a) Help in achieving improved operational efficiency and optimum advantages and also to achieve greater efficiency and synergy in operations by combining the activities of the Transferor Companies with the Transferee Company. Accordingly, the Scheme would strengthen and complement the businesses of the Companies;
- b) The amalgamated entity will benefit from optimum utilization of manpower through improved organizational capacity and leadership, arising from the combination of people from the Transferor Companies and Transferee Company which have diverse skills, talent, management expertise, enlarged knowledge base and vast experience to compete successfully in an increased competitive industry;
- c) The amalgamated entity shall reduce fixed costs by removing duplicate departments, operations and lower the cost of the Company relative to the same revenue stream and shall thus increase the profit margins;
- d) The amalgamation will offer a simplified corporate structure to the amalgamated entity;
- e) Under a liberalised, fast changing and highly competitive environment, this amalgamation shall strengthen the business of the Transferor Companies and the Transferee Company by pooling up the resources, business expertise, business processes and assets for common purpose and hence optimum utilization;
- f) The synergies that exist between the entities in terms of services and resources can be put to the best advantage of all stakeholders;
- g) The amalgamation will result in better economic control, increased financial strength and flexibility and enhance the ability of the amalgamated entity to undertake large projects, thereby contributing to enhancement of future business potential;
- h) Cost savings are expected to flow from more focused operational efforts, rationalisation, standardisation and simplification of business processes, productivity and improvements, improved procurement and the elimination of duplication and rationalization of administrative expenses;
- i) The consolidation of the companies engaged in similar & complementary line of business in one entity, under a single centralized system of management, will result in the management

being able to exercise greater control over the operations of the companies and which will help in synchronising the operations. This will also result in the management being enabled to undertake any re-structuring /re-organization of the various business undertakings of the companies for the purposes of achieving optimum efficiency /and or to attract investments in the individual business undertakings of the Companies.

Appointed Date: Appointed Date for the Scheme means the opening business hours of 1st April, 2020 or such other date as may be fixed or approved by the Appropriate Authority.

** The above details of the Scheme have been suitably extracted from the Scheme.*

LISTING AND PROCEDURE

After the Effective Date of this Scheme, the new equity shares to be issued and allotted by the Transferee Company in terms of the Scheme as mentioned above in Consideration shall be listed and shall be admitted for trading on the Stock Exchanges by virtue of this Scheme and in accordance with the provisions of SEBI Circulars. Transferee Company shall make all requisite applications and shall otherwise comply with the provisions of the SEBI Circulars and Applicable Laws and take all steps to get the new equity shares issued by it in pursuance to this Scheme listed on the Stock Exchanges.

The new equity shares allotted by the Transferee Company pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated Stock Exchanges.

It is pertinent to mention here that the procedure with respect to public issue/offer would not be applicable as these issues are only to the shareholders of the Transferor Companies, pursuant to the Scheme of Amalgamation without cash consideration.

ELIGIBILITY FOR THE ISSUE

- Whether the company is compulsorily required to allot at least 75% of the net offer to public, to qualified institutional buyers- **NOT APPLICABLE**
- The Equity Shares sought to be listed are proposed to be allotted by the Transferee Company to the shareholders of the Transferor Companies pursuant to the Scheme to be sanctioned by National Company Law Tribunal, Allahabad Bench under Section 230 to 232 of the Companies Act, 2013; and
- The percentage of shareholding of pre-scheme public shareholders of the Transferee Company in the post-scheme shareholding pattern of the Transferee Company (Resulting Company) shall not be less than 25%.

INDICATIVE TIMELINE

This Document should not be deemed to be an offer to the public. Shares would be issued as above upon the Scheme coming into effect after requisite statutory approvals are accorded thereto. The Scheme requires approval of the National Company Law Tribunal, Allahabad Bench (“**NCLT**”) and no exact time frame can be given when the Scheme will become effective. However, the Appointed Date for the Scheme is opening business hours of April 01, 2020 or such other date as may be approved by the Appropriate Authority.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in relation to this Scheme. For taking an investment decision, investors must rely on their own examination of the Scheme, including the risks involved. The Equity Shares have not been recommended or approved by Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Information Document. Specific attention of the investors is invited to the section titled “Risk Factors” of this Information Document.

PRICE INFORMATION OF LEAD MANAGER

Not Applicable.

PROMOTERS OF GULSHAN HOLDINGS PRIVATE LIMITED

The promoters of Gulshan Holdings Private Limited owns and controls 100% shareholding. The shareholding pattern of the promoters are given below:

Sl. No.	Name of Promoter	No. of Shares Held	Percentage of Shareholding
1.	Dr. Chandra Kumar Jain	182	25.74%
2.	Mrs. Mridula Jain	173	24.47%
3.	Ms. Arushi Jain	108	15.28%
4.	Ms. Aditi Pasari	124	17.54%
5.	Ms. Anubha Gupta	120	16.97%
	Total	707	100%

The brief profiles of the promoters of Gulshan Holdings Private Limited are as follows:

- Dr. Chandra Kumar Jain:** Dr. C.K. Jain is a Sugar Technologist and has been awarded a Doctorate Degree in Chemistry. He is an industrialist of repute with more than 4 decades of rich business experience and has been the guiding force behind the growth of Gulshan Group since its inception.. Apart from business activities, Dr. Jain is an active philanthropist.
- Mrs. Mridula Jain:** Mrs. Mridula Jain has been associated with Gulshan Group for the past 15 years as the Director. She is actively involved in the management and decision making of the Gulshan Holdings Private Limited. She contributes to the Company from her years of experience with day-to-day management, strategic decision making and development policies for the Company.
- Ms. Arushi Jain:** Ms. Arushi Jain is MS in marketing from City University of New York, USA. She is also a Baking Technologist from American Institute of Baking, USA. She has been associated with Gulshan Group since 1996 and currently involved in operations and overall management of the Gulshan Group. She manages business policies, strategic decisions, business development and day-to-day affairs of the Starch derivatives plant of Gulshan

Gulshan Group. She also has experience in market research and baking industry. She has hosted culinary series on CNBC.

4. **Ms. Aditi Pasari:** Ms. Aditi Pasari is MBA from Cardiff University, UK. She has the experience of having conceived and set-up a packaging unit in Haridwar, under the umbrella of Gulshan Group. She has been associated with Gulshan Group since 2009 and is currently designated as Whole Time Director in Gulshan Group. She has supervisory responsibility for Finance and Human Resources functions and leads various strategic initiatives in the smooth operation of Gulshan Group.

5. **Ms. Anubha Gupta:** Ms. Anubha Gupta completed her B.A. (Hons) English Literature from Jesus and Mary College, Delhi University in 2010, after which she went to the Courtauld Institute of Art, University of London to pursue her Post Graduation in History of Art. Currently she is heading, Artsome.co, a not-for-profit first of its kind online portal which attempts to fill the lack of education and exposure to art in South Asia. Along with her passion for Arts, contributes to the Gulshan Group with an extensive understanding of the contemporary business world.

BUSINESS MODEL/ BUSINESS OVERVIEW AND STRATEGY

Gulshan Holdings Private Limited having CIN: U74899UP1985PTC128005 and PAN: AAACG5688F was incorporated on 20th November, 1985 with Registrar of Companies, Delhi & Haryana as a Private Company, Limited by Shares, and presently having its registered office at 9th K.M., Jansath Road, Muzaffarnagar - 251001, Uttar Pradesh, India. The Transferor Company No. 1 is the holding Company of the Transferee Company. The company is engaged in the business of acquiring, investing and holding shares in companies having similar objects or companies providing value benefit, and guaranteeing the payment of money unsecured or secured by or payable under or in respect of contractual obligations.

BOARD OF DIRECTORS

Sr. No.	Name	Designation	Experience
1.	Dr. Chandra Kumar Jain	Non-Executive Director	<p>He is currently heading Gulshan Polyols Limited in the capacity of Chairman and Managing Director. He is an industrialist of repute with more than 4 decades of rich business experience and has been the guiding force behind the growth of Gulshan Group since its inception. He is also promoter of Gulshan Mercantile Urban Co-operative Bank Ltd (GMUCB). He is associated with Gulshan Holdings Private Limited from its incorporation year- 1985.</p> <p>Other current directorships:</p>

			<p>a. Gulshan Polyols Limited</p> <p>b. Gulshan Sugar and Chemicals Limited</p>
2.	Mrs. Mridula Jain	Non-Executive Director	<p>She has been associated with Gulshan Group for the past 15 years as the Director. She is actively involved in the management and decision making of the Gulshan Holdings Private Limited. She contributes to the Company from her years of experience with day-to-day management, strategic decision making and development policies for the Company.</p> <p>Other current directorships: Nil</p>
3.	Ms. Arushi Jain	Non-Executive Director	<p>She has been associated with Gulshan Group since 1996 and currently involved in operations and overall management of the Gulshan Group. She manages business policies, strategic decisions, business development and day-to-day affairs of the Starch derivatives plant of Gulshan Group.</p> <p>Other current directorships:</p> <p>a. Gulshan Polyols Limited</p> <p>b. Gulshan Sugar and Chemicals Limited</p> <p>c. Houzilla Interiors Private Limited</p> <p>d. Gulshan Care Foundation</p>

OBJECTS OF THE PROPOSED SCHEME

Brief objects of the proposed Scheme are as follows:

- (a) Amalgamation (merger by absorption) of Transferor Company No. 1 into and with the Transferee Company and consequent dissolution of the Transferor Company No. 1 without winding up; and
- (b) Amalgamation (merger by absorption) of Transferor Company No. 2 into and with Transferee Company and consequent dissolution of the Transferor Company No. 2 without winding up, under Sections 230 to 232 and other applicable provisions of the Act. The Scheme also provides for various other matters consequent and incidental thereto.

The Scheme also provides for various other matters consequent and incidental thereto. The Rationale for the Scheme is set out under the heading “Details of the Scheme, Listing and Procedure” at page 1 of this Document.

Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilisation of issue proceeds of past public issues/ rights issues, if any, of Gulshan Holdings Private Limited in the preceding 10 years: Not Applicable.

Name of monitoring agency, if any: Not Applicable.

Terms of issuance of Convertible Security, if any: Not Applicable.

Pre-Scheme Shareholding Pattern of Gulshan Holdings Private Limited

Sr. No.	Particulars	Pre-Scheme Number of Shares	Pre-Scheme % Shareholding
1.	Promoter & Promoter Group	707	100%
2.	Public	-	-
	Total	707	100%

Note: Upon the Scheme becoming effective, Gulshan Holdings Private Limited will get dissolved.

RESTATED AUDITED FINANCIALS

Standalone Financials

(Rs. in Lakhs)

Particulars	Year ended March 31, 2021 (Audited)	Year ended March 31, 2020 (Audited)	Year ended March 31, 2019 (Audited)	Year ended March 31, 2018 (Audited)	Year ended March 31, 2017 (Audited)
Total income from operations (net)	226.25	458.91	360.04	410.42	365.55
Net Profit / (Loss) before tax and extraordinary items	178.74	399.95	313.88	317.68	321.57
Net Profit / (Loss) after tax and extraordinary items	127.73	352.62	262.02	277.67	305.66
Equity Share Capital	7.07	7.07	7.07	7.07	7.07
Reserves and Surplus	4,502.62	4,374.89	4,113.94	3,928.25	3,664.50
Net worth	4,509.69	4,381.96	4,121.01	3,935.32	3,671.57
Basic Earnings Per Share (Rs.)	18,066.35	49,876.22	37,060.99	39,274.23	43,232.98
Diluted Earnings Per Shares (Rs.)	18,066.35	49,876.22	37,060.99	39,274.23	43,232.98
Return on net worth (%)	2.83%	8.05%	6.36%	7.06%	8.32%
Net Asset Value Per Equity Share (Rs.)	6,37,863.21	6,19,796.87	5,82,887.02	5,56,622.04	5,19,316.87

Consolidated Financials

(Rs. in Lakhs)

Particulars	Year ended March 31, 2021 (Audited)	Year ended March 31, 2020 (Audited)	Year ended March 31, 2019 (Audited)	Year ended March 31, 2018 (Audited)	Year ended March 31, 2017 (Audited)
Total income from operations (net)	76,672.95	62,292.49	360.04	410.42	365.55
Net Profit / (Loss) before tax and extraordinary items	9,370.31	2,906.33	313.87	317.68	321.57
Net Profit / (Loss) after tax and extraordinary items	3,515.42	1,162.82	1,121.73	2,101.88	3,096.66
Equity Share Capital	7.07	7.07	7.07	7.07	7.07
Reserves and Surplus	22,377.33	18,046.36	13,874.67	12,752.94	11,831.46
Net worth	22,384.40	18,053.43	13,881.74	12,760.01	11,838.53
Basic Earnings Per Share (Rs.)	4,97,230.55	1,64,472.88	1,58,661.56	2,97,295.09	4,38,000.20
Diluted Earnings Per Shares (Rs.)	4,97,230.55	1,64,472.88	1,58,661.56	2,97,295.09	4,38,000.20
Return on net worth (%)	15.70%	6.44%	8.08%	16.47%	26.16%
Net Asset Value Per Equity Share (Rs.)	31,66,111	25,53,527	19,63,471	18,04,810	16,73,474

Notes:

- a. *Gulshan Holdings Private Limited became holding company of Gulshan Polyols in February, 2020. Prior to that, Gulshan Polyols Limited was associate company of Gulshan Holdings Private Limited. Thus, from FY 2016-17 to FY 2018-19, the consolidated accounts mentioned above were prepared on equity method as applicable for consolidation of accounts of associate company as per then applicable AS and beginning from FY 2019-20, the consolidated accounts are prepared based on IND-AS which are applicable now. For Consolidated Financials for FY 2020-21 and 2019-20, Net Profit / (Loss) after tax and extraordinary items refers to Net profit after comprehensive income attributable to parents and reserves & surplus contains reserves & surplus which is attributable to the parents. For Consolidated Financials for from FY 2016-17 to FY 2018-19, Net Profit / (Loss) before tax and extraordinary items are being reported on standalone basis due to applicability of AS and Net Profit / (Loss) after tax and extraordinary items refers to Net profit after total comprehensive income. For Consolidated Financial Statements (particularly for FY 2016-17 to 2018 to 19), previous year figures have not been regrouped and rearranged to make them comparable with the current year figures as Gulshan Polyols Limited was associate company of Gulshan Holdings Private Limited and the figures have been stated as it is given in the audited balance sheet.*
- b. *Reserves and Surplus comprises of Other Equity.*

- c. *Net worth comprises of Equity Share Capital and Reserves and Surplus.*
- d. *Basic and Diluted earnings per share has been calculated by applying the following formula: Net Profit/ (Loss) after tax and extraordinary items divided by number of shares outstanding.*
- e. *Return on net worth % has been calculated by applying the following formula: Net Profit/ (Loss) after tax and extraordinary items divided by Net worth and multiplied by 100.*
- f. *Net asset value per share has been calculated by adding the balance of Equity Share Capital and Reserves and Surplus and dividing the same by number of shares outstanding.*

RISK FACTORS FOR GULSHAN HOLDINGS PRIVATE LIMITED

- The proposed Scheme is subject to the approval of NCLT. If the proposed Scheme does not receive the requisite approvals, the objects and benefits mentioned in the proposed Scheme will not be achieved.
- The company is primarily engaged into investing activity and the only source of income is dividend/interest from the entities in which it has investment. Any default on the operations of these investee companies shall affect the profitability/growth of the Company.
- Pandemic like Covid-19 can adversely affect the operations and results of the company as investee companies will curtail dividend payments.
- The business of the company depends heavily upon Key Managerial Personnel (KMP) and loss of service of such KMP shall affect the performance of the company.
- The company is presently an unlisted company and its equity shares are presently not available for trading on any Stock Exchanges.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTIONS

- A. **Total number of outstanding litigations against Gulshan Holdings Private Limited and amount involved:** Nil.
- B. **Brief details of top 5 material outstanding litigations against Gulshan Holdings Private Limited and amount involved:** Nil.
- C. **Regulatory Action, if any – disciplinary action taken by SEBI or stock exchanges against the Promoters in last 5 financial years including outstanding action, if any:** Nil
- D. **Brief Details of outstanding criminal proceedings against the Promoters of Gulshan Holdings Private Limited:** Nil.

ANY OTHER IMPORTANT INFORMATION- NIL

DECLARATION BY GULSHAN HOLDINGS PRIVATE LIMITED

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/issued by SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Document is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued there under, as the case may be. We hereby certify that all the statements in the Document are true and correct.

For and on behalf of **GULSHAN HOLDINGS PRIVATE LIMITED**

**Chandra
Kumar Jain** Digitally signed by
Chandra Kumar Jain
Date: 2021.08.05
16:21:24 +05'30'

Name: Dr. Chandra Kumar Jain

Designation: Non-Executive Director

Date: August 05, 2021

Place: New Delhi



D & A FINANCIAL SERVICES (P) LIMITED
Merchant Banking & Corporate Advisory Services

Date: 5th August, 2021

East Delhi Importers & Exporters (P) Limited
9th KM, Jansath Road
Muzaffarnagar-251001
Uttar Pradesh

Subject: Compliance Report with respect to Abridged Prospectus in Compliance with requirement of Regulation 37 of the SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 read with SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated 22nd December, 2020 in terms of Scheme of Amalgamation of Gulshan Holdings (P) Limited (“Transferor Company No. 1”) and East Delhi Importers & Exporters (P) Limited (“Transferor Company No. 2”) and Gulshan Polyols Limited (“Transferee Company”) and their respective shareholders and creditors under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (“Scheme”)

Dear Sir/s,

We, M/s D & A Financial Services (P) Limited, SEBI registered Merchant Banker, having SEBI Registration No. INM000011484 have been appointed by Gulshan Polyols Limited to provide a compliance report with respect to adequacy and accuracy of disclosure(s) made in the Abridged Prospectus with respect to East Delhi Importers & Exporters (P) Limited, under the Scheme as stated above.

Scope and Purpose of the Compliance Report

Pursuant to the requirements of SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated 22nd December, 2020, a compliance report has to be obtained from an independent Merchant Banker on the information disclosed in Abridged Prospectus in line with information required to be disclosed as per Part E of Schedule VI of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“ICDR Regulations”).

The purpose of the report is to inform the shareholders and/or Creditors (Secured and Unsecured) about the details of the unlisted company to the extent applicable, involved in the scheme in line with the information required to be disclosed in line with Part E of Schedule VI of ICDR Regulations.



1

Sources of the Information

We have received the following information from the management and other related parties of the Company:

1. Proposed Scheme of Amalgamation.
2. Abridged Prospectus dated 5th August, 2021 prepared in accordance with SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated 22nd December, 2020.
3. Information/documents/undertakings etc. provided by management and other related parties of company pertaining to disclosures made in Abridged Prospectus dated 5th August, 2021.

Disclaimer: This Report is intended solely for the limited purpose mentioned earlier and should not be regarded as a recommendation to the investors to invest in the Company or deal in any form in the securities of the Company.

We have assumed that the documents/information provided to us in this respect, wherever required for the purpose of disclosures in Abridged Prospectus is complete in all respects.

This report is not meant for meeting any other regulatory or disclosure requirements, save and except as specified above, under any Indian or foreign law, statute, act guideline or similar instruction. The Management or related parties of Company are prohibited from using this report other than for its sole limited purpose and not to make a copy of this report available to any party other than those required by statute for carrying out the limited purpose of this report.

In no circumstances whatsoever, will D & A Financial Services (P) Limited, its Directors and Employees accept any responsibility of liability towards any third party for consequences arising out of the use of this report.



Compliance Report

We in the capacity of SEBI registered Merchant Banker do hereby certify that the information as disclosed in the Abridged Prospectus dated 5th August, 2021, is in line with disclosures required to be made as per Part E of Schedule VI of ICDR Regulations, to the extent applicable with respect to unlisted company i.e East Delhi Importers & Exporters (P) Limited and the disclosures made with respect to East Delhi Importers & Exporters (P) Limited, are accurate and adequate to the extent applicable.

Thanking You
For **D & A Financial Services (P) Limited**


(Priyaranjan)

Vice President/Authorized Signatory



SEBI Registration No. INM000011484

Place: New Delhi

DISCLOSURE DOCUMENT COMPRISING OF APPLICABLE INFORMATION IN THE FORMAT SPECIFIED FOR ABRIDGED PROSPECTUS

This disclosure document ("**Document**") contains applicable information pertaining to the unlisted company, East Delhi Importers & Exporters Private Limited, and the proposed Scheme of Amalgamation amongst Gulshan Holdings Private Limited and East Delhi Importers and Exporters Private Limited with Gulshan Polyols Limited and their respective shareholders and creditors ("**Scheme**").

This Document has been prepared in connection with the above Scheme, pursuant to the Securities and Exchange Board of India ("**SEBI**") circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 and SEBI circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ("**SEBI Circulars**"). This Document should be read together with the Scheme.

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You may download the Scheme from the website of Gulshan Polyols Limited i.e., www.gulshanindia.com or the website of the stock exchanges where the equity shares of Gulshan Polyols Limited are listed i.e., BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**") (BSE and NSE together hereinafter referred to as the "**Stock Exchanges**")

(Capitalised terms not defined herein shall have their meaning ascribed to them under the Scheme)

EAST DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED

Registered Office: at 9th K.M., Jansath Road, Muzaffarnagar - 251001, Uttar Pradesh, India

Telephone: +91 11 49999208, Website: Email: akg@gulshanindia.com

Corporate Identification Number (CIN): U60231UP1997PTC129363

Contact Person: Mr. Avdhesh Garg

NAME OF PROMOTER OF EAST DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED

Dr. Chandra Kumar Jain

Mrs. Mridula Jain

Ms. Arushi Jain

DETAILS OF THE SCHEME, LISTING AND PROCEDURE

The Scheme of Amalgamation amongst Gulshan Holdings Private Limited ("**Transferor Company No. 1**" or "**GHPL**") and East Delhi Importers and Exporters Private Limited ("**Transferor Company No. 2**" or "**EDIEPL**") (collectively referred to as the "**Transferor Companies**") with Gulshan Polyols Limited ("**Transferee Company**") and their respective shareholders and creditors ("**Scheme**") provides for (a) Amalgamation (merger by absorption) of Transferor Company No. 1 into and with the Transferee Company and consequent dissolution of the Transferor Company No. 1 without winding up; and (b) Amalgamation (merger by absorption) of Transferor Company No. 2 into and with Transferee Company and consequent dissolution of the Transferor Company No. 2 without winding up, under Sections 230 to 232 and other applicable provisions of the Act. The Scheme also provides for various other matters consequent and incidental thereto.

Consideration under the Scheme: Upon the Scheme becoming effective, the existing equity share capital of the Transferee Company held by Transferor Companies shall stand cancelled and in consideration of the amalgamation of the Transferor Companies in the Transferee Company, the Transferee Company shall, without any further application, act or deed, issue and allot to the shareholders of the Transferor Companies, 2,99,82,536 (Two Crore Ninety Nine Lakh Eighty Two Thousands Five Hundred and Thirty Six) fully paid-up equity shares of the face value of INR 1/- (Rupee One) each, in the following manner:

- i. 39,848 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.1000/- each fully paid up of Gulshan Holdings Private Limited; and
- ii. 181 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.10/- each fully paid up of East Delhi Importers and Exporters Private Limited.

Rationale for the Scheme, as provided in the Scheme, is given below:

- a) Help in achieving improved operational efficiency and optimum advantages and also to achieve greater efficiency and synergy in operations by combining the activities of the Transferor Companies with the Transferee Company. Accordingly, the Scheme would strengthen and complement the businesses of the Companies;
- b) The amalgamated entity will benefit from optimum utilization of manpower through improved organizational capacity and leadership, arising from the combination of people from the Transferor Companies and Transferee Company which have diverse skills, talent, management expertise, enlarged knowledge base and vast experience to compete successfully in an increased competitive industry;
- c) The amalgamated entity shall reduce fixed costs by removing duplicate departments, operations and lower the cost of the Company relative to the same revenue stream and shall thus increase the profit margins;
- d) The amalgamation will offer a simplified corporate structure to the amalgamated entity;
- e) Under a liberalised, fast changing and highly competitive environment, this amalgamation shall strengthen the business of the Transferor Companies and the Transferee Company by pooling up the resources, business expertise, business processes and assets for common purpose and hence optimum utilization;
- f) The synergies that exist between the entities in terms of services and resources can be put to the best advantage of all stakeholders;
- g) The amalgamation will result in better economic control, increased financial strength and flexibility and enhance the ability of the amalgamated entity to undertake large projects, thereby contributing to enhancement of future business potential;
- h) Cost savings are expected to flow from more focused operational efforts, rationalisation, standardisation and simplification of business processes, productivity and improvements, improved procurement and the elimination of duplication and rationalization of administrative expenses;
- i) The consolidation of the companies engaged in similar & complementary line of business in one entity, under a single centralized system of management, will result in the management being able to exercise greater control over the operations of the companies and which will help in synchronising the operations. This will also result in the management being enabled to undertake any re-structuring /re-organization of the various business undertakings of the

companies for the purposes of achieving optimum efficiency /and or to attract investments in the individual business undertakings of the Companies.

Appointed Date: Appointed Date for the Scheme means the opening business hours of 1st April, 2020 or such other date as may be fixed or approved by the Appropriate Authority.

** The above details of the Scheme have been suitably extracted from the Scheme.*

LISTING AND PROCEDURE

After the Effective Date of this Scheme, the new equity shares to be issued and allotted by the Transferee Company in terms of the Scheme as mentioned above in Consideration shall be listed and shall be admitted for trading on the Stock Exchanges by virtue of this Scheme and in accordance with the provisions of SEBI Circulars. Transferee Company shall make all requisite applications and shall otherwise comply with the provisions of the SEBI Circulars and Applicable Laws and take all steps to get the new equity shares issued by it in pursuance to this Scheme listed on the Stock Exchanges.

The new equity shares allotted by the Transferee Company pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated Stock Exchanges.

It is pertinent to mention here that the procedure with respect to public issue/offer would not be applicable as these issues are only to the shareholders of the Transferor Companies, pursuant to the Scheme of Amalgamation without cash consideration.

ELIGIBILITY FOR THE ISSUE

- Whether the company is compulsorily required to allot at least 75% of the net offer to public, to qualified institutional buyers- **NOT APPLICABLE**
- The Equity Shares sought to be listed are proposed to be allotted by the Transferee Company to the shareholders of the Transferor Companies pursuant to the Scheme to be sanctioned by National Company Law Tribunal, Allahabad Bench under Section 230 to 232 of the Companies Act, 2013; and
- The percentage of shareholding of pre-scheme public shareholders of the Transferee Company in the post-scheme shareholding pattern of the Transferee Company (Resulting Company) shall not be less than 25%.

INDICATIVE TIMELINE

This Document should not be deemed to be an offer to the public. Shares would be issued as above upon the Scheme coming into effect after requisite statutory approvals are accorded thereto. The Scheme requires approval of the National Company Law Tribunal, Allahabad Bench (“**NCLT**”) and no exact time frame can be given when the Scheme will become effective. However, the Appointed Date for the Scheme is opening business hours of April 01, 2020 or such other date as may be approved by the Appropriate Authority.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in relation to this Scheme. For taking an investment decision, investors must rely on their own examination of the

Scheme, including the risks involved. The Equity Shares have not been recommended or approved by Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Information Document. Specific attention of the investors is invited to the section titled “Risk Factors” of this Information Document.

PRICE INFORMATION OF LEAD MANAGER

Not Applicable.

PROMOTERS OF EAST DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED

The promoters of East Delhi Importers and Exporters Private Limited owns and controls 100% shareholding. The shareholding pattern of the promoters are given below:

Sl. No.	Name of Promoter	No. of Shares Held	Percentage of Shareholding
1.	Dr. Chandra Kumar Jain	6,000	60%
2.	Mrs. Mridula Jain	2,000	20%
3.	Ms. Arushi Jain	2,000	20%
	Total	10,000	100%

The brief profiles of the promoters of East Delhi Importers & Exporters Private Limited are as follows:

- Dr. Chandra Kumar Jain:** Dr. C.K. Jain is a Sugar Technologist and has been awarded a Doctorate Degree in Chemistry. He is an industrialist of repute with more than 4 decades of rich business experience and has been the guiding force behind the growth of Gulshan Group since its inception. Apart from business activities, Dr. Jain is an active philanthropist.
- Mrs. Mridula Jain:** Mrs. Mridula Jain has been associated with Gulshan Group for the past 15 years as the Director. She is actively involved in the management and decision making of Gulshan Group. She contributes to the Company from her years of experience with day-to-day management, strategic decision making and development policies for the Company.
- Ms. Arushi Jain:** Ms. Arushi Jain is MS in marketing from City University of New York, USA. She is also a Baking Technologist from American Institute of Baking, USA. She has been associated with Gulshan Group since 1996 and currently involved in operations and overall management of the Gulshan Group. She manages business policies, strategic decisions, business development and day-to-day affairs of the Starch derivatives plant of Gulshan Group. She also has experience in market research and baking industry. She has hosted culinary series on CNBC.

BUSINESS MODEL/ BUSINESS OVERVIEW AND STRATEGY

East Delhi Importers & Exporters Private Limited having CIN: U60231UP1997PTC129363 and PAN AABCA3294L was incorporated on 23rd July 1997 with Registrar of Companies, Delhi & Haryana as a Private Company, Limited by Shares, and presently having its registered office at 9th K.M., Jansath Road, Muzaffarnagar - 251001, Uttar Pradesh, India. The company is engaged in the business of importing, exporting, dealing and trading multi-products which includes but not limited to textile

products, chemicals, sugar and related products, engineering goods, molasses, grains, glassware, alcohol, oils, paper and related products, wood and timber etc. Further, the Company is engaged in the business as general carriers, transporters and freight forwarders, and exporting, importing, trading and dealing in the computer software, programmes, computer hardware and peripherals.

BOARD OF DIRECTORS

Sr. No.	Name	Designation	Experience
1.	Ms. Aditi Pasari	Non-Executive Director	<p>She has the experience of having conceived and set-up a packaging unit in Haridwar, under the umbrella of Gulshan Group. She has been associated with Gulshan Group since 2009 and is currently designated as Whole Time Director in Gulshan Polyols Limited. She has supervisory responsibility for Finance and Human Resources functions and leads various strategic initiatives in the smooth operation of Gulshan Group.</p> <p>Other current directorships:</p> <ol style="list-style-type: none"> a. Gulshan Polyols Limited b. Gulshan Lamee Pack Private Limited c. Reliance Expovision Private Limited d. PHD Chamber of Commerce and Industry e. ARP Developers Private Limited f. Gulshan Sugar and Chemicals Limited g. Gulshan Care Foundation
2.	Mr. Avdhesh Kumar Garg	Non-Executive Director	<p>He manages strategic decision making, development plans and daily affairs of the company. Apart from contributing to the Company with his experience in problem solving, he leads numerous initiatives and programmes at the company and has a supervisory responsibility, ensuring smooth operation of the Company.</p> <p>Other current directorships: Nil</p>

OBJECTS OF THE PROPOSED SCHEME

Brief objects of the proposed Scheme are as follows:

- (a) Amalgamation (merger by absorption) of Transferor Company No. 1 into and with the Transferee Company and consequent dissolution of the Transferor Company No. 1 without winding up; and
- (b) Amalgamation (merger by absorption) of Transferor Company No. 2 into and with the Transferee Company and consequent dissolution of the Transferor Company No. 2 without winding up, under Sections 230 to 232 and other applicable provisions of the Act. The Scheme also provides for various other matters consequent and incidental thereto.

The Scheme also provides for various other matters consequent and incidental thereto. The Rationale for the Scheme is set out under the heading "Details of the Scheme, Listing and Procedure" at page 1 of this Document.

Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilisation of issue proceeds of past public issues/ rights issues, if any, of East Delhi Importers & Exporters Private Limited in the preceding 10 years: Not Applicable.

Name of monitoring agency, if any: Not Applicable.

Terms of issuance of Convertible Security, if any: Not Applicable.

Pre-Scheme Shareholding Pattern of East Delhi Importers and Exporters Private Limited

Sr. No.	Particulars	Pre-Scheme Number of Shares	Pre-Scheme % Shareholding
1.	Promoter & Promoter Group	10,000	100%
2.	Public	-	-
	Total	10,000	100%

Note: Upon the Scheme becoming effective, East Delhi Importers and Exporters Private Limited will get dissolved.

RESTATED AUDITED FINANCIALS

Standalone Financials

(Value in Rs.)

Particulars	Year ended March 31, 2021 (Audited)	Year ended March 31, 2020 (Audited)	Year ended March 31, 2019 (Audited)	Year ended March 31, 2018 (Audited)	Year ended March 31, 2017 (Audited)
Total income from operations (net)	11,35,388	23,78,781	33,78,097	33,42,734	38,74,523
Net Profit / (Loss) before tax and extraordinary items	3,31,207	12,35,156	22,67,146	20,56,304	28,83,910
Net Profit / (Loss) after tax and	2,43,129	9,14,016	16,77,510	15,28,621	20,23,227

extraordinary items					
Equity Share Capital	1,00,000	1,00,000	1,00,000	1,00,000	1,00,000
Reserves and Surplus	5,94,94,988	5,92,51,859	5,83,37,842	5,66,60,332	5,51,31,711
Net worth	5,95,94,988	5,93,51,859	5,84,37,842	5,67,60,332	5,52,31,711
Basic Earnings Per Share (Rs.)	24.31	91.40	167.75	152.86	202.32
Diluted Earnings Per Shares (Rs.)	24.31	91.40	167.75	152.86	202.32
Return on net worth (%)	0.41%	1.54%	2.87%	2.69%	3.66%
Net Asset Value Per Equity Share (Rs.)	5,959.50	5,935.19	5,843.78	5,676.03	5,523.17

Notes:

- a. *East Delhi Importers & Exporters Private Limited is not required to prepare consolidated financial statements.*
- b. *Reserves and Surplus comprises of Other Equity.*
- c. *Net worth comprises of Equity Share Capital and Reserves and Surplus.*
- d. *Basic and Diluted earnings per share has been calculated by applying the following formula: Net Profit/ (Loss) after tax and extraordinary items divided by number of shares outstanding.*
- e. *Return on net worth % has been calculated by applying the following formula: Net Profit/ (Loss) after tax and extraordinary items divided by Net worth and multiplied by 100.*
- f. *Net asset value per share has been calculated by adding the balance of Equity Share Capital and Reserves and Surplus and dividing the same by number of shares outstanding.*

RISK FACTORS FOR EAST DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED

- The proposed Scheme is subject to the approval of NCLT. If the proposed Scheme does not receive the requisite approvals, the objects and benefits mentioned in the proposed Scheme will not be achieved.
- Pandemic like Covid-19 can adversely affect the operations and results of the company.
- Engaging in international business inherently involves a number of other difficulties and risks, including: changes in foreign currency exchange rates, changes in a specific country's or region's political or economic conditions, particularly in emerging markets, burdens of complying with a wide variety of foreign customs, laws and regulations, increased financial accounting and reporting burdens and complexities, changes in diplomatic and trade relationships, and difficulties in enforcing agreements and collecting receivables
- The business of the company depends heavily upon Key Managerial Personnel (KMP) and loss of service of such KMP shall affect the performance of the company.
- The company is presently an unlisted company and its equity shares are presently not available for trading on any Stock Exchanges.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTIONS

- A. **Total number of outstanding litigations against East Delhi Importers & Exporters Private Limited and amount involved: Nil.**

- B. **Brief details of top 5 material outstanding litigations against East Delhi Importers & Exporters Private Limited and amount involved: Nil.**
- C. **Regulatory Action, if any – disciplinary action taken by SEBI or stock exchanges against the Promoters in last 5 financial years including outstanding action, if any: Nil**
- D. **Brief Details of outstanding criminal proceedings against the Promoters of East Delhi Importers & Exporters Private Limited: Nil.**

ANY OTHER IMPORTANT INFORMATION- NIL

DECLARATION BY EAST DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/issued by SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Document is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued there under, as the case may be. We hereby certify that all the statements in the Document are true and correct.

For and on behalf of **EAST DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED**

ADITI PASARI Digitally signed by ADITI
PASARI
Date: 2021.08.05 15:28:38
+05'30'

Name: Aditi Pasari

Designation: Non-Executive Director

Date: August 05, 2021

Place: New Delhi

RAJEEV SINGAL & CO.
CHARTERED ACCOUNTANTS

Reg. No. - 008692C
PAN- AAPFR2931N



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INDEPENDENT AUDITOR'S REPORT

To the Members of,
Gulshan Polyols Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Gulshan Polyols Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2021, and the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the 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 accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and 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 in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

"We have determined that there are no key audit matters to communicate in our report."



Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditors' 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.

Management's Responsibility for the Standalone Financial Statements

The 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 standalone financial statements that give a true and fair view of the state of affairs, profit / loss (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 (Ind AS) 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, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors is 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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.



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

- Identify and assess the risks of material misstatement of the 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements 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 auditors' 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 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, to the extent applicable.
2. As required by section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 Statement of Cash Flows 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 Ind AS specified under Section 133 of the Act.
 - e. On the basis of written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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, in our opinion and to the best of our information and according to the explanations given to us:
 - (1) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements.
 - (2) 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 .
 - (3) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - (4) The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these standalone financial statements since they do not pertain to the financial year ended 31 March 2021.



3. With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For and on behalf of
For Rajeev Singal & Co
Chartered Accountants
(Firm Registration no. 008692C)

Date : 22-05-2021
Place : Delhi

UDIN: 21077834AAAAPX



(Rajeev Kumar Singhal)
Partner
Membership No. 077834

Annexure A” to the Independent Auditors’ Report

With reference to the Annexure A referred to in the Independent Auditors’ Report to the members of the Company on the standalone financial statements for the year ended 31 March 2021, we report the following:

- (i)
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
 - (b) The Company has a regular programme of physical verification of its fixed assets, by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain fixed assets were physically verified during the year and no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties included in fixed assets are held in the name of the Company.
- (ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The Company has maintained proper records of inventory. The discrepancies noticed on verification between the physical stock and the book records were not material.
- (iii) According to information and explanations given to us, the company has not granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans given, investments made, guarantees and securities given.
- (v) The Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of Section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed there under.
- (vi) We have broadly reviewed the cost records maintained by the company pursuant to the Companies (Cost Records and Audit) Rules 2014, as amended and prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been made and maintained. We have however, not made a detailed examination of the Cost Records with a view to determine whether they are accurate and complete.
- (vii)
 - (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident fund, Employees’ State Insurance, Income-tax, Goods and Services tax, duty of Customs, Cess and other



material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income-tax, Goods and Services tax, duty of Customs, Cess and other material statutory dues were in arrears as at 31 March 2021, for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of Income-tax or Sales tax or Service tax or Goods and Services tax or duty of Customs or duty of Excise or Value added tax which have not been deposited by the Company on account of disputes, except for the following:

	Nature of the Dues	Amount (Rs. in Lakhs)	Period to which the amount relates	Forum where pending	REMARKS
Central Excise Act 1944	Excise Duty	44.92	2011-2012	CESTAT ALLAHABAD	4.49/- Lakh Deposit.

- (viii) The company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- (ix) In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and no fresh term loan raised by the company during the year under audit.
- (x) To the best of our knowledge 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 course of our audit.
- (xi) In our opinion and according to the information and explanations given to us and based on examination of the records of the Company, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) According to the information and explanations given to us, in our opinion, the Company is not a Nidhi Company as prescribed under Section 406 of the Act.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or



private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.

- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- (xvi) According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

Date : 22-05-2021
Place : Delhi



For and on behalf of
For Rajeev Singal & Co
Chartered Accountants
(Firm Registration no. 008692C)

A handwritten signature in blue ink, appearing to read "R. Singhal".

(Rajeev Kumar Singhal)
Partner
Membership No. 077834

UDIN! 21077834AAAACX6081

“ANNEXURE - B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

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

We have audited the internal financial controls with reference to standalone financial statements of **GULSHAN POLYOLS LIMITED** (“the Company”) as of 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control 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 the 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.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. 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 control 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 judgement, 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 financial statements.



Meaning of Internal Financial Controls over Financial Reporting

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 over Financial Reporting

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 financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31 March 2021, 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 issued by the ICAI.

Date : 22-05-2021
Place : Delhi



UDIN: 21077834AAAACX8081

For and on behalf of
For Rajeev Singal & Co
Chartered Accountants
(Firm Registration no. 008692C)

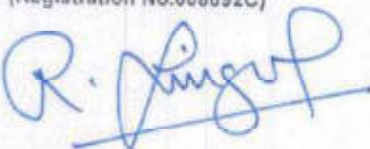
(Rajeev Kumar Singhal)
Partner
Membership No. 077834

GULSHAN POLYOLS LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2021

(Rs. in Lakhs)

Particulars	Note No.	As at 31st March, 2021	As at 31st March, 2020
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	2	24,083.87	25,978.79
(b) Capital Work-in-Progress	3	303.11	321.56
(c) Intangible Assets	4	8.81	11.88
(d) Financial Assets			
(i) Investments	5	41.95	41.95
(ii) Loans	6	506.93	459.66
(iii) Other Financial Assets	7	192.30	83.69
(e) Other Non-Current Assets	8	180.08	148.35
Total Non-Current Assets		25,317.05	27,045.88
Current Assets			
(a) Inventories	9	9,045.07	8,650.06
(b) Financial Assets			
(i) Trade Receivables	10	9,838.15	8,236.90
(ii) Cash and Cash equivalents	11	1,787.89	242.51
(iii) Other Financial Assets	12	66.95	73.41
(c) Other Current Assets	13	3,593.48	1,449.50
Total Current Assets		24,331.54	18,652.38
Total Assets		49,648.59	45,698.26
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	14	469.17	469.17
(b) Other Equity	15	35,096.07	30,059.90
Total Equity		36,555.24	30,529.07
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	1,053.00	2,108.94
(ii) Other Financial Liabilities	17	133.48	41.01
(b) Deferred Tax Liabilities (Net)	18	1,475.91	23.71
Total Non-Current Liabilities		2,662.39	2,173.66
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	-	5,960.93
(ii) Trade payables	20		
- Outstanding dues of micro, small and medium enterprises		231.74	229.60
- Outstanding dues of creditors other than above		5,399.04	2,658.10
(iii) Other Financial Liabilities	21	752.32	2,654.57
(b) Other Current Liabilities	22	1,707.55	820.02
(c) Provisions	23	512.20	180.56
(d) Liabilities for current Tax (Net)		1,828.11	491.74
Total Current Liabilities		10,430.96	12,995.53
Total Equity and Liabilities		49,648.59	45,698.26
The accompanying notes form an integral part of the financial statements	1		

As per our report of even date
For RAJEEV SINGAL & CO.
Chartered Accountants
(Registration No.008692C)




(RAJEEV KUMAR SINGHAL)
Partner
Membership no: 077834
UDIN: 21077834AAAACX6081



For and on behalf of the Board of Directors


DR. CHANDRA KUMAR JAIN
Chairman & Managing Director
DIN: 00062221


ASHWANI KUMAR VATS
Whole Time Director and CEO
DIN : 00062413


ASHA MITTAL
Company Secretary


RAJIV GUPTA
Chief Financial Officer

Date: May 22, 2021
Place : Delhi

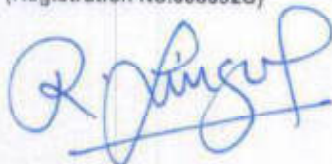
GULSHAN POLYOLS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2021

(Rs. in Lakhs)

Particulars	Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
REVENUE			
Revenue from Operations	24	76,603.44	62,079.77
Other Income	25	187.42	94.72
Total Income (I)		76,790.86	62,174.49
EXPENSES			
Cost of Materials Consumed	26	36,055.47	35,486.96
Purchase of Stock in Trade	27	471.74	704.73
Changes in Inventories of Finished goods, Work in progress and Stock in Trade	28	664.69	(848.39)
Employee Benefits Expenses	29	2,860.58	2,168.43
Finance Cost	30	654.67	1,138.08
Depreciation & amortisation Expenses	31	3,255.37	3,101.96
Other Expenses	32	23,478.51	17,670.49
Total Expenses (II)		67,441.03	59,432.27
Profit Before Tax (III) (I-II)		9,349.83	2,742.22
Tax Expense:	34		
Current Tax Expense		1,813.17	495.94
Add: Mat Credit (Utilised)		1,285.05	47.95
Deferred Tax Expense		6.06	139.93
Total Tax Expenses (IV)		3,104.28	683.82
Profit/(Loss) for the year (V) (III-IV)		6,245.55	2,058.40
Other Comprehensive Income			
Item that will not be reclassified to Profit and Loss: (Gain)/Loss of defined benefit obligation		(77.07)	23.21
Income Tax relating to item that will not be reclassified to profit or loss		14.95	(4.20)
Total Other Comprehensive (Income)/Loss (VI)		(62.12)	19.01
Total Comprehensive Income for the year (VII) (V - VI)		6,307.67	2,039.39
Earning per equity share of face value of Rs. 1 each Basic and diluted (in Rs.)			
Basic	43	13.31	4.39
Diluted		13.31	4.39
The accompanying notes form an integral part of the financial statements	1		

As per our report of even date
For RAJEEV SINGAL & CO.
Chartered Accountants
(Registration No.008692C)



(RAJEEV KUMAR SINGHAL)
Partner

Membership no: 077834
UDIN: 21077834AAAACX5081

Date: May 22, 2021
Place : Delhi



For and on behalf of the Board of Directors


DR. CHANDRA KUMAR JAIN
Chairman & Managing Director
DIN: 00062221


ASHWANI KUMAR VATS
Whole Time Director & CEO
DIN : 00062413


ASHA MITTAL
Company Secretary


RAJIV GUPTA
Chief Financial Officer

GULSHAN POLYOLS LIMITED
Statement of Cash Flow for the period ended 31st March, 2021

		(Rs. in Lakhs)	
Particulars		Year ended 31/03/2021	Year ended 31/03/2020
A.	Cash flow from operating activities		
	Profit before Tax	9,349.84	2,742.22
	Adjustment for :		
	Depreciation and Amortization Expenses	3,255.37	3,101.96
	Dividend income	(0.24)	(0.99)
	Provision/(write back) for doubtful debts and advances (net)	98.32	-
	(Gain) / Loss on disposal of property, plant and equipment	(82.02)	(0.18)
	(Gain) / Loss on disposal of Investment	(13.04)	-
	Interest income	(65.61)	(93.55)
	Interest expenses	654.67	1,138.08
	Cash generated from operations before working capital changes	13,197.27	6,887.53
	Adjustment for :		
	Decrease/(increase) in other assets	(690.12)	182.95
	Decrease/(increase) in trade receivables	(1,699.57)	1,767.03
	Decrease/(increase) in inventories	(395.01)	(3,317.07)
	(Decrease)/increase in other current liabilities	633.94	(117.55)
	(Decrease)/increase in provisions	331.63	16.33
	(Decrease)/increase in trade and other payables	840.82	(390.04)
	Cash generated from operating activities	(978.29)	(1,858.36)
	Direct taxes paid (net of refunds)	(1,635.00)	(616.70)
	Cash flows before exceptional items	10,583.97	4,412.47
	Exceptional items	-	-
	Net Cash flow generated from operating activities (A)	10,583.97	4,412.47
B.	Cash Flow from Investing activities		
	Sale proceeds from property, plant and equipment	208.40	93.52
	Purchase of property, plant and equipment	(1,465.30)	(1,743.62)
	Purchase of intangibles	-	(1.01)
	Net Sale/ Purchase proceeds of from non-current investments and current investments	13.04	4.78
	Interest income	65.61	93.55
	Dividend income	0.24	0.99
	Net Cash Flow Generated from investing activities (B)	(1,178.01)	(1,551.79)
C.	Cash flow from Financing activities		
	Interest expenses	(654.67)	(1,138.08)
	Repayment of long-term borrowings	(963.47)	(1,931.82)
	Repayment of short-term borrowings	(5,960.93)	(1,498.34)
	Dividend paid	(281.50)	(469.17)
	Dividend distribution tax paid	-	(96.44)
	Net Cash flow Generated from financing activities (C)	(7,860.57)	(5,133.85)
	Net increase in cash and cash equivalents (A+B+C)	1,545.39	(2,273.17)
	Cash and cash equivalents at the beginning of the year	242.50	2,515.67
	Cash and cash equivalents at year end	1,787.89	242.50

Note:

1. The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) Statement of Cash Flows.

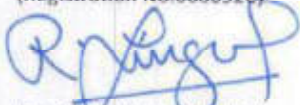
The Accompanying notes form an integral part of the financial statements

As per our report of even date attached

For **RAJEEV SINGAL & CO.**

Chartered Accountants

(Registration No. 008692C)



(**RAJEEV KUMAR SINGHAL**)

Partner

Membership no: 077834

UDIN: 21077834AAAACX6014

Date: May 22, 2021

Place : Delhi





DR. CHANDRA KUMAR JAIN

Chairman & Managing Director

DIN: 00062221



ASHA MITTAL

Company Secretary

For and on behalf of the Board of Directors



ASHWANI KUMAR VATS

Whole Time Director and CEO

DIN : 00062413



RAJIV GUPTA

Chief Financial Officer

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2021

A. Equity Share Capital

	(Rs. in Lakhs)
Opening Balance as at April 01, 2019	469.17
Changes during the year	-
Closing balance as at March 31, 2020	469.17
Change during the year	-
Closing balance as at March 31, 2021	469.17

B. Other Equity attributable to the Equity Holders of the Company

Particulars	RESERVES AND SURPLUS					Retained Earning	Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Capital Redemption Reserve			
Balance as at 1st April 2019	132.35	3,701.57	4,986.24	-	-	19,765.95	28,586.11
Profit for the year	-	-	-	-	-	2,058.40	2,058.40
Amount Transfer to General Reserve	-	-	-	-	-	-	-
Amount Transfer to Capital Redemption Reserve	-	-	-	50.00	-	(50.00)	-
Dividend on equity shares	-	-	-	-	-	(469.17)	(469.17)
Dividend Distribution Tax	-	-	-	-	-	(96.44)	(96.44)
Other Comprehensive income for the year, net of income tax	-	-	-	-	-	(19.01)	(19.01)
As at 31st March 2020	132.35	3,701.57	4,986.24	50.00	-	21,189.74	30,059.90
Balance as at 1st April 2020	132.35	3,701.57	4,986.24	50.00	-	21,189.74	30,059.90
Profit for the year	-	-	-	-	-	6,245.55	6,245.55
Amount Transfer to General Reserve	-	-	-	-	-	-	-
Dividend on equity shares	-	-	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-	(281.50)	(281.50)
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	-
As at 31st March, 2021	132.35	3,701.57	4,986.24	50.00	-	27,215.91	36,086.07

The accompanying notes from 1 to 39 form an integral part of the financial statements.

As per our report of even date
For RAJEEV SINGAL & CO.
Chartered Accountants
(Registration No.008692C)



Rajeev Singal
(RAJEEV KUMAR SINGHAL)
Partner

Membership no: 077834
UDIN: 21077834AAAAACX6081

Date: May 22, 2021
Place : Delhi

For and on behalf of the Board of Directors

Ashwani Kumar Vats

ASHWANI KUMAR VATS
Whole Time Director & CEO
DIN : 00052413

Dr. Chandra Kumar Jain
DR. CHANDRA KUMAR JAIN
Chairman & Managing Director
DIN: 00062221

Asha Mittal
ASHA MITTAL
Company Secretary

Rajiv Gupta
RAJIV GUPTA
Chief Financial Officer

2. PROPERTY, PLANT AND EQUIPMENT

Particulars	(Rs. in Lakhs)						
	Free hold Land	ROU (Right of Use of Assets)	Building	Plant and Equipment	Office Furniture and Equipment	Vehicle	Total
Gross Block							
Balance as at 1st April 2019	258.72	634.07	4,009.60	32,601.11	187.94	437.57	38,129.01
Additions	-	334.80	114.52	1,295.46	21.93	111.89	1,878.60
Disposals	-	-	25.03	65.49	-	21.81	112.13
Balance as at 1st April 2020	258.72	968.87	4,099.09	33,831.09	209.87	527.65	39,895.49
Additions	-	232.27	-	933.48	11.53	306.46	1,483.75
Disposals	-	114.06	-	-	-	59.14	173.20
Balance as at 31st March 2021	258.72	1,087.09	4,099.09	34,764.57	221.40	775.18	41,206.04
Accumulated Depreciation							
Balance as at 1st April 2019	-	23.94	732.81	9,796.91	77.25	206.54	10,837.45
Additions	-	22.41	309.82	2,649.81	32.57	83.42	3,098.04
Disposals	-	-	-	0.43	-	18.36	18.79
Balance as at 1st April 2020	-	46.35	1,042.63	12,446.30	109.82	271.60	13,916.70
Additions	-	28.68	290.36	2,816.16	28.91	88.18	3,252.29
Disposals	-	-	-	-	-	46.82	46.82
Balance as at 31st March 2021	-	75.03	1,332.99	15,262.46	138.73	312.95	17,122.17
Net Block							
Balance as at 31st March 2021	258.72	1,012.06	2,766.09	19,502.11	82.67	462.22	24,083.87
Balance as at 31st March 2020	258.72	922.52	3,056.46	21,384.79	100.04	256.26	25,978.79
Balance as at 31st March 2019	258.72	610.13	3,276.79	22,804.20	110.69	231.03	27,291.57

3. CAPITAL WORK IN PROGRESS	(Rs. in Lakhs)	
	As at 31st March, 2021	As at 31st March, 2020
Capital Work in Progress consist of the following:		
Work in progress	303.11	321.56
Total	303.11	321.56

4. INTANGIBLE ASSETS	(Rs. in Lakhs)	
	As at 31st March, 2021	As at 31st March, 2020
Gross Block (Software)		
Balance as at 1st April 2019	21.98	
Additions	1.01	
Disposals	-	
Balance as at 31st March 2020	23.00	
Additions		
Disposals		
Balance as at 31st March 2021	23.00	
Accumulated Depreciation		
Balance as at 1st April 2019	7.20	
Additions	3.82	
Disposals	-	
Balance as at 31st March 2020	11.11	
Additions	3.06	
Disposals		
Balance as at 31st March 2021	14.19	
Net Block		
Balance as at 31st March 2021	8.81	
Balance as at 31st March 2020	11.88	
Balance as at 31st March 2019	14.79	



5. INVESTMENTS

(Rs.in Lakhs)

NON-CURRENT INVESTMENTS	As at 31st March, 2021	As at 31st March, 2020
(a) Investment at fair Value through OCI Equity Shares Unquoted (Fully paid up)		
(i) 10,500 equity shares of Rs. 10 each -BEIL Infrastructure Ltd.	1.05	1.05
(ii) 4,09,025 equity shares of Rs. 10 each - Narmada Clean Tech Ltd.(formerly named as Bharuch Eco-Aqua Infrastructure Ltd.)	40.90	40.90
Total	41.95	41.95

6. Loans

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
NON-CURRENT (Unsecured, Considered good)		
Security Deposits	506.93	459.66
Total	506.93	459.66

7. Other Financial Assets (Non Current)

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
NON-CURRENT		
Bank Deposits with maturity of more than 12 months as Margin Money	192.30	83.69
Total	192.30	83.69

Bank Deposits in form of FDR having maturity period of more than 12 months is kept as margin money against Bank guarantees

8. OTHER NON-CURRENT ASSETS

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Capital Advances	-	15.85
Other Loans & Advances	136.00	127.80
Balance with Government Authorities	-	3.20
Balance with Gratuity fund	44.08	1.50
Total	180.08	148.35

9. INVENTORIES

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
(i) Raw Materials	4,648.21	3,617.19
(ii) Work in Progress	749.80	695.18
(iii) Finished Goods	1,898.08	2,557.71
(iv) Stock in Traded Goods	35.08	94.77
(v) Stores, Spares & Packing	523.24	435.91
(vi) Coal, Fuel & Chemicals	1,190.65	1,249.29
Total	9,045.07	8,650.06

10. TRADE RECEIVABLES

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Un-secured and Considered Good	9,838.15	8,168.58
Considered Doubtful	-	68.32
Total	9,838.15	8,236.90

Note: A provision of Rs.98.31 Lakh on doubtful trade receivable has been made during the year.



11. CASH AND CASH EQUIVALENTS

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Cash in hand	5.73	6.38
Balance with Banks -In Current accounts	1,782.16	236.13
Total	1,787.89	242.51

12. Other Financial Assets

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unpaid dividend account	66.95	73.41
Total	66.95	73.41

13. OTHER CURRENT ASSETS

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured and Considered Good		
Advance to Employees	11.19	9.88
Advance to suppliers and service providers	1,350.97	323.63
Advance/Current Taxes	1,761.36	370.66
Balance with Govt. Authorities	304.03	276.21
Other Advances	165.92	469.12
Total	3,593.48	1,449.50

14. EQUITY SHARE CAPITAL

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Authorised Equity Share Capital:		
22,50,00,000 Equity shares of Rs.1 each	2,250.00	2,250.00
Authorised Preference Share Capital:		
2,50,000 Preference shares of Rs.10 each	25.00	25.00
14,50,000 Preference shares of Rs.100 each	1,450.00	1,450.00
Total	3,725.00	3,725.00
Issued, Subscribed and Paid up:		
4,69,17,020 Equity shares of Rs.1 each (Previous year 4,69,17,020 Equity shares of Rs.1 each)	469.17	469.17
9,75,000 Preference shares of Rs.100 each (Previous year 9,75,000 Equity shares of Rs.100 each)	975.00	975.00
Total	1,444.17	1,444.17



Particulars	As at 31st March, 2021		As at 31st March, 2020	
	No. of shares	Amount (1 Rs Each)	No. of shares	Amount (1 Rs Each)
Equity Shares				
Shares outstanding at the beginning of the year	4,69,17,020	469.17	4,69,17,020	469.17
Add: Issued during the year	-	-	-	-
Closing balance	4,69,17,020	469.17	4,69,17,020	469.17

Terms/rights attached to the Equity Shares

The Company has one class of Equity shares having a par value of Rs.1 each. Each shareholder is eligible for one vote per share held. The Company had Paid an interim dividend during the financial year 2020-2021 of Rs.0.60/- per equity share at face value of Rs. 1/- each (60%) in their meeting held on November 2, 2020. The Company declares and pays dividend in Indian Rupees.

(b) Details of shares held by Equity Shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholder	As at 31st March, 2021		As at 31st March, 2020	
	No. of shares held	% of holding	No. of shares held	% of holding
(i) Gulshan Holdings Pvt. Ltd.	2,63,75,047	56.22%	2,40,64,760	51.29%
(ii) Dr. C. K. Jain	35,46,990	7.56%	35,46,990	7.56%

(C) Reconciliation of Number of Preference shares outstanding at the beginning and at the end of the reporting period

Particulars	As at (Rs 100 Each)		As at (Rs 100 Each)	
	No. of shares	Amount (100 Rs Each)	No. of shares	Amount (100 Rs Each)
Preference Shares				
Shares outstanding at the beginning of the year	9,75,000	975.00	9,75,000	975.00
Add: Issued during the year	-	-	-	-
Closing balance	9,75,000	975.00	9,75,000	975.00

Terms/rights attached to the Preference Shares

The Company has two class of Preference Shares having a par value of Rs.10 and Rs 100 each. Shareholder is not eligible for vote .

(d) Details of Preference shares held by Preference Shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholder	As at (Rs 100 Each)		As at (Rs 100 Each)	
	No. of shares held	% of holding	No. of shares held	% of holding
Dr. Chandra Kumar Jain	9,75,000	100.00%	9,75,000	100.00%



15. OTHER EQUITY (Rs. in Lakhs)

Particulars	Capital Reserve	Securities Premium Reserve	General Reserve	Capital Redemption Reserve	Retained Earning	Total
Balance as at 1st April 2020	132.35	3701.57	4986.24	50.00	21189.74	30,059.90
Profit for the year	-	-	-	-	6,245.55	6,245.55
Amount Transfer to Capital Redemption Reserve	-	-	-	-	-	-
Dividend on equity shares for the year	-	-	-	-	(281.50)	(281.50)
Dividend Distribution Tax	-	-	-	-	-	-
Other Comprehensive income for the year net of tax	-	-	-	-	62.12	62.12
Balance as at 31st March 2021	132.35	3701.57	4986.24	50.00	27215.91	36086.07

Particulars	Capital Reserve	Securities Premium Reserve	General Reserve	Capital Redemption Reserve	Retained Earning	Total
Balance as at 31st March, 2019	132.35	3,701.57	4,986.24	-	19,765.96	28,586.11
Profit for the year	-	-	-	-	2,058.40	2,058.40
Amount Transfer to General Reserve	-	-	-	50.00	(50.00)	-
Dividend on equity shares for the year	-	-	-	-	(469.17)	(469.17)
Dividend Distribution Tax	-	-	-	-	(96.44)	(96.44)
Other comprehensive income for the year, net of income tax	-	-	-	-	(19.01)	(19.01)
Balance as at 31st March, 2020	132.35	3,701.57	4,986.24	50.00	21,189.74	30,059.90

16. FINANCIAL LIABILITIES –NON CURRENT BORROWINGS (Rs. in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Secured Loans		
(i) Term Loan from bank measured at Amortised Cost	-	1,000.00
(ii) Long term maturities of Finance Lease obligations/ hire purchase finance	-	133.94
	-	1,133.94
Unsecured		
9,75,000, 6% Redeemable Preference shares of Rs. 100 each (refer note xxx below)	1,053.00	975.00
	1,053.00	975.00
Total	2,106.94	2,108.94
(a) Nature of security for secured borrowings are given below:		
(i) Term Loans from Banks	-	2,949.75
The Immovable and Movable Assets of the Unit Located at Boregoan Industrial Area, Distt.Chhindawara (M.P.) and Abu Road, Sirahi, Rajasthan are charged to Citi Bank by way of First charge for External Commercial Borrowings(ECB) of USD 11.60 million.		
The Immovable Assets of the Unit Located at the Jhagadia Industrial Estate, Dist Bharuch (Gujarat) and movable assets of Units located at Muzaffarnagar (UP) are charged to The Hongkong & Shanghai Banking Corporation Ltd. by way of First charge on pan-passu with Citi Bank for Term Loan of Rs.40 crores.		
(ii) Long term maturities of Finance Lease obligations	-	133.94
Above loans are secured against vehicles purchased through Banks under hire purchase agreements.		
(b) The aggregate amount of loans under each head guaranteed by Directors or others are given below:		
Term Loans from Banks	-	2,949.75
Above term loans are secured by personal guarantee of the Promoter Director.		
Redeemable Preference Share capital includes interest of Rs.78 Lacs.		



17. Other Financial Liabilities

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Lease Liabilities	133.48	41.01
Total	133.48	41.01

18. DEFERRED TAX LIABILITIES (NET)

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Depreciation and amortisation	1,475.91	1,469.85
Mat Receivables	-	(1,446.14)
Total	1,475.91	23.71

19. SHORT TERM BORROWINGS

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Secured loans		
Working Capital Loan	-	5,960.93
Total	-	5,960.93

(a) The Working Capital Loans are secured by the Hypothecation of Present and Future stock of Raw Materials, Stores, Stock in Process, Chemicals and Consumables, Fuels, Packing, Finished Goods etc. and Book Debts of the Company.

(b) The Loan is further secured by way of a Second Charge on Fixed Assets of the Company and personal guarantee of Promoter Director of the Company.

20. TRADE PAYABLES

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Trade Payables consist of the following:		
- micro, small and medium enterprises (refer note 37)	231.74	229.60
- others	5,399.04	2,658.10
Total	5,630.78	2,887.70

21. OTHER FINANCIAL LIABILITIES

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
(a) Interest accrued but not due on borrowings	-	7.00
(b) Current maturities of long term debt	-	2,003.59
(c) Unclaimed dividends	66.95	73.41
(d) Capital liabilities	5.00	43.96
(e) Expenses payable	666.99	525.93
(f) Lease Liability	13.37	0.68
Total	752.32	2,654.57

22. OTHER CURRENT LIABILITIES

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
(a) Advance from Customers	324.15	221.50
(b) Other liabilities	1,383.39	598.52
Total	1,707.55	820.02

23. PROVISIONS

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Employee Benefits	512.20	180.56
Total	512.20	180.56



24. REVENUE FROM OPERATIONS

(Rs.in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Revenue		
(a) Sale of Product (including excise duty)	74,438.99	59,705.59
(b) Freight and Handling Charges recovered	606.59	403.05
(I)	75,045.58	60,108.64
Other Operating Revenues		
(i) Export and Other Incentives	204.14	429.63
(ii) Miscellaneous Receipts & claims	60.85	116.35
(iii) Sales- Scrap & Waste Material	153.13	139.78
(iv) Foreign Exchange Fluctuations	83.93	129.97
(v) Lease Rent, Operation & Maintenance Charges	1,055.81	1,155.39
(II)	1,557.86	1,971.12
REVENUE FROM OPERATIONS (I+II)	76,603.44	62,079.77

(A) Revenue from contracts with customers disaggregated based on nature of products or services.		
Revenue from sale of products		
i) Mineral Processing	8,118.46	11,741.33
ii) Grain Processing	53,657.52	47,862.81
iii) Distillery	13,269.61	504.50
Other Operating Revenues		
(i) Export and Other Incentives	204.14	429.63
(ii) Miscellaneous Receipts & claims	60.85	116.35
(iii) Sales- Scrap & Waste Material	153.13	139.78
(iv) Foreign Exchange Fluctuations	83.93	129.97
(v) Lease Rent, Operation & Maintenance Charges	1,055.81	1,155.39
Total	76,603.44	62,079.77
(B) Revenue from contracts with customers disaggregated based on geography		
Domestic	68,758.38	50,407.21
Export	5,680.61	9,298.38
Total	74,438.99	59,705.59
(C) Reconciliation of gross revenue with the revenue from contracts with customers		
Gross revenue #	74,482.81	59,753.60
Less: discounts	(43.82)	(48.01)
Total	74,438.99	59,705.59

Revenues are recorded at a point in time. The Company has no remaining performance obligations once the goods are delivered to the customer as per terms of the contract.

(D) Receivables, contract assets and contract liabilities from contracts with customers		
Trade receivables*	9,838.15	8,236.90
Contract balances		
– Advances from customers **	(324.15)	(221.50)
Total	9,514.00	8,015.40

* Trade receivables are non-interest bearing and are generally due within 0 to 90 days. There is no significant financing component in any transaction with the customers.

** The adjustments of advances during the year are not considered to be significant.



25. OTHER INCOME

(Rs.in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Interest Income On Bank Deposits & Others	65.61	93.55
(b) Dividend Income On Investments	0.24	0.99
(c) Gain / (Loss) on sale of investments (Net) On Investments	13.04	-
(d) Profit/ (Loss) on property, plant and equipment sold / discarded (Net)	82.02	0.18
(e) Other Non-Operating income	26.50	-
Total	187.42	94.72

26. COST OF MATERIALS CONSUMED

(Rs.in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Raw Material	36,055.47	35,496.96
Total	36,055.47	35,496.96

27. PURCHASE OF GOODS TRADED

(Rs.in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Purchase of Stock in Trade	471.74	704.73
Total	471.74	704.73

28. CHANGE IN INVENTORIES

(Rs.in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Opening inventories		
(a) Traded Goods	94.77	46.64
(b) Work in progress	695.18	640.19
(c) Finished Goods	2,557.71	1,812.45
	3,347.66	2,499.27
(b) Less: Closing Inventories		
(a) Traded Goods	35.08	94.77
(b) Work in progress	749.80	695.18
(c) Finished Goods	1,898.08	2,557.71
	2,682.97	3,347.66
Total	664.69	(848.39)

29. EMPLOYEE BENEFITS EXPENSES

(Rs.in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Salaries and Wages	2,579.95	1,963.67
(b) Contribution to Provident and Other Funds	122.76	78.98
(c) Employee Welfare	157.87	125.78
Total	2,860.58	2,168.43

30. FINANCE COST

(Rs.in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Interest & Charges on Bank borrowing for working Capital	408.36	647.27
(b) Interest on Term and Other Loans	168.31	393.58
(c) Gain on foreign currency transactions and translation	-	-
(d) Interest Expenses recognised on Redeemable Preference Shares	78.00	97.24
Total	654.67	1,138.08

31. DEPRECIATION AND AMORTIZATION EXPENSES

(Rs.in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Depreciation on Property, Plant and Equipment	3,252.29	3,098.04
(b) Amortisation on Intangible Assets	3.08	3.92
Total	3,255.37	3,101.96



32. OTHER EXPENSES

(Rs.in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Process Chemicals & Consumables	5,393.81	3,697.47
(b) Stores, Spare Parts & Packing	2,864.37	2,127.64
(c) Power and Fuel	8,310.81	6,627.94
(d) Repair & Maintenance:		
-Building	4.51	4.50
-Plant & Machinery	1,263.21	647.05
(e) Rates and Taxes	335.99	127.00
(f) Rent	109.55	79.32
(g) Printing and Stationary	26.51	24.26
(h) Advertisement and Publicity	4.83	4.07
(i) Subscription and Membership fees	9.62	10.72
(j) Travelling Expenses	114.06	177.18
(k) Legal and Professional Expenses	216.54	218.60
(l) Payment to Auditors*	8.00	6.25
(m) Communication Charges	46.73	56.01
(n) Repair and Maintenance	50.18	47.31
(o) Insurance	92.28	82.33
(p) Donation	0.63	1.67
(q) Corporate Social Responsibility expenses**	218.09	37.46
(r) Miscellaneous Expenses	17.95	9.19
(s) Allowance for Doubtful trade receivables	98.32	-
(t) Commission & Discount	125.38	133.92
(u) Freight and Forwarding Expenses	4,099.14	3,489.27
(v) Others	68.00	61.34
Total	23,478.51	17,670.49
(*) (c) Details of Auditors Remuneration are as follows:		
(i) Statutory Audit Fees	6.25	5.00
(ii) Limited Review Fee	1.25	1.00
(iii) Reimbursement of expenses		
(iv) Other Management Services, Consultancy and certification Charges	0.50	0.25
	8.00	6.25

() Details of Corporate Social Responsibility expenditure in accordance with section 135 of the Companies Act, 2013:**

Particulars	2020-21	2019-20
Gross amount required to be spent by the Company during the year	51.99	53.93
Amount Spent during the year	218.09	37.46
Amount Unspent during the year	-	16.47

The company made excess expenditure on CSR amounting Rs. 166.11 Lakhs (includes expenditure of Rs. 16.47 Lakhs which is unspent carry forward from last year.



33. Disclosure in respect of employee benefits under Indian Accounting Standard (Ind AS) – 19 "Employee Benefits" are given below:

i) **Defined Contribution Plan**

Employers' contribution towards provident fund amounting to INR 36.73 Lakhs (Previous year INR 39.13 Lakhs) is recognized as an expense and included in Employee Benefit expenses Note No 29.

ii) **Defined Benefit Plan**

Gratuity

The company provides for gratuity, a defined benefit retirement plan, covering eligible employees. The gratuity plan provides lump sum payments to vested employees at retirement, death, incapacitation or termination of employment, of an amount equivalent to 15 days salary for each completed year of service. Vesting occurs on completion of 5 continuous years of service as per Indian law. However, no vesting condition applies in case of death.

The company makes contributions to LIC through a trust which is funded defined benefit plan for qualifying employees.

Expected contributions to gratuity plans for the year 2021-22 are INR 32.47 Lakhs

Reconciliation of present value of defined benefit obligation

(Rs in Lakhs)

A	Particulars	Gratuity (Funded)	
		31 st March 2021	31 st March 2020
	Change in the Present value of obligation		
	Balance at the beginning of the year	330.85	268.42
	Benefits paid	-	(15.18)
	Current service cost	33.44	33.70
	Interest cost	22.66	20.71
	Past Service cost	-	-
	Actuarial (gains) losses recognised in profit and loss:		
	-Changes in demographic assumptions	-	-
	Actuarial (gains) losses recognised in OCI:		
	-Changes in demographic assumptions	-	(0.02)
	-Changes in financial assumptions	1.72	24.30
	-Experience adjustments	(80.29)	(1.06)
	Balance at the end of the year	308.39	330.85

B	Particulars	Gratuity (Funded)	
		31 st March 2021	31 st March 2020
	Change in the fair value of plan asset		
	Balance at the beginning of the year	332.02	298.95
	Contributions paid into the plan	1.32	10.00
	Benefits paid	-	-
	Expected Return on Plan Asset	24.46	23.07
	Opening Adjustment	(2.39)	-
	Mortality Charges	(3.38)	-
	Actuarial Gain/(Loss) on Planned Assets	-	-
	Balance at the end of the year	352.04	332.02
	Net Defined Benefit Asset/(Liability)	43.65	1.17

C	Particulars	Gratuity (Funded)	
		31 st March 2021	31 st March 2020
	Expense recognized in profit or loss		
	Current service cost	33.45	33.70
	Interest cost	0.08	(2.36)
	Actuarial (Gain)/Loss	-	-
	TOTAL	33.53	31.34



D Particulars	Gratuity (Funded)	
	31 st March 2021	31 st March 2020
Expense recognized in OCI		
Actuarial (gains) / losses		
- change in demographic assumptions	-	(0.02)
- change in financial assumptions	1.72	24.30
- experience variance (i.e. Actual experience vs assumptions)	(80.29)	(1.06)
- return on plan assets, excluding amount recognized in net interest expense	1.50	-
TOTAL	77.07	23.21

E Plan Assets

Plan Assets comprise of the following:

(Rs in lakhs)

Particulars	31 st March 2021	31 st March 2020
Equities	0%	0%
Bonds	0%	0%
Gilts	0%	0%
Pooled assets with an insurance company*	100%	100%
Others	0%	0%
TOTAL	100%	100%

* The company's assets are managed by the Life Insurance Corporation of India, the total assets held as on 31st March 2020 is INR 332.02 Lakhs.

F Actuarial Assumptions	Gratuity (Funded)	
	31 st March 2021	31 st March 2020
Economic assumptions:		
Discount Rate (Per annum)	6.79%	6.85%
Future Salary increase	6.50%	6.50%
Demographic assumptions:		
Retirement Age (Years)	58	58
Mortality rates inclusive of provision for disability**	IALM (2012-14)	IALM (2012-14)
Withdrawal Rate (%)	1.00%	1.00%

** The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 13.42 years (31st March 2020: 9 years).

G Sensitivity Analysis

Particulars	Gratuity (Funded)	
	31 st March 2021	31 st March 2020
Present Value of Obligation at the end of the period	308.39	330.85
a) Discount rate-100 basis points	29.96	363.74
b) Discount rate+100 basis points	(27.78)	302.61
c) Salary Growth Rate -100 basis points	(27.97)	302.27
d) Salary Growth Rate+100 basis points	29.90	363.52

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.



H Risk Exposure

Investment Risk-The funds are invested by LIC and they provide returns on the basis of the prevalent bond yields. LIC on an annual basis requests for contributions to the fund, while the contribution requested may not be on the same interest rate as the prevalent bond yields, based on the past experience it is a low risk.

Interest Risk-LIC does not provide market value of assets, rather maintains a running statement with interest rates declared annually. The fall in interest rate is not therefore offset by increase in value of bonds, hence may pose a risk.

Longevity Risk-Since the gratuity payment happens at the retirement age of 58, longevity impact is very low at this age, hence this is a non-risk.

Salary Risk-The liability is calculated taking into account the salary increases, basis our past experience of salary increases with the assumptions used, they are in line, hence this risk is low.

I Maturity profile of defined benefit obligation

(Rs in lakhs)

Actuarial Assumptions	Gratuity (Funded)	
	31 st March 2021	31 st March 2020
Year 1		
Years 2-5	24.47	39.89
Years 6-10	67.34	90.07
Beyond 10	81.86	150.65
	134.74	441.29

34. INCOME TAX

A. Amounts recognised in profit or loss

(Rs in lakhs)

Particulars	31 st March 2021		31 st March 2020	
Current tax expense				
Current year	1813.17		495.94	
Add: MAT Credit utilised	1285.05		47.95	
		3,098.22		543.89
Deferred Tax Expense		3,098.22		543.89
Property, plant and equipment		6.06		
				139.93
Total Tax Expense		3,104.28		683.82

As per Indian tax laws, companies are liable for a Minimum Alternate Tax ("MAT" tax) when current tax, as computed under the provisions of the Income Tax Act, 1961 ("Tax Act"), is determined to be below the MAT tax computed under section 115JB of the Tax Act. The excess of MAT tax over current tax is eligible to be carried forward and set-off in the future against the current tax liabilities over a period of 15 years

B. Movement in deferred tax balances

(Rs in lakhs)

Particulars	As at	Recognized in P&L	Recognized in OCI	As at
	31 st March 2020			31 st March 2021
Deferred Tax Assets				
MAT Receivable	1,446.14	(1,446.14)	-	-
Total Deferred Tax Assets	1,446.14	(1,446.14)	-	-

Particulars	As at	Recognized in P&L	Recognized in OCI	As at
	31 st March 2020			31 st March 2021
Deferred Tax Liabilities				
Property, plant and equipment	1469.85	6.06	-	1,475.91
Total Deferred Tax Liabilities	1,469.85	6.06	-	1,475.91
Net Deferred Tax Assets (Liability)	(23.71)	(1,440.08)	-	(1,475.91)



35. Financial instruments and risk management

I. Financial instruments by category

(Rs in Lakhs)

	As at 31.03.2021				As at 31.03.2020			
	FV TPL	FVTOC I	Amortised Cost	Total Carrying Value	FVTP L	FVTOCI	Amortised Cost	Total Carrying Value
Financial Assets								
Investments								
- in equity instruments	-	41.95	-	41.95	-	41.95	-	41.95
Trade Receivable	-	-	9,838.15	9,838.15	-	-	8,236.90	8,236.90
Security deposits	-	-	506.93	506.93	-	-	459.66	459.66
Term deposit with banks	-	-	192.30	192.30	-	-	83.69	83.69
Cash and cash equivalents	-	-	1,787.89	1,787.89	-	-	242.51	242.51
Bank balances other than above	-	-	66.95	66.95	-	-	73.41	73.41
Total Financial Assets	-	41.95	12,392.22	12,434.17	-	41.95	9,096.17	9,138.12
Financial Liabilities								
Term loans from bank	-	-	-	-	-	-	1,000.00	1,000.00
Obligations under finance leases and hire purchase contracts	-	-	-	-	-	-	133.94	133.94
Redeemable preference shares	-	-	1,053.00	1,053.00	-	-	975.00	975.00
Lease liability	-	-	146.86	146.86	-	-	41.69	41.69
Working capital loans	-	-	-	-	-	-	5,960.93	5,960.93
Trade payables	-	-	5,630.78	5,630.78	-	-	2,887.70	2,887.70
Interest accrued but not due on borrowings	-	-	-	-	-	-	7.00	7.00
Current maturities of long-term debt	-	-	-	-	-	-	2,003.59	2,003.59
Unclaimed dividends	-	-	66.95	66.95	-	-	73.41	73.41
Capital liabilities	-	-	5.00	5.00	-	-	43.96	43.96
Expenses payable	-	-	666.99	666.99	-	-	525.93	525.93
Total Financial Liabilities	-	-	7,569.58	7,569.58	-	-	13,653.15	13,653.15

II. Fair value hierarchy

The following table provides an analysis of financial instruments that are measured at fair value and have been grouped into Level 1, Level 2 and Level 3 below:

As at 31 March 2021	Note No	Level 1	Level 2	Level 3	Total
Financial Assets					
Financial Instruments at FVTOCI					
Unquoted equity instruments	5	-	-	41.95	41.95
Total financial assets		-	-	41.95	41.95



As at 31 March 2020	Note No	Level 1	Level 2	Level 3	Total
Financial Assets					
Financial Instruments at FVTOCI					
Unquoted equity instruments	5	-	-	41.95	41.95
Total financial assets		-	-	41.95	41.95

Level 1: Quoted prices in the active market. This level of hierarchy includes financial assets that are measured by reference to quoted prices in the active market. This category consists of debt based open ended mutual funds.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. The company does not have any investments which are categorized as Level 2.

Level 3: Valuation techniques with unobservable inputs. This level of hierarchy includes items measured using inputs that are not based on observable market data (unobservable inputs). Fair value determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instruments nor based on available market data. This is the case for investment in unlisted equity securities.

Note:

- There are no transfers between level 1 and level 2 during the year.
- The fair value of financial assets and liabilities approximate their carrying amount measured under Level III hierarchy.

The fair value of the financial assets are determined at the amount that would be received to sell an asset in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:

Investments in debt mutual funds: Fair value is determined by reference to quotes from the financial institutions, i.e. net asset value (NAV) for investments in mutual funds declared by mutual fund house.

Unquoted equity investments: Fair value is derived on the basis of income approach; in this approach the discounted cash flow method is used to capture the present value of the expected future economic benefits to be derived from the ownership of these investments.

Reconciliation of Level 3 fair value measurement

(Rs in Lakhs)

	Unlisted equity instruments
As at 01 April 2019	46.73
Acquisition/(Dispose of)	(4.78)
Gains/(losses) recognized	-
- in other comprehensive income	-
As at 31 March 2020	41.95
Acquisition/(Dispose of)	-
Gains/(losses) recognized	-
- in other comprehensive income	-
As at 31 March 2021	41.95

III. Financial risk management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.



This note explains the sources of risk which the entity is exposed to and how the entity manages the risk in the financial statements: -

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables and financial assets measured at amortized cost	Ageing analysis	Diversification of bank deposits and credit limits
Liquidity risk	Business commitment and other liabilities	Credit rating	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Future commercial transactions Recognized financial assets and liabilities not denominated in Indian rupee	Rolling cash flow forecasts Cash flow forecasting	Forward foreign exchange contracts
Market risk - security prices	Investments in equity instruments and debt mutual funds	Sensitivity analysis	Portfolio diversification

i. Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations. To manage trade receivable, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, economic trends, analysis of historical bad debts and ageing of such receivables. The Company computes an allowance for impairment of trade receivables for unrelated parties based on a simplified approach, that represents its expected credit losses. The Company uses an allowance matrix to measure the expected credit loss of trade receivables. Loss rates are based on actual credit loss experienced over the past 3 years. These loss rates are adjusted with scalar factors to reflect differences between current and historical economic conditions and the management's view of economic conditions over the expected lives of the receivables.

Financial instruments that are subject to such risk, principally consist of investments, trade receivables and other loans and advances. None of the financial instruments of the Company results in material concentration of credit risks.

Expected credit loss for trade receivables under simplified approach

The Company recognizes lifetime expected credit losses on trade receivables using a simplified approach, wherein the Company has defined percentage of provision by analyzing historical trend of default relevant to each category of customer based on the criteria defined above and such provision percentage determined have been considered to recognize life time expected credit losses on trade receivables (other than those where default criteria are met).

As at March 31, 2021

(Rs in Lakhs)

Particulars/ days post due	<=90 days	91-180 days	181-365 days	366-730 days	731-1095 days	More than 1095 days	Total
Gross carrying amount	8,921.58	364.09	80.92	395.54	170.91	3.42	9,936.46
Expected loss rate	0.19%	0.19%	0.19%	9.25%	25.00%	50.00%	
Expected credit loss (Loss allowance provision)	16.46	0.67	0.15	36.59	42.73	1.71	98.31
Carrying amount of trade receivables (net of impairment)	8,905.12	363.42	80.77	358.95	128.18	1.71	9,838.15



Reconciliation of loss allowance provision – Trade and other receivables (Rs in Lakhs)

Particulars	31 st March 2021	31 st March 2020
Opening balance	0.00	48.69
Provision made during the year	98.31	-
Trade receivables written off during the year	-	(48.69)
Provision reversed during the year / collection	-	-
Closing balance	98.31	0.00

Other than financial assets mentioned above, none of the financial assets were impaired and there were no indications that defaults in payment obligations would occur.

Concentration of significant credit risk

There is no concentration of customer risk so far transactions with non-related parties are concerned.

ii. **Liquidity risk**

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and to ensure funds are available for use as per the requirements. The company mitigates liquidity risk by way of formulation of cash budget and comparison of actual cash flows with budget on a continuous basis.

(Rs in Lakhs)

	Contractual cash flows			
	31 st March 2021	< 1 year	2 to 5 Years	5 years <
Non-derivative financial liabilities				
Borrowings (Long Term)	1,053.00	78.00	975.00	-
Trade Payables	5,630.78	5,630.78	-	-
Other financial liabilities	885.80	752.32	36.81	96.67
Total non-derivative liabilities	7,569.58	6,461.10	1,011.81	96.67

	Contractual cash flows			
	31 st March 2020	< 1 year	2 to 5 Years	5 years <
Non-derivative financial liabilities				
Borrowings (Long Term)	2,149.95	-	2,149.95	-
Borrowings (Short Term)	5,960.93	5,960.93	-	-
Trade Payables	2,887.70	2,887.70	-	-
Other financial liabilities	2,654.57	2,654.57	-	-
Total non-derivative liabilities	13,653.15	11,503.20	2,149.95	-

iii. **Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, debt and equity investments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.



a. **Foreign Currency risk**

Currency risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in the foreign exchange rate. The Company has exposure to foreign currency risk on account of its payables and receivables in foreign currency which are mitigated through the guidelines under the approved foreign currency risk management policy. The Company enters into forward foreign exchange contracts to mitigate the foreign currency risk. The carrying amounts of the company's foreign exchange monetary items as at the end of reporting period are as follows:

	As at 31 st March 2021	Conversi on rates	As at 31 st March 2020	Conversi on rates
Transaction currency	USD (in Lakhs)	INR	USD (in Lakhs)	INR
--> Financial assets				
Trade receivables	12.00	73.50	13.06	75.39
Financial liabilities				
Borrowings	0.00	0.00	14.50	65.50
Net statement of financial position Exposure	12.00		(1.44)	

Note: The company has no foreign currency loan at the year end. It had foreign currency exposure only on account of Trade Receivables which is unhedged.

Sensitivity analysis

The Company's currency exposures in respect of foreign currency monetary items at each period end presented that result in net currency gains and losses in the income statement and equity arise principally from movement in INR exchange rates. At each period end, if INR had weakened by 10% against the USD, with all other variables held constant, the changes in profit or loss will be as summarized in the following table. 10% is the sensitivity rate used when reporting to foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis has been carried out without considering the hedged items. A positive number below indicates an increase in profit or equity and vice-versa.

(Rs in Lakhs)

	Profit or loss	
	Strong	Weak
31st March 2021		
USD (10% movement)	88.20	(88.20)
31st March 2020		
USD (10% movement)	98.46	(98.46)

b. **Interest rate risk**

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. Any rise in market rate of interest effective effecting valuation of financial instruments, financial assets and financial liabilities have been regularly analyzed for mitigation measure.



Exposure to interest rate risk

The interest rate profile of the company's interest-bearing financial instruments as reported to the management is as follows.

Particulars	Nominal Amount	
	31 st March 2021	31 st March 2020
Financial Assets/Liabilities		
Variable-rate instruments		
Long term borrowings	-	1,133.94
Short Term Borrowings	-	5,960.93
Fixed-rate instruments		
Long Term Borrowings	1,053.00	975.00

(Profit) or loss

Particulars	50 bp increase	50 bp decrease
31st March 2021		
Variable-rate instruments	-	-
31st March 2020		
Variable-rate instruments	44.03	(44.03)

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

c Fiscal Risk

The company does not foresee any material fiscal risk pertaining to its overseas transactions with related parties in respect of which its application for advance pricing agreement is pending before fiscal authorities for years even though authorities make any upward revision of prices. Though overseas transactions with related parties for many years are conducted as per application made for advance pricing agreement, impact of any upward revision of prices of any of the items of out-put is unlikely to give rise to any additional financial liability considering huge carry forward loss and unabsorbed depreciation as per company's income tax return.

36 Capital Management

For the purpose of the Company's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders of the parent. The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and short-term deposits.



Particulars	(Rs in Lakhs)	
	31 st March 2021	31 st March 2020
Interest-bearing loans and borrowings (Note No 16, 19)	1,053.00	8,069.87
Trade and other payables (Note 17, 20, 21 & 22)	8,224.12	6,403.31
Less: cash and short-term deposits (Note 11)	1,787.89	242.51
Net debt	7,489.23	14,230.67
Reserve & Surplus (Note 15)	36,086.07	30,059.90
Equity (Note 14)	469.17	469.17
Total Capital	36,555.24	30,529.07
Capital and net debt	44,044.47	44,759.74
Gearing ratio	17.00%	31.79%

In order to achieve this overall objective, the Company's capital management, among other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches of the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2021 and 2020.

37. Details of dues to micro, small and medium enterprises as defined under the Micro Small and Medium Enterprises Development Act, 2006 ["MSMED Act"]:

SNO	Particulars	31 st March 2021		31 st March 2020	
1	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	231.74	-	229.60	-
2	The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-	-
3	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act	-	-	-	-
4	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-	-	-
5	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act	-	-	-	-



38. Leases

Company as a lessee

The Company has adopted Ind AS 116 "Leases" effective April 1, 2019 as notified by the Ministry of Corporate Affairs ("MCA") and applied the Standard to its leases using the simplified approach. This has resulted in recognising right-of-use assets and corresponding lease liabilities.

Recognition and Carrying value of right-of-use assets for the period ended March 31, 2021: (Rs. in lakhs)

Particulars	
Balance as at beginning of the period	922.52
Right of use asset recognised during the period	118.21
Depreciation charged during the period	28.68
Total	1,012.05

The following is the break-up of current and non-current lease liabilities as at March 31, 2021

Particulars	
Current lease liabilities	13.37
Non-current lease liabilities	133.48
Total	146.85

The following is the movement in lease liabilities during the period ended March 31, 2021:

Particulars	
Balance as at beginning of the period	41.69
Lease liability recognised during the period	103.12
Finance cost accrued during the period	15.42
Lease rent paid/payable during the period	13.37
Lease liability at the end of the period	146.86

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2021 on an undiscounted basis:

Particulars	
Not later than one year	13.37
Later than one year and not later than five years	53.50
Later than five years	400.82

The Company has incurred Rs. NIL for the period ended March 31, 2021 towards expense relating to short-term leases which has not been considered to be recorded as lease liability.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising, is accounted for on a straight-line basis over the lease terms.



39. DETAIL OF SALES, RAW MATERIAL CONSUMPTION, INVENTORIES, ETC. UNDER BROAD HEADS ARE GIVEN BELOW:

A. Raw Materials Consumed:

(Rs.in Lakhs)

Products	2020-21	2019-20
Rice	14,451.40	4,670.12
Corn/Starch	19,580.02	27,083.61
Lime & Lime Stone	2,024.05	2,238.14
Capital Goods	0.00	1,505.10
TOTAL	36,055.47	35,496.97

B. Traded Goods

(Rs.in Lakhs)

Products	Purchases		Sales		Opening Stock		Closing Stock	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Calcium Carbonate	471.74	704.73	1,022.63	1,112.89	94.77	46.64	35.08	94.77
TOTAL	471.74	704.73	1,022.63	1,112.89	94.77	46.64	35.08	94.77

C. Manufactured Goods

(Rs.in Lakhs)

Products	Sales		Opening Stock		Closing Stock	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
1. Sorbitol & Sweetner	21,287.26	20,967.86	535.00	362.47	498.70	535.00
2. Fructose	13,289.36	7,551.74	310.65	240.05	335.19	310.65
3. Starch	8,895.79	10,710.13	810.01	277.57	97.57	810.01
4. Calcium Carbonate	7,095.89	7,976.40	275.14	449.71	273.02	275.14
5. By Products	11,820.22	8,685.87	388.47	136.96	285.74	388.47
6. Liquor/CL and HS	2,718.57	451.71	238.44	345.69	201.90	238.44
7. Ethanol	8,915.87	0.00	0.00	0.00	205.96	0.00
8. Capital Goods	0.00	2,652.05	0.00	0.00	0.00	0.00
TOTAL	74,022.96	58,995.76	2,557.71	1,812.45	1,898.08	2,557.71

40 A. C.I.F. value of imports by the Company (Excluding imported items purchased locally): (Rs.in Lakhs)

Particulars	2020-21	2019-20
Raw Materials, Stores and Components	1,615.65	2,193.22
Capital Goods	107.62	435.49

B. Expenditure in foreign currency during the year:

(Rs.in Lakhs)

Particulars	2020-21	2019-20
Interest	19.67	159.34
Commission	36.87	27.43
Travelling	19.67	31.02
Technical Service Expenses	66.59	77.09
Legal & Professional Fee	5.39	5.82

C. Earnings in Foreign Exchange:

(Rs.in Lakhs)

Particulars	2020-21	2019-20
Export of Goods on F.O.B. basis	5,680.61	9,298.38

D. Value of Raw Materials, Coal and Fuel and Stores and Spares consumed during the year ended:

Particulars	Value (Rs.in Lakhs)			
	2020-21	2019-20	2020-21	2019-20
Raw Materials:				
Imported	0.00	1,302.46	0.00	0.00
Indigenous	36,055.47	34,194.51	100.00%	100.00%
	36,055.47	35,496.97	100.00%	100.00%
Coal and Fuel:				
Imported	0.00	0.00	0.00	0.00
Indigenous	5,449.53	3,729.64	100.00%	100.00%
	5,449.53	3,729.64	100.00%	100.00%
Stores and Spares:				
Imported	60.82	112.88	20.73%	56.17%
Indigenous	232.56	88.08	79.27%	43.83%
	293.38	200.96	100.00%	100.00%



41. Contingent Liabilities in respect of:

- i) Corporate guarantee (in the form of counter guarantee) extended to Gujarat Industrial Development Corporation (GIDC) for Rs.7.39 Lakhs (Previous year Rs.7.39 Lakhs) on account of Bharuch Eco Infrastructure Limited, for proportionate share of financial assistance pertaining to the Company extended to GIDC by Industrial Development Finance Corporation (IDFC) for laying the common pipe line for treated water from industrial units.
- ii) Bank guarantees of Rs. 715.38 Lakhs (Previous Year 884.95 Lakhs) includes Financial and Performance guarantees issued in favour of Statutory Authorities, PSU, Government bodies and Corporates.
- iii) Estimated amounts of contracts remaining to be executed on capital account and not provided for Rs. 6252.25 Lakhs (Previous year Rs. 71.04 Lakhs).

42. Related Party Transactions as per Indian Accounting Standard 24:

The disclosure in pursuance to Indian Accounting Standard-24 on "Related Party disclosures" is as under:

- (a) Name of related party and nature of related party relationship where control exist:
 - (i) Holding Company : Gulshan Holding Pvt. Ltd.
 - (ii) Subsidiary Company : Nil
- (b) Name of related party and nature of related party relationship other than those referred to in (a) above having transaction with the company:
 - (i) Joint Ventures etc. : Nil
 - (ii) Key Management Personnel : Dr. Chandra Kumar Jain, Managing Director
Mrs. Aditi Pasari, Whole Time Director
Mrs. Arushi Jain, Whole Time Director
Mr. Ashwani Kumar Vats, CEO & Whole Time Director
Mr. Rajiv Gupta, CFO
Ms. Asha Mittal, CS
 - (iii) Relative of KMP : Mrs. Mridula Jain
 - (iv) Corporate entities over which key Management personnel are able to exercise significant influence:
Gulshan Lamee Pack Pvt. Ltd, Gulshan Specialty Minerals Private Limited, Gulshan Sugar & Chemicals Ltd., Reliance Expovision Pvt Ltd., East Delhi Importers & Exporters Pvt Ltd., ARP Developers Pvt Ltd., Oye Oye.com Online Services India LLP., Houzilla Interiors Pvt Ltd.

(v) Transactions with related parties of the period 01.04.2020 to 31.03.2021 (Rs.in Lakhs)

(a) Key Managerial Personnel	2020-21	2019-20
Remuneration to Key Personnel:		
- Salaries & Perks	352.18	387.70
- Commission on Profits	400.00	-
Rent Paid - Dr. C.K Jain	114.70	64.80
- Mrs. Mridula Jain, Relative	9.60	9.60
(b) Others		-
Gulshan Holding Private Ltd. - Interest paid	0.00	3.37
Gulshan Lamee Pack Pvt. Ltd.- Product Sales	37.22	50.64
(c) Gulshan Lamee Pack Pvt. Ltd.- Outstanding balance as on 31.03.2021 (Dr.)	2.58	12.18



43. Earning Per Share

(Rs.in Lakhs)

Particulars	2020-21	2019-20
1 Net Profit After Tax	6,245.55	2,058.40
2 Weighted Average of number of Equity Share outstanding during the year	469.17	469.17
3 Basic Earning Per Share of Rs.1/- each	13.31	4.39
4 Diluted Earning Per Share of Rs.1/- each	13.31	4.39

44. Information on segment reporting pursuant to Ind AS 108 – Operating Segments Operating segments:

Segments Operating segments:

- Mineral Processing
- Grain Processing
- Distillery

Identification of Segments:

The chief operational decision maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss of the segment and is measured consistently with profit or loss in the financial statements. Operating segments have been identified on the basis of the nature of products.

Segment revenue and results:

The expenses and income which are not directly attributable to any business segment are shown as Un-allocable expenditure (net of un-allocable income).

Segment assets and liabilities:

Assets used by the operating segment mainly consist of Property, Plant and Equipment, Trade Receivables, Cash and Cash Equivalents and Inventories. Segment Liabilities include Trade Payables and Other Liabilities. Common Assets and Liabilities which cannot be allocated to any of the segments are shown as a part of Un-allocable Assets/ Liabilities.

(Rs. in Lakhs)

Particulars	Mineral Processing		Grain Processing		Distillery		Total	
	31 st March 2021	31 st March 2020	31 st March 2021	31 st March 2020	31 st March 2021	31 st March 2020	31 st March 2021	31 st March 2020
Revenue								
External sales	9,237.46	13,144.68	54,080.63	48,430.59	13,269.60	504.49	76,587.69	62,079.77
Unallocated							15.75	0.00
Total Revenue	9,237.46	13,144.68	54,080.63	48,430.59	13,269.60	504.49	76,603.44	62,079.77
Results								
Segment results before interest and Finance cost	1,729.13	3,291.26	6,631.03	1,091.82	1,579.25	(473.20)	9,939.41	3,909.88
Un-allocable Income	-	-	-	-	-	-	65.09	(29.57)
Operating Profit	1,729.13	3,291.26	6,631.03	1,091.82	1,579.25	(473.20)	10,004.50	3,880.31
Interest Expenses							654.67	1,138.08
Current Tax (Net of MAT)							3,098.21	543.89
Deferred Tax Charge							6.06	139.93
Net Profit							6,245.55	2,058.40



Other Information

	Mineral Processing		Grain Processing		Distillery		Others		Total	
	31 st March 2021	31 st March 2020	31 st March 2021	31 st March 2020	31 st March 2021	31 st March 2020	31 st March 2021	31 st March 2020	31 st March 2021	31 st March 2020
Segment Assets	6,553.61	6,261.31	28,242.84	27,667.77	12,810.90	10,838.44	-	-	47,607.35	44,767.52
Unallocated Assets	-	-	-	-	-	-	2,041.24	930.74	2,041.24	930.74
TOTAL ASSETS	6,553.61	6,261.31	28,242.84	27,667.77	12,810.90	10,838.44	2,041.24	930.74	49,648.59	45,698.26
Segment Liabilities	1,486.72	941.93	5,214.88	13,417.96	1,447.27	1,264.22	-	-	8,150.88	15,624.11
Unallocated Liabilities & Provisions	-	-	-	-	-	-	4,942.48	(454.93)	4,942.48	(454.93)
TOTAL LIABILITIES	1,486.72	941.93	5,214.88	13,417.96	1,447.27	1,264.22	4,942.48	(454.93)	13,093.35	15,169.19

45. The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its valuation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.
46. **Standards issued but not yet effective**
Since there were no standard issued but not yet effective at the time of preparing the financial statements, hence the disclosure is not applicable.
47. The outbreak of COVID-19 pandemic globally and in India is causing significant disturbance and slowdown of economic activity. Company's operations were also severely affected due to interruption in production, supply chain disruption, unavailability of personnel, etc. The management of the Company has exercised due care in concluding significant accounting judgements and estimates in preparation of the financial results. In assessing the recoverability of Trade receivables, the Company has considered subsequent recoveries, past trends, credit risk profiles of the customers and internal and external information available up to the date of issuance of these financial results. In assessing the recoverability of inventories, the Company has considered the latest selling prices, customer orders on hand and margins. Based on the above assessment, the Company is of the view that the carrying amounts of Trade receivables and inventories are expected to be realizable to the extent shown in the financial results. The impact of COVID-19 may be different from the estimates as at the date of approval of these financial results and the Company will continue to closely monitor the development.

As per our report of even date attached

For RAJEEV SINGAL & CO.

Chartered Accountants

(Firm Registration No.008692C)



(RAJEEV KUMAR SINGHAL)

Partner

Membership no: 077834

UDIN: 21077834AAAACX6081

Dated: 22nd May, 2021
Place: Delhi



FOR AND ON BEHALF OF THE BOARD OF DIRECTORS



DR. CHANDRA KUMAR JAIN

Chairman & Managing
Director DIN: 0006222



ASHWANI KUMAR VATS

Whole Time Director and
CEO DIN: 00052413



ASHA MITTAL
Company Secretary



RAJIV GUPTA
Chief Financial Officer

RAJEEV SINGAL & CO.
CHARTERED ACCOUNTANTS

Reg. No. - 008692C
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**INDEPENDENT AUDITORS' LIMITED REVIEW REPORT ON UNAUDITED
FINANCIAL RESULTS**

To,
The Board of Directors
Gulshan Polyols Limited

We have reviewed the accompanying statement of Unaudited Financial Results of Gulshan Polyols Limited for the quarter ended June 30, 2021. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

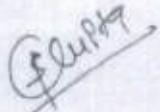
We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Rajeev Singal & Co.
Chartered Accountants
(Firm Registration No.: 008692C)



Place: Delhi
Date: July 21, 2021
UDIN: 21408730AAAAEL7187


(C.A. Sunil Kumar)
Partner
Membership No.408730

GULSHAN POLYOLS LIMITED
CIN: L24231UP2000PLC034918

Regd. Off.: 9th K.M., Jansath Road, MuzaffarNagar, U.P. - 251001

Tel. No.:011-49999200, Fax No.: 011-49999202

Website: www.gulshanindia.com Email: cs@gulshanindia.com

Statement of Un-Audited Financial Results for the Quarter Ended June 30, 2021

(Rs. in Lakhs)

Sr. No.	Particulars	Quarter ended		Year ended	
		30.06.2021 (Unaudited)	31.03.2021 (Audited)	30.06.2020 (Unaudited)	31.03.2021 (Audited)
1	Income from Operations				
	a. Revenue from Operations	23,855.51	22,734.54	12,095.22	76,603.44
	b. Other Income	41.42	130.82	8.34	187.42
	Total Income	23,896.93	22,865.36	12,103.56	76,790.86
2	Expenses :				
	(a) Cost of materials consumed	11,939.46	10,339.73	5,537.69	36,055.47
	(b) Purchases of Stock-in-Trade	107.89	(10.64)	40.54	471.74
	(c) Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	(213.90)	488.41	916.27	664.69
	(d) Employee benefits expenses	821.62	1,206.20	429.96	2,860.58
	(e) Finance Cost	81.99	171.83	218.59	654.67
	(f) Depreciation and amortization expenses	756.50	861.92	755.37	3,255.37
	(g) Other Expenses	6,886.77	6,421.84	3,486.35	23,478.51
	Total expenses	20,380.33	19,479.29	11,384.78	67,441.03
3	Profit from ordinary activities before tax	3,516.60	3,386.07	718.78	9,349.83
4	Tax Expense:				
	Current Tax	931.09	771.18	125.59	1,813.17
	Add: MAT Credit Available	-	451.18	65.19	1,285.05
	Deferred Tax	(33.52)	9.34	9.83	6.06
	Total Tax Expenses	897.57	1,231.68	200.61	3,104.28
5	Net Profit from ordinary activities after tax from continuing operations (3-4)	2,619.03	2,154.39	518.17	6,245.55
6	Profit/(Loss) from discontinued operations	-	-	-	-
7	Tax expense of discontinued operations	-	-	-	-
8	Profit/(Loss) from Discontinued operations (after tax) (6-7)	-	-	-	-
9	Other Comprehensive (income)/expenses (net of tax)				
	Item that will not to be reclassified to Profit and Loss:				
	(Gain)/loss of defined benefit obligation	-	(77.07)	-	(77.07)
	Income tax relating to items that will not be reclassified to profit or loss	-	14.95	-	14.95
	Other Comprehensive income/(expenses) (net of tax)	-	(62.12)	-	(62.12)
10	Total Comprehensive income for the period, Net of Tax (5+8-9)	2,619.03	2,216.51	518.17	6,307.67
11	Paid-up equity share capital	469.17	469.17	469.17	469.17
	Face value of the share (Rs.)				
12	Earning per equity share (face value Rs. 1/-each) (in rupees)				
	Basic	5.58	4.59	1.10	13.31
	Diluted	5.58	4.59	1.10	13.31


S.No	Notes:
1	The above Unaudited financial results have been reviewed and recommended by the Audit committee and approved by the Board of Directors in their respective meetings held on July 21, 2021. These Results have been subjected to Limited Review by the Statutory Auditors as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and they have expressed an unmodified opinion on the aforesaid Results.
2	The above Financial Results has been prepared in accordance with Indian Accounting Standards ('IND AS') prescribed under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other recognised accounting practices and policies to the extent applicable.
3	Figures for the previous period have been regrouped/ rearranged wherever necessary to make them comparable with current figure.
4	The Nomination, Remuneration and Compensation Committee, has granted Options under GPL Employees Stock Option Schemes - 2018 to eligible employees, which will be due for vesting from 1st April 2024 to 31st May 2024 at the exercise rate of Rs. 137/- per share (based on the Average Buying cost of the Company from the BSE/NSE market).
5	Results of Gulshan Polyols Limited for the above mentioned period are available on our website, www.gulshanindia.com and on the Stock Exchange website www.nseindia.com and www.bseindia.com.
6	The Hon'ble National Company Law Tribunal (NCLT), Allahabad Bench has issued an order dated July 14, 2021 (received on July 15, 2021) ordering meetings of shareholders and creditors of Gulshan Polyols Limited to be convened for the Scheme of Amalgamation executed between the Company, Gulshan Holdings Private Limited (Holding Company), East Delhi Importers & Exporters Private Limited (Group Company) and their respective Shareholders.

SEGMENT WISE REVENUE AND CAPITAL EMPLOYED FOR THE QUARTER ENDED JUNE 30, 2021

		(Rs in Lakhs)			
	Particulars	Unaudited Results for the Quarter ended	Audited Results for the Quarter ended	Unaudited Results for the Quarter ended	Audited Results for the Year ended
		30.06.2021	31.03.2021	30.06.2020	31.03.2021
1	Segment Revenue (Sales and Other Operating Income)				
	a) Ethanol (Bio-Fuel)/Distillery	4,398.96	4,625.12	1,199.96	13,269.60
	b) Mineral Processing	1,860.39	2,457.76	1,607.84	9,237.46
	c) Grain Processing	17,577.78	15,651.66	9,271.68	54,080.63
	d) Unallocated	18.38	-	15.75	15.75
	Total Segment Revenue	23855.51	22734.54	12095.22	76603.44
2	Segment Results (Profit from ordinary activities before tax and interest)				
	a) Ethanol (Bio-Fuel)/Distillery	830.45	676.50	21.40	1,579.25
	b) Mineral Processing	247.91	380.80	351.05	1729.13
	c) Grain Processing	2467.02	2459.46	557.23	6631.03
	d) Unallocated	53.21	41.14	7.70	65.09
	Total Segment Results	3598.59	3557.90	937.38	10004.50
	Less: Finance Cost	81.99	171.83	218.59	654.67
	Total Profit before Tax from ordinary activities	3516.60	3386.07	718.78	9349.83
3	Segment Assets				
	a) Ethanol (Bio-Fuel)/Distillery	12938.23	12810.90	12228.94	12810.90
	b) Mineral Processing	6133.54	6553.61	6679.46	6553.61
	c) Grain Processing	31176.89	28242.84	26646.58	28242.84
	d) Unallocated	4026.44	2041.24	1279.29	2041.24
	Total	54275.10	49648.59	46834.26	49648.59
4	Segment Liabilities				
	a) Ethanol (Bio-Fuel)/Distillery	1198.58	1447.27	2907.43	1447.27
	b) Mineral Processing	1131.09	1488.72	2409.61	1488.72
	c) Grain Processing	9040.37	5214.88	9635.99	5214.88
	d) Unallocated	3730.78	4942.48	833.98	4,942.48
	Total	15100.82	13093.35	15787.02	13093.35

Date : July 21, 2021
Place : Delhi

For and on behalf of the Board



(Dr. Chandra Kumar Jain)
Chairman and Managing Director





Independent Auditor's Report

To,
The Members of **Gulshan Holdings Pvt. Ltd.**
Report on the Audit of the Standalone financial statements

Opinion

We have audited the standalone financial statements of **Gulshan Holdings Pvt. Ltd.** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit, changes in equity and its cash flows for the year ended on that date.

Basis for opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs 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 (ICAI) 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key audit matters

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

"We have determined that there are no Key Audit Matters to communicate in our Report."

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual 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 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.

Management's Responsibility for the Financial Statements

The Company's management and Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, cash flows and Statement of changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Ind AS 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 financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Board of Directors is also responsible for overseeing the Company's financial reporting Process.

Auditor's Responsibility for the Audit of the 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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statement 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 the 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 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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 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, 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 standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended.
 - e) On the basis of the written representations received from the directors of the Company as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, 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" to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the matters to be included in the Auditors' Reports in accordance with the requirements of section 197(16) of the Act as amended:

No Managerial Remuneration is paid during the period ended on 31.03.2021

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has no pending litigations that would materially affect the financial position of the Company.
 - ii. The Company did not have any long-term contracts including derivative contracts; for which there were any material foreseeable losses.



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

For Aashish Bathla & Co.
Chartered Accountants
(Firm Registration No. 028043C)


Aashish Bathla
Proprietor



Place : Muzaffarnagar
Date: 06-07-2021

(Membership No. 446095)
UDIN:-21446095AAAACB6704



ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

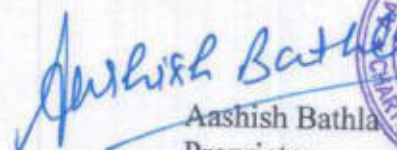
(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Gulshan Holdings Pvt. Ltd. of even date)

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets were physically verified by the Management during the Period in accordance with a regular program of verification, which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. As explained to us, no discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties included in Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
- ii. The Company did not have inventory during the Period under audit, in view of which Clause (ii) of paragraph 3 of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- iii. In our opinion and as per information and explanations given the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Proprietorships or other parties covered in the register maintained under section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. The Company has not accepted deposits within the meaning of section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as mentioned) during the Period and does not have any unclaimed deposits as at March 31, 2021 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi. As maintenance of Cost records has not been prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act 2013, the requirement to maintain cost records is not applicable to the company.
- vii. According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has been regular in depositing undisputed statutory dues including other material statutory dues applicable to it with the appropriate authorities.



- (b) According to the records of the Company and the information and explanations given to us, there were no disputed demands outstanding as at 31st March 2021 for a period of more than six months from the date they became payable.
- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and dues to Government.
- ix. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loans during the Period and hence reporting under clause (ix) of the Order is not applicable.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the Period.
- xi. In our opinion and according to the information and explanations given to us, the Company has not paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company has no transactions with its related parties during the period.
- xiv. During the Period, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) 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 Period the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For AASHISH BATHLA & CO.
Chartered Accountants
(Firm Registration No. 1283430)


Aashish Bathla

Proprietor
(Membership No. 446095)
UDIN:-21446095AAAACB6704



Place: Muzaffarnagar
Date: 06-07-2021



ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Gulshan Holdings Pvt. Ltd. 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 controls over financial reporting of Gulshan Holdings Pvt. Ltd. ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the Period ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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.

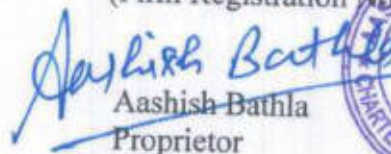
Opinion

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, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **AASHISH BATHLA & CO.**

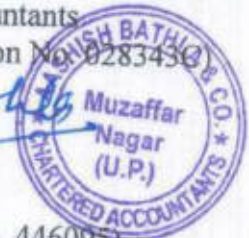
Chartered Accountants

(Firm Registration No. 0283430)


Aashish Bathla
Proprietor

(Membership No. 446095)

UDIN:-21446095AAAACB6704



Place: Muzaffarnagar

Date: 06-07-2021

GULSHAN HOLDINGS PRIVATE LIMITED

G-81 Preet Vihar, Vikash Marg, Delhi- 110092
BALANCE SHEET AS AT 31st March, 2021

PARTICULARS	Note No.	As at 31st March, 2021	Amount in lakhs As at 31st March, 2020
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	2		
(b) Financial Assets		138.80	139.52
(i) Investments	3		
(ii) Other Financial Assets	4	3,673.56	3,011.09
(c) Deferred Tax Assets	5	604.48	95.32
(d) Other Non-Current Assets	6	43.95	44.49
Total Non-Current Assets		<u>27.99</u>	<u>7.80</u>
(2) Current Assets			
(a) Financial Assets		4,488.75	3,298.22
(i) Cash and Cash Equivalents	7		
(ii) Other Bank Balances	8	6.56	75.32
(iii) Loans & Advances	9	53.36	1,004.28
Total Current Assets		<u>11.94</u>	<u>4.14</u>
Total Assets		<u>4,560.62</u>	<u>4,381.96</u>
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	10		
(b) Other Equity	11	7.07	7.07
Total Equity		<u>4,502.62</u>	<u>4,374.89</u>
LIABILITIES			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	12	-	-
(b) Deferred tax Liabilities	13	-	-
Total Non-Current Liabilities		<u>-</u>	<u>-</u>
(2) Current Liabilities			
(a) Financial Liabilities	14	0.00	-
(b) Other Current Liabilities	15	0.47	-
(c) Current Tax Liabilities		50.46	-
Total Current Liabilities		<u>50.93</u>	<u>-</u>
Total Equity and Liabilities		<u>4,560.62</u>	<u>4,381.96</u>

Significant accounting policies 1

Notes to the financial statements 2-24

The accompanying notes 1 to 21 are an integral part of the financial statements

As per our report of even date attached

For Aashish Bathia & Co.

Chartered Accountants

Registration No.: 089342C

Aashish Bathia
Aashish Bathia
(Proprietor)
Membership No.: 446095



For and on behalf of the Board of Directors

Chandra Kumar Jain
CHANDRA KUMAR JAIN
(DIRECTOR)

Arushi Jain
ARUSHI JAIN
(DIRECTOR)

Place : Muzaffarnagar

Date : 06-07-2021

UDIN:-21446095AAAACB6704

GULSHAN HOLDINGS PRIVATE LIMITED
G-81 Preet Vihar, Vikash Marg, Delhi- 110092
STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED 31st March, 2021

PARTICULARS	Note No.	Amount in lakhs	
		Period ended 31st March, 2021	Year ended 31st March, 2020
I Revenue from Operations	16	226.25	458.91
Total Income (I+II)		<u>226.25</u>	<u>458.91</u>
III EXPENSES			
Employee Benefits Expense	17	5.60	43.20
Finance Costs	18	24.39	8.65
Depreciation and Amortization Expense	19	0.73	0.39
Other Expenses	20	16.81	6.72
Total Expenses (III)		<u>47.52</u>	<u>58.96</u>
IV Profit before tax (I + II - III)		178.74	399.95
V Tax Expense:			
(1) Current Tax	29.83		
(2) MAT credit utilized	20.63	50.46	47.27
(3) Deferred Tax		0.54	0.06
(4) Tax Adjustment of earlier years		-	-
VI Profit for the year		51.01	47.33
Other Comprehensive Income		127.73	352.62
Items that will be reclassified to Profit or Loss:			
VII Effective portion of gain/(loss) on hedging instruments in cash flow hedge		-	-
VIII Income tax relating to items that will be reclassified to Profit or Loss		-	-
IX Other Comprehensive Income for the year (VII - VIII)		-	-
X Total Comprehensive Income for the year (VI + IX)		127.73	352.62
XI Earning per Equity Share in of Face Value of Rs. 1000/- each	21		
(i) Basic		18,066.35	49,876.22
(ii) Diluted		18,066.35	49,876.22

Significant accounting policies 1
Notes to the financial statements 2-24
The accompanying notes 1 to 23 are an integral part of the financial statements

As per our report of even date attached

For Aashish Bathia & Co


Chartered Accountants

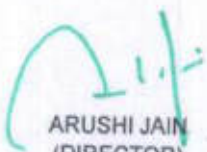
Registration No. 028343C

Aashish Bathia
(Proprietor)
Membership No.: 446098



For and on behalf of the Board of Directors


CHANDRA KUMAR JAIN
(DIRECTOR)


ARUSHI JAIN
(DIRECTOR)

Place : Muzaffarnagar
Date : 06-07-2021
UDIN:-21446095AAAACB6704

GULSHAN HOLDING PRIVATE LIMITED
Statement of Cash Flow for the year ended 31st March, 2021

Particulars	(Rs.in Lakhs) Year ended 31/03/2021	(Rs.in Lakhs) Year ended 31/03/2020
A. Cash Flow from Operating Activities		
Profit before Tax		
Adjustment for :	178.74	399.96
Depreciation and Amortization Expenses		
Dividend income	0.73	0.39
(Gain) / Loss on disposal of Booking	(159.23)	(236.32)
(Gain) / Loss on disposal of shares	0.00	(6.50)
Interest income	2.49	0.00
Interest expenses	(69.51)	(216.09)
	24.39	8.65
Cash generated from operations before working capital changes	(22.40)	(49.92)
Adjustment for :		
Decrease/(Increase) in Non & Other current assets	413.77	1,806.46
(Decrease)/Increase in other current liabilities	0.47	(52.25)
(Decrease)/Increase in Deferred Tax & MAT	0.00	31.23
Cash generated from operating activities	391.84	1,735.52
Direct taxes paid for the year	0.00	(47.27)
Cash flows before exceptional items	391.84	1,688.25
Exceptional items	0.00	0.00
Net Cash flow generated from operating activities (A)	391.84	1,688.25
B. Cash Flow from Investing Activities (A)		
Purchase of proceeds of from purchase/maturity of non-current investments	(664.96)	(2,295.92)
Interest income	69.51	216.09
Gain / (Loss) on disposal of Booking	0.00	6.50
Dividend income	159.23	236.32
Net Cash Flow Generated from investing activities (B)	(436.21)	(1,837.01)
C. Cash Flow from Financing Activities		
Interest expenses	(24.39)	(8.65)
Repayment of short-term borrowings	0.00	(4.42)
Dividend Paid	0.00	(168.00)
Net Cash flow Generated from financing activities (C)	(24.39)	(181.07)
Net increase in cash and cash equivalents (A+B+C)	(68.76)	(329.82)
Cash and cash equivalents at the beginning of the year	75.32	405.14
Cash and cash equivalents at year end	6.56	75.32
Note:	(0.00)	(0.00)

The cash flow statement has been prepared under the indirect method as set out in Indina Accounting Standard (Ind AS 7) Statement of Cash Flows.

As per our report of even date

For Aashish Bathia & Co.

Chartered Accountants

Registration No. 128343C

Muzaffarnagar

Nagar (U.P.)

Chartered Accountants

Aashish Bathia

(Proprietor)

Membership No.: 416199


Date : 06-07-2021

Place : Muzaffarnagar

UDIN:-21446095AAAACB6704

For and on behalf of the Board of Directors


CHANDRA KUMAR JAIN
(DIRECTOR)


ARUSHI JAIN
(DIRECTOR)

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

NOTE : 1

CORPORATE INFORMATION :

The Company was incorporated on 20.11.1985 under the name Gulshan Marketing Private Limited in which it carried on marketing activities. Out of its accumulated earnings it had acquired securities of its group companies. Subsequently the company's name was changed to Gulshan Holdings Private Limited. The company does not accept or hold any public deposit.

SIGNIFICANT ACCOUNTING POLICIES

- i. Accounting Policies not specifically referred to otherwise, are in consonance with generally accepted accounting principles.
- ii. Expenses considered payable are accounted for on accrual basis.
- iii. The depreciation is provided on written down value method based on the useful lives as prescribed under Schedule II of the Act.
- iv. The financial statements have been prepared in accordance with the generally accepted accounting principles. Revenues and expenses are accounted on accrual basis with necessary provisions for all known liabilities and losses except certain items as per notes elsewhere.
- v. All income and expenditure items having a material bearing on financial statements are recognised on accrual basis.
- vi. In the opinion of the Board of directors, the current assets, loans and advances have a value of realisation in the ordinary course of business at least equal to the amount at which they have been stated in the Balance Sheet.
- vii. There are no dues over thirty days outstanding towards any small or micro unit as per MSME Act.
- viii. Previous year figures have been regrouped whenever considered necessary to make the current year presentation comparable with current year figures.
- ix. **INVENTORIES**
The Company did not have inventory during the year.
- x. **RETIREMENT BENEFITS :**
No provision for gratuity or other retirement benefits has been made since Payment of Gratuity Act, Employees' Provident Fund Act, Employees' State Insurance Act etc. are not applicable to the company.
- xi. **REVENUE RECOGNITION :**
All Revenues are accounted for on accrual basis in accordance with the IND AS issued by the Institute of Chartered Accountants of India. Accordingly, wherever there are uncertainties in the ascertainment/realization of income, the same is not accounted for.



xii. **INTANGIBLE ASSETS:**

The Company does not have any intangible assets.

xiii. **PROPERTY, PLANT AND EQUIPMENTS :**

Property, Plant and Equipments are stated at cost, less accumulated depreciation. All costs including freight and incidental expenses attributable to the Fixed Assets are capitalised.

xiv. **BORROWING COST:**

Interest and other costs are charged to the Statement of Profit & Loss.

xv. **INVESTMENTS:**

Long term investments are carried at cost. No provision for diminution in value of long term investments is recognized, as the diminution is considered to be of temporary nature.



STATEMENT OF CHANGES IN EQUITY

Note No.- 11

A. EQUITY SHARE CAPITAL

Particulars	Amount in ₹
Balance at the beginning of the period i.e. 1st April 2019	7.07
Changes in Equity Share Capital during the year	-
Balance as at 31st March 2020	7.07
Balance at the beginning of the period i.e. 1st April 2020	7.07
Changes in Equity Share Capital during the year	-
Balance as at 31st March 2021	7.07

B. OTHER EQUITY

Particulars	Reserves and Surplus		Other Comprehensive Income	Total
	General Reserve	Retained Earnings	Effective portion of gain/(loss) in cash flow hedge	
Balance as at 1st April 2019				
Transfer to/from General Reserve	278.36	3,835.58	-	4,113.94
Profit for the year	35.26	(35.26)	-	-
Adjustment of MAT of earlier year's	-	352.62	-	352.62
Dividend on Equity Shares during the year	-	76.33	-	76.33
Balance as at 31st March 2020		(168.00)		(168.00)
Balance as at 1st April 2020	313.62	4,061.27	-	4,374.89
Transfer to/from General Reserve	313.62	4,061.27	-	4,374.89
Profit for the year	-	-	-	-
Adjustment of MAT of earlier year's	-	127.73	-	127.73
Dividend on Equity Shares during the year	-	-	-	-
Balance as at 31st March 2021	313.61	4,188.99	-	4,502.62

As per our report of even date attached

For Aashish Bathla & Co.

Chartered Accountants

Registration No.: 028343C



Aashish Bathla
(Proprietor)

Membership No.: 446095

Place : Muzaffarnagar

Date : 06-07-2021

For and on behalf of the Board of Directors

CHANDRA KUMAR JAIN
Director

ARUSHI JAIN
Director

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021
 2. Property, Plant & Equipment

Assets	Gross Block			Total Cost as at		Depreciation and Amortisation		Amount in lakhs	
	As at 01.04.20	Additions during the year	Deduction During the year	31-03-2021	Upto 31.03.2020	For the period Adjustment	Total Upto 31.03.2021	As At 31.03.2021	As At 31.03.2020
LAND	131.86	-	-	131.86	-	-	-	-	-
BUILDING	10.94	-	-	10.94	3.27	0.73	4.00	131.86	131.86
TOTAL	142.80	-	-	142.80	3.27	0.73	4.00	138.80	7.66
PREVIOUS YEAR TOTAL	142.80	-	-	142.80	2.88	0.39	3.27	139.52	139.92



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

PARTICULARS	Period ended 31st March, 2021	Amount in lakhs	
		AS AT 31st March, 2021	AS AT 31st March, 2020
3 NON-CURRENT INVESTMENTS			
INVESTMENT IN EQUITY INSTRUMENTS			
In Subsidiary (at cost unless stated otherwise)			
26375047 equity shares of Rs. 1/- each fully paid-up in Gulshan Polyols Ltd.		3,630.65	2,965.70
In Others			
Quoted (at cost unless stated otherwise)			
In companies not under the same Management			
50000 equity shares in Genus Power Infrastructures Ltd. of Re. 1/- each		0.25	0.25
50000 Equity Shares in Genus Paper & Boards Ltd. of Re. 1/- each		0.25	0.25
(Previous year 50000 equity shares in Genus Power Infrastructures Ltd. of Re. 1/- each)			
1500 equity shares of Rs.2/- each fully paid-up in J.P. Associates Ltd. (Previous year 1500 equity shares)		2.06	2.06
25000 equity shares of Rs.10/- each in Rashtriya Chemicals & Fertilizers Ltd. (Previous year 25000 equity shares)		20.69	20.69
25000 equity shares of Rs.2/- each in Suzlon Energy Ltd. (Previous year 25000 equity shares)		19.65	19.65
Un-Quoted (at cost unless stated otherwise)			
Nil Preference Equity Shares of Rs. 100/- each in Gulshan Polyols Ltd. (Previous year 50000 Preference equity shares of Rs. 100 each)		0.00	0.00
In companies not under the same Management			
249300 equity shares in Dhaurana Sugar Industries Ltd. of Rs. 10/- each Paid up Re. 1/- per share (Previous year 249300 equity Shares of Re. 10/- each paid up Re. 1/- per share)		0.00	2.49
TOTAL		3,673.56	3,011.09
4 OTHER FINANCIAL ASSETS			
Non-Current			
Bank deposits with more than 12 months maturity		604.48	95.32
TOTAL		604.48	95.32
5 DEFERRED TAX ASSETS			
MAT Credit Receivable		44.49	45.09
Add Transfer from Deferred Tax Asset (Liability)		(0.54)	(0.60)
TOTAL		43.95	44.49
6 OTHER NON-CURRENT ASSETS			
Advance Income-tax and tax deducted at source		27.99	7.80
TOTAL		27.99	7.80
7 CASH AND CASH EQUIVALENTS			
Cash and Cash Equivalents			
Balance with Banks			
Bank Accounts			
Cash on hand		5.87	69.74
Fixed Deposits with GMUC Bank*		0.69	5.58
TOTAL		6.56	75.32
*Cash and cash equivalents include cash on hand, cash at bank.			
8 OTHER BANK BALANCE			
Term Deposits (maturity of more than three months but less than twelve months)		53.36	1,004.28
Term deposits with original maturity of more than 3 months having remaining maturity of less than 12 months from the Balance Sheet date.		53.36	1,004.28



9 LOANS & ADVANCES

Other loans and advances**

**Other Advances with statutory authorities

	11.94	4.14
TOTAL	<u>11.94</u>	<u>4.14</u>

10 EQUITY SHARE CAPITAL

Authorised Equity Share Capital :

55,500 Equity Shares of Rs. 1000 each
(Previous year 55,500 Equity Shares of Rs. 1000 each)

	555.00	555.00
--	--------	--------

Issued, Subscribed and Paid up:

707 Equity Shares of Rs. 1000/- each
(Previous Year 707 shares of Rs. 1000/- each)

	7.07	7.07
TOTAL	<u>7.07</u>	<u>7.07</u>

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

B. The details of shareholders holding more than 5 percent shares:

S.No.	Name of Shareholders	As on 31/03/2021		As on 31/03/2020		Amount in lakhs	
		Number of Share held	%age of Holding	Number of Share held	%age of Holding		
1.	Dr. Chandra Kumar Jain	182	25.74	182	25.74		
2.	Mrs. Mridula Jain	173	24.47	173	24.47		
3.	Mrs. Aditi Pasari	124	17.54	124	17.54		
4.	Mrs. Arushi Jain	108	15.28	108	15.28		
5.	Mrs. Anubha Gupta	120	16.97	120	16.97		

C. Reconciliation of Shares outstanding at the beginning and at the end of year are given below :

Particulars	2020-2021		2019-2020	
	Number	Amount (in lakhs)	Number	Amount (in lakhs)
Equity Shares outstanding at the beginning of the year	707	7.07	707	7.07
Add : Equity Shares issued during the year	-	-	-	-
Less : Equity Shares bought back/ redeemed during the year	-	-	-	-
Equity Shares outstanding at the end of the year	707	7.07	707	7.07

11 OTHER EQUITY

Particulars	RESERVE AND SURPLUS		
	General Reserve	Retained Earnings	Total
Balance as at 1st April 2019			
Transfer to/from General Reserve	278.36	3,835.58	4,113.94
Profit for the year	35.26	(35.26)	0.00
Adjustment of MAT of earlier year's	-	352.62	352.62
Dividend on Equity Shares during the year	-	76.33	76.33
Balance as at 31st March 2020	-	(168.00)	(168.00)
Balance as at 1st April 2020	313.62	4,061.27	4,374.89
Transfer to/from General Reserve	313.62	4,061.27	4,374.89
Profit for the year	-	-	-
Adjustment of MAT of earlier year's	-	127.73	127.73
Dividend on Equity Shares during the year	-	0.00	0.00
Balance as at 31st March 2021	313.62	4,189.00	4,502.62

12 NON-CURRENT BORROWINGS

Secured:

Loan from Bank
Overdraft Account

	-	-
	<u>-</u>	<u>-</u>

13 DEFERRED TAX LIABILITIES (NET)

At the beginning of the year

Charge / Credit to Statement of Profit and Loss

	0.00	0.54
	0.54	0.06

Deferred Tax on account of MAT Credit Entitlement

Add Transfer to Deferred Tax Assets

At the end of the year

	0.54	0.60
	-	-
	(0.54)	(0.60)
	<u>0.00</u>	<u>0.00</u>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

PARTICULARS	Period ended	AS AT	
		31st March, 2021	31st March, 2020
Amount in lakhs			
14 Trade Payable Sundry Creditors		0.00	0.00
	TOTAL	-	-
15 OTHER CURRENT LIABILITIES			
Expenses Payable		0.47	-
	TOTAL	0.47	-
16 REVENUE FROM OPERATIONS			
Interest on deposits and others		69.51	216.09
Dividend Income		159.23	236.32
Profit on Transfer of Booking		0.00	6.50
Loss on write off of Shares		-2.49	0.00
	TOTAL	226.25	458.91
*Profit during the year realised on transfer/cancelling booking of property, which was completed during the year against advance given in preceding years.			
17 EMPLOYEE BENEFITS EXPENSE			
Salaries & Wages		5.60	43.20
	TOTAL	5.60	43.20
18 FINANCE COSTS			
Interest & Charges on Bank borrowing for working capital		24.39	8.65
	TOTAL	24.39	8.65
19 DEPRECIATION AND AMORTISATION EXPENSE			
Depreciation and Amortization Expense		0.73	0.39
	TOTAL	0.73	0.39
20 OTHER EXPENSES			
Establishment Expenses			
Office & General Exp.		5.47	0.13
Legal and Professional Charges		10.93	6.29
Auditors Remuneration*		0.42	0.30
		16.82	6.73
<u>Auditor's Remuneration</u>		<u>16.81</u>	<u>6.72</u>
Audit Fees		0.42	0.30
21 EARNINGS PER SHARE (EPS)			
i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (Rs. in lakhs)		127.73	352.62
ii) Number of equity shares used as denominator for calculating EPS		707.00	707.00
iii) Number of Diluted Equity Share		707.00	707.00
iv) Basic Earning per share (Amount in Rs.)		18,066.35	49,876.22
v) Diluted Earning per share (Amount in Rs.)		18,066.35	49,876.22
vi) Face value per equity share (Amount in Rs.)		1,000	1,000



NOTES TO THE FINANCIAL STATEMENTS

22. DEFERRED TAXATION :

In compliance with IND AS-12 on "Accounting for Taxes on Income" Deferred Tax Liability for the current year of Rs. 54424.65 /- has been provided as at 31st March 2021 and the same has been charged to the Statement of Profit & Loss of the Company. This pertains to the timing difference in Depreciation on Assets as per books of accounts. The Deferred Tax Liability has been calculated by applying tax rate that have been enacted and applicable as on the Balance Sheet date. No deferred tax liability/asset has been created for the Long Term capital Loss or any liability in respect of difference considered to be of permanent nature and not adjustable in future. The credit for MAT available for future set off has been added to the Deferred Tax Assets. Thus the total MAT credit available for future set off of Rs. 23.86 lakhs net of the Deferred Tax liability on account of Timing Difference of Depreciation of Rs. 0.54 lakhs has been shown as Deferred Tax Liability as on 31.03.2021. The impact of MAT for earlier years has been taken into account during the year through Retained earnings.

23. There are no separate reportable segments as per Indian Accounting Standard (Ind AS) 108.

24. Disclosures of Related Party transactions as per Ind AS -24

(a) Name of related party and nature of related party relationship where control exist:

- i. Holding Company : NIL
- ii. Subsidiary Company : Gulshan Polyols Ltd.

(b) Name of related party and nature of related party relationship other than those referred to in (a) above in transaction with the Company:

- | | | |
|-------|--|---|
| (i) | Joint Venture etc. : | NIL |
| (ii) | Key Management personnel: | Dr. C. K. Jain, Director
Mrs. Arushi Jain, Director |
| (iii) | Relatives of Key Managerial Personnel: | Mrs. Mridula Jain
Mrs. Aditi Pasari
Mrs. Anubha Gupta |

As per our report of even date attached
For Aashish Bathla & Co.
Chartered Accountants
Registration No. 028343C



Date:- 06-07-2021
Place :- Muzaffarnagar
UDIN:-21446095AAAACB6704

For and on behalf of the Board of Directors


CHANDRA KUMAR JAIN
(DIRECTOR)


ARUSHI JAIN
(DIRECTOR)



Independent Auditor's Report

To,

The Members of **Gulshan Holdings Pvt. Ltd.**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of **Gulshan Holdings Pvt. Ltd.** ("the Parent"), and its subsidiary, (the Parent and its subsidiary together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31st, 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flows Statement for the year ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

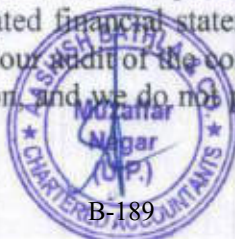
In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of the other auditors on separate financial statements of subsidiary referred to in the Other Matters section below, the aforesaid consolidated financial statements 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 ('IndAS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31st, 2021, and their consolidated profit, their consolidated total comprehensive income, their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) 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 there under, 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 obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters section below, is sufficient and appropriate to provide as basis for our audit opinion on the consolidated financial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and 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.

Key Audit Matter	Auditor's Response
<p>Valuation and verification of Investments- We have focused on the valuation and verification of the investments in Shares because these represent a principal element on the net assets in the Financial Statements. Refer Note 5 to the Financial Statement</p>	<p>We obtained independent confirmation of the number of shares held and net asset value per share for each of the underlying investments as at the year end date. We verified the valuation of these investments as per the accounting records and accounting standards. We have also obtained the most recent set of audited financial statements for each underlying investments.</p> <p>We have verified all the necessary documents and are satisfied with the same.</p> <p>We have accepted the Audit Report of the subsidiary by their Auditors and have not verified the contents therein and accepted the same.</p> <p>In view of the report on Holding company and also by the Auditors of the subsidiary further, no impact of COVID-19 pandemic is required to be made in the financial statements.</p>

Information Other than the Financial Statements and Auditor's Report Thereon

The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Report on Corporate Governance, Shareholder information and Report of the Board of Directors & Management Discussion and Analysis, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiary, audited by the other auditors, to the extent it relate so these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiary, is traced from their financial statements audited by the other auditors

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.



Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is 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 in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate or cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

The Company's management and 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 consolidated financial statements that give a true and fair view of the financial position, financial performance, cash flows and Statement of changes in equity of the Company in accordance with the Indian Accounting Standards (IndAS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

Auditor's Responsibility for the Audit of the 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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



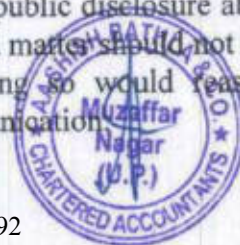
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls with reference to financial statement 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 the 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 Group'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 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 to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances; we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Other Matters

We did not audit the financial statements of the subsidiary whose financial statements reflect total assets of Rs.49,648.59 lakhs as at 31st March, 2021, total revenues from operations of Rs.76,603.44 lakhs and net cash inflows amounting to Rs.1787.89 lakhs for the year ended on that date, and considered the same as it is in the consolidated financial statements. Another auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of subsidiary, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditor.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiary referred to in the Other Matters section above we report, to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, return and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement and dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Parent as on March 31, 2021 taken on record by the Board of Directors of the Parent and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies, is disqualified as on March 31, 2021, 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 Group and the operating effectiveness of such controls, refer to our separate



Report in "Annexure A" which is based on the auditors' reports of the Parent, subsidiary company. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of the Group.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:



In our opinion and to best of our information and according to the explanations given to us, the remuneration paid by directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the matters to be included in the Auditors' 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 the consolidated financial position of the Group, in accordance with the generally accepted accounting practice – also refer Notes 1.16 to the consolidated financial statements.
- ii) The Group, did not have any material foreseeable losses 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 Parent and its subsidiary company.

Place : Muzaffarnagar
Dated : 06-07-2021
UDIN:- 21446095AAAACC9911

For AASHISH BATHLA & Co.
Chartered Accountants
(Firm Registration No. 028343C)

AASHISH BATHLA
Proprietor
(Membership No. 446095)



ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Gulshan Holdings Pvt. Ltd. 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")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2021, we have audited the internal financial controls over financial reporting of Gulshan Holding Pvt Ltd (hereinafter referred to as "the Parent") and its subsidiary company, which are companies incorporated in India, as on that date.

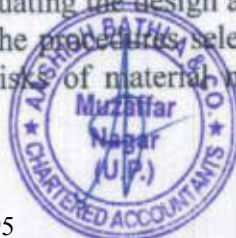
Management's Responsibility for Internal Financial Controls

The respective Boards of Directors of the Parent, its subsidiary company which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent and its subsidiary company, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, 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 financial statements, whether due to fraud or error.



We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary company, which is company incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent, its subsidiary company, which are companies incorporated in India.

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 consolidated 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 consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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 control 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 and based on the consideration of the other auditors referred to in the Other Matters paragraph below, the Parent, its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2021, based on the criteria for internal financial control over financial reporting 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.



Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to subsidiary company, which is company incorporated in India, is based solely on the corresponding reports of the auditors of such company incorporated therein.

Our opinion is not modified in respect of the above matters

Place :Muzaffarnagar
Dated :06-07-2021
UDIN:-21446095AAAACC9911

For AASHISH BATHLA & CO.
Chartered Accountants
(Firm Registration No. 028311C)




AASHISH BATHLA
Proprietor
(Membership No. 446095)

GULSHAN HOLDING PRIVATE LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2021

Particulars		Note No.	As at 31st March, 2021	As at 31st March, 2020
(Rs. in Lakhs)				
A	ASSETS			
1	Non-Current Assets			
	(a) Property, Plant and Equipment			
	(b) Capital Work-in-Progress	2	24,222.68	26,118.32
	(c) Intangible Assets	3	303.11	321.56
	(d) Financial Assets	4	8.81	11.88
	(i) Investments			
	(ii) Loans	5	84.85	87.35
	(iii) Other Financial Assets	6	506.93	459.66
	(e) Deferred Tax Assets	7	796.78	179.01
	(f) Other Non-Current Assets	8	-	20.78
	Total Non-Current Assets	9	180.08	156.15
2	Current Assets			
	(a) Inventories		25,103.24	27,354.71
	(b) Financial Assets	10	9,045.07	8,650.06
	(i) Trade Receivables			
	(ii) Cash and Cash equivalents	11	9,838.15	8,236.90
	(iii) Other Financial Assets	12	1,794.44	317.83
	(c) Other Current Assets	13	120.31	1,077.69
	Total Current Assets	14	5,604.95	3,425.18
	Total Assets		26,402.92	21,707.66
			52,506.16	49,062.37
B	EQUITY AND LIABILITIES			
1	Equity			
	(a) Equity Share Capital			
	(b) Other Equity	15	7.07	7.07
	Attributable to owners of the parent	16	22,377.33	18,046.36
	Non-controlling Interests		22,384.40	18,053.43
	Total Equity		17,021.44	15,863.45
2	Non-Current Liabilities			
	(a) Financial Liabilities		39,405.84	33,916.88
	(i) Borrowings			
	(ii) Other Financial Liabilities	17	1,053.00	2,108.94
	(b) Deferred Tax Liabilities (Net)	18	133.48	41.01
		19	1,431.96	-
	Total Non-Current Liabilities		2,618.44	2,149.95
3	Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	20	-	5,960.93
	(ii) Trade payables	21	-	5,960.93
	- Outstanding dues of micro, small and medium enterprises		231.74	229.60
	- Outstanding dues of creditors other than above		5,399.04	2,658.10
	(iii) Other Financial Liabilities	22	752.79	2,854.57
	(b) Other Current Liabilities	23	1,707.55	820.02
	(c) Provisions	24	512.20	180.56
	(d) Liabilities for current Tax (Net)		1,878.57	491.75
	Total Current Liabilities		10,481.88	12,995.54
	Total Equity and Liabilities		52,506.16	49,062.37
	The accompanying notes from 1 to 41 form an integral part of the financial statements	1		

Significant accounting policies

Notes to the financial statements

The accompanying notes 1 to 41 are an integral part of the financial statements

As per our report of even date

For Aashish Bathla & Co

Chartered Accountants

(Registration No.0283/2015)

(Aashish Bathla)

Proprietor

Membership no: 446095



For and on behalf of the Board of Directors

SD/-
CHANDRA KUMAR JAIN
(DIRECTOR)

SD/-
ARUSHI JAIN
(DIRECTOR)

Date: 06-07-2021

Place : Muzaffarnagar

UDIN :-21446095AAAACC9911

GULSHAN HOLDING PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2021

Particulars	Note No.	(Rs. in Lakhs)	
		For the year ended 31st March, 2021	For the year ended 31st March, 2020
REVENUE			
Revenue from Operations			
Other Income	25	76,672.96	62,292.49
Total Income (I)	26	185.91	101.70
EXPENSES		76,858.86	62,394.19
Cost of Materials Consumed	27		
Purchase of Stock in Trade	28	36,055.47	35,496.06
Changes in Inventories of Finished goods, Work in progress and Stock in Trade		471.74	704.73
Employee Benefits Expenses	29	664.69	(848.39)
Finance Cost	30	2,866.18	2,211.63
Depreciation & amortisation Expenses	31	679.05	1,143.48
Other Expenses	32	3,256.09	3,102.35
Total Expenses (II)	33	23,495.32	17,677.09
Profit Before Tax (III) (I-II)		67,488.55	59,487.86
Tax Expense:		9,370.31	2,906.33
Current Tax Expense			
Add: Mat Credit (Utilised)		1,843.00	525.24
Deferred Tax Expense		1,305.67	65.92
Total Tax Expenses (IV)		6.60	139.99
Profit/(Loss) for the year (V) (III-IV)		3,155.27	731.15
Other Comprehensive Income		6,215.04	2,175.18
Item that will not to be reclassified to Profit and Loss:			
(Gain)/Loss of defined benefit obligation		(77.07)	23.21
Income Tax relating to item that will not be reclassified to profit or loss		14.95	(4.20)
Total Other Comprehensive (Income)/Loss (VI)		(62.12)	19.01
Total Comprehensive Income for the year (VII) (V - VI)		6,277.16	2,156.17
Net Profit before comprehensive income attributable to :			
Owners of the Parent			
Non-Controlling Interest		3,480.50	1,172.57
		2,734.54	1,002.61
Net Profit after Comprehensive income attributable to :			
Owners of the Parent			
Non-Controlling Interest		3,515.42	1,162.82
		2,761.74	993.35
Earning per equity share of face value of Rs. 1 each Basic and diluted (In Rs.)			
Basic	34		
Diluted		497,230.55	164,472.88
The accompanying notes from 1 to 41 form an integral part of the financial statements		497,230.55	164,472.88
	1		

Significant accounting policies
Notes to the financial statements
The accompanying notes 1 to 41 are an integral part of the financial statements

As per our report of even date
For Aashish Bathla & Co.
Chartered Accountants
(Registration No.028343)

Aashish Bathla
(Aashish Bathla)
Proprietor
Membership no: 446095



For and on behalf of the Board of Directors

SD/-
CHANDRA KUMAR JAIN
(DIRECTOR)

SD/-
ARUSHI JAIN
(DIRECTOR)

Date: 06-07-2021
Place : Muzaffarnagar
UDIN :-21446095AAAACC9911

GULSHAN HOLDING PRIVATE LIMITED
Consolidated Statement of Cash Flow for the year ended 31st March, 2021

Particulars	Year ended 31/03/2021	(Rs.in Lakhs) Year ended 31/03/2020
A. Cash flow from operating activities		
Profit before Tax		
Adjustment for :	9,370.31	2,906.33
Depreciation and Amortization Expenses		
Dividend income	3,256.09	3,102.35
Dividend Paid & Dividend Distribution Tax	(1.22)	(1.47)
Allowance for Doubtful trade receivables	123.25	497.78
(Gain) / Loss on disposal of property, plant and equipment	98.32	-
(Gain) / Loss on disposal of investment	(82.02)	(6.68)
Comprehensive Income/(Loss)	(10.55)	-
Interest income	82.12	(19.01)
Interest expenses	(135.12)	(306.27)
Cash generated from operations before working capital changes	<u>679.05</u>	<u>1,143.48</u>
Adjustment for :	13,360.23	7,316.51
Decrease/(increase) in other Non Current and Current assets	(265.48)	(2,400.48)
Decrease/(increase) in Trade receivables	(1,699.57)	(8,236.90)
Decrease/(increase) in Inventories	(395.01)	(8,650.06)
(Decrease)/increase in Trade and Other payables	1,821.28	6,310.04
(Decrease)/increase in Provisions	15.93	180.02
Cash generated from operating activities	<u>(522.83)</u>	<u>(12,797.38)</u>
Direct taxes paid (net of refunds)	(1,645.90)	(239.39)
Cash flows before exceptional items	<u>11,191.50</u>	<u>(5,720.26)</u>
Exceptional items	-	-
Net Cash flow generated from operating activities (A)	<u>11,191.50</u>	<u>(5,720.26)</u>
B. Cash Flow from Investing activities		
Sale (Takeover) of Property, Plant and Equipment, vehicle	208.40	(29,414.19)
Purchase of Property, Plant and Equipment	(1,465.30)	-
(Purchase) /Sale of investment	13.05	-
Share Capital & Reserves in Subsidiary Taken over	(788.20)	17,878.97
(Increase)/Decrease in Investment including Cancellation of Investment in Subsidiary	-	10,388.55
Interest income	135.12	306.27
Gain/(Loss) on disposal of Assets & Property, Plant and Equipment	-	6.68
Dividend income	1.22	1.47
Net Cash Flow Generated from investing activities (B)	<u>(1,895.70)</u>	<u>(832.25)</u>
C. Cash flow from Financing activities		
Interest expenses	(679.05)	(1,143.48)
Receipt/(Repayment) of long-term borrowings	(1,055.94)	2,145.53
Receipt/(Repayment) of short-term borrowings	(5,960.93)	5,960.93
Dividend paid	(123.25)	(401.34)
Dividend distribution tax paid	-	(98.44)
Net Cash flow Generated from financing activities (C)	<u>(7,819.17)</u>	<u>6,465.20</u>
Net increase in cash and cash equivalents (A+B+C)	<u>1,476.62</u>	<u>(87.31)</u>
Cash and cash equivalents at the beginning of the year	<u>317.83</u>	<u>405.14</u>
Cash and cash equivalents at the half year end	<u>1,794.45</u>	<u>317.83</u>
	0.01	

Note:

1. The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) Statement of Cash Flows.

The Accompanying notes form an integral part of the financial statements

As per our report of even date

For Aashish Bathia & Co.

Chartered Accountants

(Registration No. 026211C)

Muzaffar

Nagar

(U.P.)

Proprietor

Membership no: 446095

Date: 06-07-2021

Place : Muzaffarnagar

UDIN :-21446095AAAACC8911

For and on behalf of the Board of Directors

SD/-

CHANDRA KUMAR JAIN
(DIRECTOR)

SD/-

ARUSHI JAIN
(DIRECTOR)

GULSHAN HOLDINGS PRIVATE LIMITED

Year Ended 31.3.2021

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of Preparation of Consolidated Financial Statements

(i) Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013. The Group adopted Ind AS from 1st April, 2017.

(ii) Basis of Preparation

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 – Share-based Payment, leasing transactions that are within the scope of Ind AS 116 – Leases, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period; they are recognized in the period of the revision and future periods if the revision affects both current and future periods.

(iii) Basis of Consolidation

The Consolidated Financial Statements (CFS) include the financial statements of the Company and its subsidiary. The Consolidated financial statements have been prepared on the following basis:

The consolidation is done on line-by-line basis as has been done in last Financial year.

The Assets, Liabilities, Income and Expenses of subsidiary are aggregated and consolidated, line by line. The profit for the period along with the profit of the holding company has been reflected in the retained earnings for the year. Profit or loss and each component of other comprehensive income are attributed to the Group as owners and to the non-controlling interests. The Group presents the non-controlling interests in the Balance Sheet within equity, separately from the equity of the Group as owners.

All intra group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

As far as possible, the consolidated financial statements are prepared using accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the company's separate financial statements.



(iv) Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

1.2 Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note No.1.5. Accounting estimates could change from period to period. Revision to accounting estimates are recognized in the period in which the estimates are revised and in any future period affected. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of the changes in circumstances surrounding the estimates.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

1.3 Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- ▶ Expected to be realized or intended to be sold or consumed in normal operating cycle
- ▶ Held primarily for the purpose of trading
- ▶ Expected to be realized within twelve months after the reporting period, or
- ▶ Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- ▶ It is expected to be settled in normal operating cycle
- ▶ It is held primarily for the purpose of trading
- ▶ It is due to be settled within twelve months after the reporting period, or
- ▶ There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

All assets and liabilities have been classified as current or noncurrent according to the Group's operating cycle and other criteria set out in the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of current non-current classification of assets and liabilities.



1.4 Foreign currencies

These financial statements are presented in INR, which is also the functional currency of the Group. All financial information presented in INR has been rounded to the nearest lakhs.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognized in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

1.5 Critical estimates and judgments

The preparation of financial statements requires the use of accounting estimates which by definition will seldom equal the actual results. Management also needs to exercise judgment in applying the Group's accounting policies.

This note provides an over view of the areas that involved a higher degree of judgment or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgment are:

- Estimation of Defined benefit obligation - refer Note No.1.17
- Estimation of current tax expenses - refer Note No.1.8
- Useful life of Property, plant and equipment - refer Note No.1.10
- Valuation of Inventory - refer Note No.1.14
- Provisions and Accruals - refer Note No.1.16
- Contingencies - refer Note No.1.16

1.6 Fair value measurement

The Group measures financial instruments at fair value as per Ind AS 113 at each balance sheet date.

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.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.



The fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

Level 1- Quoted prices (unadjusted) 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 (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3- Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

For assets and liabilities that are recognized in the financial statement on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

1.7 Revenue from contracts with customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

(i) Sale of goods

Revenue from the sale of goods is recognized at the point in time when control of the asset is transferred to the customer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, sales tax and applicable trade discounts and volume rebates. Revenue includes shipping and handling costs billed to the customer.

(ii) Interest income

Interest income primarily comprises of interest from term deposits. Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss.

(iii) Dividend

Dividend income from investment is accounted for when the right to receive is established, which is generally when shareholders approve the dividend.

(iv) Other Income

Other income is recognized when no significant uncertainty as to its determination or realization exists.

(v) Export Incentives

Export incentives are recognized when the incentives are received from the government authorities.

Export entitlements from government authorities under the Merchandise Exports from India Scheme (MEIS) and Service Exports from India Scheme (SEIS), Duty Draw Back scheme is recognized in the statement of profit and loss based on receipt of the scrip from the government authorities.

1.8 Taxes

Tax expenses comprise of current and deferred tax:

Current income tax

- a. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.
- b. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.



Deferred tax

- a. Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.
- b. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.
- c. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.
- d. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.
- e. The Group recognizes tax credits in the nature of MAT credit as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period, i.e., the period for which tax credit is allowed to be carried forward. In the year in which the Group recognizes tax credits as an asset, the said asset is created by way of tax credit to the Statement of Profit and Loss. The Group reviews such tax credit asset at each reporting date and writes down the asset to the extent, the Group does not have convincing evidence that it will pay normal tax during the specified period.
- f. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.
- g. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

1.9 Earnings per share

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

1.10 Property, Plant and Equipment Recognition and measurement

Construction in progress is stated at cost, net of accumulated impairment losses, if any. Property, plant and equipment are initially recognized at cost after deducting refundable purchase taxes and including the cost directly attributable to bring the asset to the location and conditions necessary for it to be capable of operating in the manner intended by the management, borrowing cost in accordance with the established accounting policy, cost of restoring and dismantling, if any, initially estimated by the management.

After the initial recognition the property, plant and equipment are carried at cost less accumulated depreciation and impairment losses. Cost of Self-constructed asset is determined using the same principles as for acquired assets after eliminating the component of internal profits.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

Depreciation has been provided on written down value method in terms of expected life span of assets specified in Schedule – II of the Companies Act, 2013 or as determined by management. The Group, based on technical assessment made by technical expert and management estimate, depreciates certain items of building, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The residual value and useful life are reviewed annually, and any deviation is accounted for as a change in estimate.

Cost of lease hold land are written off over the primary lease period of the land except of the leasehold land, held by the company on the date of transition, which is amortized over the remaining useful lives of the assets. Freehold land is not depreciated.

The estimated useful lives, residual values and depreciation methods are reviewed at each financial year end and the effect of any change is accounted for on prospective basis.



The carrying amount of the all property, plant and equipment are derecognized on its disposal or when no future economic benefits are expected from its use or disposal and the gain or loss on de-recognition is recognized in the statement of profit & loss.

1.11 Intangible Assets

Acquired intangible assets are initially recognized at cost after deducting refundable purchase taxes and including the transaction cost, if any. After initial recognition, intangibles are carried at cost less accumulated amortization and impairment losses.

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. Computer software development costs for in-house developed software is recognized as assets are amortized on a written down value basis over their estimated useful life.

The estimated useful lives, residual values and amortization method are reviewed at each financial year end and the effect of any change is accounted for on prospective basis.

1.12 Borrowing costs

Borrowing costs 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 or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

1.13 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

Lease Liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments), or a change in the assessment of an option to purchase the underlying asset. The Company's lease liabilities are included in Interest-bearing loans and borrowings



Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

1.14 Inventories

Inventories consist of raw materials, packing materials, stores and spares, work-in-progress and finished goods and stock of traded goods, which are measured at the lower of cost and net realizable value.

Cost includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of finished goods and work-in-progress, cost includes and appropriate share of overheads based on normal operating capacity. Stores and spares, that do not qualify to be recognized as property, plant and equipment, consist of packing materials, engineering spares (such as machinery spare parts) and consumables, which are used in operating machines or consumed as indirect materials in the manufacturing process. The basis of measurement of cost is as follows:

- (i) **Raw Materials, Packing Materials and Stores & Spares:** FIFO basis
- (ii) **Finished Goods:** Cost of input plus appropriate overhead.
- (iii) **Work-in-Progress:** Cost of input plus overhead up-to the stage of completion.
- (iv) **By- Products:** At net realizable value
- (v) **Stock-In-Trade:** FIFO Basis

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

1.15 Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognized in the statement of profit and loss if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount.

Impairment losses, other than those recognized on goodwill, that have been recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.



1.16 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent Liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Disputes, liabilities and claims against the company including claims raised by fiscal authorities (e.g. GST, Income Tax etc.) pending in appeal / court for which no reliable estimate can be made and or involves uncertainty of the outcome of the amount of the obligation or which are remotely poised for crystallization are not provided for in accounts but disclosed in notes to accounts.

According to the information and explanations given to us, there are no dues of Income-tax or Goods and Service tax or duty of Customs or duty of Excise or Value added tax which have not been deposited by the group on account of disputes, except for the following:

Name of the Statute	Nature of Dues	Amount (Rs. In Lakhs)	Period to which the amount relates	Forum where pending	REMARKS
Central Excise Act 1944	Excise Duty	44.92	2011-12	CESTAT ALLAHABAD	Rs. 4.49 Lakh Deposit. Pertains to Subsidiary

Contingent Assets

Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

1.17 Employee benefits

a. Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, short term compensated absences etc., and the expected cost of bonus, ex-gratia are recognized in schemes is recognized during the period in which the employees render the related services.

b. Post-Employment Benefits:

i) Defined Contribution Plans:

State governed Provident Fund Scheme and Employees State Insurance Scheme are defined contribution plans. The contribution paid / payable under the schemes is recognized during the period in which the employees render the related services.

ii) Defined Benefit Plans:

The Company has Defined Benefit Plan for post-employment benefit in the form of Gratuity for eligible Employees, which is administered through a Gratuity Policy with Life Insurance Corporation of India (L.I.C). Gratuity Liability based on actuarial valuation as per Ind AS 19. Liability recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the end of each reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuary using the projected unit credit method. The present value of defined benefit is determined by discounting the estimated future cash outflows by reference to market yield at the end of each reporting period on government bonds that have terms approximate to the terms of the related obligation. The interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The cost is included in employee benefit expense in the statement of profit and loss. Actuarial gain / loss arising from experience adjustments and changes in actuarial assumptions are credited / debited to "other comprehensive income" forming part of other equity.



1.18 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial Recognition and Measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial assets.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

Subsequent Measurement

For purpose of subsequent measurement financial assets are classified in two broad categories:

- Financial Assets at fair value
- Financial assets at amortized cost

Where assets that measured at fair value, gains and losses are either recognized entirely in the statement of profit and loss or recognized in other comprehensive income.

A financial asset that meets the following two conditions is measured at amortized cost:

- Business Model Test: The objective of the company's business model is to hold the financial asset to collect the contractual cash flows.
- Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through OCI:

- Business Model Test: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

- All other financial asset is measured at fair value through profit and loss.

All equity investments are measured at fair value in the balance sheet, with value changes recognized in the statement of profit and loss, except for those equity investments for which the entity has elected irrevocable option to present value changes in OCI.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company's balance sheet) when:

The rights to receive cash flows from the asset have expired, or

- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred to control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.



Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

For this purpose, the Company follows 'simplified approach' for recognition of impairment loss allowance on the trade receivable balances. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based in lifetime ECLs at each reporting date, right from its initial recognition.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

Financial Liabilities:

All financial liabilities are initially recognized at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities are classified as measured at amortized cost or fair value through profit and loss (FVTPL). A financial liability is classified as FVTPL if it is classified as held for trading, or it is derivative or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gain or losses, including any interest expense, are recognized in statement of profit and loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit and loss.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Derecognition

A financial liability is derecognized when the obligation under liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the financial statements if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

1.19 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

1.20 Impact of Covid-19 Pandemic:

The outbreak of COVID-19 pandemic globally and in India is causing significant disturbance and slowdown of economic activity. COVID-19 has caused interruption in production, supply chain disruption, etc. during last week of March, 2020 and thereafter. The management of the Company has exercised due care in concluding significant accounting judgments and estimates in preparation of the financial results. In view of there being no comments of the impact of COVID-19 in the accounts of the subsidiary and impact of COVID-19 is visible on the sudden decline in the temporary market valuation of investments held by the company. The Company considers the impact as a temporary aberration, having no major impact of Covid-19. Thus, no effect of COVID- 19 has been made in the financial statements during the year.



STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2021

A. Equity Share Capital		(Rs. In Lakhs)
Opening Balance as at April 01, 2019	7.07	
Change during the year	-	
Closing balance as at March 31, 2020	7.07	
Change during the year	-	
Closing balance as at March 31, 2021	7.07	

Particulars	Capital Reserve on Consolidation	RESERVES AND SURPLUS				Attributable to owners of the parent	Non-controlling Interests	Total
		General Reserve	Retained Earnings					
Balance as at 1st April 2019	-	278.36	3,535.58	4,113.94	1,002.61	4,113.94	2,175.18	6,289.12
Profit for the year	911.56	-	261.01	1,172.57	-	1,172.57	-	2,345.14
Amount Transfer to General Reserve	-	36.39	(30.29)	(9.75)	(9.26)	-	(19.01)	2,326.13
Other Comprehensive Income (net of tax)	(8.44)	-	(1.31)	(2,965.69)	76.32	-	(2,965.69)	2,326.13
Investment made in GPIL	(2,965.69)	-	-	76.32	-	-	-	2,326.13
Adjustment of MAT of earlier year's	-	-	76.32	-	-	-	-	2,326.13
Share of Parent with respect to addition during the year	15,658.97	-	-	15,658.97	-	14,870.10	-	30,529.07
As at 31st March 2020	13,596.40	316.75	4,133.21	18,045.36	15,863.45	33,909.81	15,863.45	49,773.26
Balance as at 1st April 2020	13,596.40	316.75	3,480.50	18,046.36	15,863.45	33,909.81	15,863.45	49,773.26
Profit for the year	-	-	34.92	34.92	27.20	-	27.20	50,275.46
Other Comprehensive Income (net of tax)	-	-	(123.25)	(123.25)	(1,803.74)	-	(1,803.74)	48,471.72
Dividend Distributed	-	-	938.80	938.80	-	-	-	47,532.92
NCI Transferred to retained Earnings due to Further acquisition of Shares	-	-	-	-	22,377.33	-	17,021.44	64,554.35
As at 31st March, 2021	13,596.40	316.75	8,464.18	22,377.33	17,021.44	39,398.77	17,021.44	1,04,953.12

The accompanying notes from 1 to 41 form an integral part of the financial statements

For and on behalf of the Board of Directors

As per our report of even date
For Ashish Bathla & Co.
Chartered Accountants
(Registration No. 2020/00301)
Nager (U.P.)
CHANDRA KUMAR JAIN
Proprietor
Membership no: 448986

CHANDRA KUMAR JAIN (DIRECTOR) *SD/-*
ARUSHI JAIN (DIRECTOR) *SD/-*

Date: 06-07-2021
Place: Muzaffarnagar
UDIN :-21446955AAAAACC9911

2. PROPERTY, PLANT AND EQUIPMENT

	Free hold Land	ROU (Right of Use of Asset)	Building	Plant and Equipment	Office Furniture and Equipment	Vehicle	Total
Gross Block	131.86	-	10.94	32,601.11	167.94	437.57	142.80
Balance as at 1st April 2019	236.72	634.07	4,009.60	1,295.46	21.93	111.86	36,129.02
Addition on account of Consolidation	-	334.80	114.52	48.49	-	21.01	1,676.90
Additions	-	23.03	23.03	33,831.09	209.87	627.86	40,038.29
Disposals	390.68	232.27	4,119.03	533.48	11.53	59.14	1,483.75
Balance as at 1st April 2020	-	114.05	-	-	-	59.14	173.20
Disposals	390.98	1,087.09	4,119.03	34,764.57	221.40	775.16	41,348.84
Accumulated Depreciation	-	-	2.88	9,796.91	77.25	206.54	2.88
Balance as at 1st April 2019	-	23.94	732.80	2,049.01	32.57	18.20	3,099.43
Addition on account of Consolidation	-	22.41	310.22	0.43	-	271.80	18.79
Additions	-	46.35	1,046.90	2,816.16	109.62	68.19	3,283.02
Disposals	-	28.68	281.09	15,282.46	138.73	46.62	46.62
Balance as at 1st April 2020	-	75.03	1,326.59	15,282.46	138.73	312.95	17,126.16
Disposals	-	-	-	-	-	-	-
Net Block	390.68	1,012.05	2,773.04	19,602.11	82.67	462.22	24,222.68
Balance as at 31st March 2021	390.68	922.52	3,064.13	21,284.79	160.04	256.26	26,118.32
Balance as at 31st March 2020	131.86	-	8.06	-	-	-	139.92

(Rs. in Lakhs)

1. CAPITAL WORK IN PROGRESS		As at 31st March, 2021	As at 31st March, 2020
Capital Work in Progress consist of the following:			
Work in progress		303.11	321.56
Total		303.11	321.56

(Rs. in Lakhs)

4. INTANGIBLE ASSETS		As at 31st March, 2021
Gross Block (Software)		21.96
Balance as at 1st April 2019		1.01
Additions		-
Disposals		23.00
Balance as at 31st March 2020		-
Additions		23.00
Disposals		-
Balance as at 31st March 2021		7.20
Accumulated Depreciation		3.92
Balance as at 1st April 2019		-
Additions		11.11
Disposals		3.08
Balance as at 31st March 2020		-
Additions		14.19
Disposals		-
Net Block		8.81
Balance as at 31st March 2021		11.88
Balance as at 31st March 2020		14.79

(Rs. in Lakhs)



(Rs.in Lakhs)

5. INVESTMENTS		
NON-CURRENT INVESTMENTS	As at 31st March, 2021	As at 31st March, 2020
Long Term Investment In Others (at cost unless stated otherwise)		
(a) Quoted		
(i) 50,000 equity shares in Genus Power Infrastructures Ltd of Re 1/- each	0.25	0.25
(ii) 50,000 equity shares in Genus Paper & Boards Ltd.	0.25	0.25
(Previous year 50,000 equity Shares in Genus Power Infrastructured Ltd, of Re 1/- each)		
(iii) 1500 equity shares of Rs. 2/- each fully paid-up in J.P. Associates Ltd.	2.06	2.06
(iv) 25,000 equity shares of Rs. 10/- each in Rashtriya Chemicals & Fertilizers Ltd.	20.69	20.69
(v) 25,000 equity shares of Rs. 2/- each in Suzion Energy Ltd.	19.65	19.65
(b) Unquoted (at cost unless stated otherwise)		
(i) 2,49,300 equity shares in Dhaulana Sugar Industries Ltd. Of Rs.10 each paid up Re. 1/- per share	-	2.49
Investment in Others		
(ii) 10,500 equity shares of Rs. 10 each -BEIL Infrastructure Ltd.	1.05	1.05
(iii) 4,09,025 equity shares of Rs. 10 each - Narmada Clean Tech Ltd.(formerly named as Bharuch Eco-Aqua Infrastructure Ltd.)	40.90	40.90
Total	84.85	87.35

(Rs.in Lakhs)

6. Loans		
Particulars	As at 31st March, 2021	As at 31st March, 2020
NON-CURRENT (Unsecured, Considered good)		
Security Deposits	506.93	459.66
Total	506.93	459.66

(Rs.in Lakhs)

7. Other Financial Assets (Non Current)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
NON-CURRENT		
Bank Deposits with maturity of more than 12 months as Margin Money	796.78	179.01
Total	796.78	179.01

Bank Deposits in form of FDR having maturity period of more than 12 months is kept as margin money against Bank guarantees

8. DEFERRED TAX ASSETS (NET)	(Rs.in Lakhs)	(Rs.in Lakhs)
Particulars	As at 31st March, 2021	As at 31st March, 2019
Depreciation and amortisation	-	(1,469.85)
Mat Credit Available	-	1,490.63
Total	-	20.78

9. OTHER NON-CURRENT ASSETS		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Capital Advances	-	15.85
Other Loans & Advances	136.00	127.80
Balance with Government Authorities	-	11.00
Balance with Gratuity fund	44.08	1.50
Total	180.08	156.15

10. INVENTORIES		
Particulars	As at 31st March, 2021	As at 31st March, 2020
(i) Raw Materials	4,648.21	3,617.19
(ii) Work in Progress	749.80	695.18
(iii) Finished Goods	1,898.08	2,557.71
(iv) Stock in Traded Goods	35.08	94.77
(v) Stores, Spares & Packing	523.24	435.91
(vi) Coal, Fuel & Chemicals	1,190.65	1,249.29
Total	9,845.07	8,650.06



(Rs.in Lakhs)

11. TRADE RECEIVABLES

Particulars	As at 31st March, 2021	As at 31st March, 2020
Un-secured and Considered Good	9,838.15	8,168.58
Considered Doubtful		68.32
Total	9,838.15	8,236.90

Note: A provision of Rs.98.31 Lakh on doubtful trade receivable has been made during the year.

(Rs.in Lakhs)

12. CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2021	As at 31st March, 2020
Cash in hand	6.41	11.96
Balance with Banks -In Current accounts	1,788.03	305.87
Total	1,794.44	317.83

(Rs.in Lakhs)

13. Other Financial Assets

Particulars	As at 31st March, 2021	As at 31st March, 2020
Other Bank Balances (Term Deposits with original maturity more than 3 months and less than 12 months)	53.36	1,004.28
Unpaid dividend account	66.95	73.41
Total	120.31	1,077.69

(Rs.in Lakhs)

14. OTHER CURRENT ASSETS

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured and Considered Good	11.19	9.88
Advance to Employees	1,350.97	323.63
Advance to suppliers and service providers	1,789.35	370.66
Advance/Current Taxes	304.03	276.21
Balance with Govt. Authorities	2,149.40	2,444.80
Other Advances		
Total	5,604.95	3,425.18



15. EQUITY SHARE CAPITAL

(Rs. in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Authorized Equity Share Capital: 55,500 Equity shares of Rs. 1000 each	555.00	555.00
Issued, Subscribed and Paid up: 707 Equity shares of Rs. 1000 each (Previous year 707 Equity shares of Rs. 1000 each)	7.07	7.07
Total	7.07	7.07

(a) Reconciliation of Number of Equity Shares outstanding at the beginning and at the end of the reporting period

(Rs. in Lakhs)

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	No. of shares	Amount (1 Rs Each)	No. of shares	Amount (1 Rs Each)
Equity Shares Shares outstanding at the beginning of the year	707	7.07	707	7.07
Add: Issued during the year	-	-	-	-
Closing balance	707	7.07	707	7.07

(b) Details of shares held by Equity Shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholder	As at 31st March, 2021		As at 31st March, 2020	
	No. of shares held	% of holding	No. of shares held	% of holding
(i) Dr. C. K. Jain	182	25.74%	182	25.74%
(ii) Mrs. Mindula Jain	173	24.47%	173	24.47%
(iii) Mrs. Aditi Passari	124	17.54%	124	17.54%
(iv) Mrs. Anurati Jain	106	15.20%	106	15.20%
(v) Mrs. Anubha Gupta	120	16.97%	120	16.97%

16. OTHER EQUITY

(Rs. in Lakhs)

Particulars	RESERVES AND SURPLUS		Attributable to owners of the parent		Non-controlling interests	Total
	Capital Reserve on Consolidation	General Reserve	Retained Earnings	Non-controlling interests		
Balance as at 1st April 2020	13,596.40	316.75	4,133.21	15,863.45	33,906.81	
Profit for the year	-	-	3,480.50	2,734.54	6,215.04	
Other Comprehensive Income (net of tax)	-	-	34.92	27.20	62.12	
Dividend Distributed	-	-	(123.25)	(123.25)	(123.25)	
NCI Transferred to retained Earnings due to Further acquisition of Shares	-	-	938.80	(1,803.74)	(864.95)	
Balance as at 31st March 2021	13,596.40	316.75	8464.18	22,377.23	39,398.77	

Particulars	RESERVES AND SURPLUS		Attributable to owners of the parent		Non-controlling interests	Total
	Capital Reserve on Consolidation	General Reserve	Retained Earnings	Non-controlling interests		
Balance as at 31st March, 2019	-	278.36	3,835.56	4,113.94	1,002.61	4,113.94
Profit for the year	911.56	-	261.01	1,172.57	-	2,175.18
Amount Transfer to General Reserve	-	36.29	(38.30)	-	-	-
Other Comprehensive Income for the year, net of income tax	-	(8.44)	(1.31)	(9.75)	(9.28)	(19.01)
Investment made in GPI	(2,965.69)	-	76.32	(2,965.69)	-	(2,965.69)
Adjustment of MAT of earlier year's	-	-	-	76.32	-	76.32
Share of Parent with respect to addition during the year	15,658.97	-	-	15,658.97	14,870.10	30,529.07
Balance as at 31st March, 2020	13,596.40	316.75	4,133.21	16,946.36	16,863.45	33,906.81



17. FINANCIAL LIABILITIES –NON CURRENT BORROWINGS

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Secured Loans		
(i) Term Loan from bank measured at Amortised Cost	-	1,000.00
(ii) Long term maturities of Finance Lease obligations/ hire purchase finance	-	133.94
		1,133.94
Unsecured		
9,75,000, 8% Redeemable Preference shares of Rs. 100 each (refer note xxx below)	1,053.00	975.00
	1,053.00	975.00
Total	1,053.00	2,108.94
(a) Nature of security for secured borrowings are given below:		
(i) Term Loans from Banks	-	2,949.75
The Immovable and Movable Assets of the Unit Located at Boregoan Industrial Area, Distt.Chhindawara (M.P.) and Abu Road, Sirohi, Rajasthan are charged to Citi Bank by way of First charge for External Commercial Borrowings(ECB) of USD 11.60 million.		
The Immovable Assets of the Unit Located at the Jhagadia Industrial Estate, Dist Bharuch (Gujarat) and movable assets of Units located at Muzaffarnagar (UP) are charged to The Hongkong & Shanghai Banking Corporation Ltd. by way of First charge on pari-passu with Citi Bank for Term Loan of Rs 40 crores.		
(ii) Long term maturities of Finance Lease obligations	-	133.94
Above loans are secured against vehicles purchased through Banks under hire purchase agreements.		
(b) The aggregate amount of loans under each head guaranteed by Directors or others are given below:		
Term Loans from Banks	-	2,949.75
Above term loans are secured by personal guarantee of the Promoter Director.		
Redeemable Preference Share capital includes interest of Rs.78 Lacs.		

18. Other Financial Liabilities

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Lease Liabilities	133.48	41.01
Total	133.48	41.01

19. DEFERRED TAX LIABILITIES (NET)

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Depreciation and amortisation	1,476.45	-
Mat Receivables	(44.49)	-
Total	1,431.96	-

20. SHORT TERM BORROWINGS

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Secured loans		
Working Capital Loan	-	5,960.93
Total	-	5,960.93
(a) The Working Capital Loans are secured by the Hypothecation of Present and Future stock of Raw Materials, Stores, Stock in Process, Chemicals and Consumables, Fuels, Packing, Finished Goods etc. and Book Debts of the Company.		
(b) The Loan is further secured by way of a Second Charge on Fixed Assets of the Company and personal guarantee of Promoter Director of the Company.		

21. TRADE PAYABLES

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Trade Payables consist of the following:		
- micro, small and medium enterprises	231.74	229.60
- others	5,399.04	2,658.10
Total	5,630.78	2,887.70

22. OTHER FINANCIAL LIABILITIES

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
(a) Interest accrued but not due on borrowings	-	7.00
(b) Current maturities of long term debt	-	2,003.59
(c) Unclaimed dividends	66.95	73.41
(d) Capital liabilities	5.00	43.96
(e) Expenses payable	667.48	525.93
(f) Lease Liability	13.37	0.68
Total	752.79	2,654.57



23. OTHER CURRENT LIABILITIES

(Rs. in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
(a) Advance from Customers	324.15	221.50
(b) Other liabilities	1,383.39	598.52
Total	1,707.55	820.02

24. PROVISIONS

(Rs. in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Employee Benefits	512.20	180.56
Total	512.20	180.56

25. REVENUE FROM OPERATIONS

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Revenue		
(a) Sale of Product (including excise duty)	74,438.99	59,705.59
(b) Freight and Handling Charges recovered	606.59	403.05
(c) Income from Interest	69.51	212.72
(i)	75,116.10	60,321.36
Other Operating Revenues		
(i) Export and Other Incentives	204.14	429.63
(ii) Miscellaneous Receipts & claims	60.85	116.35
(iii) Sales- Scrap & Waste Material	153.13	139.78
(iv) Foreign Exchange Fluctuations	83.93	129.97
(v) Lease Rent, Operation & Maintenance Charges	1,055.81	1,155.39
(ii)	1,557.86	1,971.12
REVENUE FROM OPERATIONS (I+II)	76,672.95	62,292.49

(A) Revenue from contracts with customers disaggregated based on nature of products or services.

Revenue from sale of products		
i) Mineral Processing	8,118.46	11,741.33
ii) Grain Processing	53,657.52	47,862.81
iii) Distillery	13,269.61	504.50
iv) Unallocated	69.51	212.72
Other Operating Revenues		
(i) Export and Other Incentives	204.14	429.63
(ii) Miscellaneous Receipts & claims	60.85	116.35
(iii) Sales- Scrap & Waste Material	153.13	139.78
(iv) Foreign Exchange Fluctuations	83.93	129.97
(v) Lease Rent, Operation & Maintenance Charges	1,055.81	1,155.39
Total	76,672.95	62,292.49

(B) Revenue from contracts with customers disaggregated based on geography

Domestic	68,756.38	60,407.21
Export	5,680.61	9,298.38
Total	74,438.99	59,705.59

(C) Reconciliation of gross revenue with the revenue from contracts with customers

Gross revenue #	74,482.81	59,753.60
Less: discounts	(43.82)	(48.01)
Total	74,438.99	59,705.59

Revenues are recorded at a point in time. The Company has no remaining performance obligations once the goods are delivered to the customer as per terms of the contract.

(D) Receivables, contract assets and contract liabilities from contracts with customers

Trade receivables*	9,838.15	8,236.90
Contract balances		
- Advances from customers**	(324.15)	(221.50)
Total	9,514.00	8,015.40

* Trade receivables are non-interest bearing and are generally due within 0 to 90 days. There is no significant financing component in any transaction with the customers.

** The adjustments of advances during the year are not considered to be significant.

26. OTHER INCOME

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Interest Income		
On Bank Deposits & Others	65.61	93.55
(b) Dividend Income		
On Investments	1.22	1.47
(c) Gain / (Loss) on sale of investments (Net)		
On Investments	10.55	-
(d) Profit/ (Loss) on property, plant and equipment sold / discarded (Net)	82.02	0.18
(e) Other Non-Operating Income	26.50	6.50
Total	185.91	101.70



(Rs.in Lakhs)

27. COST OF MATERIALS CONSUMED

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Raw Material	36,055.47	35,496.96
Total	36,055.47	35,496.96

(Rs.in Lakhs)

28. PURCHASE OF GOODS TRADED

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Purchase of Stock in Trade	471.74	704.73
Total	471.74	704.73

(Rs.in Lakhs)

29. CHANGE IN INVENTORIES

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Opening inventories		
(a) Traded Goods	94.77	46.64
(b) Work in progress	695.18	640.19
(c) Finished Goods	2,557.71	1,812.45
	3,347.66	2,499.27
(b) Less: Closing Inventories		
(a) Traded Goods	35.08	94.77
(b) Work in progress	749.80	695.18
(c) Finished Goods	1,898.08	2,557.71
	2,682.97	3,347.66
Total	664.69	(848.39)

(Rs.in Lakhs)

30. EMPLOYEE BENEFITS EXPENSES

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Salaries and Wages	2,585.55	2,006.87
(b) Contribution to Provident and Other Funds	122.76	78.96
(c) Employee Welfare	157.87	125.78
Total	2,866.18	2,211.63

(Rs.in Lakhs)

31. FINANCE COST

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Interest & Charges on Bank borrowing for working Capital	432.74	656.03
(b) Interest on Term and Other Loans	168.31	393.58
(c) Gain on foreign currency transactions and translation	78.00	93.87
(d) Interest Expenses recognised on Redeemable Preference Shares	-	-
Total	679.05	1,143.48

(Rs.in Lakhs)

32. DEPRECIATION AND AMORTIZATION EXPENSES

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Depreciation on Property, Plant and Equipment	3,253.02	3,098.43
(b) Amortisation on Intangible Assets	3.08	3.92
Total	3,256.09	3,102.35



33. OTHER EXPENSES

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Process Chemicals & Consumables	5,393.81	3,697.47
(b) Stores, Spare Parts & Packing	2,864.37	2,127.64
(c) Power and Fuel	8,310.81	6,627.94
(d) Repair & Maintenance:		
-Building	4.51	4.50
-Plant & Machinery	1,263.21	647.05
(e) Rates and Taxes	335.99	127.00
(f) Rent	109.55	79.32
(g) Printing and Stationary	26.51	24.26
(h) Advertisement and Publicity	4.83	4.07
(i) Subscription and Membership fees	9.62	10.72
(j) Travelling Expenses	114.06	177.18
(k) Legal and Professional Expenses	227.47	224.92
(l) Payment to Auditors*	8.42	6.47
(m) Communication Charges	46.73	56.01
(n) Repair and Maintenance	50.16	47.31
(o) Insurance	92.28	82.33
(p) Donation	0.63	1.67
(q) Corporate Social Responsibility expenses**	218.09	37.46
(r) Miscellaneous Expenses	23.41	9.25
(s) Allowance for Doubtful trade receivables	98.32	-
(t) Commission & Discount	125.38	133.92
(u) Freight and Forwarding Expenses	4,099.14	3,489.27
(v) Others	68.00	61.34
Total	23,495.32	17,677.09
(*) (c) Details of Auditors Remuneration are as follows:		
(i) Statutory Audit Fees	6.67	5.22
(ii) Limited Review Fee	1.25	1.00
(iii) Reimbursement of expenses		
(iv) Other Management Services, Consultancy and certification Charges	0.50	0.25
	8.42	6.47

34. EARNINGS PER SHARE (EPS)

i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (Rs. in lakhs)	3,515.42	1,162.82
ii) Number of equity shares used as denominator for calculating EPS	707	707
iii) Number of Diluted Equity Share (Amount in Rs.)	707	707
iv) Basic Earning per share (Amount in Rs.)	497,230.55	164,472.88
v) Diluted Earning per share (Amount in Rs.)	497,230.55	164,472.88
vi) Face value per equity share (Amount in Rs.)	1,000	1,000



35. Additional Information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

Name of the entity	31 st March 2021			
	Net Assets		Share in Profit or (Loss)	
	As % of consolidated net assets	Amount (Rs. in Lakhs)	As % of consolidated	Amount (Rs. in Lakhs)
PARENT Gulshan Holdings Pvt. Ltd.	2.23	879.04	-0.49	-30.51
SUBSIDIARY Gulshan Polyols Ltd.	97.77	38,526.80	100.49	6,245.55
Grand Total	100.00	39,405.84	100.00	6,215.04

Name of the entity	Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated other Comprehensive Income	Amount (Rs. in Lakhs)	As % of consolidated Total Comprehensive Income	Amount (Rs. in Lakhs)
PARENT Gulshan Holdings Pvt Ltd	-	-	-0.49	-30.51
SUBSIDIARY Gulshan Polyols Ltd.	100.00	62.12	100.49	6,307.67
Grand Total	100.00	62.12	100.00	6,277.16

36. INCOME TAX

a. Amounts recognized in profit or loss

(Rs in lakhs)

Particulars	31 st March 2021	
Current tax expense		
Current year	1,843.00	
MAT Credit Available	1,305.67	3,148.67
Deferred Tax Expense		6.60
Total Tax Expense		3,155.27

As per Indian tax laws, companies are liable for a Minimum Alternate Tax ("MAT" tax) when current tax, as computed under the provisions of the Income Tax Act, 1961 ("Tax Act"), is determined to be below the MAT tax computed under section 115JB of the Tax Act. The excess of MAT over current tax together with any brought forward MAT credit is eligible to be carried forward and set-off in the future against the current tax liabilities over a period of 15 years.



b. Movement in deferred tax balances

(Rs in lakhs)

Particulars	As at 31 st March 2021
Deferred Tax Assets	
MAT Receivable	44.49
Total Deferred Tax Assets	44.49

Particulars	As at 31 st March 2021
Deferred Tax Liabilities	(1476.45)
Total Deferred Tax Liabilities	(1476.45)
Net Deferred Tax Assets/ (Liability)	(1431.96)

37. The Company has one subsidiary viz Gulshan Polyols Limited. Consolidated Financial Statements have been prepared with its subsidiary in view of Explanation to Section 129(3) of the Companies Act, 2013.

38. Effective 1st April, 2014, the estimated useful lives of fixed assets were revised in keeping with the provisions of Schedule II to the Companies Act, 2013.

39. Disclosures of Related Party transactions as per Ind AS -24

a. Name of related party and nature of related party relationship where control exist:

- i. Holding Company: NIL
- ii. Subsidiary Company: Gulshan Polyols Ltd.

b. Name of related party and nature of related party relationship other than those referred to in (a) above in transaction with the Company:

- (i) Joint Venture etc.: NIL
- (ii) Key Management personnel: Dr. C. K. Jain, Director
Mrs. Arushi Jain, Director
- (iii) Relatives of Key Managerial Personnel: Mrs. Mridula Jain
Mrs. Aditi Pasari
Mrs. Anubha Gupta

(c) Transactions with related parties during the period 01.04.2020 to 31.03.2021 other than the transactions between the Holding and subsidiary company:

(Rs. in Lakhs)

PARTICULARS	Transaction during the year	Outstanding Balance as on 31.03.2021
Remuneration to Key Management Personnel & Relatives	-	-



40. Information on segment reporting pursuant to Ind AS 108

(Rs. in Lakhs)

Particulars	Mineral Processing	Grain Processing	Distillery	Corporate & Others	Total
	31.03.21	31.03.21	31.03.21	31.03.21	31.03.21
Revenue External sales	9237.46	54080.63	13269.60	69.51	76657.20
Un-allocated Sales				15.75	15.75
Total Revenue Results	9237.46	54080.63	13269.60	85.26	76672.95
Segment results before interest and Finance cost	1729.13	6631.03	1579.25	44.86	9984.27
Un-allocable Income					65.09
Operating Profit	1729.13	6631.03	1579.25	44.86	10049.36
Interest Expenses					679.05
Current Tax (Net of Mat Credit/Debit)					3148.67
Deferred Tax Charge / (Credit)					6.60
Net Profit					6215.04

Particulars	Mineral Processing	Grain Processing	Distillery
	31.03.21	31.03.21	31.03.21
Segment Assets	6553.61	28242.84	12810.90
Unallocated Assets	-	-	-
TOTAL ASSETS	6553.61	28242.84	12810.90
Segment Liabilities	1488.72	5214.88	1447.27
Unallocated Liabilities & Provisions	-	-	-
TOTAL LIABILITIES	1488.72	5214.88	1447.27

Particulars	Corporate	Others	Total
	31.03.21	31.03.21	31.03.21
Segment Assets	929.97	1927.60	50464.92
Unallocated Assets	-	2041.24	2041.24
TOTAL ASSETS	929.97	3968.84	52506.16
Segment Liabilities	6.98	-	8157.85
Unallocated Liabilities & Provisions	-	4942.48	4942.48
TOTAL LIABILITIES	6.98	4942.48	13100.33



(1) The Group's corporate strategy aims at creating multiple drivers of growth anchored on its core competencies. The Group is currently focused on four business groups: Mineral Processing, Grain Processing, Distillery and Corporate. The Group's organizational structure and governance processes are designed to support effective management of multiple businesses while retaining focus on each one of them.
The Operating Segments have been reported in a manner consistent with the internal reporting provided to the Corporate Management Committee, which is the Chief Operating Decision Maker.

(2) The business groups comprise the following:

Segment	:	Group Company
• Mineral Processing	:	Subsidiary: Gulshan Polyols Ltd.
• Grain Processing	:	Subsidiary: Gulshan Polyols Ltd.
• Distillery	:	Subsidiary: Gulshan Polyols Ltd.
• Corporate	:	Parent : Gulshan Holding Pvt. Ltd.

(3) The Group is not reliant on revenues from transactions with any single external customer and did not receive 10% or more of its revenues from transactions with any single external customer.

41. Previous year figures have been regrouped/reclassified to make them comparable to current year figures.

As per our report of even date attached.


For Aashish Bathla & Co.
Chartered Accountants
Registration No. 0283430

For and on behalf of the Board of Directors


Aashish Bathla
(Proprietor)
Membership No. 446095




Chandra Kumar Jain
(Director)


Arushi Jain
(Director)

Date: 06-07-2021

Place: New Delhi

UDIN:- 21446095AAAACC9911

INDEPENDENT AUDITORS' REPORT

To The Members of,
East Delhi Importers and Exporters Pvt. Limited
Delhi

Annexure XVI

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **East Delhi Importers and Exporters Pvt. Limited.** ("The Company") which comprise the Balance Sheet as at **March 31, 2021**, and the Statement of Profit and Loss, for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2021
- (b) In the case of the Statement of Profit and Loss, of the Profit for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility of Management for 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 financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the Accounting principles generally accepted in India, including the accounting standards specified under section 133 of the act. This responsibility also includes the 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 judgment and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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



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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") as amended, 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.
2. As required by Section 143(3) of the Act, we report that:

We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

 - a. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - b. The Balance Sheet, and the Statement of Profit and Loss, dealt with by this Report are in agreement with the books of account.
 - c. In our opinion, the Balance Sheet, and the Statement of Profit and Loss account comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the of the Companies (Accounts) Rules, 2014.;
 - d. On the basis of the written representations received from the directors as on March 31, 2021 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of section 164(2) of the Act.




- e. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of Companies (Audit and Auditors), 2016, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company does not have any pending litigations which would impact its financial position.
 - (ii) The Company did not have any Long Term Contract including Derivative contracts for which there were any material foreseeable Losses.
 - (iii) There were no amounts which were required to be transferred to the investor Education and Protection Fund by the company.

Date : 08-06-2021
Place : MUZAFFARNAGAR
UDIN: 21070408AAAABT3387

For **SHAHID & ASSOCIATES**
Chartered Accountants
(Registration No. 002140C)




(**MOHD. SHAHID**)
Proprietor
Membership No. : 70408
UDIN:

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirement" of our Report of even date to the financial statements of the company for the year ended March 31st 2021:

- (i) In Respect of its Fixed Assets:
 - (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
 - (b) These fixed assets have been physically verified by the management at reasonable intervals in accordance with regular programme of verification. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - (c) The title deeds of immovable properties are held in the name of the company.
- (ii) In Respect of its inventory:

According to the information and explanations given to us, there is no inventory during the year hence this clause is not applicable to the company.
- (iii) According to information and explanations given to us, the company has not granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act 2013.
- (iv) According to information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.
- (v) According to information and explanations given to us the company has not accepted any deposits during the year.
- (vi) Central Government has not prescribed the maintenance of cost records under Sub-section (1) of Section 148 of the Companies Act 2013
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales -tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.
 - (b) According to the information and explanations given to us, no undisputed amount is payable in respect of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess as at March 31, 2021.
- (viii) The company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- (ix) The company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and Also Company has not raised money by term loans during the year.
- (x) According to the information and explanations given to us, we have not noticed or reported any fraud by the company or any fraud on the Company by its officers or employees during the year.
- (xi) According to information and explanations given to us, the company has not paid any managerial remuneration during the year under review hence this clause is also not applicable to the company.
- (xii) This clause of the CARO 2016 is not applicable to the Company as the Company is not a Nidhi Company.



- (xiii) There is no related party transaction during the year with the company hence this point is not applicable to the company.
- (xiv) 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 under review.
- (xv) According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him and the provisions of section 192 of Companies Act, 2013 have been complied with;
- (xvi) This clause of the CARO 2016 is not applicable to the Company as the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Date : 08-06-2021
Place : MUZAFFARNAGAR
UDIN: 21070408AAAABT3387

For **SHAHID & ASSOCIATES**
Chartered Accountants
(Registration No. 002140C)



MOHD. SHAHID)
Proprietor
Membership No. : 70408
UDIN:

“ANNEXURE - B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF “EAST DELHI IMPORTERS AND EXPORTERS PRIVATE LIMITED”

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

We have audited the internal financial controls over financial reporting of **EAST DELHI IMPORTERS AND EXPORTERS PRIVATE LIMITED** (“the Company”) as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. These 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 and understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for my /our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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



Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Date : 08-06-2021

Place : Muzaffarnagar

UDIN:21070408AAAABT3387

For **SHAHID & ASSOCIATES**
Chartered Accountants
(Registration No. 002140C)



(MOHD. SHAHID)

Proprietor

Membership No. : 70408

UDIN:

East Delhi Importers and Exporters Pvt. Limited
Balance Sheet as at 31st March 2021

	Note No.	As at 31/03/2021	As at 31/03/2020
<u>EQUITY AND LIABILITIES</u>			
Shareholders' Funds			
Share Capital	2	100000.00	100000.00
Reserves and Surplus	3	59494987.52	59251858.88
		<u>59594987.52</u>	<u>59351858.88</u>
Non-Current Liabilities			
Deferred Tax Liabilities (Net)	4	17203.00	17734.00
		<u>17203.00</u>	<u>17734.00</u>
Current Liabilities			
Short-term Borrowings	5	0.00	254655.22
Short-term Provisions	6	102089.00	321586.00
		<u>102089.00</u>	<u>576241.22</u>
		<u>59714279.52</u>	<u>59945834.10</u>
<u>ASSETS</u>			
Non-Current Assets			
Fixed Assets	7	13582298.00	13673067.00
		<u>13582298.00</u>	<u>13673067.00</u>
Current Assets			
Current Investments	8	37828020.42	37828020.42
Cash and Bank Balances	9	7829759.10	7656025.68
Short-term Loans and Advances	10	474202.00	788721.00
		<u>46131981.52</u>	<u>46272767.10</u>
		<u>59714279.52</u>	<u>59945834.10</u>

Significant Accounting Policies & Notes to Financial Statements

As per our report of even date attached
For SHAHID & ASSOCIATES

Chartered Accountants
(Registration NO.-002140C)

(MOHD. SHAHID)

Proprietor

M.NO.-070408

UDIN: 21070408AAAABT3387

Dated:-08-06-2021

Place: Muzaffarnagar



AVDESH KUMAR
DIRECTOR

Aditi Pasari

ADITI PASARI
DIRECTOR

East Delhi Importers and Exporters Pvt. Limited
Statement of Profit and Loss for the period ended 31st March 2021

	Note No.	As at 31/03/2021	As at 31/03/2020
REVENUES			
Other Income			
Total Revenues	11	1135388.44	2378781.00
		<u>1135388.44</u>	<u>2378781.00</u>
EXPENSES			
Employee Benefits Expenses	12	450000.00	828000.00
Finance Costs	13	25095.80	95934.60
Depreciation and Amortization	14	90769.00	100297.00
Other Expenses	15	238317.00	119393.00
Total Expenses		<u>804181.80</u>	<u>1143624.60</u>
Profit/ (Loss) before Exceptional and Extraordinary items and Tax		331206.64	1235156.40
Exceptional Items		0.00	0.00
Profit/ (Loss) before Extraordinary items and Tax		331206.64	1235156.40
Extraordinary Items		0.00	0.00
Profit before Tax		331206.64	1235156.40
Tax Expenses:			
Current Tax		88609.00	321586.00
Deferred Tax		(531.00)	(446.00)
Profit/ (Loss) for the period from continuing Operations		243128.64	914016.40
Profit/ (Loss) from Discontinuing Operations		0.00	0.00
Tax Expenses of Discontinuing Operations		0.00	0.00
Profit/ (Loss) for the period		243128.64	914016.40

Significant Accounting Policies &
Notes to Financial Statements

As per our report of even date attached
For SHAHID & ASSOCIATES

Chartered Accountants
(Registration NO.-002140C)

(MOHD. SHAHID)

Proprietor

M.NO.-070408

UDIN: 21070408AAAABT3387

Dated:-08-06-2021

Place: Muzaffarnagar



AVDESH KUMAR
DIRECTOR.

ADITI PASARI
ADITI PASARI
DIRECTOR.

Note: 1

ACCOUNTING POLICIES & NOTES ON ACCOUNTS

A. Significant Accounting Policies

1. Basis of Preparation

The Financial Statements have been prepared in accordance with the applicable Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant disclosure requirements of the Companies Act, 2013 under historical cost convention and on the basis of going concern.

Accounting policies not specifically referred to otherwise are consistent and are in consonance with generally accepted accounting principles followed by the company.

2. Fixed Assets & Depreciation:

Fixed Assets are valued at acquisition cost including directly attributable cost of bringing them to their respective working conditions for the intended use.

Depreciation on fixed Assets is provided to the extent of depreciable amount on Written Down Value Method as specified in Part C of Schedule II of Companies Act 2013.

3. Inventory Valuation

There is no Stock in trade in the Company at the end of the financial year hence no valuation of Stock has been made.

The Company has not made any production during the financial year hence no Raw Material, Stores & Spares, Chemicals has been consumed.

4. Revenue Recognition

The Company follows mercantile system of Accounting where all the Income & Expenditure items having material bearing on the financial statements are recognized on accrual basis.

5. Retirement Benefits

Provident Fund and Gratuity Act is not applicable to the Company at present.

6. Cash Flow Statement:

Cash Flow Statement are not required to be prepared because the company is a small company within the meaning of section 2(85) of the Companies Act 2013.

7. Provisions for Current & Deferred Tax:

Provision for Current Tax is made on Normal basis during the year.

Deferred tax resulting from timing difference between book and taxable profit is accounted for using the Tax Rates and laws that have been enacted or substantively enacted as on the Balance Sheet date.

NOTES FORMING PART OF THE ACCOUNTS

1. Previous year figures have been re-grouped, re-casted and re-arranged wherever considered necessary.
2. In the opinion of the Board of Directors, Current Assets and Loans and Advances have a value of realization in the ordinary course of business at least equal to the amount at which they have been stated in the Balance sheet and appropriate provision have been made in respect of all known liabilities.
3. Figures have been rounded off to nearest rupees.
4. The Additional information as required under Schedule III of the Companies Act, 2013 are not applicable as the Company is not engaged in any of the activities referred therein.



East Delhi Importers and Exporters Pvt. Limited

Notes to the Financial Statements

	As at 31/03/2021	As at 31/03/2020
2. Share Capital:		
A. Authorized, Issued, Subscribed and Paid-up Share Capital		
Authorized:		
10,000 Equity Share of Rs. 10/- each	100000.00	100000.00
	100000.00	100000.00
Issued, Subscribed and Paid-up:		
10,000 (Previous year 10,000) Equity Shares of Rs. 10 each fully paid-up	100000.00	100000.00
Total	100000.00	100000.00

B. Reconciliation of Shares outstanding at the beginning and at the end of year are given below:

	2020-21		2019-20	
	Numbers	Amount	Numbers	Amount
Equity Shares outstanding at the beginning of the year	10000	100000	10000	100000
Add: Equity Shares Issued during the year - (a)	0	0	0	0
Less: Equity Shares bought back/ redeemed during the year	0	0	0	0
Equity Shares outstanding at the end of the year	10000	100000	10000	100000

C. Detail of shareholder holding more than 5 percent shares of the Company as on reporting date are given below:

S.no.	Name of shareholder	As at 31/03/2021		As at 31/03/2020	
		Numbers of Shares held	Percentage of Holding	Numbers of Shares held	Percentage of Holding
1	Dr. C.K.Jain	6000	60%	6000	60%
2	Mrs. Mridula Jain	2000	20%	2000	20%
3	Mrs Arushi Jain	2000	20%	2000	20%

3. Reserves and Surplus:

General Reserve	7200000.00	7000000.00
Surplus i.e. balance in Statement of Profit and Loss - (b)	52294987.52	52251858.88
Total	59494987.52	59251858.88

(a) Additions and deductions since the last Balance Sheet under each head of Reserve are as under:

	As at 31/03/2019			As at 31/03/2020			As at 31/03/2021		
	Additions	Deductions	Total	Additions	Deductions	Total	Additions	Deductions	Total
General Reserve	6800000	200000	-	7000000	200000.00	-	200000.00	-	7200000.00
	6800000	200000	-	7000000	200000.00	-	200000.00	-	7200000.00

(b) Allocations and appropriations in Surplus i.e. balance in Statement of Profit and Loss are as under:

Opening Balance	52251858.88	51537842.48
Add: Profit for the period	243128.64	914016.40
	52494987.52	52451858.88
Less: Transfer to General Reserve	200000.00	200000.00
Closing Balance	52294987.52	52251858.88



4 Deferred Tax Liabilities (Net)

Deferred Tax Liabilities on account of
Depreciation and Amortization Expenses
Deferred Tax Liabilities (Net)

17203.00	17734.00
<u>17203.00</u>	<u>17734.00</u>

5 Short-term Borrowings

Secured

From Banks

-	254655.22
<u>0.00</u>	<u>254,655.22</u>

Above Loan is secured by way of first charge against Fixed Deposit held in Gulshan Mercantile Urban Co-operative Bank Ltd.

6 Short-term Provisions

Provision for Current Tax
Expenses Payables

88609.00	321586.00
13480.00	0.00
<u>102089.00</u>	<u>321586.00</u>

7 Tangible Assets

Summary of cost and net carrying amount of each class of tangible assets are given below:

	Gross Block		Accumulated Depreciation		Net Carrying Amount	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020	31/03/2021	31/03/2020
Land	12,717,605	12,717,605	-	-	12,717,605	12,717,605
Building	1,757,395	1,757,395	892,702	801,933.00	864,693	955,462.00
	<u>14,475,000</u>	<u>14,475,000</u>	<u>892,702</u>	<u>801,933.00</u>	<u>13,582,298</u>	<u>13,673,067.00</u>

(a). Reconciliation of the gross and net carrying amounts of assets at the beginning and period ending 30/09/2020 are as under:

Cost	As at			As at
	31/03/2020	Additions	Disposals	31/03/2021
Land	12,717,605	-	-	12,717,605
Building	1,757,395	-	-	1,757,395
	<u>14,475,000</u>	<u>-</u>	<u>-</u>	<u>14,475,000</u>
Previous Year	14,475,000	-	-	14,475,000

Accumulated Depreciation	As at			As at
	31/03/2020	Additions	Deductions	31/03/2021
Land	-	-	-	-
Building	801,933	90769	-	892,702.00
	<u>801,933</u>	<u>90769</u>	<u>-</u>	<u>892,702.00</u>
Previous Year	701,636	100297	-	801,933.00

8 Current Investments:

965020 Equity Shares of Gulshan Polyols Limited

37828020.42	37828020.42
<u>37828020.42</u>	<u>37828020.42</u>

9 Cash and Bank Balances:

Cash and Bank Balances consist of the following:

Cash and Cash Equivalents

Cash on hand

240,278.60	576120.60
------------	-----------

Balance with Banks:

-Current Accounts

663264.50	634463.52
<u>903543.10</u>	<u>1210584.12</u>

Other Balances

Balance with Banks:

Fixed Deposits maturing within 12 months

6926216.00	6445441.56
<u>6926216.00</u>	<u>6445441.56</u>
<u>7829759.10</u>	<u>7656025.68</u>

10 Short-term Loans and Advances

(Secured, Considered Good)

Advance Current Tax & T.D.S

A.Y. 2021-22

211081.00	-
-----------	---

A.Y. 2020-21

240,580.00

A.Y. 2019-20

285020.00


A.Y. 2011-12

263,121.00	263121.00
<u>474202.00</u>	<u>788721.00</u>



11 Other Income:		
Interest Income		
On Others		
Dividend	537855.44	2378781.00
On Income Tax Refund	579012.00	
	18521.00	0.00
	<u>1135388.44</u>	<u>2378781.00</u>
12 Employee Benefits Expenses:		
Salaries		
	450000.00	828000.00
	<u>450000.00</u>	<u>828000.00</u>
13 Finance Costs:		
Interest & Bank Charges		
	25095.80	95934.60
	<u>25095.80</u>	<u>95934.60</u>
14 Depreciation and Amortization Expenses:		
Depreciation and Amortization Expenses:		
	90769.00	100297.00
	<u>90769.00</u>	<u>100297.00</u>
15 Other Expenses:		
Administrative Expenses		
Rates & Taxes	25256.00	
Advertisement Expenses	4200.00	0.00
Communication Expenses	19980.00	0.00
Legal and Professional Charges	51040.00	27913.00
Office Expenses	70881.00	78000.00
Travelling Exp.	53480.00	0.00
Auditors' Remuneration - (a)	13480.00	13480.00
TOTAL	<u>238317.00</u>	<u>119393.00</u>
 (a) Details of Auditors' Remuneration are as follows:		
Statutory Auditors:		
Audit Fees	11800.00	11800.00
Reimbursement of expenses	1680.00	1680.00
	<u>13480.00</u>	<u>13480.00</u>


AVDESH KUMAR
Director


ADITI PASARI
Director

Dated:-08-06-2021
Place: Muzaffarnagar
UDIN: 21070408AAAABT3387

As per separate report of even date
For SHAHID & ASSOCIATES
Chartered Accountants
(Registration NO.-902140C)




(MOHD. SHAHID)
Proprietor

PRE-SCHEME CAPITAL STRUCTURE OF THE TRANSFEREE COMPANY

(Based on shareholding data as on March 31, 2021)

Particulars	Amount (Rs.)
Authorised Share Capital	
22,50,00,000 Equity Shares of Rs. 1/- each.	Rs. 22,50,00,000
2,50,000 Redeemable Preference Shares (0%) of Rs. 10/- each.	Rs. 25,00,000
14,50,000 Redeemable Preference Shares (0-10%) of Rs. 100/- each.	Rs. 14,50,00,000
Total	Rs. 37,25,00,000
Issued, Subscribed and Paid-up Share Capital	
4,69,17,020 Equity Shares of Rs. 1/- each	Rs. 4,69,17,020
9,75,000 Redeemable Preference Shares (8%) of Rs. 100/- each	Rs. 9,75,00,000
Total	Rs. 14,44,17,020

POST-SCHEME CAPITAL STRUCTURE OF THE TRANSFEREE COMPANY

(Based on shareholding data as on March 31, 2021)

Particulars	Amount (Rs.)
Authorised Share Capital	
28,06,00,000 Equity Shares of Rs 1/- each.	Rs. 28,06,00,000
2,50,000 Redeemable Preference Shares (0%) of Rs. 10/- each.	Rs. 25,00,000
14,50,000 Redeemable Preference Shares (0-10%) of Rs. 100/- each.	Rs. 14,50,00,000
Total	Rs. 42,81,00,000
Issued, Subscribed and Paid-up Share Capital	
4,95,59,489 Equity Shares of Rs. 1/- each.	Rs. 4,95,59,489
9,75,000 Redeemable Preference Shares (8%) of Rs. 100/- each.	Rs. 9,75,00,000
Total	Rs. 14,70,59,489

PRE-SCHEME AND POST SCHEME SHAREHOLDING PATTERN OF THE TRANSFEREE COMPANY

(Based on shareholding data as on March 31, 2021)

Sr. No.	Name & Category of Shareholders	Pre-Scheme		Post-Scheme	
		Total nos. shares held	Shareholding as a % of total no. of shares	Total nos. shares held	Shareholding as a % of total no. of shares
(A)	Shareholding of Promoter & Promoter Group				
1.	Indian				
	(a) Individuals/Hindu Undivided Family				
	Dr. Chandra Kumar Jain	35,46,990	7.56%	1,18,85,326	23.98%
	Mrs. Mridula Jain	4,60,105	0.98%	77,15,809	15.57%
	Ms. Arushi Jain	3,80,545	0.81%	50,46,129	10.18%
	Ms. Aditi Pasari	72,599	0.15%	50,13,751	10.12%
	Mr. Anubha Gupta	1,98,132	0.42%	49,79,892	10.05%
	(b) Central Government	-	-	-	-
	(c) Bodies Corporate				
	Gulshan Holdings Private Limited	2,63,75,047	56.22%	-	-
	East Delhi Importers & Exporters Private Limited	9,65,020	2.06%	-	-
	(d) Financial Institutions	-	-	-	-
	(e) Any other	-	-	-	-
	Sub Total A(1)	3,19,98,438	68.20%	3,46,40,907	69.90%
2.	Foreign				
	(a) Individuals (Non-Residents Individuals/ Foreign Individuals)	-	-	-	-
	(b) Bodies Corporate	-	-	-	-
	(c) Institutions	-	-	-	-
	(d) Any Others	-	-	-	-
	Sub Total A(2)	-	-	-	-

	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	3,19,98,438	68.20%	3,46,40,907	69.90%
(B)	Public Shareholding				
1.	a. Institutions	-	-	-	-
	b. Mutual Funds/ UTI	-	-	-	-
	c. Financial Institutions / Banks	-	-	-	-
	d. Central Government/ State Government(s)	-	-	-	-
	e. Venture Capital Funds	-	-	-	-
	f. Insurance Companies	-	-	-	-
	g. Foreign Institutional Investors	-	-	-	-
	h. Foreign Venture Capital Investors	-	-	-	-
	i. Any Other	-	-	-	-
	Sub-Total (B)(1)	-	-	-	-
2.	Non-Institutions				
	(a) Bodies Corporate	7,96,876	1.70	7,96,876	1.61%
	(b) Individuals				
	i. Individual shareholders holding nominal share capital up to Rs 2 lakh	1,09,18,394	23.27	1,09,18,394	22.03
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2	11,69,191	2.49	11,69,191	2.36%
	(c) Any Other				
	i. Non-Resident Indian	7,08,973	1.51	7,08,973	1.43%
	ii. Clearing Members	78,900	0.17	78,900	0.16%
	iii. HUF	4,01,233	0.86	4,01,233	0.81%
	iv. IEPF	5,55,975	1.19	5,55,975	1.12%
	Sub-Total (B)(2)	1,46,29,542	31.18%	1,46,29,542	29.52%
	Total Public Shareholding (B)= (B)(1)+(B)(2)	1,46,29,542	31.18%	1,46,29,542	29.52%
	TOTAL (A)+(B)	4,66,27,980	99.38%	1,46,29,542	29.52%

(C)	Non-Promoter Non-Public Shareholding				
1.	Shares held by Custodians and against which DRs have been issued	-	-	-	-
2.	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations 2014)	2,89,040	0.62%	2,89,040	0.58%
	Total Non-Promoter- Non Public Shareholding (C)= (C)(1)+(C)(2)	2,89,040	0.62%	2,89,040	0.58%
	GRAND TOTAL- (A) + (B) + (C)	4,69,17,020	100%	4,95,59,489	100%



To,
The Board of Directors,
Gulshan Holdings Private Limited
9th KM Jansath Road Muzaffarnagar
Uttar Pradesh 251001, India

Annexure XVIII

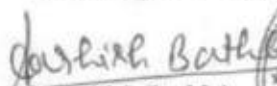
We, the statutory auditors of Gulshan Holdings Private Limited, (hereinafter referred to as "the Company"), have examined the proposed accounting treatment specified in clause 18 of the Draft Scheme of Amalgamation between Gulshan Holdings Private Limited ("Transferor Company 1") and East Delhi Importers & Exporters Private Limited ("Transferor Company 2") with Gulshan Polyols Limited ("Transferee Company") in terms of the provisions of section(s) 230 to 232 of the ~~Companies Act, 1956~~/ Companies Act, 2013 with reference to its compliance with the applicable Accounting Standards notified under the ~~Companies Act, 1956~~/ Companies Act, 2013 and Other Generally Accepted Accounting Principles.

The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and Regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved. Our responsibility is only to examine and report whether the Draft Scheme complies with the applicable Accounting Standards and Other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.

Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid scheme is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under and all the applicable Accounting Standards notified by the Central Government under the ~~Companies Act, 1956~~/ Companies Act, 2013.

This Certificate is issued at the request of the Company pursuant to the requirements of Companies Act, 2013 for onward submission to the Hon'ble National Company Law Tribunal (Allahabad Bench). This Certificate should not be used for any other purpose without our prior written consent.

For Aashish Bathla & Co.
Chartered Accountants
Firm Regn No.:- 028343C


(Aashish Bathla)

Proprietor

Membership No. 446095

UDIN- 21446095AAAAAAM5225

Date:- 16-03-2021

Place:-Muzaffarnagar



Shahid & Associates

Chartered Accountants

34/49 A, South Civil Lines
Near Maruti Dharam Kanta
Arya Samaj Road
MUZAFFARNAGAR (U.P.) - 251001
Phone Cum Fax 2621040
Mobile 9012200078

To,
The Board of Directors,
East Delhi Importers & Exporters Private Limited
9th KM Jansath Road Muzaffarnagar
Uttar Pradesh 251001, India

We, the statutory auditors of East Delhi Importers & Exporters Private Limited, (hereinafter referred to as "the Company"), have examined the proposed accounting treatment specified in clause 18 of the Draft Scheme of Amalgamation between Gulshan Holdings Private Limited ("Transferor Company 1") and East Delhi Importers & Exporters Private Limited ("Transferor Company 2") with Gulshan Polyols Limited ("Transferee Company") in terms of the provisions of section(s) 230 to 232 of the Companies Act, 1956/ Companies Act, 2013 with reference to its compliance with the applicable Accounting Standards notified under the Companies Act, 1956/ Companies Act, 2013 and Other Generally Accepted Accounting Principles.

The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and Regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved. Our responsibility is only to examine and report whether the Draft Scheme complies with the applicable Accounting Standards and Other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.

Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid scheme is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under and all the applicable Accounting Standards notified by the Central Government under the Companies Act, 1956/ Companies Act, 2013.

This Certificate is issued at the request of the Company pursuant to the requirements of Companies Act, 2013 for onward submission to the Hon'ble National Company Law Tribunal (Allahabad Bench). This Certificate should not be used for any other purpose without our prior written consent.

For Shahid & Associates.

Chartered Accountants

Firm Regn.No.: 002140

(Mohd. Shahid)

Proprietor

Membership No. 070408

UDIN- 21070408AAAAAY2473

Date:-16-03-2021

Place:- Muzaffarnagar



RAJEEV SINGAL & CO.

(Chartered Accountants)

GSTIN NO 09AAPFR2931N1ZJ

Reg. No.:- 008692C

PAN- AAPFR2931N



175, Dwarkapuri, Main Road
Opp. Shiv Mandir, 1st Floor
Muzaffarnagar(U.P.)-251001
www.carajeevsinghal.com
singhalrk2012@gmail.com
Off.M. +91-7599023969
Ph-0131-2970053

To,

The Board of Directors,
Gulshan Polyols Limited
9th KM Jansath Road Muzaffarnagar
Uttar Pradesh 251001, India

We, the statutory auditors of Gulshan Polyols Limited, (hereinafter referred to as "the Company"), have examined the proposed accounting treatment specified in clause 18 of the Draft Scheme of Amalgamation between Gulshan Holdings Private Limited ("Transferor Company 1") and East Delhi Importers & Exporters Private Limited ("Transferor Company 2") with Gulshan Polyols Limited ("Transferee Company") in terms of the provisions of section(s) 230 to 232 of the Companies Act, 1956/ Companies Act, 2013 with reference to its compliance with the applicable Accounting Standards notified under the Companies Act, 1956/ Companies Act, 2013 and Other Generally Accepted Accounting Principles.

The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and Regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved. Our responsibility is only to examine and report whether the Draft Scheme complies with the applicable Accounting Standards and Other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.

Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid scheme is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under and all the applicable Accounting Standards notified by the Central Government under the Companies Act, 1956/ Companies Act, 2013.

This Certificate is issued at the request of the Company pursuant to the requirements of Companies Act, 2013 for onward submission to the Hon'ble National Company Law Tribunal (Allahabad Bench). This Certificate should not be used for any other purpose without our prior written consent.

For Rajeev Singal & Co.

(Chartered Accountants)

Firm Regn No.:- 008692C

Rajeev Kumar Singhal

Partner

Membership No. 077834

UDIN-21077834AAAABW9395

Date:- 13/03/2021

Place:- Muzaffarnagar



**IN THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, ALLAHABAD BENCH
CA (CAA) No. 09/ALD of 2021**

IN THE MATTER OF SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

AND

IN THE MATTER OF THE SCHEME OF AMALGAMATION BETWEEN GULSHAN HOLDINGS PRIVATE LIMITED, EAST DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED WITH GULSHAN POLYOLS LIMITED

AND

Gulshan Holdings Private Limited, a company incorporated)
under the Companies Act, 1956 having Corporate Identity)
Number: U74899UP1985PTC128005 and its registered office at)
9th K.M., Jansath Road, Muzaffanagar – 251001, Uttar Pradesh,) ... Transferor Company No. 1
India.)

East Delhi Importers & Exporters Private Limited, a company)
incorporated under the Companies Act, 1956 having Corporate)
Identity Number: U60231UP1997PTC129363 and its registered)
office at 9th K.M., Jansath Road, Muzaffanagar – 251001, Uttar) ... Transferor Company No. 2
Pradesh, India.)

Gulshan Polyols Limited, a company incorporated under the)
Companies Act, 1956 having Corporate Identity Number:)
L24231UP2000PLC034918 and its registered office at 9th K.M.,)
Jansath Road, Muzaffanagar – 251001, Uttar Pradesh, India.) ... Company/Transferee Company

FORM OF PROXY

CIN: L24231UP2000PLC034918

Name of the Company: Gulshan Polyols Limited

Registered Office: 9th K.M., Jansath Road, Muzaffanagar – 251001, Uttar Pradesh, India

Name of the Equity Shareholder(s):

Registered Address:

Email ID:

DP ID and Client ID/ Folio No.:

I/ We, being the holders of equity shares of Gulshan Polyols Limited ("**the Transferee Company**"), hereby appoint:

i. Name:

Address:

Email ID: or failing him/her

ii. Name:

Address:

Email ID: or failing him/her

iii. Name:

Address:

Email ID:

as my/ our proxy, to act for me/ us at the meeting of the equity shareholders of Gulshan Polyols Limited, the Transferee Company to be held at Solitaire INN Hotel, 6 Mile Stone, Meerut Road, National Highway 58, Muzaffarnagar, Uttar Pradesh-251002 on Saturday, the 18th day of September, 2021 at 12:00 P.M., for the purpose

of considering and, if thought fit, approving, with or without modification(s), the Scheme of Amalgamation of Gulshan Holdings Private Limited and East Delhi Importers & Exporters Private Limited, the transferor Companies with Gulshan Polyols Limited, the transferee Company under Sections 230 to 232 of the Companies Act, 2013 ("**Scheme**") and at such meeting and at an adjournment or adjournments thereof, to vote, for me/ us and in my/ our name(s) _____ [here, 'if for', insert '**FOR**'; 'if against' insert '**AGAINST**', and in the latter case, strike out the words below after '*the said Scheme*'] the said Scheme as my/our proxy.

Dated this _____ day of _____, 2021.

Affix Re 1/- Revenue

Signature of Equity Shareholder(s)

Signature of first Proxy Holder

Signature of second Proxy Holder

Signature of third Proxy Holder

NOTES:

1. The Form of Proxy in order to be effective should be in the prescribed form, duly completed and signed or authenticated by the concerned person and deposited at the registered office of the Transferee Company at 9th K.M., Jansath Road, Muzaffanagar – 251001, Uttar Pradesh, India, not later than 48 hours before the scheduled time of the meeting.
2. In case of multiple proxies, proxy later in time shall be accepted.
3. Please affix a revenue stamp of Re. 1/- before signing across the same.
4. All alterations made in the Form of Proxy should be initialed.
5. Only an equity shareholder of the Transferee Company is entitled to vote in person, by proxy, or through electronic means.
6. An equity shareholder is entitled to attend and vote at the Tribunal convened meeting of the equity shareholders ("**Meeting**"), either in person or by proxy or through an authorized representative, as the case may be, where a body corporate which is an equity shareholder authorizes any person to act as its representative at the meeting, a copy of the resolution of the board of directors or other governing body of such body corporate authorising such person to act as its representative at the meeting, and certified to be a true copy by a director, the manager, the secretary, or other authorised officer of such body corporate shall be lodged with the Transferee Company at its registered office not later than 48 hours before the scheduled time of the Meeting.
7. Pursuant to Section 105 of the Companies Act, 2013 read with Rule 19 of the Companies (Management and Administration) Rules, 2014, a person can act as proxy on behalf of the equity shareholders not exceeding 50 and holding in the aggregate not more than 10% of the total equity share capital of the Transferee Company carrying voting rights. An equity shareholder holding more than 10% of the total equity share capital of the Transferee Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or equity shareholder.
8. An equity shareholder/its proxy, attending the Meeting, is requested to bring the Attendance Slip duly completed and signed along with a copy of the deposited Form of Proxy (in case of a proxy). Equity shareholders holding shares in dematerialized form are requested to bring their Client Master List/ Depository Participant Statement/ Delivery Instruction Slip reflecting their Client ID and DP ID Number for easier identification of attendance at the Meeting.

GULSHAN POLYOLS LIMITED

CIN: L24231UP2000PLC034918

Registered Office: 9th K.M., Jansath Road, Muzaffanagar – 251001, Uttar Pradesh, India.

Phone: +91 11 49999200; Fax: +91 11 49999202

E-mail: cs@gulshanindia.com, Website: www.gulshanindia.com

ATTENDANCE SLIP

MEETING OF THE EQUITY SHAREHOLDERS OF GULSHAN POLYOLS LIMITED ON SATURDAY, SEPTEMBER 18, 2021 AT 12:00 P.M

DP ID & Client ID/ Regd. Folio No.*	No. of Equity Shares

**Applicable for shareholders holding shares in physical form*

I hereby record my presence at the meeting of the equity shareholders of Gulshan Polyols Limited, convened pursuant to the order dated July 14, 2021 passed by the Hon'ble Bench of the National Company Law Tribunal at Allahabad in Company Application (CAA) No. 09/ALD of 2021, at Solitaire INN Hotel, 6 Mile Stone, Meerut Road, National Highway 58, Muzaffarnagar, Uttar Pradesh-251002 on Saturday, the 18th day of September, 2021 at 12:00 P.M.

Name of the Equity Shareholder:

Signature of the Equity Shareholder:

OR

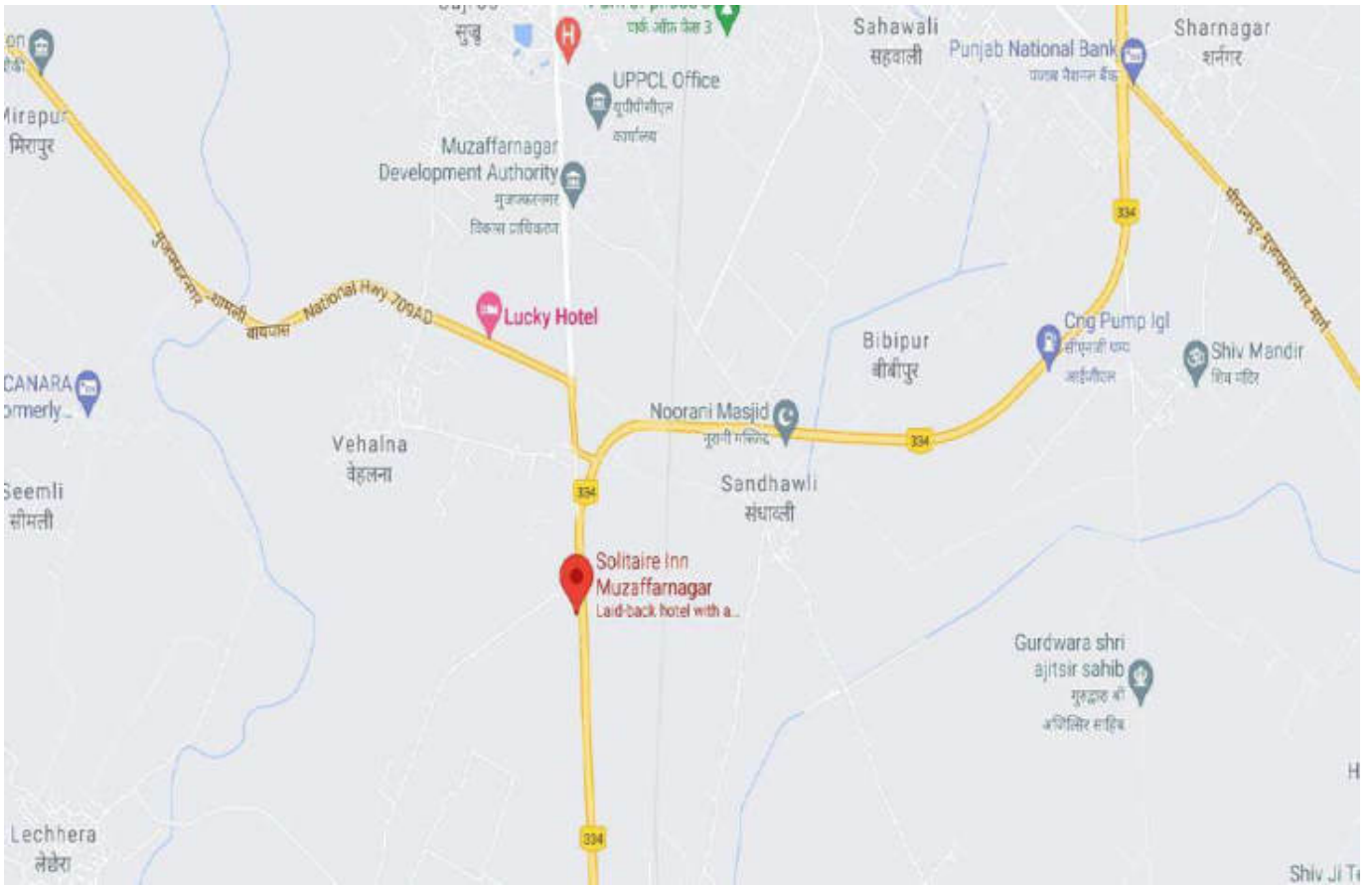
Name of the Proxy Holder:

Signature of the Proxy Holder:

NOTES:

1. Equity shareholders/ authorized representatives or their proxies attending the meeting must bring this attendance slip to the meeting and hand over the same at the entrance of the meeting venue after completing and signing the same.
2. Equity shareholders/ authorized representatives or their proxies desiring to attend the meeting should bring his/ her copy of the notice for reference at the meeting.

Route Map of the NCLT Convened Meeting





GULSHAN POLYOLS LIMITED

CIN: L24231UP2000PLC034918

Registered Office: 9th K.M., Jansath Road, Muzaffanagar – 251001, Uttar Pradesh, India.

Phone: +91 11 49999200; **Fax:** +91 11 49999202

E-mail: cs@gulshanindia.com, **Website:** www.gulshanindia.com

**NOTICE CONVENING MEETING OF THE UNSECURED CREDITORS OF
GULSHAN POLYOLS LIMITED PURSUANT TO ORDER DATED JULY 14, 2021 OF
THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, ALLAHABAD BENCH**

Meeting	
Day	Saturday
Date	September 18, 2021
Time	1:00 P.M. (IST)
Venue of Meeting	Solitaire INN Hotel, 6 Mile Stone, Meerut Road, National Highway 58, Muzaffarnagar, Uttar Pradesh-251002

Sr. No.	Contents	Page Nos.
1.	Notice of the meeting of unsecured creditors of Gulshan Polyols Limited (" Notice ")	A-4
2.	Explanatory Statement under Sections 230 and 232 read with Section 102 and other applicable provision of the Companies Act, 2013 (" Act ") and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (" CAA Rules ")	A-10
3.	Annexure I Scheme of Amalgamation of Gulshan Holdings Private Limited (" Transferor Company No. 1 ") and East Delhi Importers & Exporters Private Limited (" Transferor Company No. 2 ") with Gulshan Polyols Limited (" Transferee Company " or " Company ") and their respective shareholders and creditors (" Scheme ").	B-1
4.	Annexure II Order dated July 14, 2021 passed by the Hon'ble National Company Law Tribunal, Allahabad Bench (" Tribunal ") in Company Application No. (CAA) No. 09/ALD of 2021.	B-45
5.	Annexure III Valuation Report dated August 06, 2020 prepared by Mr. Vardhman Doogar, a Chartered Accountant and the Registered Valuer describing the methodology adopted by them in arriving at and recommending the Share Exchange Entitlement Ratio (" Valuation Report ");	B-56
6.	Annexure IV Fairness Opinion dated August 06, 2020 prepared by M/s. Navigant Corporate	B-70

	Advisors Limited, a Category I Merchant Banker providing the Fairness Opinion on the Share Entitlement Ratio recommended by the Registered Valuer (" Fairness Opinion ")	
7.	Annexure V Complaint Report submitted by the Company to the National Stock Exchange of India Limited (" NSE ")	B-85
8.	Annexure VI Complaint Report submitted by the Company to the BSE Limited (" BSE ")	B-87
9.	Annexure VII Copy of Observation letter dated January 29, 2021 given by the NSE on the Scheme.	B-90
10.	Annexure VIII Copy of Observation letter dated February 01, 2021 given by the BSE on the Scheme.	B-92
11.	Annexure IX Report adopted by the Board of Directors of the Company of the Transferee Company in its meeting held on August 06, 2020 pursuant to the provisions of Section 232(2)(c) of the Act.	B-94
12.	Annexure X Report adopted by the Board of Directors of the Transferor Company No. 1 in its meeting held on August 06, 2020 pursuant to the provisions of Section 232(2)(c) of the Act.	B-97
13.	Annexure XI Report adopted by the Board of Directors of the Transferor Company No. 2 in its meeting held on August 06, 2020 pursuant to the provisions of Section 232(2)(c) of the Act.	B-100
14.	Annexure XII Information in the format prescribed for abridged prospectus pertaining to the unlisted entity i.e., Transferor Company No. 1 involved in the Scheme as specified in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (" ICDR Regulations ") along with the compliance report issued by D & A Financial Services (P) Limited, a Category I Merchant Banker.	B-103
15.	Annexure XIII Information in the format prescribed for abridged prospectus pertaining to the unlisted entity i.e., Transferor Company No. 2 involved in the Scheme as specified in Part E of Schedule VI of the ICDR Regulations along with the compliance report issued by D & A Financial Services (P) Limited, a Category I Merchant Banker.	B-116
16.	Annexure XIV Audited financial statements of the Transferee Company as on March 31, 2021 and unaudited financial results (limited reviewed) of the Transferee Company for the quarter ended June 30, 2021.	B-128
17.	Annexure XV Audited standalone and consolidated financial statements of the Transferor Company No. 1 as on March 31, 2021	B-169
18.	Annexure XVI	B-224

	Audited financial statements of the Transferor Company No. 2 as on March 31, 2021	
19.	Annexure XVII Pre and post scheme, expected capital structure and shareholding pattern of the Transferee Company.	B-237
20.	Annexure XVIII Auditor's certificates that the accounting treatment proposed in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Act.	B-241
21.	Form of Proxy	C-1
22.	Attendance Slip	C-4
23.	Route Map for the venue of the Meeting	C-5

The Notice of the Meeting, Statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the CAA Rules (page nos. A-1 to A-31), Annexure I to Annexure XVIII (page nos. B-1 to B-243) and form of proxy, attendance slip and route map (page nos. C-1 to C5) constitute a single and complete set of documents and should be read together as they form an integral part of this document.

**IN THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, ALLAHABAD BENCH
CA (CAA) No. 09/ALD of 2021**

IN THE MATTER OF SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

AND

IN THE MATTER OF THE SCHEME OF AMALGAMATION BETWEEN GULSHAN HOLDINGS PRIVATE LIMITED, EAST DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED WITH GULSHAN POLYOLS LIMITED

AND

Gulshan Holdings Private Limited, a company incorporated)
under the Companies Act, 1956 having Corporate Identity)
Number: U74899UP1985PTC128005 and its registered office at)
9th K.M., Jansath Road, Muzaffanagar – 251001, Uttar Pradesh,) ... Transferor Company No. 1
India.)

East Delhi Importers & Exporters Private Limited, a company)
incorporated under the Companies Act, 1956 having Corporate)
Identity Number: U60231UP1997PTC129363 and its registered)
office at 9th K.M., Jansath Road, Muzaffanagar – 251001, Uttar) ... Transferor Company No. 2
Pradesh, India.)

Gulshan Polyols Limited, a company incorporated under the)
Companies Act, 1956 having Corporate Identity Number:)
L24231UP2000PLC034918 and its registered office at 9th K.M.,)
Jansath Road, Muzaffanagar – 251001, Uttar Pradesh, India.) ... Company/Transferee Company

NOTICE CONVENING MEETING OF UNSECURED CREDITORS

To,

**All the Unsecured Creditors of
Gulshan Polyols Limited**

1. NOTICE is hereby given that, in accordance with the Order dated July 14, 2021 in the above-mentioned Company Scheme Application, passed by the Hon'ble National Company Law Tribunal, Allahabad Bench ("**Tribunal**") ("**Tribunal Order**"), a meeting of the unsecured creditors of the Transferee Company, will be held for the purpose of their considering, and if thought fit, approving, with or without modification(s), the proposed Scheme of Amalgamation of Gulshan Holdings Private Limited ("**Transferor Company No. 1**") and East Delhi Importers & Exporters Private Limited ("**Transferor Company No. 2**") with Gulshan Polyols Limited ("**Transferee Company**" or "**Company**") and their respective shareholders and creditors ("**Scheme**") at Solitaire INN Hotel, 6 Mile Stone, Meerut Road, National Highway 58, Muzaffanagar, Uttar Pradesh-251002 on Saturday, September 18, 2021 at 1.00 p.m. (IST), being the venue, date and time as decided by the Hon'ble Tribunal in the Tribunal Order.
2. Pursuant to the said Tribunal Order and as directed therein, the meeting of the unsecured creditors of the Transferee Company ("**Meeting**") will be held at aforementioned venue, date and time in compliance with the applicable provisions of the Companies Act, 2013 ("**Act**") and Securities and Exchange Board of India (Listing

Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”) to consider, and if thought fit, pass, with or without modification(s), the following resolution for approval of the Scheme by requisite majority as prescribed under Section 230 (1) and (6) read with Section 232(1) of the Act and SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017 and SEBI Circular SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020, as amended:

“**RESOLVED THAT** pursuant to the provisions of Section 230 read with section 232 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions of the Companies Act, 2013, the rules, circulars, and notifications made thereunder (including any statutory modification or re-enactment thereof) as may be applicable, the Securities Exchange Board of India Circular No CFD/DIL3/CIR/2017/21 dated March 10, 2017, the observation letters issued by BSE Limited *vide* letter dated February 01, 2021 and the National Stock Exchange of India Limited *vide* letter dated January 29, 2021 respectively and subject to provisions of the Memorandum and Articles of Association of the Company and subject to approval of the Hon’ble National Company Law Tribunal, Allahabad Bench (‘**NCLT**’) and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the Hon’ble NCLT or by any regulatory or other authorities, while granting such consents, approvals and permissions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the ‘**Board**’, which term shall deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any other person authorized by it to exercise its powers including the powers conferred by this Resolution), the arrangement embodied in the Scheme of Amalgamation of Gulshan Holdings Private Limited and East Delhi Importers & Exporters Private Limited with Gulshan Polyols Limited and their respective Shareholders and creditors (‘**Scheme**’), be and is hereby approved.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the amalgamation embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the Hon’ble NCLT while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any doubts or difficulties that may arise in giving effect to the Scheme, as the Board may deem fit and proper.”

3. Due to difficulty in dispatch of the Notice along with the explanatory statement by post or courier, on account of threat posed by COVID-19 pandemic situation and as permitted under by the Hon’ble Tribunal, the Company is sending the Notice in electronic form only. The unsecured creditors can vote on resolution through physical voting during the meeting. Assent or dissent of the unsecured creditors, in person or by proxy on the resolution mentioned in the Notice would only be taken through ballot / polling paper in the Meeting.
4. A person, whose name is recorded in the Books of Transferee Company as on the cut-off date, i.e., **Wednesday, March 31, 2021** only shall be entitled to exercise his/her/its voting rights on the resolution proposed in the Notice and attend the Meeting. A person who is not an unsecured creditor as on the cut-off date, should treat the Notice for information purpose only.
5. A copy of the said Scheme, statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (“**CAA Rules**”) along with all annexures to such statement are enclosed herewith. A copy of this Notice and the accompanying documents are also placed on the website of the Company viz. www.gulshanindia.com;

and the website of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com.

6. Copies of the said Scheme and of the statement under Section 230 of the Companies Act, 2013 read with Rule 6(3) of the CAA Rules can be obtained free of charge on any day (except Saturday, Sunday and public holidays) at the registered office of the Transferee Company at 9th K.M., Jansath Road, Muzaffanagar – 251001. Persons entitled to attend and vote at the Meeting may vote in person, by proxy, provided that all proxies in the prescribed form, duly completed and signed or authenticated by the concerned person, are deposited at the registered office of the Transferee Company as mentioned above not later than 48 hours before the scheduled time of the Meeting. Forms of Proxy can be obtained free of charge on any day (except Saturday, Sunday and public holidays) at the registered office of the Transferee Company at 9th K.M., Jansath Road, Muzaffanagar – 251001.
7. The Hon'ble Tribunal has appointed Mr. Rajeev K Goel, as the Chairperson of the Meeting, including for any adjournment(s) thereof. The Tribunal has also appointed Mr. Anadi Krishna Narayan, as the Alternate Chairperson for the meeting including for any adjournment(s) thereof and appointed Mr. Shashi Kant Gupta as the Scrutinizer for the Meeting, including for any adjournment(s) thereof. The Scheme, if approved by the Meeting, will be subject to the subsequent approval of the Hon'ble Tribunal.
8. The above-mentioned Scheme, if approved at the aforesaid Meeting, will be subject to the subsequent sanction of the Tribunal and such other approvals, permissions and sanctions of regulatory or other authorities, as may be necessary.

Sd/-
Rajeev K Goel
Chairperson appointed by
Tribunal for the Meeting

Uttar Pradesh, August 14, 2021

Registered Office:
9th K.M., Jansath Road, Muzaffanagar – 251001,
Uttar Pradesh, India.
Phone: +91 11 49999200
Fax: +91 11 49999202
E-mail: cs@gulshanindia.com
Website: www.gulshanindia.com

Notes:

1. **AN UNSECURED CREDITOR OF THE TRANSFEREE COMPANY IS ENTITLED TO ATTEND AND VOTE AT THE TRIBUNAL CONVENED MEETING OF THE UNSECURED CREDITORS ("MEETING"), EITHER IN PERSON OR BY PROXY OR THROUGH AN AUTHORIZED REPRESENTATIVE, AS THE CASE MAY BE. WHERE A BODY CORPORATE WHICH IS AN UNSECURED CREDITOR AUTHORIZES ANY PERSON TO ACT AS ITS REPRESENTATIVE AT THE MEETING, A COPY OF THE RESOLUTION OF THE BOARD OF DIRECTORS OR OTHER GOVERNING BODY OF SUCH BODY CORPORATE AUTHORIZING SUCH PERSON TO ACT AS ITS REPRESENTATIVE AT THE MEETING, AND CERTIFIED TO BE A TRUE COPY BY A DIRECTOR, THE MANAGER, THE SECRETARY, OR OTHER AUTHORIZED OFFICER OF SUCH BODY CORPORATE SHALL BE LODGED WITH THE TRANSFEREE COMPANY AT ITS REGISTERED OFFICE NOT LATER THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING.**
2. **AN UNSECURED CREDITOR ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF ITSELF AND THE PROXY NEED NOT BE AN UNSECURED CREDITOR OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS PRIOR TO THE COMMENCEMENT OF THE MEETING. NO PERSON SHALL BE APPOINTED AS PROXY WHO IS MINOR.**
3. An unsecured creditor/its proxy, attending the Meeting, is requested to bring the Attendance Slip duly completed and signed or authenticated by the concerned person along with a copy of the deposited Form of Proxy (in case of a proxy).
4. In case of joint holders attending the Meeting, only such joint holder whose name appears at the top in the hierarchy of names shall be entitled to vote.
5. An unsecured creditor (in case such unsecured creditor is an individual) or the authorized representative of the unsecured creditor (in case such unsecured creditor is a body corporate) or the proxy, as the case may be should carry their valid and legible identity proof (i.e. a PAN Card/ Aadhaar Card/ Passport/ Driving License/ Voter ID Card). Additionally, an unsecured creditor (in case such unsecured creditor is a sole proprietorship) or the proxy, as the case may be should carry a valid document evidencing the individual as the proprietor of the sole proprietorship.
6. The statement pursuant to Sections 230 and 232 read with Section 102 and other applicable provisions of the Companies Act, 2013 ("**Act**") and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in respect of the business set out in the Notice of the Meeting is annexed hereto.
7. The Notice of the Meeting and the accompanying documents mentioned in the Index are being sent through electronic mode to those unsecured creditors whose email addresses are registered with the Company and by way of publication of notice in Newspapers (as mentioned below) for the unsecured creditors whose email addresses are not registered with the Company.
8. A person, whose name is recorded in the Register of Transferee Company as on the cut-off date, i.e., **Wednesday, March 31, 2021** only shall be entitled to exercise his/her/its voting rights on the resolution proposed in the Notice and attend the Meeting. A person who is not an unsecured creditor as on the cut-off date, should treat the Notice for information purpose only.

9. The unsecured creditors may note that the aforesaid documents are also available on the website of the Company and can be accessed / downloaded using the below given link: http://www.gulshanindia.com/scheme_of_amalgamation.html and on the website of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively.

If so desired, unsecured creditors may obtain a physical copy of the Notice and the accompanying documents, i.e., Scheme and the Statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 etc., free of charge. A written request in this regard, along with details of your debt in the Company, may be addressed to the Company Secretary at cs@gulshanindia.com.

10. The notice, Explanatory Statement together with the documents accompanying the same, are being sent through by email to those unsecured creditors who have registered their email Ids with the Transferee Company.
11. In terms of the directions contained in the Order, the quorum for the Meeting shall be 5 in number as prescribed for shareholders in accordance with Section 103 of the Act. Further, in case the aforesaid quorum for the Meeting is not present within the time appointed for the meeting, then the meeting shall be adjourned for half an hour, and thereafter the unsecured creditors, present and voting (provided there is at least one unsecured creditor present), shall be deemed to constitute the quorum. For the purposes of computing the quorum, the valid proxies/authorized representatives shall also be considered.
12. In terms of Sections 230 to 232 of the Act, the Scheme shall be considered approved by the unsecured creditors of the Transferee Company if the resolution mentioned in the notice has been approved at the Meeting by a majority in number representing three-fourths in value of the unsecured creditors of the Transferee Company, voting in person or by proxy.
13. In terms of the directions contained in the Order, the advertisement of the Meeting will be published in the "**Financial Express**" (in English) and "**Jansatta**" (Hindi) indicating the day, date, place and time of the Meeting and stating that the copies of the Scheme, Explanatory Statement and the Form of Proxy can be obtained free of charge on any day (except Saturday, Sunday and public holidays) from the registered office of the Transferee Company at 9th K.M., Jansath Road, Muzaffanagar – 251001.
14. It may be noted that the ballot / polling paper will be provided at the Meeting venue.
15. The scrutinizer will submit his report to the chairperson after completion of the scrutiny of the ballot / polling paper submitted by the unsecured creditors. The scrutinizer's decision on the validity of the votes shall be final. The results of the voting along with the Scrutinizer's Report shall be displayed at the registered office of the Transferee Company situated at 9th K.M., Jansath Road, Muzaffanagar – 251001 and its website(www.gulshanindia.com) besides being communicated to the stock exchanges where the equity shares of the Transferee Company are listed, namely, the National Stock Exchange of India Limited and BSE Limited (collectively, the "**Stock Exchanges**").

16. Any queries/grievances in relation to notice may be addressed to the company secretary of the Transferee Company through e-mail: cs@gulshanindia.com. The company secretary of the Transferee Company can also be contacted at +91 11 49999200.

**IN THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, ALLAHABAD BENCH
CA (CAA) No. 09/ALD of 2021**

IN THE MATTER OF SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

AND

IN THE MATTER OF THE SCHEME OF AMALGAMATION BETWEEN GULSHAN HOLDINGS PRIVATE LIMITED, EAST DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED WITH GULSHAN POLYOLS LIMITED

AND

Gulshan Holdings Private Limited, a company incorporated)
under the Companies Act, 1956 having Corporate Identity)
Number: U74899UP1985PTC128005 and its registered office at)
9th K.M., Jansath Road, Muzaffanagar – 251001, Uttar Pradesh,) ... Transferor Company No. 1
India.)

East Delhi Importers & Exporters Private Limited, a company)
incorporated under the Companies Act, 1956 having Corporate)
Identity Number: U60231UP1997PTC129363 and its registered)
office at 9th K.M., Jansath Road, Muzaffanagar – 251001, Uttar) ... Transferor Company No. 2
Pradesh, India.)

Gulshan Polyols Limited, a company incorporated under the)
Companies Act, 1956 having Corporate Identity Number:)
L24231UP2000PLC034918 and its registered office at 9th K.M.,)
Jansath Road, Muzaffanagar – 251001, Uttar Pradesh, India.) ... Company/Transferee Company

STATEMENT UNDER SECTIONS 230 AND 232 READ WITH SECTION 102 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 (“ACT”) AND RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 (“CAA RULES”) TO THE NOTICE OF THE MEETING OF UNSECURED CREDITORS OF GULSHAN POLYOLS LIMITED, TRANSFEEE COMPANY, CONVENED PURSUANT TO ORDER OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, ALLAHABAD BENCH (“TRIBUNAL”) DATED JULY 14, 2021 (“TRIBUNAL ORDER”)

I. Meeting for the Scheme

This is an Explanatory Statement accompanying the Notice convening the meeting of unsecured creditors of Gulshan Polyols Limited (“**Company**” or “**Transferee Company**”), for the purpose of their considering and if thought fit, approving, with or without modification(s), the proposed Scheme of Amalgamation between Gulshan Holdings Private Limited (“**Transferor Company No. 1**”) and East Delhi Importers & Exporters Private Limited (“**Transferor Company No. 2**”) (collectively referred to as the “**Transferor Companies**”) with Gulshan Polyols Limited (“**Transferee Company**” or “**Company**”) and their respective shareholders and creditors (“**Scheme**”). The Scheme provides for: (a) Amalgamation (merger by absorption) of Transferor Company No. 1 into and with the Transferee Company and consequent dissolution of the Transferor Company No. 1 without winding up; and (b) Amalgamation (merger by absorption) of Transferor Company No. 2 into and with Transferee Company and consequent dissolution of the Transferor Company No. 2 without winding up, under Sections 230 to 232 and other applicable provisions of the Act.

Capital terms not defined herein and used in the Notice and this Statement shall have the same meaning as ascribed to them in the Scheme.

II. Rationale and Benefits of the Scheme

The amalgamation of the Transferor Companies with the Transferee Company would *inter alia* have the following benefits:

- a) Help in achieving improved operational efficiency and optimum advantages and also to achieve greater efficiency and synergy in operations by combining the activities of the Transferor Companies with the Transferee Company. Accordingly, the Scheme would strengthen and complement the businesses of the Companies;
- b) The amalgamated entity will benefit from optimum utilization of manpower through improved organizational capacity and leadership, arising from the combination of people from the Transferor Companies and Transferee Company which have diverse skills, talent, management expertise, enlarged knowledge base and vast experience to compete successfully in an increased competitive industry;
- c) The amalgamated entity shall reduce fixed costs by removing duplicate departments, operations and lower the cost of the Company relative to the same revenue stream and shall thus increase the profit margins;
- d) The amalgamation will offer a simplified corporate structure to the amalgamated entity;
- e) Under a liberalised, fast changing and highly competitive environment, this amalgamation shall strengthen the business of the Transferor Companies and the Transferee Company by pooling up the resources, business expertise, business processes and assets for common purpose and hence optimum utilization;
- f) The synergies that exist between the entities in terms of services and resources can be put to the best advantage of all stakeholders;
- g) The amalgamation will result in better economic control, increased financial strength and flexibility and enhance the ability of the amalgamated entity to undertake large projects, thereby contributing to enhancement of future business potential;
- h) Cost savings are expected to flow from more focused operational efforts, rationalisation, standardisation and simplification of business processes, productivity and improvements, improved procurement and the elimination of duplication and rationalization of administrative expenses;
- i) The consolidation of the companies engaged in similar & complementary line of business in one entity, under a single centralized system of management, will result in the management being able to exercise greater control over the operations of the companies and which will help in synchronising the operations. This will also result in the management being enabled to undertake any re-structuring /re-organization of the various business undertakings of the companies for the purposes of achieving optimum efficiency /and or to attract investments in the individual business undertakings of the Companies.

III. Background of the Companies

1. Particulars of the Transferor Company No. 1

a. **Gulshan Holdings Private Limited** is a private limited Company within the meaning of the Companies Act, 2013, having its registered office at 9th K.M., Jansath Road, Muzaffarnagar - 251001, Uttar Pradesh, India and Corporate Identity Number (CIN) U74899UP1985PTC128005. The Transferor Company No. 1 was originally incorporated as a Company limited by shares on 20th November, 1985 under Companies Act, 1956 under the name of "Gulshan Marketing Private Limited". Thereafter, pursuant to Section 23 of the Companies Act, 1956 and under the order of the Central Government, the name of the Transferor Company No. 1 was changed to Gulshan Holdings Private Limited and a fresh certificate of change of name was issued to the Company on February 14, 2002. The Transferor Company No. 1 by a special resolution shifted its registered office from the State of Delhi to the State of Uttar Pradesh from the jurisdiction of Registrar of Companies, NCT of Delhi & Haryana to the Registrar of Companies, Kanpur, and the same was confirmed by the order of the Regional Director, Northern Region, Delhi dated February 25, 2020. A certificate of registration issued by Registrar of Companies for the change of state was issued to the Transferor Company No. 1 on March 19, 2020. The Permanent Account Number (PAN) of the Transferor Company No. 1 is AAACG5688F. The Equity Shares of the Transferor Company No. 1 are not listed on any of the Stock Exchanges. The Transferor Company No. 1 is the holding Company of Transferee Company and holds 56.22% equity shareholding in the Transferee Company. The email address of the Transferor Company No. 1 is cs@gulshanindia.com.

b. Main Objects of the Transferor Company No. 1 have been summarized as below for the perusal of the shareholders:

"1. To take or otherwise acquire, and hold shares in any other company having objects altogether or in part similar to those of this company or carrying on any business capable of being conducted so as to directly or indirectly benefit this company.

2. To guarantee the payment of money unsecured or secured by or payable under or in respect of promissory notes bonds, debentures, debenture stocks, contracts mortgages, charges, obligations, instants and securities of any company or of any authority, supreme, municipal local or otherwise or of any person whomsoever whether incorporated or not incorporated, and generally to guarantee or become sureties for the performance of any contracts and obligations.

3. To invest in other than investment in Company's own shares and deal with the moneys in the company, not immediately required upon, in such securities and in such manner as may from time to time be determined.

4. To buy or sell or trade in any goods on behalf of its principal or otherwise."

c. The share capital of the Transferor Company No. 1 as on date of this Notice is as follows:

Particulars	Amount in INR
Authorized Share Capital	
55,500 Equity Shares of Rs. 1000/- each.	5,55,00,000
Total	5,55,00,000
Issued, Subscribed and Paid-up Share Capital	
707 Equity Shares of Rs. 1000/- each.	7,07,000

Total	7,07,000
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The latest annual financial statements of the Transferor Company No. 1 have been audited for the financial year ended on March 31, 2021. Consolidated and standalone audited financial results of the Transferor Company No. 1 for the year ended March 31, 2021 are attached collectively hereto as Annexure "XV".

- d. The details of Directors and Promoters of the Transferor Company No. 1 (as on the date of the Notice) along with their addresses are mentioned herein below:

Sr. No.	Name	Category	Address
Directors			
1.	Dr. Chandra Kumar Jain	Non-Executive Director	N-142, Panchsheel Park, Malviya Nagar, Hauz Khas, South Delhi, Delhi-110017
2.	Mrs. Mridula Jain	Non-Executive Director	N-142, Panchsheel Park, Malviya Nagar, Hauz Khas, South Delhi, Delhi-110017
3.	Mrs. Arushi Jain	Non-Executive Director	S-237, 2nd Floor, Panchsheel Park, Delhi-110017
Sr. No.	Name	Address	
Promoters			
1.	Dr. Chandra Kumar Jain	N-142, Panchsheel Park, Malviya Nagar, Hauz Khas, South Delhi, Delhi-110017	
2.	Mrs. Mridula Jain	N-142, Panchsheel Park, Malviya Nagar, Hauz Khas, South Delhi, Delhi-110017	
3.	Ms. Arushi Jain	S-237, 2nd Floor, Panchsheel Park, Delhi-110017	
4.	Ms. Aditi Pasari	S-319, Greater Kailash, Part-II, Greater Kailash S.O., South Delhi, Delhi-110048	
5.	Ms. Anubha Gupta	A-5 Block-A, Kalindi Colony, East of Kailash, South Delhi, Delhi-110065	

2. Particulars of the Transferor Company No. 2

- a. **East Delhi Importers & Exporters Private Limited** is a private limited Company within the meaning of the Companies Act, 2013, having its registered office at 9th K.M., Jansath Road, Muzaffarnagar - 251001, Uttar Pradesh, India and Corporate Identity Number (CIN) U60231UP1997PTC129363. The Transferor Company No. 2 was originally incorporated as a Company limited by shares on 23rd July, 1997 under Companies Act, 1956 under the name of "Atul Transport Private Limited". Thereafter, pursuant to Section 23 of the Companies Act, 1956 and under the order of the Central Government, the name of the Transferor Company No. 2 was changed to East Delhi Importers and Exporters Private Limited and a fresh certificate of change of name was issued to the Company on June 23, 2007. The Transferor Company No. 2 by a special resolution shifted its registered office from the State of Delhi to the State of Uttar Pradesh from the jurisdiction of Registrar of Companies, NCT of Delhi & Haryana to the Registrar of Companies, Kanpur, and the same was confirmed by the order of the Regional Director, Northern Region, Delhi dated February 25, 2020. A certificate of registration issued by Registrar of Companies, Kanpur for the change of state was issued to the company on June 10, 2020. The Permanent Account Number (PAN) of the Transferor Company No.

2 is AABCA3294L. The Equity Shares of the Transferor Company No. 2 are not listed on any of the Stock Exchanges. The email address of the Transferor Company No. 2 is akg@gulshanindia.com.

- b. Main Objects of the Transferor Company No. 2 have been summarized as below for the perusal of the shareholders:

"1. To carry on the business as exporters, importers, buyers, sellers, distributors, agents, brokers, factors, stockiest, commission agents and dealers, of Textile, cotton, fabric, silk, jute, woolen, and synthetics, leather wear, Organic and inorganic chemicals, domestic and industrial acids, sugar, sugar products, alcohol, rubber, plastic and all kinds of plastics products, tannery products, Engineering goods, machine tools, small tools, metals, alloys, iron pipe fitting, nuts and bolts, bicycles and accessories, automobile parts and steel, stainless steel and iron products, ores and scraps, metallurgical residues hides, skins, leather goods, furs, bristles, tobacco (raw and manufactured) hemp, seeds, edible and non-edible oils bones crushed and uncrushed, industrial diamonds, coal and charcoal, glue, gums and resins, ivory, lac, shellac, manures, paper and paper products, food and food products, pulp or rags, rubber, tanning, substances, wax, quartz, crystal, chemicals and chemical preparations, plastic and lineoleum articles, glass and glassware, handicrafts, handloom, toys, liquid gold, precious stones, ornaments, jewellery, pearls, drugs and medicines, soaps, paints, paper and stationery, spot goods textile such as decorative, hand and machine made, readymade garments, carpets, rugs, artificial silk fabrics, cotton, woolen cloth and apparels, dressing materials, cosmetics, wigs, belts, belting, cinematograph, films, exposed, gramophone, records, stardh, umbrellas, crown corks, batteries, surgical and musical instruments, marble and hardware items, books and manuscripts, electric and electronic products, sanitary wares and fittings, cellulosic and cellulosic products, fibre yarn, hosiery bran, fruits, dry foods, grains and pulses, flour, confectionary, alcohol, beverages, perfumed spirits, spices, tea, coffee, sugar and molasses, vegetables and its products, processed foods and packed foods, fish and sea foods/products.

2. To buy, procure, sell, import, export or otherwise deal in the computer software, programmes, packages, computer hardware and computer peripheral.

3. To carry in India or abroad business of importers and exporters, merchants, general order suppliers, commission, agents, representatives, distributors, royalty, owners, contractors, auctioneers, guarantee brokers, indent agents, mercantile agents, passage agents, principals, factors, organizers, concessionaires, sale agents, sub-agents, insurance agents, enquiry agents, patent agents, advertisement agents, transport contractors, shipping agents, surveyors, valuers, trasurers, furnishers, decorators, general representatives agents in all its branches in respect of items stated (1& 2 above).

4. To carry on business as general carriers, transporters and freight forwarders and to provide carrier freight transport, courier, taxi, truck, light or heavy haulage and delivery services by land, road, railway, sea, river, canal, water or air for and in connection with any containers, packages, parcels, mails, goods or bulk commodities.

5. To carry passengers by air, road, rail, land, sea, or water, to operate any taxi service and to construct, equip, maintain, work, purchase, sell, export, import, lease, hire, let on hire, repair, refurbish, or otherwise deal in any aircraft, ship, car, bus or any kind of vehicle or mode of transport.

6. To carry, collect, receive, load, unload, store, consign, distribute, transfer and deliver goods, wares, merchandise, parcels, packages, baggage, freight, animals, livestock, timber, coal, oil, ores and other property of every description by any mode of transportation, and generally for such purposes to acquire, manage and operate warehouses, and bounded warehouses, act as agents for shippers and consigners, and to issue warehouse warrants and receipts and bills of loading.

7. To carry on the business as manufactures in respect of various items mentioned in object Clause III (A) 1 and to develop the computer software, programmes, packages, computer hardware and computer peripheral.”

- c. The share capital of the Transferor Company No. 2 as on date of this Notice is as follows:

Particulars	Amount in INR
Authorized Share Capital	
10,000 Equity Shares of Rs. 10/- each.	1,00,000
Total	1,00,000
Issued, Subscribed and Paid-up Share Capital	
10,000 Equity Shares of Rs. 10/- each.	1,00,000
Total	1,00,000

The latest annual financial statements of the Transferor Company No. 2 have been audited for the financial year ended on March 31, 2021. The audited financial results of the Transferor Company No. 2 for the year ended March 31, 2021 is attached hereto as Annexure “XVI”.

- e. The details of Directors and Promoters of the Transferor Company No. 2 (as on the date of the Notice) along with their addresses are mentioned herein below:

Sr. No.	Name	Category	Address
Directors			
1.	Mr. Avdhesh Kumar Garg	Non-Executive Director	SF-1, Plot No. 147, Sector 4, Vaishali, Ghaziabad, Uttar Pradesh- 201010
2.	Ms. Aditi Pasari	Non-Executive Director	S-319, Greater Kailash, Part-II, Greater Kailash S.O., South Delhi, Delhi-110048, India
Sr. No.	Name	Address	
Promoters			
1.	Dr. Chandra Kumar Jain	N-142, Panchsheel Park, Malviya Nagar, Hauz Khas, South Delhi, Delhi-110017	
2.	Mrs. Mridula Jain	N-142, Panchsheel Park, Malviya Nagar, Hauz Khas, South Delhi, Delhi-110017	
3.	Ms. Arushi Jain	S-237, 2nd Floor, Panchsheel Park, Delhi-110017	

3. Particulars of the Transferee Company

- a. **Gulshan Polyols Limited** is a public limited company within the meaning of the Companies Act, 2013 having its registered office at 9th K.M., Jansath Road, Muzaffarnagar - 251001, Uttar Pradesh,

India and Corporate Identity Number (CIN) L24231UP2000PLC034918. The equity shares of the Transferee Company are listed at BSE Limited (“**BSE**”) and National Stock Exchange of India Limited (“**NSE**”). The Transferee Company was originally incorporated on 20th October 2000 as a limited Company under the provisions of the Companies Act, 1956. The Permanent Account Number (PAN) of the Transferee Company is AABCG3954F. The email address of the Transferee Company is cs@gulshanindia.com.

- b. Main Objects of the Transferee Company have been summarized as below for the perusal of the shareholders:

“1. To carry on the business as manufacturer, dealer, importer, exporter, and generally to deal in Starch made from all type of grains and topioca, Starch Derivatives like sorbitol, DMH, Mannitol, Maltodextrin, Dextrose, Lysine, Fructose, Liquid Glucose and all allied products and by products thereof.

2. To carry on the business as manufacturer, mining, dealer, exporter, importer in all type of inorganic chemicals and minerals such as activated and precipitated Calcium Carbonate of all grades and specifications, Chalk, Industrial chalk, Calcite, soap stones, all varieties of stones including lime, marbles, granite and all allied products and by products thereof.

3. To carry on the business as manufacturer, bottler, dealer, exporter, importer in all type of alcohol made from molasses & grains including IMFL, ENA, ATA, Country Liquor, Wine, and all allied products and by products thereof.

4. To carry on the business as manufacturer, dealer, exporter, importer in all type of paper, paper products, Sugar, Sugar beets, sugar cane, Gur, cab, Khandsari, jaggery, molasses, yeast, syrups Fertilizers, manures, medicines of all kinds including Calcium Carbide, Sodium Hydrosulphate, acids, alkaliessalts, Dyes, caustic soda, soda ash, glass etc., pharmaceuticals, petroleum and other oils and their byproducts, derivatives, compounds, mixtures, formulations and all kinds of commodities having chemical properties, industrial greases and lubricants, Glycerin, Distilled water, water soluble, water for injection, and / or otherwise deal in such commodities.

5. To design, invent, assemble, manufacture, generate, buy, sell, lease, import, export, conduct, research, impart training, develop, maintain, repair, hire, rent on hire, to let out the land & building, alter design, distribute, provide services including consultancy and / or otherwise deal in wind power, Hydro power, Thermal power, Solar power, power equipments, power transmission, power transformer, power infrastructure, electric cables or otherwise deal in power sector.

6. To carry on the business as manufacturers, producers, growers, exporters, buyers, sellers, agents, merchant and dealers in all kinds of Agro products including caster seed processing, processed /canned mushrooms, fruits, vegetables, flowers, herbs and forest products, their stems, roots, leaves and seeds etc. and their various products and by products like squashes, concentrates, juices, ready to serve beverages, crushes, jams, slices pickles, chutnies, ketchups, peel oils, pomace, peel, cattle feed, seeds synthetic sweetened aerated waters, canned and dehydrated vegetables, purees, soups, pastes, chips and wafers.

7. To carry on the business in all their respective forms and branches and to grow, produce

manufacture, process, prepare, refine, extract, manipulate, hydrolyze, deodorise, grind, bleach, hydrogenate, buy, sell or otherwise deal in all kind of agricultural, horticultural, milk and milk products, maltery and brewery, dairy and dairy products, poultry and farm product and products including food grains, edible oils, meat, fish, eggs, food and food products and preparations of any nature and description whatsoever.

8. To carry on the business in India or abroad of Information Technology (IT), Information Technology Enabled services (ITES), providing, taking or otherwise dealing, training, educating, imparting knowledge, consultancy in computer software, hardware including the business of data entry, programming, processing, developing, Importing/ Exporting/ initiating of software data records, information, developing the module whether technical or otherwise, to carry on the business or the services of call centers, back office processing, Embedded software business, Smart Card, ASP, Outsourcing including Business Process Outsourcing (BPO) and Knowledge Process Outsourcing (KPO), Communication & Networking, Media & Entertainment (including TV Channels) TV serial development, distribution or otherwise dealing in entertainment and media business, Web Development Services, purchase or sell of websites, website developments & designing including development, distribution or otherwise dealing in entertainment and media business, Web Development Services, purchase, or sell of websites, website developments & designing including development of dot com business, chat shows, Medical Transcription, On-site services etc. or any other related or allied business, services etc. directly or indirectly.

9. To purchase, acquire, build, construct, alter, enlarge, remove, pull down, replace, maintain, improve, develop, work control, manage and let out on hire any land, building, houses, offices, apartments, colonies, factories, go-downs, mills, sheds, ships, machinery, engines, water-works, gasworks, bridges, wharves, reservoirs, roads, tramways, railways, branches or sidings, hotels, clubs, restaurants, shopping complexes, shopping malls, multiplexes, places of worship, places of amusements, pleasure grounds, park, gardens, reading rooms, stores, shops, dairies, and other works and conveniences and infrastructures or otherwise deal in real estate sector.

10. To design, invent, assemble, manufacture, buy, sell, lease, import, export, conduct research, impart training, develop, maintain, repair, hire, let on hire, to let out the land & building, alter design, distribute, provide services including consultancy or otherwise deal in telecom hardware, telecom software, telecommunications equipments and their components including valves, transistors, micro-motors, resistors, condensers, coils magnetic, heads, with their parts, accessories and fittings.

11. To carry on the business as engineers, consultant, developers, manufacturers, importer, exporter, buy, sale, agent, distributor or otherwise deal in all kinds of electronic goods, electronic equipment and equipments operated electronically.

12. To plan, augment, establish, develop, erect, commission, set up, operate, maintain and supply all types of Plants, in India or elsewhere, to manufacture Calcium Carbonate of all grades and specifications (including Percipated Calcium Carbonate, Dry Ground Calcium Carbonate and Wet Grind/Ground Calcium Carbonate), Starch or Starch derivatives and to provide or acquire technical know-how, technical information, process engineering, design and drawings, layouts, blue prints useful for designing, erection, construction, commissioning, operation and maintenance of plant and equipment required for any of the business of the company.

13. To carry on the business as manufacturer, producer, trader, seller, buyers, exporters, distributor, commission agents, brokers, stockiest, consignment and indenting agents in all kind of cosmetics & toiletries including skin care, beauty care, health care, body care products and Ayurvedic, Herbal, Allopathic, unani, siddha, Homeopathic, Bio-chemic Medicines, Aroma therapy products, their derivatives, by-products, residue, deodorants, all kinds of perfumery & other compounds, disinfecting and cleansing compounds, aerosol and pump- spray products, baby products, skin creams and other cosmetics creams, soaps & shampoos and other bath products, pre-shave shaving and after-shave shaving preparations, oils, greases, ointments, pomades, health tonics, general medicines, and other allied goods and cosmetics.”

c. The share capital of the Transferee Company as on date of this Notice is as follows:

Particulars	Amount in INR
Authorized Share Capital	
22,50,00,000 Equity Shares of Rs. 1/- each.	22,50,00,000
2,50,000 Redeemable Preference Shares (0%) of Rs. 10/- each.	25,00,000
14,50,000 Redeemable Preference Shares (0-10%) of Rs. 100/- each.	14,50,00,000
Total	37,25,00,000
Issued, Subscribed and Paid-up Share Capital	
4,69,17,020 Equity Shares of Rs. 1/- each	4,69,17,020
9,75,000 Redeemable Preference Shares (8%) of Rs. 100/- each	9,75,00,000
Total	14,44,17,020

The latest annual financial statements of the Transferee Company have been audited for the financial year ended on March 31, 2021. The audited financial results of the Transferee Company for the year ended March 31, 2021 and unaudited financial results (limited reviewed) of the Transferee Company for the quarter ended June 30, 2021 are attached hereto as Annexure XIV.

d. The details of Directors and Promoters of the Transferee Company (as on the date of the Notice) along with their addresses are mentioned herein below:

Sr. No.	Name	Category	Address
Directors			
1.	Dr. Chandra Kumar Jain	Chairman and Managing Director	N-142, Panchsheel Park, Malviya Nagar, Hauz Khas, South Delhi, Delhi-110017
2.	Mr. Jeewan Jyoti Bhagat	Non-Executive Independent Director	E-372, 3rd Floor Greater Kailash - 2 New Delhi 110048
3.	Mr. Ashwani Kumar Vats	Whole Time Director and CEO	A-10, Surajmal Vihar, Delhi - 110092
4.	Mr. Akhilesh Kumar Maheshwari	Non-Executive Independent Director	D-149, Second Floor, D-Block Preet Vihar New Delhi 110092 DL IN
5.	Ms. Aditi Pasari	Whole Time Director	S-319, Greater Kailash, Part-II, Greater Kailash S.O., South

			Delhi, Delhi-110048, India
6.	Ms. Arushi Jain	Whole Time Director	S-237, 2nd Floor, Panchsheel Park, Delhi-110017
7.	Mr. Rakesh Kumar Gupta	Non-Executive Independent Director	2B-358, Vasundhara Ghaziabad 201012 UP IN
8.	Ms. Archana Jain	Non-Executive Independent Director	F- 13, Kirti Nagar, Ramesh Nagar. H O West Delhi, New Delhi -110015
Sr. No.	Name	Address	
Promoters			
1.	Dr. Chandra Kumar Jain	N-142, Panchsheel Park, Malviya Nagar, Hauz Khas, South Delhi, Delhi-110017	
2.	Mrs. Mridula Jain	N-142, Panchsheel Park, Malviya Nagar, Hauz Khas, South Delhi, Delhi-110017	
3.	Ms. Arushi Jain	S-237, 2nd Floor, Panchsheel Park, Delhi-110017	
4.	Ms. Aditi Pasari	S-319, Greater Kailash, Part-II, Greater Kailash S.O., South Delhi, Delhi-110048	
5.	Ms. Anubha Gupta	A-5 Block-A, Kalindi Colony, East of Kailash, South Delhi, Delhi-110065	

IV. Salient Features of the Scheme

The salient features of the Scheme, inter alia, are as stated below. The capitalized terms used herein shall have the same meaning as ascribed to them in the Scheme:

- a. The Scheme provides for: (a) Amalgamation (merger by absorption) of Transferor Company No. 1 into and with the Transferee Company and consequent dissolution of the Transferor Company No. 1 without winding up; and (b) Amalgamation (merger by absorption) of Transferor Company No. 2 into and with Transferee Company and consequent dissolution of the Transferor Company No. 2 without winding up, under Sections 230 to 232 and other applicable provisions of the Act.
- b. In consideration for the amalgamation of the Transferor Companies and Transferee Company in terms of the Scheme and based on the Valuation Report and Fairness Opinion, Gulshan Polyols Limited will issue and allot 2,99,82,536 (Two Crore Ninety-Nine Lakh Eighty-Two Thousands Five Hundred and Thirty Six) fully paid-up equity shares of the face value of INR 1/- (Rupee One) each, in the following manner:
 - i. 39,848 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.1000/- each fully paid up of Gulshan Holdings Private Limited.
 - ii. 181 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.10/- each fully paid up of East Delhi Importers and Exporters Private Limited
- c. The Scheme would not only lead to simplification of the shareholding structure and reduction of the shareholding tiers, but also demonstrate the promoter group direct commitment to and engagement with the Transferee Company. Also, it would lead to infusion of investments in forms of bank deposits, bank balance, securities, immoveable properties etc. into the Transferee Company which

will enhance the capability of the Transferee Company to undertake operations at an enhanced business potential.

- d. The Appointed Date of the Scheme shall be the opening business hours of 1st April, 2020 or such other date as may be fixed or approved by the Appropriate Authority.
- e. The Scheme shall become effective from the Appointed Date but shall be operative from the Effective Date.
- f. The equity shares of the Transferee Company shall continue to be listed on the Stock Exchanges.

Note: The above are the salient features of the Scheme. The shareholders are requested to read the entire text of the Scheme annexed hereto to get fully acquainted with the provisions thereto.

V. Relationship subsisting between Parties to the Scheme

The Transferee Company is a subsidiary of the Transferor Company No. 1. The Transferor Company No. 2 is the entity owned and controlled by the promoter group of the Transferee Company and Transferor Company No. 1. All the companies are under the common management and control.

VI. Board approvals

1. The Board of Directors of the Transferee Company at its Board Meeting held on August 06, 2020 unanimously approved the Scheme, as detailed below:

Name of Director	Voted in favour / against / did not participate or vote
Mr. Jeewan Jyoti Bhagat	In Favour
Mr. Ashwani Kumar Vats	In Favour
Mr. Akhilesh Kumar Maheshwari	In Favour
Mr. Kailash Chandra Gupta	In Favour
Mr. Rakesh Kumar Gupta	In Favour
Mr. Ajay Jain	In Favour
Dr. Chandra Kumar Jain	Not Participated for this particular resolution
Ms. Arushi Jain	Not Participated for this particular resolution
Ms. Aditi Pasari	Not Participated for this particular resolution

2. The Board of Directors of the Transferor Company No. 1 at its Board Meeting held on August 06, 2020 unanimously approved the Scheme, as detailed below:

Name of Director	Voted in favour / against / did not participate or vote
Dr. Chandra Kumar Jain	In Favour

Mrs. Mridula Jain	In Favour
Ms. Arushi Jain	In Favour

3. The Board of Directors of the Transferor Company No. 2 at its Board Meeting held on August 06, 2020 unanimously approved the Scheme, as detailed below:

Name of Director	Voted in favour / against / did not participate or vote
Mr. Avdhesh Kumar Garg	In Favour
Ms. Aditi Pasari	In Favour

VII. Interest of Directors, Key Managerial Personnel (KMPs), their relatives and Debenture Trustee.

- None of the Directors, KMPs (as defined under the Act and rules framed thereunder) of the Transferee Company and their respective relatives (as defined under the Act and rules framed thereunder) has any interest in the Scheme except to the extent of their shareholding in the Company, if any. Save as aforesaid, none of the said Directors or the KMPs or their respective relatives has any material interest in the Scheme. The Transferee Company has not issued any debentures and hence, does not have Debenture Trustee.
- None of the Directors, KMPs (as defined under the Act and rules framed thereunder), as applicable, of the Transferor Companies and their respective relatives (as defined under the Act and rules framed thereunder), has any interest in the Scheme except to the extent of their shareholding in the Transferor Companies. Save as aforesaid, none of the said Directors or the KMPs, as applicable, or their respective relatives has any material interest in the Scheme. The Transferor Companies have not issued any debentures and hence, does not have Debenture Trustee.

Shareholding of the Directors and Key Managerial Personnel

(Based on shareholding data as on March 31, 2021)

- A. Detail of present Shareholding of the Directors and Key Managerial Personnel of the Transferee Company in the Transferor Companies, either singly or jointly or as nominee, is as under:

Sl. No.	Name of Directors & KMP and their Designation	Number of Shares held on March 31, 2021		
		Transferee Company	Transferor Company No. 1	Transferor Company No. 2
1.	Dr. Chandra Kumar Jain - Chairman & Managing Director	35,46,990	182	6,000
2.	Mr. Jeewan Jyoti Bhagat - Non-Executive Independent Director	25,000	-	-
3.	Mr. Ashwani Kumar Vats - Whole Time Director and CEO	-	-	-
4.	Mr. Akhilesh Kumar Maheshwari - Non-Executive Independent Director	2,350	-	-

5.	Ms. Aditi Pasari - Whole Time Director	72,599	124	-
6.	Ms. Arushi Jain – Whole Time Director	3,80,545	108	2,000
7.	Mr. Rakesh Kumar Gupta - Non-Executive Independent Director	-	-	-
8.	Ms. Archana Jain - Non-Executive Independent Director	-	-	-
9.	Mr. Rajiv Gupta- Chief Financial Officer	-	-	-
10.	Ms. Asha Mittal- Company Secretary	-	-	-

B. Detail of present Shareholding of the Directors and Key Managerial Personnel of the Transferor Company No. 1 in the Transferee Company, either singly or jointly or a nominee, is as under:

Sl. No.	Name of Directors & KMP and their Designation	Number of Shares held on March 31, 2021	
		Transferor Company No. 1	Transferee Company
1.	Dr. Chandra Kumar Jain - Non-Executive Director	182	35,46,990
2.	Mrs. Mridula Jain - Non-Executive Director	173	4,60,105
3.	Ms. Arushi Jain – Non-Executive Director	108	3,80,545

C. Detail of present Shareholding of the Directors and Key Managerial Personnel of the Transferor Company No. 2 in the Transferee Company, either singly or jointly or a nominee, is as under:

Sl. No.	Name of Directors & KMP and their Designation	Number of Shares held on March 31, 2021	
		Transferor Company No. 2	Transferee Company
1.	Mr. Avdhesh Kumar Garg- Non-Executive Director	-	-
2.	Ms. Aditi Pasari – Non-Executive Director	-	72,599

VIII. Effect of Scheme on stakeholders

(a)	Equity Shareholders (Promoters and Non-Promoters)	Upon the coming into the effect of the Scheme and in consideration of the transfer and vesting of the Transferor Companies, the Transferee Company shall issue and allot to the equity shareholders of the Transferor Companies, New Equity Shares of the Transferee Company in the ratio as enumerated in Clause 14 of Part III of the Scheme.
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		Further, the authorized share capital of the Transferor Companies shall stand transferred to and be amalgamated / combined with the authorized share capital of the Transferee Company in the manner as stipulated in Clause 17 of Part III of the Scheme.
(b)	Preference Shareholders	No Impact.
(c)	Key Managerial Personnel (KMP)	The Transferee Company is not expecting any change in the KMPs of the Transferee Company in pursuance of the Scheme becoming effective.
(d)	Directors	<p>The Scheme will have no effect on the office of the existing Directors of the Transferee Company. It is pertinent to mention that since the Transferor Companies will be dissolved upon the Scheme becoming effective, Mr. Avdhesh Kumar Garg (Director of Transferor Company No. 2) and Mrs. Mridula Jain (Director of Transferor Company No. 1) will not hold office of directorship in the Transferee Company. All other common directors will continue to hold office of directorship in the Transferee Company.</p> <p>Further, no change in the Board of Directors of the Transferee Company is envisaged on account of the Scheme. It is clarified that, the composition of the Board of Directors of the Transferee Company may change by appointments, retirements or resignations in accordance with the provisions of the Act, SEBI Listing Regulations and Memorandum and Articles of Association of the Transferee Company.</p>
(e)	Creditors	<p>The liability of the creditors of the Transferee Company, under the Scheme, is neither being reduced nor being extinguished. The creditors of the Transferee Company would in no way be affected by the Scheme. They shall be paid as and when their debt becomes due.</p> <p>Further, the creditors of the Transferor Companies will become business creditors of the Transferee Company pursuant to the Scheme. They shall be paid as and when their debt becomes due.</p> <p>There will be no adverse impact on the rights and interest of the creditor(s) of the Transferee Company or Transferor Companies.</p>
(f)	Employees	The Transferee Company is not expecting any change in the Employees of the Transferee Company in pursuance of the Scheme becoming effective. Moreover, all in-scope employees forming part of Transferor Company shall be transferred to the Transferee Company on the same terms

		and conditions on which they are engaged by the Transferor Companies. Thus, the Scheme will have no adverse effect on the employees of the Companies involved in the Scheme.
(g)	Debenture holders, Bond holders, Depositors and Debenture Trustees	The Transferee Company and Transferor Company have not issued debentures, bonds and doesn't have debenture trustee. Further, the Companies have not accepted deposit.

IX. Amount due to Unsecured Creditors

The amount due to unsecured creditors of the Transferee Company, as on March 31, 2021 is INR 62,40,09,543/-. The amount due to unsecured creditors of the Transferor Company No. 1, as on March 31, 2021 is INR 47,000/-. The amount due to unsecured creditors of the Transferor Company No.2, as on March 31, 2021 is Nil/-.

X. Capital / Debt Restructuring

There is no debt restructuring envisaged in the Scheme. Upon the Scheme becoming effective, the existing equity share capital of the Transferee Company held by Transferor Companies shall stand cancelled and in consideration of the amalgamation of the Transferor Companies in the Transferee Company, the Transferee Company shall, without any further application, act or deed, issue and allot to the shareholders of the Transferor Companies, 2,99,82,536 (Two Crore Ninety Nine Lakh Eighty Two Thousands Five Hundred and Thirty Six) fully paid-up equity shares of the face value of INR 1/- (Rupee One) each, in the following manner:

- 39,848 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.1000/- each fully paid up of Gulshan Holdings Private Limited.
- 181 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.10/- each fully paid up of East Delhi Importers and Exporters Private Limited.”

The Pre-Scheme and Post-Scheme Shareholding Pattern Capital Structure of the Transferee Company and Transferor Companies are given below:

PRE-SCHEME CAPITAL STRUCTURE OF THE TRANSFEE COMPANY

(Based on shareholding data as on March 31, 2021)

Particulars	Amount (Rs.)
Authorised Share Capital	
22,50,00,000 Equity Shares of Rs. 1/- each.	Rs. 22,50,00,000
2,50,000 Redeemable Preference Shares (0%) of Rs. 10/- each.	Rs. 25,00,000
14,50,000 Redeemable Preference Shares (0-10%) of Rs. 100/- each.	Rs. 14,50,00,000
Total	Rs. 37,25,00,000
Issued, Subscribed and Paid-up Share Capital	
4,69,17,020 Equity Shares of Rs. 1/- each	Rs. 4,69,17,020
9,75,000 Redeemable Preference Shares (8%) of Rs. 100/- each	Rs. 9,75,00,000
Total	Rs. 14,44,17,020

POST-SCHEME CAPITAL STRUCTURE OF THE TRANSFEE COMPANY

(Based on shareholding data as on March 31, 2021)

Particulars	Amount (Rs.)
Authorised Share Capital	
28,06,00,000 Equity Shares of Rs 1/- each.	Rs. 28,06,00,000
2,50,000 Redeemable Preference Shares (0%) of Rs. 10/- each.	Rs. 25,00,000
14,50,000 Redeemable Preference Shares (0-10%) of Rs. 100/- each.	Rs. 14,50,00,000
Total	Rs. 42,81,00,000
Issued, Subscribed and Paid-up Share Capital	
4,95,59,489 Equity Shares of Rs. 1/- each.	Rs. 4,95,59,489
9,75,000 Redeemable Preference Shares (8%) of Rs. 100/- each.	Rs. 9,75,00,000
Total	Rs. 14,70,59,489

PRE-SCHEME CAPITAL STRUCTURE OF THE TRANSFEROR COMPANY NO. 1

(Based on shareholding data as on March 31, 2021)

Particulars	Amount (Rs.)
Authorised Share Capital	
55,500 Equity Shares of Rs. 1000/- each.	Rs. 5,55,00,000
Total	Rs. 5,55,00,000
Issued, Subscribed and Paid-up Share Capital	
707 Equity Shares of Rs. 1000/- each.	Rs. 7,07,000
Total	Rs. 7,07,000

POST-SCHEME CAPITAL STRUCTURE OF THE TRANSFEROR COMPANY NO. 1

(Based on shareholding data as on March 31, 2021)

Upon the Scheme becoming effective, the Transferor Companies will get dissolved and the authorized capital of the Transferor Companies as on the Appointed Date shall stand merged with the authorized capital of the Transferee Company.

PRE-SCHEME CAPITAL STRUCTURE OF THE TRANSFEROR COMPANY NO. 2

(Based on shareholding data as on March 31, 2021)

Particulars	Amount (Rs.)
Authorised Share Capital	
10,000 Equity Shares of Rs. 10/- each.	Rs.1,00,000
Total	Rs. 1,00,000
Issued, Subscribed and Paid-up Share Capital	
10,000 Equity Shares of Rs. 10/- each.	Rs.1,00,000
Total	Rs. 1,00,000

POST-SCHEME CAPITAL STRUCTURE OF THE TRANSFEROR COMPANY NO. 2

(Based on shareholding data as on March 31, 2021)

Upon the Scheme becoming effective, the Transferor Companies will get dissolved and the authorized capital of the Transferor Companies as on the Appointed Date shall stand merged with the authorized capital of the Transferee Company.

PRE-SCHEME AND POST SCHEME SHAREHOLDING PATTERN OF THE TRANSFEREE COMPANY

(Based on shareholding data as on March 31, 2021)

Sr. No.	Name & Category of Shareholders	Pre-Scheme		Post-Scheme	
		Total nos. shares held	Shareholding as a % of total no. of shares	Total nos. shares held	Shareholding as a % of total no. of shares
(A)	Shareholding of Promoter & Promoter Group				
1.	Indian				
	Dr. Chandra Kumar Jain	35,46,990	7.56%	1,18,85,326	23.98%
	Mrs. Mridula Jain	4,60,105	0.98%	77,15,809	15.57%
	Ms. Arushi Jain	3,80,545	0.81%	50,46,129	10.18%
	Ms. Aditi Pasari	72,599	0.15%	50,13,751	10.12%
	Mr. Anubha Gupta	1,98,132	0.42%	49,79,892	10.05%
	Gulshan Holdings Private Limited	2,63,75,047	56.22%	-	-
	East Delhi Importers & Exporters Private Limited	9,65,020	2.06%	-	-
2.	Foreign	-	-	-	-
	Total Shareholding of Promoter and Promoter Group	3,19,98,438	68.20%	3,46,40,907	69.90%
(B)	Public Shareholding				
1.	Institutions	-	-	-	-
2.	Non-Institutions	1,46,29,542	31.18%	1,46,29,542	29.52%
	Total Public Shareholding	1,46,29,542	31.18%	1,46,29,542	29.52%
(C)	Non-Promoter Non-Public Shareholding				
1.	Shares held by Custodians and against which DRs have been issued	-	-	-	-
2.	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations 2014)	2,89,040	0.62%	2,89,040	0.58%
	Total Non-Promoter Non-Public Shareholding	2,89,040	0.62%	2,89,040	0.58%

	Total- (A) + (B) + (C)	4,69,17,020	100%	4,95,59,489	100%
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PRE-SCHEME AND POST SCHEME SHAREHOLDING PATTERN OF THE TRANSFEROR COMPANY NO. 1

(Based on shareholding data as on March 31, 2021)

Sr. No.	Name & Category of Shareholders	Pre-Scheme		Post-Scheme	
		Total nos. shares held	Shareholding as a % of total no. of shares	Total nos. shares held	Shareholding as a % of total no. of shares
(A)	Shareholding of Promoter & Promoter Group				
1.	Indian				
	Dr. Chandra Kumar Jain	182	25.74%	-	-
	Mrs. Mridula Jain	173	24.47%	-	-
	Ms. Arushi Jain	108	15.28%	-	-
	Ms. Aditi Pasari	124	17.54%	-	-
	Mr. Anubha Gupta	120	16.97%	-	-
2.	Foreign	-	-	-	-
	Total Shareholding of Promoter and Promoter Group	707	100%	-	-
(B)	Public Shareholding				
1.	Institutions	-	-	-	-
2.	Non-Institutions	-	-	-	-
	Total Public Shareholding	-	-	-	-
(C)	Non-Promoter Non-Public Shareholding				
1.	Shares held by Custodians and against which DRs have been issued	-	-	-	-
2.	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations 2014)	-	-	-	-
	Total Non-Promoter Non-Public Shareholding	-	-	-	-
	Total- (A) + (B) + (C)	707	100%	-	-

PRE-SCHEME AND POST SCHEME SHAREHOLDING PATTERN OF THE TRANSFEROR COMPANY NO. 2

(Based on shareholding data as on March 31, 2021)

Sr. No.	Name & Category of Shareholders	Pre-Scheme		Post-Scheme	
		Total nos. shares held	Shareholding as a % of total no. of shares	Total nos. shares held	Shareholding as a % of total no. of shares
(A)	Shareholding of Promoter & Promoter Group				
1.	Indian				
	Dr. Chandra Kumar Jain	6,000	60%	-	-
	Mrs. Mridula Jain	2,000	20%	-	-
	Ms. Arushi Jain	2,000	20%	-	-
2.	Foreign	-	-	-	-
	Total Shareholding of Promoter and Promoter Group	10,000	100%	-	-
(B)	Public Shareholding				
1.	Institutions	-	-	-	-
2.	Non-Institutions	-	-	-	-
	Total Public Shareholding	-	-	-	-
(C)	Non-Promoter Non-Public Shareholding				
1.	Shares held by Custodians and against which DRs have been issued	-	-	-	-
2.	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations 2014)	-	-	-	-
	Total Non-Promoter Non-Public Shareholding	-	-	-	-
	Total- (A) + (B) + (C)	10,000	100%	-	-

XI. Auditors' Certificate on conformity of accounting treatment in the Scheme with Accounting Standards

The Auditors of the Transferee Company and of the Transferor Companies have confirmed that the accounting treatment specified in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Act.

XII. Approvals and intimations in relation to the Scheme

- i. In terms of Regulation 37 of the SEBI Listing Regulations read with SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017, BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”), by their respective letters, dated February 01, 2021 and January 29, 2021 have issued their observations on the Scheme to the Company. Copies of the said observation letters issued by NSE and BSE to the Company are attached hereto as Annexure “VII” and Annexure “VIII” respectively. Further, in terms of the said SEBI Circular the Company has not received any complaint relating to the Scheme and “NIL” complaint reports were led by the Company with NSE and BSE, copies of which are attached hereto as Annexure “V” and Annexure “VI” respectively.
- ii. In addition to the approval of the Tribunal, the Transferee Company and / or the Transferor Companies will obtain such necessary approvals/sanctions/no objection(s) from the regulatory or other governmental authorities in respect of the Scheme in accordance with law, as may be required.
- iii. Information pertaining to the Transferor Companies involved in the Scheme in the format prescribed for abridged prospectus as specified in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 along with the compliance report issued by D & A Financial Services (P) Limited, a Category I Merchant Banker are attached hereto as Annexure “XII” and Annexure “XIII” respectively.
- iv. No investigation proceedings have been instituted and/or are pending against the Transferee Company and the Transferor Companies under the Act.
- v. The Companies have filed a copy of the Scheme with the Registrar of Companies pursuant to Section 232(2)(b) of the Act.

XIII. Valuation Report and Fairness Opinion

The Valuation Report dated 6th August, 2020 issued by Mr. Vardhman Doogar, Chartered Accountant, Registered Valuer recommended below share entitlement ratio for the Scheme:

“In consideration for the amalgamation of the Transferor Companies and Transferee Company in terms of the Scheme and based on the Valuation Report and Fairness Opinion, Gulshan Polyols Limited will issue and allot 2,99,82,536 (Two Crore Ninety-Nine Lakh Eighty-Two Thousand Five Hundred and Thirty-Six) fully paid-up equity shares of the face value of INR 1/- (Rupee One) each, in the following manner:

- i. *39,848 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.1000/- each fully paid up of Gulshan Holdings Private Limited.*
- ii. *181 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.10/- each fully paid up of East Delhi Importers and Exporters Private Limited”*

The Fairness Opinion Report dated 6th August, 2020 issued by M/s. Navigant Corporate Advisors Limited, a Category I Merchant Banker, has been issued in respect of the Valuation Report wherein it has been stated that the proposed share entitlement ratio as recommended by the valuers, which forms the basis of the proposed Scheme, is fair.

The valuation methods used by the Mr. Vardhman Doogar, Chartered Accountant (Registered Valuer) for reckoning the aforesaid share entitlement ratio and the weights assigned to each method in reckoning the value per share are given below:

[Values in INR/Rs.]

Valuation Approach	Gulshan Polyols Limited		Gulshan Holdings Private Limited		East Delhi Importers and Exporters Private Limited	
	Value per Share	Weight	Value per Share	Weight	Value per Share	Weight
Adjusted Net Asset Value Method	NA	NA	1,913,284.67	1	8,686.72	1
Discounted Cash Flow Method	57.34	0.5	NA	NA	NA	NA
Market Price Method	38.69	0.5	NA	NA	NA	NA
Fair Value per share	48.01		1,913,284.67		8,686.72	
Share Exchange Ratio (Rounded off)			39,848		181	

NA: Not Applicable

Please refer to the Valuation Reports and the Fairness Opinion that are enclosed as Annexure "III" and Annexure "IV" respectively.

XIV. Inspection of Documents

In addition to the documents annexed hereto, the electronic copy of following documents will be available for inspection in the "Investor Relations-Scheme of Amalgamation" section of the website of the Company: http://www.gulshanindia.com/scheme_of_amalgamation.html. Furthermore, copies of the following documents will be open for inspection to the unsecured creditors of the Transferee Company at its registered office at 9th K.M., Jansath Road, Muzaffanagar – 251001 on all days except Saturday, Sunday and public holidays up to the date of the Meeting:

- Order dated July 14, 2021 passed by the Hon'ble National Company Law Tribunal, Allahabad Bench in Company Application No. (CAA) No. 09/ALD of 2021
- Memorandum and Articles of Association of the Transferee Company and Transferor Companies;
- Audited Standalone and Consolidated Financial Statements of the Transferor Company No. 1 for the financial year ended March 31, 2021;
- Audited Standalone Financial Statements of the Transferor Company No. 2 for the financial year ended March 31, 2021;
- Audited Standalone Financial Statements of the Transferee Company for the financial year ended March 31, 2021 and unaudited financial results (limited reviewed) of the Transferee Company for the quarter ended June 30, 2021;
- Copy of the Scheme;
- Certificates of the Statutory Auditors of the Transferee Company and the Transferor Companies confirming that the accounting treatment prescribed under the Scheme is in compliance with Section 133 of the Act and applicable accounting standards;
- The Valuation Report dated 6th August, 2020 issued by Mr. Vardhman Doogar, Chartered Accountant, Registered Valuer and the Fairness Opinion Report dated 6th August, 2020 issued by M/s. Navigant Corporate Advisors Limited, a Category I Merchant Banker;
- Complaint report submitted by the Transferee Company to the NSE on November 03, 2020;

- j. Complaint report submitted by the Transferee Company to BSE on September 29, 2020 and November 03, 2020;
- k. Observation letter dated January 29, 2021 issued by the NSE to the Transferee Company;
- l. Observation letter dated February 01, 2021 issued by BSE to the Transferee Company;
- m. Report of the Audit Committee of the Transferee Company recommending the Scheme;
- n. Reports adopted by the respective Boards' of each of the Companies pursuant to Section 232(2)(c) of the Act;
- o. Extracts of the resolutions dated August 06, 2020 passed by the Boards' of the Transferee Company, Transferor Company No. 1 and Transferor Company No. 2, inter alia, approving the Scheme and the filing thereof with the Tribunal;
- p. Information in the format prescribed for abridged prospectus pertaining to the unlisted entity i.e., Transferor Company No. 1 involved in the Scheme as specified in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 along with the compliance report issued by D & A Financial Services (P) Limited, a Category I Merchant Banker; and
- q. Information in the format prescribed for abridged prospectus pertaining to the unlisted entity i.e., Transferor Company No. 2 involved in the Scheme as specified in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 along with the compliance report issued by D & A Financial Services (P) Limited, a Category I Merchant Banker.

Based on the above and considering the rationale and benefits, in the opinion of the Board, the Scheme will be of advantage to, beneficial and in the interest of the Transferor Companies and the Transferee Company, their shareholders, creditors and other stakeholders and the terms thereof are fair and reasonable. The Board of Directors of the Transferee Company recommend the Scheme for approval of the shareholders.

The Directors and KMPs, as applicable, of the Transferee Company and of the Transferor Companies, and their relatives do not have any concern or interest, financially or otherwise, in the Scheme except as to the extent of their shareholding in the Companies as mentioned above in the pre-scheme and post-scheme shareholding pattern.

Sd/-
Rajeev K Goel
Chairperson appointed by
Tribunal for the Meeting

Uttar Pradesh, August 14, 2021

Registered Office:

9th K.M., Jansath Road, Muzaffanagar – 251001,
Uttar Pradesh, India.

Phone: +91 11 49999200

Fax: +91 11 49999202

E-mail: cs@gulshanindia.com

Website: www.gulshanindia.com

**SCHEME OF AMALGAMATION
UNDER SECTION 230 TO 232 AND OTHER APPLICABLE
PROVISIONS OF THE COMPANIES ACT, 2013**

**AMONGST
GULSHAN HOLDINGS PRIVATE LIMITED
(TRANSEOR COMPNAY 1)**

AND

**EAST DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED
(TRANSFEROR COMPANY 2)**

AND

**GULSHAN POLYOLS LIMITED
(TRANSFEREE COMPANY)**

AND

THEIR RESPECTIVE SHAREHOLDERS

PREAMBLE

- A. This Scheme of Amalgamation (**“Scheme”**) provides for the amalgamation of Gulshan Holdings Private Limited (**“Transferor Company 1”**) and East Delhi Importers & Exporters Private Limited (**“Transferor Company 2”**) with Gulshan Polyols Limited (**“Transferee Company”**) on a going concern basis pursuant to the provisions of Section 230 to 232 read with Companies (Compromise, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions of the Companies Act, 2013.
- B. **Gulshan Holdings Private Limited (“Transferor Company 1”)** having CIN : U74899UP1985PTC128005 and PAN : AAACG5688F was incorporated on 20th November, 1985 with Registrar of Companies, Delhi & Haryana as a Private Company, Limited by Shares, and presently having its registered office at 9th K.M., Jansath Road, Muzaffarnagar - 251001, Uttar Pradesh, India.
- C. **East Delhi Importers & Exporters Private Limited (“Transferor Company 2”)** having CIN: U60231UP1997PTC129363 and PAN AABCA3294L was incorporated on 23rd July 1997 with Registrar of Companies, Delhi & Haryana as a Private Company, Limited by Shares, and presently having its registered office at 9th K.M., Jansath Road, Muzaffarnagar - 251001, Uttar Pradesh, India.
- D. **Gulshan Polyols Limited (“Transferee Company”)** having CIN L24231UP2000PLC034918 and PAN AABCG3954F was incorporated on 20th October 2000 with Registrar of Companies, Kanpur as a Public Company, Limited by Shares, and presently having its registered office at 9th K.M., Jansath Road, Muzaffarnagar - 251001, Uttar Pradesh, India.
- E. The Scheme of Amalgamation is in the interest of the Transferor Company 1 and Transferor Company 2 and Transferee Company, their respective shareholders and creditors.

INTRODUCTION

1. This Scheme of Amalgamation (**“Scheme”**) is presented pursuant to the provisions of Sections 230-232 and other relevant provisions of the Companies Act, 2013 (**“the Act”**) as may be applicable, and in compliance with the applicable Section(s) of the Income-Tax Act, 1961 for the following:
 - 1.1 Amalgamation (merger by absorption) of Gulshan Holdings Private Limited (**“Transferor Company 1”**) into and with Gulshan Polyols Limited

(“Transferee Company”) and consequent dissolution of the Transferor Company 1 without winding up; and

1.2 Amalgamation (merger by absorption) of East Delhi Importers & Exporters Private Limited (“Transferor Company 2”) into and with Gulshan Polyols Limited (“Transferee Company”) and consequent dissolution of the Transferor Company 2 without winding up.

1.3 The Scheme of divided into the following parts:

Part	Particulars
I.	Background, Rationale, Definitions, Effective Date and Share Capital
II.	Amalgamation, transfer and vesting of Undertaking of the Transferor Company 1 and Transferor Company 2 into and with the Transferee Company and the matters incidental thereto.
III.	Consideration by the Transferee Company
IV.	Accounting Treatment
V.	Dissolution of Transferor Companies and matters incidental thereto

The Transferor Company 1 and Transferor Company 2 are collectively referred to herein as the Transferor Companies.

PART I: BACKGROUND, RATIONALE, DEFINITIONS, EFFECTIVE DATE AND SHARE CAPITAL

1. BACKGROUND AND DESCRIPTION OF THE COMPANIES

1.1 GULSHAN POLYOLS LIMITED (hereinafter referred as **“GPL”** or **“Transferee Company”**), is a public limited Company within the meaning of the Companies Act, 2013 having its registered office at 9th K.M., Jansath Road, Muzaffarnagar - 251001, Uttar Pradesh, India and Corporate Identity Number (CIN) L24231UP2000PLC034918. The equity shares of GPL are listed at BSE Limited (**“BSE”**) and National Stock Exchange of India Limited (**“NSE”**). GPL was originally incorporated on 20th October 2000 as a limited Company under the provisions of the Companies Act, 1956. The Permanent Account Number (**PAN**) of the Company is AABCG3954F. The Transferee Company is the subsidiary of the Transferor Company 1.

Transferee Company is engaged in the business of manufacturing multi-products such as starch sugar, high fructose rice syrup, brown rice syrup, rice syrup solids, calcium carbonate, agro based animal feed and alcohol. Further, the Transferee Company is engaged in installing onsite PCC plants.

1.2 GULSHAN HOLDINGS PRIVATE LIMITED (hereinafter referred to as **“GHPL”** or **“Transferor Company 1”**), is a private limited Company within the meaning of the Companies Act, 2013, having its registered office at 9th K.M., Jansath Road, Muzaffarnagar - 251001, Uttar Pradesh, India and Corporate Identity Number (CIN) U74899UP1985PTC128005. GHPL was originally incorporated as a Company limited by shares on 20th November, 1985 under Companies Act, 1956 under the name of “Gulshan Marketing Private Limited”. Thereafter, pursuant to Section 23 of the Companies Act, 1956 and under the order of the Central Government, the name of the Company was changed to Gulshan Holdings Private Limited and a fresh certificate of change of name was issued to the Company on February 14, 2002. The Company by a special resolution shifted its registered office from the State of Delhi to the State of Uttar Pradesh from the jurisdiction of Registrar of Companies, NCT of Delhi & Haryana to the Registrar of Companies, Kanpur, and the same was confirmed by the order of the Regional Director, Northern Region, Delhi dated February 25, 2020. A certificate of registration issued by Registrar of Companies for the change of state was issued to the Company on March 19, 2020. The Permanent Account Number (PAN) of the Company is AAACG5688F. The Equity Shares of the Transferor Company 1 are not listed on any of the Stock Exchanges. The Transferor Company 1 is the holding Company of Transferee Company.

Transferor Company 1 is engaged in the business of acquiring, investing and holding shares in companies having similar objects or companies providing value benefit, and guaranteeing the payment of money unsecured or secured by or payable under or in respect of contractual obligations. Also, The Transferor Company 1 is engaged in the business of trading goods.

1.3 EAST DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED (hereinafter referred to as **“EDIEPL”** or **“Transferor Company 2”**) is a private limited Company within the meaning of the Companies Act, 2013, having its registered office at 9th K.M., Jansath Road, Muzaffarnagar - 251001, Uttar Pradesh, India and Corporate Identity Number (CIN) U60231UP1997PTC129363. EDIEPL was originally incorporated as a Company limited by shares on 23rd July, 1997 under Companies Act, 1956 under the name of “Atul Transport Private Limited”. Thereafter, pursuant to Section 23 of the Companies Act, 1956 and under the order of the Central Government, the name

of the Company was changed to East Delhi Importers and Exporters Private Limited and a fresh certificate of change of name was issued to the Company on June 23, 2007. The Company by a special resolution shifted its registered office from the State of Delhi to the State of Uttar Pradesh from the jurisdiction of Registrar of Companies, NCT of Delhi & Haryana to the Registrar of Companies, Kanpur, and the same was confirmed by the order of the Regional Director, Northern Region, Delhi dated February 25, 2020. A certificate of registration issued by Registrar of Companies, Kanpur for the change of state was issued to the company on June 10, 2020. The Permanent Account Number (PAN) of the Company is AABCA3294L. The Equity Shares of the Transferor Company 2 are not listed on any of the Stock Exchanges.

Transferor Company 2 is engaged in the business of importing, exporting, dealing and trading multi-products which includes but not limited to textile products, chemicals, sugar and related products, engineering goods, molasses, grains, glassware, alcohol, oils, paper and related products, wood and timber etc. Further, the Company is engaged in the business as general carriers, transporters and freight forwarders, and exporting, importing, trading and dealing in the computer software, programmes, computer hardware and peripherals.

2. RATIONALE FOR THE SCHEME

With a view to consolidate complementary and similar businesses under a single entity and to achieve a streamlined corporate structure by way of group reorganisation, the management has envisaged to undertake the amalgamation of the Transferor Companies in the Transferee Company under this Scheme.

The amalgamation of the Transferor Companies with the Transferee Company would *inter alia* have the following benefits:

- a) Ensuring a streamlined group structure by reducing the number of legal entities;
- b) Reducing the multiplicity of legal and regulatory compliances required at present;
- c) Eliminating duplicative communication and coordination efforts across multiple entities;
- d) Rationalising cost by eliminating multiple record keeping and administrative functions;

- e) Help in achieving improved operational efficiency and optimum advantages and synergy in operations by combining the activities of the Transferor Companies with the Transferee Company. Accordingly, the Scheme would strengthen and complement the businesses of the Companies;
- f) The amalgamated entity will benefit from optimum utilization of manpower through improved organizational capacity and leadership, arising from the combination of people from the Transferor Companies and Transferee Company which have diverse skills, talent, management expertise, enlarged knowledge base and vast experience to compete successfully in an increased competitive industry;
- g) The amalgamated entity shall reduce fixed costs by removing duplicate departments, operations and lower the cost of the Company relative to the same revenue stream and shall thus increase the profit margins;
- h) Under a liberalised, fast changing and highly competitive environment, this amalgamation shall strengthen the business of the Transferor Companies and the Transferee Company by pooling up the resources, land, investment and assets for common purpose and hence optimum utilization;
- i) The amalgamation will result in better economic control, increased financial strength and flexibility and enhance the ability of the amalgamated entity to undertake large projects, thereby contributing to enhancement of future business potential;
- j) The amalgamation would not only lead to simplification of the shareholding structure and reduction of the shareholding tiers, but also demonstrate the promoter group direct commitment to and engagement with the Transferee Company;
- k) The amalgamation would lead to infusion of investments in forms of bank deposits, bank balance, securities etc. into the Transferee Company which will enhance the capability of the Transferee Company to undertake operations at an enhanced business potential.

In view of the aforesaid, the Board of Directors of the Transferor Companies as well as the Transferee Company have considered and proposed the amalgamation of the entire undertakings and businesses of the Transferor Companies with the Transferee Company in order to benefit the stakeholders of both Transferor Companies and Transferee Company. Accordingly, the Board of Directors of all the companies have formulated this Scheme of Amalgamation for the transfer and

vesting of the entire undertakings and businesses of the Transferor Companies to the Transferee Company pursuant to the provisions of Section 230 to Section 232 of the Companies Act, 2013, read with applicable Rules made thereunder and other applicable provisions of the Companies Act, 2013.

The Scheme is in the interest of the shareholders, creditors and employees of the Transferor and Transferee Companies and their stakeholders and would enable the Transferee Company to adopt a focused business approach for the maximization of benefits to the stakeholders. The Scheme shall not in any manner be prejudicial to the general public at large.

3. DEFINITIONS AND INTERPRETATIONS

DEFINITIONS

In this Scheme (as defined hereafter), unless repugnant to the meaning or context thereof, the following expressions shall have the following:

- i. **"Act" or "the Act"** means the Companies Act, 2013 (to the extent notified) and shall include any statutory modifications, re-enactment or amendments thereof for the time being in force and includes any rules, regulations, circulars or guidelines issued thereunder, as amended from time to time and shall include the Companies Act, 1956 (to the extent still in force);
- ii. **"Appointed Date"** means 1st April, 2020 or such other date as may be fixed or approved by the Appropriate Authority;
- iii. **"Appropriate Authority"** means any government, statutory, regulatory, departmental or public body or authority having jurisdiction over the Transferor Companies and the Transferee Company, including the Central Government, Regional Director, Registrar of Companies, the National Company Law Tribunal, NSE, BSE and SEBI;
- iv. **"Assets"** in relation to Transferor Companies means Fixed Assets, Loans and Advances, Investments, Current Assets, debit balance in Profit and Loss account and any other assets as per the books of the Transferor Companies as at March 31, 2020;
- v. **"Board of Directors" or "Board"** shall mean the Board of Directors of Transferor Companies and/or Transferee Company as the case may be and may include a duly constituted committee thereof for implementation of the Scheme;

- vi. **"BSE"** means BSE Limited;
- vii. **"Companies"** means collectively, the Transferor Companies and the Transferee Company;
- viii. **"Effective Date"** means the date on which the final order of the NCLT has been passed approving the Scheme either on the terms as originally approved by the Parties to the Scheme, or subject to such modifications as may be approved by the NCLT, as shall in the form and substance be acceptable to the Transferee and Transferor Companies and also read with conditions set out in Clause 5 and Clause 16.2.
References in this Scheme to "upon this Scheme becoming effective" or "effectiveness of this Scheme" or "Coming into Effect of this Scheme" shall mean the Effective Date;
- ix. **"Liabilities"** in relation to the Transferor Companies means Loan Funds, Current Liabilities, Reserves and Surpluses (including balance in Profit and Loss Account), provisions and all other liabilities of the Transferor Companies as per the books of the Transferor Companies as at March 31, 2020;
- x. **"National Company Law Tribunal" or "NCLT"** means the Hon'ble National Company Law Tribunal, Allahabad Bench;
- xi. **"NSE"** means National Stock Exchange of India Limited;
- xii. **"IT Act"** means the Income Tax Act, 1961 and shall include any statutory modifications, re-enactments or amendments thereof (including Income Tax Rules) for the time being in force;
- xiii. **"Proceedings"** include any suit, appeal or any legal proceeding of whatsoever nature in any Court of law, or tribunal or any judicial or quasi-judicial body or any assessment proceeding before any Statutory/Regulatory Authority under any law and also includes arbitration proceeding;
- xiv. **"Record Date"** means the date, after the Effective Date fixed by the Board of the Transferee Company for the purpose of determining the shareholders of the Transferor Companies to whom shares of the Transferee Company shall be issued and allotted pursuant to amalgamation under this Scheme;

- xv. **"Registrar of Companies" or "ROC"** means the relevant Registrar of Companies having territorial jurisdiction in the state(s) in which the respective registered offices of the Companies are located;
- xvi. **"SAST Regulations"** means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time;
- xvii. **"Scheme" or "this Scheme" or "the Scheme of Amalgamation"** means this Scheme of Amalgamation in its present form as submitted to the NCLT or this Scheme with any amendment(s) or modification(s) if any, made by the shareholders of the respective Companies and accepted by the Board of the respective Companies or such modification(s) as may be imposed by any Appropriate Authority and / or directed to be made by the NCLT while sanctioning the Scheme and accepted by the Boards of the respective Companies;
- xviii. **"SEBI"** means the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992;
- xix. **"SEBI Circulars"** means (i) Circular No. CFD/DIL3/CIR/2017/21 dated March 10 2017, (ii) Circular No. CFD/DIL3/CIR/2017/26 dated March 23, 2017, (iii) SEBI Circular No. CFD/DIL3/CIR/2017/105 dated September 21, 2017, (iv) SEBI Circular No CFD/DIL3/CIR/2018/2 dated January 03, 2018, (v) SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2019/192 dated September 12, 2019 issued by SEBI or any other circulars issued by SEBI applicable to scheme of arrangement from time to time;
- xx. **"Stock Exchanges"** means BSE and NSE collectively;
- xxi. **"Transferor Companies"** means Gulshan Holdings Private Limited and East Delhi Importers & Exporters Private Limited;
- xxii. **"Transferee Company"** means Gulshan Polyols Limited;
- xxiii. **"Undertaking" or "Undertaking of the Transferor Companies"** shall mean and include the whole of the assets, properties, liabilities and the undertaking(s) and entire business(es) of the Transferor Companies as a going concern and specifically include the following (without limitation):

- (a) All the assets and properties (whether movable or immovable, if any, tangible or intangible, real or personal, corporeal or incorporeal, present, future or contingent of whatsoever nature and wherever situated) of the Transferor Companies, including, without being limited to all their lands (freehold or leasehold), buildings, factory, work shop, all plant and machinery, fixed assets, godown, guest house, tenancy right, work in progress, show room, office equipment, accessories, power lines, power station, substation, railway tracks, vehicles, furniture and fixtures, deposits, assets, current assets, premises, investments of all kinds (including shares, scripts, stocks, bonds, debenture stocks, units), cash balances including with banks, loans (including working capital loan), advances, contingent rights or benefits, receivables, refunds, claims, earnest moneys, advances or deposits paid by the Transferor Companies, their goodwill, financial assets, lease and hire purchase contracts, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantee, reversions, powers, municipal permissions, authorities, allotments, approvals, consents, licences, registrations, contracts, engagements, arrangements, customer contracts, customer approvals, rights, titles, interests, benefits and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of, or enjoyed by the Transferor Companies including licenses, fixed and other assets, trade and service names liberties, patents, brand, trademarks, logo, designs, copyrights and other intellectual property rights of any nature whatsoever, import licences, quotas, permits, concessions, subsidies, approvals, authorisations, right to use and avail of telephones, telexes, facsimile connections, LAN installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets and properties and all agreements and all other interests held in trust, registrations, contracts, engagements, arrangements of all kinds, privileges and all other rights, benefits of all agreements, subsidies, grants, incentives, tax and other credits [including but not limited to credits in respect of Tax, income-tax, minimum alternate tax i.e. tax on book profits, (whether recorded or not in the financial statements), tax deducted at source, tax collected at source, advance tax, goods and service tax, value added tax, central sales tax, sales tax, CENVAT, MODVAT, excise duty, service tax, custom duty, octroy, entry tax etc.), tax losses (including unabsorbed depreciation), brought forward tax losses, book losses for minimum

alternate tax purposes, tax benefits and other claims and powers, all books of accounts, documents and records of whatsoever nature and wheresoever situated, easements, arrangements of all kind, privileges, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in the control of or vested or granted in favour of or enjoyed by the Transferor Companies or in connection with or relating to that of the Transferor Companies and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Companies

- (b) all intellectual property rights including patents designs, copyrights, trademarks, brands (whether registered or otherwise), logo, advertisement banner, goodwill, records, files, papers, computer programs, manuals, data, catalogues, sales material, lists of customers and suppliers, other customer information and all other records and documents relating to the business, activities and operations of the Transferor Companies;
- (c) all letters of intent, request for proposal, prequalification, bid acceptances (including benefit arising out of or in relation to any bank guarantees submitted to any authority in respect thereof by the Transferor Companies), tenders, contracts, deeds, memorandum of understanding, bonds, agreements, arrangements, track-record, technical know-how, technical experience (including experience in executing projects), experience, goodwill and all other rights, claims and powers and any other instrument of whatsoever nature and wheresoever situated belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Companies for all intents and purposes and specifically including but not limited to, the turnover, the profitability, performance, and market share, prequalification, net worth and reserves of the Transferor Companies;
- (d) right to any claim not preferred or made by the Transferor Companies in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Company and any interest thereon, with regard to any law, act or rule or Scheme made by the Government, and in respect of set-off, carry forward of unabsorbed losses and/or unabsorbed depreciation, deferred revenue expenditure, deduction, exemption, rebate, allowance,

amortization benefit, etc. under the Income-tax Act, 1961, or taxation laws of other countries, or any other or like benefits under the said statute(s) or under and in accordance with any law or statute, whether in India or anywhere outside India;

- (e) all debts (secured and unsecured), liabilities including contingent liabilities, duties, leases of the Transferor Companies and all other obligations of whatsoever kind, nature and description. Provided that, any reference in the security documents or arrangements entered into by the Transferor Companies and under which, the assets of the Transferor Companies stand offered as a security, for any financial assistance or obligation, the said reference shall be construed as a reference to the assets pertaining to that Undertakings of the Transferor Companies only as are vested in Transferee Company by virtue of the Scheme and the Scheme shall not operate to enlarge security for any loan, deposit or facility created by the Transferor Companies which shall vest in Transferee Company by virtue of the amalgamation and Transferee Company shall not be obliged to create any further or additional security thereof after the amalgamation has become effective;
- (f) all other obligations of whatsoever nature, including liabilities of the Transferor Companies with regard to their employees with respect to the payment of gratuity, pension benefits and the provident fund or compensation, if any, in the event of resignation, death, voluntary retirement or retrenchment;
- (g) all staff, workmen, and employees engaged in or relating to the business activities and operations of the Transferor Companies;
- (h) all balances with government, quasi-government authorities, municipal, local and other authorities and bodies, customers and any other persons, earnest moneys and/or security deposits paid or received by the Transferor Companies; and
- (i) all books, records, files, papers, product specifications and process information, records of standard operating procedures, computer programs along with their licenses, manuals and backup copies, drawings, other manuals, data catalogues, emails, presentation, correspondences /communications with third parties/authorities, quotations, sales and advertising materials, lists of present and former

customers and suppliers, customer credit information, customer pricing information, and other records whether in physical or electronic form.

It is intended that the definition of Undertakings of the Transferor Companies under this clause will enable the transfer of all property, assets, rights, duties, obligations, entitlements, benefits, employees and liabilities of Transferor Companies with Transferee Company pursuant to this Scheme becoming effective.

INTERPRETATION

In this Scheme, unless the context otherwise requires:

- (a) references to persons shall include individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships;
- (b) the headings are inserted for ease of reference only and shall not affect the construction or interpretation of this Scheme;
- (c) words in the singular shall include the plural and vice versa;
- (d) references to a clause or paragraph or schedule, as applicable, shall be deemed to be a reference to a clause or paragraph or schedule of this Scheme;
- (e) reference to the words 'hereof', 'herein' and 'hereby' and derivatives or similar words refer to this entire Scheme;
- (f) references to the words 'including', 'inter-alia' or any similar expression, shall be construed as illustrative and shall not limit the sense of the words preceding those terms; and
- (g) all the expressions which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 (including the regulations made thereunder), the Depositories Act, 1996, the IT Act or any other applicable laws, rules, regulations, bye laws, as the case may be, including any statutory modification or re-enactment thereof from time to time.
- (h) Any reference to any statute or statutory provision shall include:
 - i. all subordinate legislations made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated from time to time) and any retrospective amendment; and
 - ii. such provision as from time to time amended, modified, re-enacted or consolidated (whether before or after the filing of this Scheme) to the extent such amendment, modification, re-enactment or consolidation applies or is capable of applying to the matters contemplated under

this Scheme and (to the extent liability thereunder may exist or can arise) shall include any past statutory provision (as amended, modified, re-enacted or consolidated from time to time) which the provision referred to has directly or indirectly replaced.

4. SHARE CAPITAL OF THE COMPANIES

4.1 The Share Capital of **Transferee Company** as on 31st March, 2020 is as under:

4.1.1 Authorised Capital is Rs. 37,25,00,000 (Rupees Thirty Seven Crores and Twenty Five Lacs Only) divided into:

- i. Equity Share Capital of Rs. 22,50,00,000/- (Rupees Twenty Two Crores and Fifty Lacs Only) consisting of 22,50,00,000 (Twenty Two Crore and Fifty Lacs) Equity Shares of Rs. 1/- each;
- ii. Preference Share Capital Rs. 25, 00, 000/- (Rupees Twenty Five Lacs only) consisting of 2,50,000 (Two Lacs and Fifty Thousand) 0% (Zero Percent) Redeemable Preference Shares of Rs. 10/- each;
- iii. Preference Share Capital Rs. 14,50,00,000/- (Rupees Fourteen Crores and Fifty Lacs Only) consisting of 14,50,000 (Fourteen Lacs and Fifty Thousand) 0% -10% (Zero Percent to Ten Percent) Redeemable Preference Shares of Rs. 100/- each.

4.1.2 The issued, subscribed and paid up capital as at 31st March, 2020 was Rs. 14,44,17,020 (Rupees Fourteen Crores Forty Four Lacs Seventeen Thousand and Twenty Only) given as under:

- i. Equity Share Capital of Rs. 4,69,17,020/- (Rupees Four Crores Sixty Nine Lacs Seventeen Thousands and Twenty Only) consisting of 4,69,17,020 (Four Crores Sixty Nine Lacs Seventeen Thousands and Twenty) Equity Shares of Rs. 1/- each;
- ii. Preference Share Capital of Rs. 9,75,00,000 (Rupees Nine Crore and Seventy Five Lacs Only) consisting of 9,75,000 (Nine Lacs and Seventy Five Thousands) 8% Redeemable Preference Shares of Rs. 100/- each.

4.2 The Share Capital of **Transferor Company 1** as on 31st March, 2020 is as under:

4.2.1 Authorised Capital is Rs. 5,55,00,000 (Rupees Five Crores and Fifty Five Lacs Only) divided into 55,500 (Fifty Five Thousands and Five Hundreds) Equity Shares of Rs. 1000/- each.

4.2.2 The issued, subscribed and paid up share capital is Rs. 7,07,000 (Rupees Seven Lacs and Seven Thousands Only) divided into 707 (Seven Hundreds and Seven) Equity Shares of Rs. 1000/- each.

4.3 The Share Capital of **Transferor Company 2** as on 31st March, 2020 is as under:

4.3.1 Authorised Capital is Rs. 1,00,000 (Rupees One Lac Only) divided into 10,000 (Ten Thousands) Equity Shares of Rs. 10/- each.

4.3.2 The issued, subscribed and paid up share capital is Rs. 1,00,000 (Rupees One Lac Only) divided into 10,000 (Ten Thousands) Equity Shares of Rs. 10/- each.

5. DATE WHEN THE SCHEME COMES INTO OPERATION

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by NCLT, unless otherwise specified in the Scheme, operative from the Appointed Date as specified herein, shall become effective on the date on which certified copies of the final order of the Hon'ble NCLT sanctioning the Scheme as issued to the Transferor Companies and the Transferee Company and the same has been filed with the Registrar of Companies.

PART II

TRANSFER AND VESTING OF UNDERTAKING OF TRANSFEROR COMPANIES

6. TRANSFER OF UNDERTAKING OF TRANSFEROR COMPANIES

6.1 General

Upon coming into effect of this Scheme and with effect from the Appointed Date, the Undertakings of the Transferor Companies shall, pursuant to the sanction of this Scheme by the NCLT and pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, be and stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, as a going concern without any further act, instrument, deed, matter or thing so as to become, and as and from the Appointed Date, the properties, estates, assets, titles and interests of the Transferee Company by virtue of and in the manner provided in the Scheme subject to all charges, liens, mortgages, lis-pendens, if any, then affecting the same or any part thereof and all the creditors of the Transferor Companies shall become the creditors of the Transferee Company on the same terms and conditions.

6.2 Transfer of Assets

6.2.1 Without prejudice to the generality of Clause 6.1 above, upon coming into effect of this Scheme and with effect from the Appointed Date:

- (a) All assets and properties comprised in the Undertakings of the Transferor Companies of whatsoever nature and wheresoever situated, shall, under the provisions of Section 230 to 232 and all other applicable provisions, if any, of the Act, without any further act or deed be and stand transferred to and vested in the Transferee Company or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become, as and from the Appointed Date, the assets and properties of the Transferee Company.

Provided that Board of Directors of the Transferee Company shall be entitled, at its discretion and as may be advised or considered fit, expedient or necessary, to determine the classification/reclassification and treatment of any or all of the assets and/or employees or any other rights, interests, obligations or anything else transferred to and vested in the Transferee Company pursuant to this Scheme.

- (b) Without prejudice to the provisions of sub-clause (a) above in respect of such of the assets and properties of the Transferor Companies, as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and/or delivery, the same shall be so transferred by the Transferor Companies and shall, upon such transfer, become the assets and properties of the Transferee Company as an integral part of its Undertakings without requiring any deed or instrument or conveyance for the same.
- (c) In respect of the movables other than those dealt with in sub-clause (b) above including sundry debtors, receivables, bills, loans and advances, if any, whether recoverable in cash or in kind or for value to be recovered, bank balances, investments, earnest money and deposits with any Government, quasi-government authorities, local or other authority or body or with any company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the transferee Company without any notice or other intimation to the debtors (although the Transferee company may if it so deems appropriate, give notice in such form as it may deem fit and proper, to each person, debtors or depositors, as the case may be, that the said debt, loan, advance, balance or deposit stand transferred and vested in the Transferee Company).

- (d) The mutation of the ownership title, or interest in the immovable properties (whether freehold or leasehold of whatsoever nature and wherever so situated) related to the Transferor Companies in favour of the Transferee Company shall be made and duly recorded by the appropriate authorities pursuant to the sanction of this Scheme and it becoming effective without any other deed or act required therefor in accordance with the terms thereof.
- (e) All the licenses, permits, quotas, approvals, permissions, registrations, incentives, sales tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, customer registrations, customer approvals, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Companies and all rights and benefits that have accrued or which may accrue to the Transferor Companies, whether before or after the Appointed Date, shall under the provisions of Section 230 to 232 of the Act and all other applicable provisions, if any, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or deemed to be transferred to and vested in or be available to the Transferee Company so as to become as and from the Appointed Date, licences, permits, quotas, approvals, permissions, registrations, incentives, sales tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, customer registrations, customer approvals, liberties, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.
- (f) In so far as the various incentives, subsidies, special status and other benefits or privileges enjoyed (including minimum alternate tax, input tax credit, goods and services tax, sales tax, excise duty, custom duty, service tax, value added tax and other incentives), granted by any Government body, local authority or by any other person and availed of by the Transferor Companies is concerned, the same shall vest with and be available to the Transferee Company on the same terms and conditions as presently available to the Transferor Companies.
- (g) With effect from the Appointed Date all permits, quotas, rights, entitlements, tenancies and licenses relating to brands, trademarks, patents, copy rights, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Undertakings of

the Transferor Companies and which are subsisting or having effect immediately before the Appointed Date, shall be and remain in full force and effect in favour of the Transferee Company and may be enforced fully and effectually as if, instead of the Transferor Companies, the Transferee Company had been a beneficiary or obligee thereto.

- (h) With effect from the Appointed Date any statutory licenses, permissions, quotas, permits, approvals, consents, registrations, eligibility certificates, pre-qualification criteria, technical experience, fiscal incentives and no-objection certificates obtained and/or held by the Transferor Companies for their operations and/or to which the Transferor Companies are entitled to in terms of the various Statutes and / or Schemes of Union and State Governments, shall be available to and vest in, and/or be transferred to, the Transferee Company without any further act or deed and shall be appropriately mutated by the statutory authorities or any other person concerned therewith in favour of the Transferee Company. Since the Undertakings of the Transferor Companies will be transferred to and vested in the Transferee Company as going concerns without any break or interruption in the operations thereof, the Transferee Company shall be entitled to the benefit of all statutory and regulatory permissions, licenses, environmental approvals and consents including the statutory licenses, permissions or approvals or consents required to carry on the operations of the Transferor Companies shall vest in, and become available to, the Transferee Company upon the Scheme coming into effect.
- (i) The Transferor Companies shall, if so required, also give notice in such form as it may deem fit and proper to the debtors, that pursuant to the sanction of this Scheme by Appropriate Authority under and in accordance with Sections 230 to 232 and all other applicable provisions, if any, of the Act, the said debtors shall pay to the Transferee Company the debt, loan or advance or make payment of the same on account of the Transferor Companies and the right of the Transferor Companies to recover or realize the same stands extinguished.

6.2.2 All assets and properties of the Transferor Companies as on the Appointed Date, whether or not included in the books of the respective Transferor Companies, and all assets and properties, which are acquired by the

Transferor Companies on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of the Transferee Company and shall under the provisions of Sections 230 to 232 and all other applicable provisions if any of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme pursuant to the provisions of Section 230 to 232 of the Act, provided however that no onerous asset shall have been acquired by the Transferor Companies after the Appointed Date without the prior written consent of the Transferee Company.

6.3 From the Effective Date and till such time that the names of the bank accounts of the Transferor Companies are replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Companies, in its name, in so far as may be necessary.

6.4 In relation to the assets, properties and rights including rights arising from contracts, deeds, instruments and agreements, if any, which require separate documents of transfer including documents for attornment or endorsement, as the case may be, the Transferee Company will execute the necessary documents of transfer including documents for attornment or endorsement, as the case may be, as and when required or will enter into a novation agreement.

6.5 Transfer of Liabilities

6.5.1 Upon coming into effect of this Scheme and with effect from the Appointed Date, all Liabilities relating to and comprised in the respective Undertakings of the Transferor Companies shall, pursuant to the sanction of this Scheme by the Appropriate Authority and under the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, and the same shall be assumed by the Transferee Company to the extent they are outstanding on the Effective Date so as to become as from the Appointed Date the Liabilities of the Transferee Company on the same terms and conditions as were applicable to the respective Transferor Companies and the Transferee Company shall meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is party to any contract or arrangement by virtue of which such Liabilities have arisen in order to give effect to the provisions of this clause.

- 6.5.2 All debts, liabilities, duties and obligations of all the Transferor Companies shall, as on the Appointed Date, whether or not provided in the books of the respective Transferor Companies, and all debts and loans raised and used, and duties, liabilities and obligations incurred or which arise or accrue to the respective Transferor Companies on or after the Appointed Date till the Effective Date shall be deemed to be and shall become the debts, loans raised and used, duties, liabilities and obligations incurred by the Transferee Company by virtue of this Scheme.
- 6.5.3 Where any such debts, liabilities, duties and obligations of the respective Transferor Companies as on the Appointed Date have been discharged by the Transferor Companies after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to be for and on account of the Transferee Company.
- 6.5.4 All loans raised and utilized and all liabilities, duties and obligations incurred or undertaken by the respective Transferor Companies after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme and under the provisions of Sections 230 to 232 of the Act, without any further act, instrument or deed be and stand transferred to or vested in or deemed to have been transferred to and vested in the Transferee Company and shall become the loans and liabilities, duties and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
- 6.5.5 Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the respective Transferor Companies and the Transferee Company shall, *ipso facto*, stand discharged and come to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Transferee Company. It is hereby clarified that there will be no accrual of interest or other charges in respect of any such inter-company loans, advances and other obligations with effect from the Appointed Date.
- 6.5.6 The Transferee Company may, at any time, after the coming into effect of this Scheme in accordance hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of the creditors, or lenders, as the case may be, or in favour of any other party to the contract or arrangement to which the Transferor Companies are party or any writing, as may be necessary, in order to give formal effect to the provisions mentioned herein.

The Transferee Company shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of the Transferor Companies as well as to implement and carry out all such formalities and compliances referred to above.

6.5.7 The Scheme shall not operate to enlarge the security for any loan, deposit or facility created by or available to the Transferor Companies which shall vest in the Transferee Company by virtue of the amalgamation and the Transferee Company shall not be obliged to create any further, or additional security therefor after the amalgamation has become effective or otherwise.

6.5.8 Without prejudice to the foregoing provisions of this Clause 6.5.1:

- i. All debentures, bonds, notes or other debt securities, if any, of the Transferor Companies relating to the Liabilities comprised in their respective Undertakings (hereinafter referred to as the "**Debt Securities**") shall, under the provisions of Sections 230 to 232 and other relevant provisions of the Act, without any further act, instrument or deed, become the Debt Securities of the Transferee Company on the same terms and conditions and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in and shall be exercised by or against the Transferee Company to the same extent as if it were the respective Transferor Companies in respect of the Debt Securities so transferred and vested.
- ii. Any Debt Securities issued by the Transferor Companies and held by the Transferee Company shall, unless sold or transferred by the Transferee Company at any time prior to the Effective Date, stand cancelled as on the Effective Date and be of no effect and the Transferor Company shall have no further obligation in that behalf.

6.5.9 Any loans or other obligations, if any, due inter-se i.e. between the Transferor Companies with the Transferee Company as on the Appointed Date, and thereafter till the Effective Date, shall stand automatically extinguished.

6.6 Encumbrances

6.6.1 The transfer and vesting of the assets comprised in the respective Undertakings of the Transferor Companies to and in the Transferee Company under Clause 6.1 and Clause 6.2 of this Scheme shall be subject to the mortgage and charges, if any, affecting the same as hereinafter provided.

6.6.2 All the existing securities, charges, encumbrances or liens (**the "Encumbrances"**), if any, created by the Transferor Companies after the Appointed Date, in terms of the Scheme, over the assets comprised in their respective Undertakings or any part thereof transferred to the Transferee Company by virtue of this Scheme and in so far as such Encumbrances secure or relate to Liabilities of the Transferor Companies, the same shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company and such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company.

6.6.3 The transfer and vesting of the Undertakings of the Transferor Companies as aforesaid shall be subject to the existing securities, encumbrances, charges and mortgages, if any, subsisting, over or in respect of the property and assets or any part thereof of the Transferor Companies.

Provided however, that any reference in any security documents or arrangements (to which the Transferor Companies, is a party) pertaining to the assets of Transferor Companies offered or agreed to be offered as security for any financial assistance or obligations, shall be construed as reference only to such assets, as are offered or agreed to be offered as security, pertaining to the Transferor Companies as are vested in the Transferee Company by virtue of the aforesaid clauses, to the end and intent that such security, charge and mortgage shall not extend or be deemed to extend, to any of the other assets of the Transferor Companies or any of the assets of the Transferee Company. Further, the Transferee Company shall not be required to create any additional security over assets acquired by it under the Scheme for any loans, deposits or other financial assistance availed /to be availed by the Transferor Companies.

6.6.4 The existing Encumbrances over the assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective Date shall continue to relate to such assets and properties and shall not extend or attach to any of the assets and properties of the Transferor Companies transferred to and vested in the Transferee Company by virtue of this Scheme.

6.6.5 Any reference in any security documents or arrangements (to which a Transferor Company is a party) to the respective Transferor Company and in assets and properties, shall be construed as a reference to the Transferee

Company and the assets and properties of the Transferor Company transferred to the Transferee Company by virtue of this Scheme. Without prejudice to the foregoing provisions, the respective Transferor Company and the Transferee Company may execute any instruments or documents or do all acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge, with the Registrar of Companies to give formal effect to the above provisions, if required.

- 6.6.6 Upon the coming into effect of this Scheme, the Transferee Company alone shall be liable to perform all obligations in respect of the liabilities, which have been transferred to it in terms of the Scheme.
- 6.6.7 It is expressly provided that, save as herein provided, no other term or condition of the liabilities transferred to the Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication.
- 6.6.8 The provisions of this Clause 6.6.8 shall operate in accordance with the terms of the Scheme, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security documents; all of which instruments, deeds or writing shall stand modified and/or superseded by the foregoing provisions.
- 6.6.9 The Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute Deeds of Confirmation in favour of the secured creditors of the Transferor Companies or in favour of any other party to any contract or arrangement to which the respective Transferor Companies is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions of the Scheme, be deemed to be authorised to execute any such writings on behalf of the respective Transferor Companies and to implement or carry out all such formalities or compliance referred to above on the part of the respective Transferor Companies, required to be carried out or performed.

6.7 Taxes

All taxes (including but not limited to advance tax, self-assessment tax, regular tax, tax deducted at source, minimum alternate tax credits, dividend distribution tax, securities transaction tax, taxes withheld / paid in foreign country, value added tax, sales tax, service tax, goods and service tax etc.) paid / payable by or refunded

/ refundable to the Transferor Companies with effect from the Appointed Date, including all or any refunds or claims shall be treated as the tax liability or refunds / claims etc. as the case may be, of the Transferee Company, and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions, service tax input credits, GST input credits etc., as would have been available to the Transferor Companies, shall pursuant to this Scheme becoming effective be available to the Transferee Company. This clause is to be read along with Clause 24 of this Scheme.

6.8 Inter-Se Transactions

Without prejudice to the provisions of Clauses 6.1 to 6.4, with effect from the Appointed Date, all inter-party transactions between the Transferor Companies and the Transferee Company shall be considered as intra-party transactions for all purposes from the Appointed Date. For the removal of doubt, it is clarified that upon the Scheme coming into effect and with effect from the Appointed Date, to the extent there are inter-corporate loans, deposits, obligation, balances or other outstanding as between the Transferor Companies and/or the Transferee Company, the obligations in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of the Transferee Company for the reduction of such assets or liabilities as the case may be.

7. CONTRACTS, DEEDS ETC.

- (a) Upon the coming into effect of this Scheme and subject to the provisions hereof, all contracts, deeds, bonds, agreements, schemes, arrangements, assurances and other instruments of whatsoever nature to which any Transferor Companies is a party or to the benefit of which the respective Transferor Companies may be eligible and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect on or against or in favour of, as the case may be, and be enforced as fully and effectually as if, instead of the respective Transferor Company, the Transferee Company had been party or beneficiary or obligee thereto or thereunder.
- (b) Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (deeds of adherence), confirmations or other writings or arrangements with any party to any contract or arrangement to which any of the respective Transferor Company is a party or any writings may be necessary in order to give formal effect to the

provisions of this Scheme. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the respective Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the respective Transferor Company to be carried out or performed.

- (c) For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, statutory licences, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of any of the respective Transferor Company shall stand transferred to the Transferee Company, as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder and the rights and benefits under the same shall be available to the Transferee Company. The Transferee Company shall receive relevant approvals from the concerned Government Authorities as may be necessary in this behalf.

8. LEGAL PROCEEDINGS

On and from the Appointed Date, all suits, actions and legal proceedings by or against any of the respective Transferor Company pending and/or arising on or before the Effective Date shall be continued and/or enforced as desired by the Transferee Company and on and from the Effective Date, shall be continued and/or enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been instituted and/or pending and/or arising by or against the Transferee Company. The Transferee Company undertakes to continue to abide by any agreement/settlement, if any, entered into by the respective Transferor Company with any union/employee of the respective Transferor Company.

9. TRANSFER OF PROFITS/LOSSES AND RESERVES

With effect from the Appointed Date, all profits (including losses), reserves, income accruing to or losses and expenditure, if any (including payment of penalty, damages or costs of litigation) arising to or incurred by the Undertaking of the Transferor Companies shall for all purposes, be treated as the profits or reserves or income or losses or expenditure, as the case may be of the Transferee Company.

10. CONDUCT OF BUSINESS

- 10.1 With effect from the Appointed Date and up to and including the Effective Date:

- (a) The Transferor Companies shall carry on and shall be deemed to have carried on all their business and activities as hitherto and shall hold and stand possessed of their respective Undertakings on account of, and for the benefit of and in trust for, the Transferee Company.
- (b) All profits or incomes accruing or arising to the Transferor Companies, and all expenditure or losses arising or incurred (including all taxes, if any, paid or accruing in respect of any profit and income) by the Transferor Companies shall, for all purposes, be treated and be deemed to be and accrued as the profits or incomes or as the case may be, expenditure or losses (including taxes) of the Transferee Company.
- (c) All assets howsoever acquired by the Transferor Companies for carrying on their businesses, operations or activities and the liabilities relating thereto shall be deemed to have been acquired and are also contracted for and on behalf of the Transferee Company.
- (d) All taxes (including income tax, goods and services tax, sales tax, excise duty, customs duty, service tax, VAT etc.) paid or payable by the Transferor Companies in respect of the operations and/or the profits of their respective businesses/Undertaking before the Appointed Date, or after the Appointed Date, but before the Effective Date, shall be on account of the Transferee Company and, in so far as it relates to tax payment (including, without limitation, income tax, minimum alternate tax, sales tax, goods and services tax, excise duty, custom duty, service tax, VAT etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Companies in respect of the profits or activities or operation of their respective businesses after the Appointed Date, or during the period between the Appointed Date and Effective Date, the same shall be deemed to be the corresponding amount paid by the Transferee Company and shall, in all proceedings be dealt accordingly.
- (e) Any of the rights, powers, authorities and privileges attached or related or pertaining to and exercised by or available to the Transferor Companies shall be deemed to have been exercised by the Transferor Companies for and on behalf of and as agent for the Transferee Company. Similarly, any of the obligations, duties and commitments attached, related or pertaining to their Undertaking that has been

undertaken or discharged by the Transferor Companies shall be deemed to have been undertaken or discharged for and on behalf of and as agent of the transferee Company.

10.2 With effect from the first of the dates of filing of this Scheme with the NCLT and up to and including the Effective Date:

(a) The Transferor Companies shall preserve and carry on their businesses and activities with reasonable diligence and business prudence and shall not undertake any financial commitments of any nature whatsoever, borrow any amounts nor incur any liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments either for themselves or on behalf of its subsidiaries or group companies or any third party or sell, transfer, alienate, charge, mortgage or encumber or deal with their respective Undertakings or any part thereof save and except in each case in the following circumstances:

- i. if the same is in their ordinary course of businesses as carried on by it as on date of filing this Scheme with the NCLT; or
- ii. if the same is permitted by this Scheme; or
- iii. if written consent of the Transferee Company have been obtained.

(b) The Transferor Companies shall not take, enter into, perform or undertake, as applicable (i) any material decision in relation to their businesses and affairs and operations (ii) any agreement or transaction (other than an agreement or transaction in ordinary course of the respective Transferor Company's business); and (iii) such other matters as the Transferee Company may notify from time to time; without the prior written consent of the Transferee Company.

10.3 Without prejudice to the above, the Transferor Companies from the date of filing this Scheme with the NCLT shall not make any change in their respective capital structures whether by way of increase (by issue of equity shares on a rights basis, bonus shares or otherwise), decrease, reduction, reclassification, subdivision or consolidation, reorganization, or in any other manner which may, in any way, affect the Share Exchange Ratio except under any of the following circumstances:

- (a) By mutual consent of the respective Board of Directors of the Transferor Companies and the Transferee Company; or
- (b) By way of any obligation already subsisting as on the date of filing this Scheme with the Appropriate Authority.

10.4 The Transferee Company shall also be entitled, pending sanction of the Scheme, to apply to the Central Government, State Government, and all other agencies, departments and statutory authorities concerned, wherever necessary, for such consents, approvals and sanctions which the Transferee Company may require including the registration, approvals, exemptions, relieves, etc., as may be required / granted under any law for the time being in force for carrying on businesses of the Transferor Companies.

11. EMPLOYEES

11.1 Upon coming into effect of this Scheme:

- (a) All the employees of the Transferor Companies who are in employment as on the Effective Date shall become the employees of the Transferee Company with effect from the Effective Date without any break or interruption in service and on terms and conditions as to employment and remuneration not less favourable than those on which they are engaged or employed by the Transferor Companies. It is clarified that the employees of the Transferor Companies who become employees of the Transferee Company by virtue of this Scheme, shall not be entitled to the employment policies and shall not be entitled to avail of any schemes and benefits that may be applicable and available to any of the employees of the Transferee Company (including the benefits of or under any Employee Stock Option Schemes applicable to or covering all or any of the employees of the Transferee Company), unless otherwise determined by the Transferee Company. The Transferee Company undertakes to continue to abide by any agreement/settlement, if any, entered into by the Transferor Companies with any union/employee of the Transferor Companies.
- (b) The existing provident fund, gratuity fund and pension and/or superannuation fund or trusts or retirement funds or benefits created by the Transferor Companies or any other special funds created or existing for the benefit of the concerned employees of the Transferor Companies (collectively referred to as "**Funds**") and the investment made out of such Funds shall, at an appropriate stage, be transferred to the Transferee Company to be held for the benefit of the concerned employees. The Funds shall, subject to the necessary approvals and permission and at the discretion of the Transferee Company, either be continued as separate funds of the Transferee Company for the benefit of the employees of the Transferor Companies or be transferred to and merged with other similar funds of the Transferee Company. In the event that the Transferee Company does not have its own fund with respect to any such Funds, the

Transferee Company may, subject to necessary approvals and permissions, continue to maintain the existing Funds separately and contribute therein, until such time as the Transferee Company creates its own funds into which the Funds and the investments and contributions pertaining to the employees of the Transferor Companies shall be transferred to such funds of the Transferee Company.

11.2 With effect from the first of the dates of filing of this Scheme with the Appropriate Authority and up to and including the Effective Date the Transferor Companies shall not vary or modify the terms and conditions of employment of any of its employees, except with the written consent of the Transferee Company.

11.3 It is clarified that the services of all transferred staff, workmen and employees of the Transferor Companies to the Transferee Company will be treated as having been continuous for the purpose of the aforesaid employee benefits and / or liabilities. For the purpose of payment of any retrenchment compensation, gratuity, and / or other terminal benefits, and / or any other liability pertaining to staff, workmen and employees, the past services of such staff, workmen and employees with the Transferor Companies shall also be taken into account by the Transferee Company, who shall pay the same as and when payable.

12. SAVING OF CONCLUDED TRANSACTIONS

Subject to the terms of this Scheme, the transfer and the vesting of the Undertakings of the Transferor Companies under Clause 6 of this Scheme shall not affect any transaction or proceeding already concluded by the Transferor Companies on or before the Appointed Date or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things made, done and executed by the Transferor Companies as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.

13. OTHERS

13.1 The Scheme does not involve any compromise or composition with the creditors of the Transferor Companies or the Transferee Company and the rights of the creditors of the Transferor Companies and the Transferee Company are not affected in any manner.

13.2 The charge and/or security of the secured creditors of the Transferor Companies and the transferee Company shall remain unaffected by this Scheme.

- 13.3 On and from the Effective Date, and thereafter, the Transferee Company shall be entitled to operate all bank accounts of the Transferor Companies and realise all monies and complete and enforce all pending contracts and transactions and to issue credit notes in respect of the Transferor Companies in the name of the Transferee Company in so far as may be necessary until the transfer of rights and obligations of the Transferor Companies to the Transferee Company under this Scheme have been formally given effect to under such contracts and transactions.
- 13.4 Since each of the permissions, approvals, consents, sanctions, remissions, special reservations, holidays, incentives, concessions and other authorisations in relation to the Transferor Companies, shall stand transferred by the order of the Appropriate Authority to the Transferee Company, the Transferee Company shall file the relevant intimations, for the record of the statutory authorities who shall take them on file, pursuant to the vesting orders of the Appropriate Authority.

PART III

ISSUE OF CONSIDERATIONS BY TRANSFEREE COMPANY

14. CONSIDERATION

14.1 On Merger of Transferor Company 1 with the Transferee Company (i.e. GHPL with GPL)

(a) New Shares: Upon the Scheme coming into effect, the Transferee Company shall without any further act or deed, issue and allot 39,848 (Thirty Nine Thousands Eight Hundred and Forty Eight) Equity Shares of Rs.1/- each fully paid up for every 1 (One) Equity Share of Rs.1000/- each fully paid up held by the shareholders of the Transferor Company 1 whose names appear in the register of members as on the Record Date (as defined in the Scheme) or to their respective heirs, executors, administrators, or other legal representatives or successor-in-title as the case may be.

(b) Cancellation of Shares: Upon coming into effect of this Scheme, 2,63,75,047 (Two Crores Sixty Three Lacs Seventy Five Thousands and Forty Seven) Equity Shares of the Transferee Company held by the Transferor Company 1 or such other class of shares of Transferee Company held by Transferor Company 1 as on the Effective Date shall be extinguished or shall be deemed to be extinguished and all such equity shares and preference shares held by the Transferor Company 1 in the Transferee Company shall be cancelled and shall be deemed to be cancelled without any further application, act or deed. Further, the investment in the equity shares and preference shares of the Transferee

Company, appearing in the books of Transferor Company 1 shall, without any further act or deed stand cancelled.

14.2 On Merger of Transferor Company 2 with the Transferee Company (i.e. EDIEPL with GPL)

(a) New Shares: Upon the Scheme coming into effect, the Transferee Company shall without any further act or deed, issue and allot 181 (One Hundred and Eighty One) Equity Shares of Rs.1/- each fully paid up for every 1 (One) Equity Share of Rs.10/- each fully paid up held by the shareholders of the Transferor Company 2 whose names appear in the register of members as on the Record Date (as defined in the Scheme) or to their respective heirs, executors, administrators, or other legal representatives or successor-in-title as the case may be.

(b) Cancellation of Shares: Upon coming into effect of this Scheme, 9,65,020 (Nine Lacs Sixty Five Thousands and Twenty Only) Equity Shares of the Transferee Company held by the Transferor Company 2 or such other class of shares of Transferee Company held by Transferor Company 2 as on the Effective Date shall be extinguished or shall be deemed to be extinguished and all such shares held by the Transferor Company 2 in the Transferee Company shall be cancelled and shall be deemed to be cancelled without any further application, act or deed. Further, the investment in the equity shares and preference shares of the Transferee Company, appearing in the books of Transferor Company 2 shall, without any further act or deed stand cancelled.

14.3 The new shares to be issued by Transferee Company on merger of Transferor Companies with Transferee Company shall be subject to the provisions of the Memorandum and Articles of Association of Transferee Company.

14.4 At the time of issue and allotment of the equity shares, the Board of Directors of the Transferee Company shall consolidate all fractional entitlement and allot all equity shares in lieu thereof to a corporate trustee or such other authorised representative(s) as the Board of Directors of the Transferee Company shall appoint in this behalf, who shall hold the equity shares issued in the Transferee Company in trust on behalf of the equity shareholders entitled to fractional entitlements with the express understanding that such corporate trustee or other authorised representative(s) shall sell the same in the market at such time or times and at such price or prices or to such person or persons as it/he /she /they may deem fit and pay to the Transferee Company the net sale proceeds thereof whereupon the Transferee Company shall distribute such net proceeds (after deduction of applicable taxes, if any), to the equity shareholders in proportion to

their respective fractional entitlements. The Board of Directors of the Transferee Company, if it deems necessary, in the interest of allottees, approve such other method in this behalf as it may, in its absolute discretion deem fit.

14.5 The equity shares issued and allotted by the Transferee Company in terms of the Scheme shall rank pari-passu in all respect with the existing equity shares of the Transferee Company. Further, Transferee Company, if required, take all necessary steps to increase its authorised share capital for issue of equity shares pursuant to the Scheme.

14.6 In the event that the Transferor Companies and Transferee Company restructure its equity share capital by way of share split/consolidation/ issue of bonus shares during the pendency of the Scheme, the Share Exchange ratio shall be adjusted accordingly to take into account effect of such corporate actions.

14.7 The equity shares to be issued pursuant to this Scheme shall be issued to the shareholders of the Transferor Company in dematerialised form as permitted under Applicable Law. Pursuant to the issuance of shares in dematerialised form, there will not be any requirement to pay the stamp duty on such issuance.

14.8 In the event of there being any pending share transfers, whether lodged or outstanding of any shareholders of Transferor Companies, the Board of Directors of Transferor Companies shall be empowered prior to the Record Date, to effectuate such transfers in the Transferor Companies as if such changes in registered holders were operative as on the Record Date, in order to remove any difficulties arising to the transferors of the shares in relation to the equity shares issued by the Transferee Company after the Scheme is effected. The Board of Directors of the Transferee Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new members in the Transferee Company on account of difficulties faced in the transition period.

14.9 Upon the Scheme becoming effective, the issued, subscribed and paid up share capital of the Transferee Company shall stand suitably increased/ modified consequent upon the issuance of equity shares in accordance with the Scheme. It is clarified that no special resolution under Section 42 and Section 62 of the Act read with the applicable Rules thereunder or any other applicable provisions of the Act shall be required to be passed by the Transferee Company separately in a general meeting for issue of equity shares to the members of the Transferor Companies under this Scheme and on the shareholders of the Transferee Company approving this Scheme, it shall be deemed that they have given their

consent to the issue of equity shares of the Transferee Company to the members of Transferor Companies.

14.10 It is clarified that upon the approval of this Scheme by the shareholders of the Transferor Companies and Transferee Company under Sections 230 and 232 of the Act, the shareholders shall be deemed to have approved this Scheme under Sections 13, 14, 42, 62, 186, 188 and any other applicable provisions under the Act, and that no separate approval from the shareholders or others if so applicable to that extent shall be required to be sought by the parties for the matters specified in this Scheme.

15. LISTING OF NEW EQUITY SHARES

15.1 After the Effective Date of this Scheme, the new equity shares to be issued and allotted by the Transferee Company in terms of clause 14 above shall be listed and shall be admitted for trading on the Stock Exchanges by virtue of this Scheme and in accordance with the provisions of SEBI Circulars. Transferee Company shall make all requisite applications and shall otherwise comply with the provisions of the aforesaid circulars and Applicable Laws and take all steps to get its share capital including the new equity shares issued by it in pursuance to this Scheme listed on the Stock Exchanges.

15.2 The new equity shares allotted by the Transferee Company pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated Stock Exchanges.

15.3 There shall be no change in the shareholding pattern of the Transferee Company between the Record Date and the listing which may affect the basis on which approval is received from the Stock Exchanges.

16. APPROVALS

16.1 The Transferor Companies and the Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority, if required, under any law for such consents and approvals which the Transferee Company may require to own the respective undertakings intended to be amalgamated unto it as hereinabove and to carry on the respective businesses.

16.2 This Scheme is specifically conditional upon and subject to:

- (a) The approval of and agreement to the Scheme by requisite majority of the members and Creditors of the Transferor Companies and the Transferee Company as may be directed by the National Company Law Tribunal on the applications made for directions under Section 230 of the said Act;
- (b) The sanction of the NCLT being obtained under Sections 230 to 232 of the said Act in favour of the Transferor Companies and the Transferee Company and to the necessary order or orders under Section 232 of the said Act, being obtained;
- (c) Receipt of approval of observation letter in relation to the Scheme from the relevant Stock Exchanges and SEBI in terms of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015;
- (d) The approval of the public shareholders of the Transferee Company in accordance with the provisions of the SEBI Circulars issued in this behalf. Such approval of public shareholders will be obtained through postal ballot and e-voting, after disclosure of all material facts in the explanatory statement sent to the shareholders in relation to such resolution. The scheme is conditional upon scheme being approved by the public shareholders through e-voting in terms of para 9 (a) of part I of Annexure I of SEBI circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and the scheme shall be acted upon only if vote cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it; and
- (e) Any other sanction or approval of the appropriate authorities concerned, as may be considered necessary and appropriate by the respective Boards of Directors of the Transferor Companies and the Transferee Company being obtained and granted in respect of any of the matters for which such sanction or approval is required.

17. CONSOLIDATION OF AUTHORISED CAPITAL

17.1 The Clause V of the Memorandum and Articles of Association of the Transferee Company (relating to Authorised Share Capital) shall without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purpose of effecting this amendment, and no further resolution(s) under any other applicable provisions of the Act would be required to be separately passed, as the case may be and be replaced by the following clause:

"The Authorised Share Capital of the Company is Rs. 42,81,00,000/- (Rupees Forty Two Crores and Eighty One Lacs only) divided into 28,06,00,000 (Twenty Eight Crores and Six Lacs only) Equity Shares of Rs 1/- (Rupees One only) each, 2,50,000 (Two Lacs and Fifty Thousand) 0% (Zero Percent) Redeemable Preference Shares of Rs. 10/- (Rupees Ten only) each, 14,50,000 (Fourteen Lacs and Fifty Thousand) 0%-10% (Zero Percent to Ten Percent) Redeemable Preference Shares of Rs. 100/- (Rupees One Hundred only) each, all or any part of the Share Capital shall be capable of being increased or reduced, classified or reclassified or re organized in accordance with the Company's Regulations and legislative provisions for the time being in force in that behalf, with power to divide the Shares in the Capital for the time being into Equity Share Capital and Preference Share Capital, to attach thereto respectively any preferential, qualified, deferred or special rights, privileges or conditions and to vary, modify or abrogate any such rights, privileges or conditions".

17.2 Upon the Scheme becoming effective and the Transferor Companies being dissolved, the authorized capitals of the Transferor Companies as on the Appointed Date shall stand merged with the authorized capital of the Transferee Company, and the fee, if any, paid by Transferor Companies on its authorized capital before merger shall be set-off against any fees payable by the Transferee Company on its authorized share capital subsequent to the amalgamation.

17.3 For the purpose of increase in authorized share capital of the Transferee Company, the stamp duty and fees paid on the authorised capitals of the Transferor Companies shall be utilised and applied to the increased authorised share capital of the Transferee Company.

17.4 It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent/approval also to the alteration of the Memorandum and Articles of Association of the Transferee Company, as may be required under the Act, and Clause V of the Memorandum of Association of the Transferee Company.

PART IV ACCOUNTING TREATMENT

18. ACCOUNTING TREATMENT

18.1 Notwithstanding anything to the contrary contained in any other Clause in the Scheme, upon the Scheme becoming effective, the amalgamation of Transferor Companies into Transferee Company, shall be accounted as per "Pooling of Interest Method" in accordance with Indian Accounting Standard (Ind AS 103),

Business Combinations and other accounting principles prescribed under the Companies (Indian Accounting Standards) Rules, 2015 as notified under section 133 of the Companies Act, 2013;

18.2 The pooling of interest method is considered to involve the following:

- (a) The assets and liabilities of the combining entities are reflected at their carrying amount
- (b) No adjustments are made to reflect fair values, or recognise any new asset or liabilities. The only adjustments that are made are to harmonise the accounting policies

18.3 Comparative accounting period presented in the financial statements of the Transferee Company shall be restated for the accounting impact of merger, as stated above, as if the merger had occurred from the beginning of the comparative period in the financial statements.

PART V

DISSOLUTION OF THE TRANSFEROR COMPANIES AND GENERAL TERMS AND CONDITIONS

19. DISSOLUTION OF THE TRANSFEROR COMPANIES

On the coming into effect of this Scheme, the Transferor Companies shall stand dissolved without winding up and without any further act or deed under Section 232 of the Act.

20. VALIDITY OF EXISTING RESOLUTIONS ETC.

Upon the coming into effect of this Scheme, resolutions, if any, of any of the Transferor Companies, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolution has any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

21. PROCEEDINGS BEFORE THE APPROPRIATE AUTHORITY

- (a) The Transferor Companies and the Transferee Company shall file in the Appropriate Authority a joint application for convening and holding of meetings of their respective shareholders and creditors to be called, held and conducted in such manner or for their dispensation, as the Appropriate

Authority may direct and to consider and if thought fit to approve, with or without modification, this Scheme.

- (b) On this Scheme being agreed by the requisite majority of members/creditors of the Transferor Companies and the requisite majority of members/creditors of the Transferee Company, the Transferor Companies and the Transferee Company shall apply to the Appropriate Authority for sanctioning the Scheme of Amalgamation under Sections 230 and 232 of the Companies Act, 2013 and for such other order, or orders, as the Appropriate Authority may deem fit for carrying this Scheme into effect and for dissolution of the Transferor Companies without winding up.
- (c) It is hereby clarified that submissions of the Scheme to the Appropriate Authority and to any authorities for their respective approvals is without prejudice to all rights, interest, titles and defences that the Transferor Companies and the Transferee Company has or may have under or pursuant to all applicable laws.
- (d) The Transferor Companies and the Transferee Company shall also take such other steps as may be necessary or expedient to give full and formal effect to the provisions of this Scheme.

22. MODIFICATION OR AMENDMENTS TO SCHEME

22.1 The Transferor Companies and the Transferee Company by their respective Boards of Directors or any Committee thereof or any Director/ executive authorised in that behalf (hereinafter referred to as the "**Delegate**") may assent to, or make, from time to time, any modification(s) or addition(s) to this Scheme which may deem fit or which the NCLT or Appropriate Authority or any authorities under law may deem fit to approve or which the Appropriate Authority or any authorities under law may impose/suggest and which the Transferor Companies and the Transferee Company may in their absolute discretion accept or such modification(s) or addition(s) as the Transferor Companies and the Transferee Company or as the case may be, their respective Delegate may deem fit, or required for the purpose of resolving any doubts or difficulties that may arise in carrying out this Scheme, and the Transferor Companies and the Transferee Company by their respective Boards of Directors or delegates are authorised to do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect, or review the position relating to the satisfaction of the conditions of this Scheme and if necessary, waive any of such conditions (to the extent permissible under law) for bringing this Scheme into effect, and/or give such consents as may be required in terms of this Scheme.

- 22.2 In the event that any conditions are imposed by the Appropriate Authority or any Governmental Authorities, which any of the Transferor Companies or the Transferee Company finds unacceptable for any reason, then the respective Transferor Company and the Transferee Company shall be at liberty to withdraw the Scheme.
- 22.3 It is however, clarified that any amendment or modification to this Scheme after sanction thereof shall be made in accordance with the provisions contained in Section 231 of the Act or any statutory medication thereof.
- 22.4 For the purposes of giving effect to this Scheme or to any modification(s) thereof or addition(s) thereto, the Delegates of the Transferor Companies and the Transferee Company may give and are authorised to determine and give all such directions as are necessary for settling or removing any question of doubt or difficulty that may arise under this Scheme or in regard to the meaning or interpretation of any provision of this Scheme or implementation thereof or in any manner whatsoever connected therewith or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary to waive any such conditions (to the extent permissible in law) and such determination or directions or waiver, as the case may be shall be binding on all the parties, in the same manner as if the same were specifically incorporated in this Scheme.
- 22.5 For the purpose of giving effect to this Scheme or to any modifications/ amendments thereof, the Directors of the Transferor Companies (prior to its dissolution in pursuance to Scheme) and of the Transferee Company may give and are authorised to give all such directions as are necessary including directions for resolving any question of doubt or difficulty that may arise.
- 22.6 Further, post approval of the Scheme by NCLT, if there is any confusion in interpreting any clause of this Scheme, or otherwise, the Board of Directors of the respective Companies shall jointly have complete power to take the most sensible interpretation so as to render the Scheme operational.

23. WITHDRAWAL OF THE SCHEME

The Companies shall be at liberty to withdraw this Scheme at any time as may be mutually agreed by the Board of Directors of the respective Companies prior to the Effective Date. In such a case, the Companies shall respectively bear their own cost or as may be mutually agreed.

24. COMPLIANCE WITH TAX LAWS AS APPLICABLE TO THE SCHEME

- 24.1 This Scheme is in compliance with the conditions relating to "amalgamation" as specified under Section 2(1 B) of the IT Act. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date including resulting from a retrospective amendment of law or for any other reason whatsoever, till the time the Scheme becomes effective, the provisions of the said Section of the IT Act shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1 B) of the IT Act.
- 24.2 On or after the Effective Date, the Companies shall have the right to revise their financial statements and tax returns (including withholding tax returns) along with the prescribed forms, filings and annexures under the provisions of the IT Act (including for the purpose of re-computing income tax under the normal provisions, minimum alternative tax, and claiming other tax benefits), Wealth Tax Act, 1957, customs duty law, central sales tax, applicable state value added tax, service tax laws, excise duty laws, Goods and Services tax, VAT law or other tax laws, and to claim refunds and/or credits for taxes paid (including minimum alternate tax, tax deducted at source, goods and service tax, etc), and to claim tax benefits etc. and for matters incidental thereto, if required to give effect to the provisions of the Scheme.
- 24.3 As and from the Effective Date, all tax proceedings shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Companies. Further, all tax proceedings shall not in any way be prejudicially affected by reason of the amalgamation of the Transferor Companies with the Transferee Company or anything contained in the Scheme.
- 24.4 Any tax liabilities under the IT Act, Wealth Tax Act, 1957, customs duty laws, central sales tax, applicable state value added tax, service tax laws, excise duty laws, Goods and Service tax, VAT law or other applicable laws/ regulations dealing with taxes, duties, levies allocable or related to the business of the Transferor Companies to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred or stand transferred to Transferee Company. Any surplus in the provision for taxation / duties/ levies account including advance tax and tax deducted at source and MAT credit as on the date immediately preceding the Appointed Date will also be transferred to the account of the Transferee Company.

- 24.5 Any refund under the IT Act, Wealth-tax Act, 1957, customs duty laws, central sales tax, applicable state value added tax, service tax laws, excise duty laws, goods and service tax, VAT law or other applicable laws/ regulations dealing with taxes/ duties/ levies allocable or related to the business of the Transferor Companies due to Transferor Companies consequent to the assessment made on Transferor Companies and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.
- 24.6 Any tax payment (including, without limitation, income-tax, minimum alternate tax, taxes withheld/ paid in a foreign country, dividend distribution tax, securities transaction tax, sales tax, excise duty, custom duty, service tax, value added tax, goods and service tax, etc whether by way of deduction at source, advance tax or otherwise, howsoever, by the Transferor Companies in respect of the profits or activities or operation of the business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly. Further, any tax deducted at source by Transferor Companies/ Transferee Company including on payables to Transferee Company/ Transferor Companies on account of investments (if any) held by the Transferee Company in the Transferor Companies which has been deemed not to be accrued, shall be deemed to be advance taxes paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.
- 24.7 Obligation for deduction of tax at source on any payment made by or to be made by the Transferor Companies under the IT Act, Wealth Tax Act, 1957, customs duty laws, central sales tax, applicable state value added tax, service tax laws, excise duty laws, goods and service tax, VAT law or other applicable laws / regulations dealing with taxes / duties / levies shall be made or deemed to be have been made and duly complied with by the Transferee Company.
- 24.8 All deductions otherwise admissible to the Transferor Companies including payment admissible on actual payment or on deduction of appropriate taxes or on payment or tax deducted at source (such as under Sections 40, 40A, 43B, etc of the IT Act) shall be available for deduction to the Transferee Company as it would have been available to the Transferor Companies.

25. EXEMPTION UNDER SAST REGULATIONS

For avoidance of doubt, it is clarified that pursuant to amalgamation of the Transferor Companies into and with the Transferee Company, the issuance of equity shares of the Transferee Company to the shareholders of the Transferor

Companies to the shareholders of the Transferor Companies as consideration for amalgamation of the Transferor Companies into and with the Transferee Company in terms of the Scheme, is exempt under the provisions of the Regulation 10(1)(d)(ii) of SAST Regulations, and therefore, the requirement to make an “open offer” shall not be triggered in terms of provisions of the SAST Regulations.

26. COSTS AND EXPENSES

All costs, charges and expenses including but not limited to any stamp duty or registration fees or any lease premium payable on any deed, document, instrument or the NCLT Order pertaining to this Scheme or in connection with this Scheme and incidental to the completion of the merger of the Transferor Companies with the Transferee Company in pursuance of this Scheme shall be borne and paid by the Transferor Companies and Transferee Company. The Transferee Company shall be eligible for deduction of all such expenditure incurred as per Section 35DD of the IT Act.

27. MISCELLANEOUS

- 27.1 If any part of this Scheme is found to be unworkable for any reason whatsoever, in the sole discretion of the Transferor Companies and the Transferee Company either by their respective Boards of Directors or through Committees appointed by them in this behalf, the same shall not, subject to the decision of the Transferor Companies and the Transferee Company, affect the validity or implementation of the other parts and/or provisions of this Scheme.
- 27.2 In the event that any conditions imposed by the Appropriate Authority are found unacceptable for any reason whatsoever by any Transferor Company or the Transferee Company, then the respective Transferor Company and/or Transferee Company shall be entitled to withdraw the Scheme in which event no rights and liabilities whatsoever shall accrue to or be incurred inter se to or by the parties or any of them.
- 27.3 On the approval of the Scheme by the members of the Transferor Companies and Transferee Company pursuant to Section 230 of the Act, it shall be deemed that the said members have also accorded all relevant consents under other provisions of the Act to the extent the same may be considered applicable for the purpose of this Scheme.
- 27.4 The mutation of the title to the immovable properties shall be made and duly recorded by the appropriate authorities pursuant to the sanction of the Scheme and upon the Scheme becoming effective, in accordance with the terms hereof, in

favour of the Transferee Company in respect of the immovable properties vested in it. Any inchoate title or possessory title of the Transferor Companies or its predecessor companies shall be deemed to be the title of the Transferee Company.

- 27.5 Further, the Board of Directors of the Transferor Companies and the Transferee Company shall be entitled to revoke, cancel and declare the Scheme of no effect if the Board of Directors of the Transferor Companies and the Transferee Company are of view that the coming into effect of the Scheme in terms of the provisions of this Scheme or filing of the drawn up orders with any authority could have an adverse implication(s) on all or any of the Transferor Companies or the Transferee Companies.
- 27.6 If any part of this Scheme hereof is invalid, ruled illegal by any NCLT of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Transferor Companies and the Transferee Company that such part shall be severable from the remainder of the Scheme. Further, if the deletion of such part of this Scheme may cause this Scheme to become materially adverse to the any of the Transferor Companies and /or the Transferee Company, then in such case the Transferor Companies and /or the Transferee Company shall attempt to bring about a modification in the Scheme, as will best preserve for the Transferor Companies and the Transferee Company the benefits and obligations of the Scheme, including but not limited to such part. Without prejudice to above, if the modification required is not acceptable, then the Companies can withdraw the Scheme.
- 27.7 No investigation or proceedings under the Companies Act, 1956 and the Companies Act, 2013 are proceeding against the Transferor Companies and the Transferee Company.
- 27.8 The physical copies of the following documents are available for obtaining extract from or for making or obtaining copies of or for inspection by members and creditors at the registered office of the Transferor Companies and the Transferee Company during the business hours (10:00 A.M. To 6:00 P.M.) on all working days except Saturday and Sunday up to one day prior to date of meeting(s), if any, to be convened by the NCLT:
- Audited Financial Statements including consolidated financial statements (if any) for the year ended 31st March 2020 of the Transferor Companies and the Transferee Company;
 - Copy of Scheme of Arrangement/ Amalgamation;
 - Certificate issued by Auditor of the Transferee Company to the effect that the accounting treatment proposed in the Scheme of Amalgamation is in

conformity with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013;

- Valuation Report;
- Fairness Opinion;
- Abridged Prospectus of Transferor Companies;
- Other documents/ certificates as required under SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and the Companies Act, 2013.

27.9 There is no adverse effect of Scheme on any director, key managerial personnel, promoters, non-promoter members, creditors and employees of the Transferor Companies and the Transferee Company.

27.10 It is further provided that there are no other contracts or arrangements that are material to this scheme of amalgamation.

27.11 As part of the Scheme, post approval of the Scheme by the Appropriate Authority and listing of shares issued in Consideration, the Transferee Company may transfer or convey or lease or sell or otherwise dispose off the title of the immovable properties, fixed assets, loans and advances, investments, current assets, debit balance in profit and loss account and any other assets as per the books of the Transferor Companies transferred pursuant to the Scheme, to a foundation or a trust or a society or a company incorporated under Section 8 of the Act created or promoted by the Transferee Company, for the purpose of discharging obligation towards corporate social responsibility under Section 135 of the Act, and there would not be any requirement for any further act, deed, approvals, fees/duty payment or matters for giving effect to the obligations towards corporate social responsibility. The requirement to pay stamp duty will not arise on such transfer to a foundation or a trust or a society or a company incorporated under Section 8 of the Act created or promoted by the Transferee Company, for the purpose of discharging obligation towards corporate social responsibility under Section 135 of the Act or be set off from the payment of stamp duty on the NCLT's order by which the property, movable & immovable, owned by the Transferor Companies is transferred to or vested in the Transferee Company.

28. INDEMNITY BY TRANSFEROR COMPANIES & ITS SHAREHOLDERS

The Transferor Companies and its shareholders shall indemnify and hold harmless the Transferee Company and its directors, officers, representatives, partners, employees and agents (collectively referred as the "**Indemnified Persons**") for

losses, liabilities, costs, charges, expenses (whether or not resulting from third party claims), including those paid or suffered pursuant to any actions, proceedings, claims and including interests and penalties discharged by the Indemnified Persons which may devolve on Indemnified Persons on account of amalgamation of the Transferor Companies with the Transferee Company but would not have been payable by such Indemnified Persons otherwise, the form and manner as may be agreed amongst the Transferee Company and the shareholders of the Transferor Companies.

29. NO CASUE OF ACTION

No third party claiming to have acted or changed his position in anticipation of the Scheme taking effect, shall get any cause of action against the Transferor Companies or Transferee Company or their directors or officers, if this Scheme does not take effect or is withdrawn, cancelled, revoked, amended or modified for any reason whatsoever.

**IN THE NATIONAL COMPANY LAW TRIBUNAL
ALLAHABAD BENCH, ALLAHABAD**

Company Application No. CA(CAA)No. 09/ALD of 2021
(Under Section 230 & 232 of the Companies Act, 2013)

In the Matter of:

1. **Gulshan Holdings Private Limited**, a private limited company incorporated under the Companies Act, 1956 and having its registered office at 9th K.M., Jansath Road, Muzaffarnagar – 251001, Uttar Pradesh
.....Applicant Company No. 1/Transferor Company No. 1
2. **East Delhi Importers & Exporters Private Limited**, a private limited company incorporated under the Companies Act, 1956 and having its registered office at 9th K.M., Jansath Road, Muzaffarnagar – 251001, Uttar Pradesh
..... Applicant Company No. 2/Transferor Company No. 2

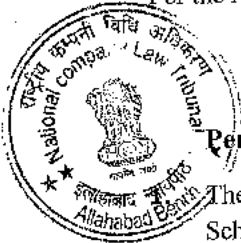
AND

3. **Gulshan Polyols Limited**, a public limited company incorporated under the Companies Act, 1956 and having its registered office at 9th K.M., Jansath Road, Muzaffarnagar – 251001, Uttar Pradesh
.....Applicant Company No. 3/Transferee Company

ORDER DELIVERED ON: 14.07.2021

CORAM: Justice(Retd) Rajesh Dayal Khare; Member(Judicial)

For the Applicant Companies : Ankit Kumar Singh, PCS

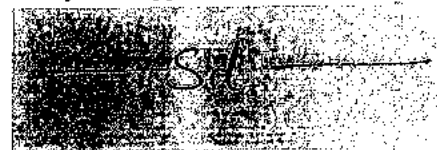


ORDER

Per se: Justice(Retd) Rajesh Dayal Khare; Member(Judicial)

The counsel for the Applicant Companies submits that that the present Scheme is a Scheme of Amalgamation of Gulshan Holdings Private Limited ("GHPL" or "the Transferor Company No. 1" or "Applicant Company No. 1") and East Delhi Importers & Exporters Private Limited ("EDIEPL" or "the Transferor Company No. 2" or "Applicant Company No. 2") with Gulshan Polyols Limited ("GPL" or "the Transferee Company" or "Applicant Company No. 3") and their respective Shareholders ("Scheme") under the provisions of Sections 230 to 232 of the Companies Act, 2013.

2. The counsel for the Applicant Companies submits that this 1st motion Application under Sections 230 & 232 of the companies Act, 2013 (herein after referred to as the "Act") read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (herein after referred to as "the Rules") is filed by the Applicants



Numbers 1 to 3 Companies seeking directions of this Tribunal to convene separate meetings of Secured Creditors, Un-secured Creditors and Equity Shareholders of the Transferee Company, to consider and, if deem fit, to approve the proposed Scheme of Amalgamation; and to dispense with the requirement of convening meetings of Equity Shareholders, Secured Creditors and Un-secured Creditors of the Transferor Companies No. 1 to 2; and Preference Shareholders of the Transferee Company. The Applicant No. 1 to 2 Companies are the Transferor Companies No. 1 to 2, whereas the Applicant No. 3 is the Transferee Company as stated in the proposed Scheme and in the Application.

3. The counsel for the Applicant Companies submits that the Transferor Company No. 1 is a private limited company registered under the provisions of the Companies Act, 1956. The Authorised Share Capital of the Transferor Company No. 1 is ₹5,55,00,000 divided into 55,500 Equity Shares of ₹1,000 each. The present Issued, Subscribed and Paid-up Share Capital of the Company is ₹7,07,000 divided into 707 Equity Shares of ₹1,000 each. The Main Objects of the Transferor Company No. 1 are set out in its Memorandum and Article of Association annexed with the Application and marked as *Annexure A-2 (Colly.)*.

Presently, the Transferor Company No. 1 is engaged in the business of acquiring, investing and holding shares in companies having similar objects or companies providing value benefit, and guaranteeing the payment of money unsecured or secured by or payable under or in respect of contractual obligations.

4. The counsel for the Applicant Companies submits that Transferor Company No. 2 is a private limited company registered under the provisions of the Companies Act, 1956. The Authorised Share Capital of the Transferor Company No. 2 is ₹1,00,000 divided into 10,000 Equity Shares of ₹10 each. The present Issued, Subscribed and Paid-up Share Capital of the Company is ₹1,00,000 divided into 10,000 Equity Shares of ₹10 each. The Main Objects of the Transferor Company No. 2 are set out in its Memorandum and Article of Association annexed with the Application and marked as *Annexure A-5 (Colly.)*.



5. Presently, the Transferor Company No. 2 is engaged in the business of importing, exporting, dealing and trading multi-products which includes but not limited to textile products, chemicals, sugar and related products, engineering goods, molasses, grains, glassware, alcohol, oils, paper and related products, wood and timber etc. Further, the Company is engaged in the business as general carriers, transporters and freight forwarders, and exporting, importing, trading and dealing in the computer software, programmes, computer hardware and peripherals.
5. The counsel for the Applicant Companies submits that the Transferee Company is a public limited company registered under the provisions of the Companies Act, 1956. The Authorised Share Capital of the Transferee Company is ₹37,25,00,000 divided into 22,50,00,000 Equity Shares of ₹1 each aggregating to ₹22,50,00,000; 2,50,000 Redeemable Preference Shares (0%) of ₹10 each aggregating to ₹25,00,000; and 14,50,000 Redeemable Preference Shares (0-10%) of ₹100 each aggregating to



14,50,00,000. The present Issued, Subscribed and Paid-up Share Capital of the Company is ₹14,44,17,020 divided into 4,69,17,020 Equity Shares of ₹1 each aggregating to ₹4,69,17,020; and 9,75,000 Redeemable Preference Shares (8%) of ₹100 each aggregating to 9,75,00,000. The equity shares of the Transferee are listed on National Stock Exchange of India Limited and BSE Limited. The Main Objects of the Transferee Company are set out in its Memorandum and Article of Association annexed with the Application and marked as *Annexure A-8 (Colly.)*.

Presently, the Transferee Company is engaged in the business of manufacturing multi-products such as starch sugar, high fructose rice syrup, brown rice syrup, rice syrup solids, calcium carbonate, agro based animal feed and alcohol. Further, the Transferee Company is engaged in installing onsite PCC plants.

6. The Counsel for the Applicant Companies submits that the Transferor Company No. 1 is a promoter holding company of the Transferee Company. The Transferor Company No. 2 is a promoter company of the Transferee Company. The registered office of the Applicant Companies is situated at 9th K.M., Jansath Road, Muzaffarnagar – 251001, Uttar Pradesh.
7. The Counsel for the Applicant Companies further submits that the Scheme has been approved by the board of directors of the Applicant Companies in their meetings held on 06th August, 2020 and the Appointed Date of the Scheme is fixed as 1st April, 2020.
8. The Counsel for the Applicant Companies further submits that the Applicant Companies have filed the Audited Financial Statements for the financial year ended 31st March, 2020 along with audited financial statements for the half year ended on 30th September, 2020.

The Counsel for the Applicant Companies further submits that Board of Directors and management of the Applicant Companies have proposed the Scheme for the following reasons or rationale:

- a. *Ensuring a streamlined group structure by reducing the number of legal entities;*
- b. *Reducing the multiplicity of legal and regulatory compliances required at present;*
- c. *Eliminating duplicative communication and coordination efforts across multiple entities;*
- d. *Rationalising cost by eliminating multiple record keeping and administrative functions;*
- e. *Help in achieving improved operational efficiency and optimum advantages and synergy in operations by combining the activities of the Transferor Companies*



with the Transferee Company. Accordingly, the Scheme would strengthen and complement the businesses of the Companies;

- f. The amalgamated entity will benefit from optimum utilization of manpower through improved organizational capacity and leadership, arising from the combination of people from the Transferor Companies and Transferee Company which have diverse skills, talent, management expertise, enlarged knowledge base and vast experience to compete successfully in an increased competitive industry;
- g. The amalgamated entity shall reduce fixed costs by removing duplicate departments, operations and lower the cost of the Company relative to the same revenue stream and shall thus increase the profit margins;
- h. Under a liberalised, fast changing and highly competitive environment, this amalgamation shall strengthen the business of the Transferor Companies and the Transferee Company by pooling up the resources, land, investment and assets for common purpose and hence optimum utilization;
- i. The amalgamation will result in better economic control, increased financial strength and flexibility and enhance the ability of the amalgamated entity to undertake large projects, thereby contributing to enhancement of future business potential;
- j. The amalgamation would not only lead to simplification of the shareholding structure and reduction of the shareholding tiers, but also demonstrate the promoter group direct commitment to and engagement with the Transferee Company;



The amalgamation would lead to infusion of investments in forms of bank deposits, bank balance, securities etc. into the Transferee Company which will enhance the capability of the Transferee Company to undertake operations at an enhanced business potential.

10. It is stated that no proceeding for inspection, inquiry or investigation under the provisions of the Companies Act, 2013, or under the provisions of the Companies Act, 1956 is pending against any of the Applicant Companies.
11. It is stated by the Applicant Companies that the proposed Scheme of Amalgamation does not envisage any buy back of shares.
12. The learned Counsel for the Applicant Companies filed details of Shareholders, Secured Creditors and Un-secured Creditors detailed below:

The Transferor Company No. 1



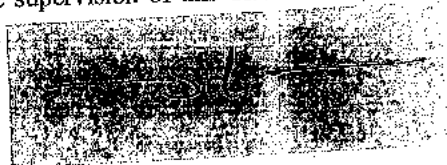
- i. The Transferor Company No. 1 has 5 (five) **Equity Shareholders** and all have given their consents by way of depositing individual affidavits.
- ii. The Transferor Company No. 1 has no **Secured Creditors as on date**. As on 30.09.2020, the Transferor Company No. 1 has 1 secured creditor. There is no outstanding liability as on date and the said loan has been fully adjusted with up-to-date mark up. The Transferor Company No.1 has fully repaid the outstanding dues of the secured creditor and the secured creditor is having no charge on any of the assets of the Transferor Company No.1. The said Secured Creditor has given its no outstanding dues confirmation by way of Affidavit.
- iii. The Transferor Company No. 1 has 1 (one) **Un-secured Creditor** and he has given his consent by way of depositing individual affidavit.

The Transferor Company No. 2

- i. The Transferor Company No. 2 has 3 (three) **Equity Shareholders** and all have given their consents by way of depositing individual affidavits.
- ii. The Transferor Company No. 2 has no **Secured Creditors**.
- iii. The Transferor Company No. 2 has no **Un-Secured Creditors**.

The Transferee Company

- i. The Transferee Company is listed public limited company and has 14,758 (fourteen thousand seven hundred and fifty-eight) **Equity Shareholders as on 30th September, 2020**. The Transferee Company is proposing to convene a physical meeting of its Equity Shareholders with e-voting facilities, under the supervision of this Tribunal to consider and approve the proposed Scheme of Amalgamation.
- ii. The Transferee Company has 1 (one) **Preference Shareholder** and he has given his consent by way of depositing individual affidavit.
- iii. The Transferee Company has 2 (two) **Secured Creditors as on date**. As on 30.09.2020, the Transferee Company had 3 (three) secured creditors. Out of those 3 (three) of the secured creditors of the Transferee Company as on 30.09.2020, 1 (one) secured creditor with name "Gulshan Mercantile Urban Co-Operative Bank Limited" has been paid off all the outstanding dues. The said Secured Creditors has given its no outstanding dues confirmation by way of Affidavit. The Transferee Company is proposing to convene a physical meeting of its Secured Creditors, under the supervision of this Tribunal to consider and approve the proposed Scheme.



iv. The Transferee Company has about 634 (six hundred and thirty-four) **Un-secured Creditors as on 30th September, 2020**. The Transferee Company is proposing to convene a physical meeting of its Un-secured Creditors, under the supervision of this Tribunal to consider and approve the proposed Scheme of Amalgamation.

13. The Applicants have stated that the accounting treatment proposed in the Schemes is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013. Certificates from the respective Statutory Auditors of the Applicant Companies have been filed along with the Application.

14. Learned Counsel- CS Ankit Kumar Singh, appearing for the Applicant Companies, made the following contentions with respect to the dispensation of the requirement of convening meetings of the following persons:

- A. All the Equity Shareholders of the Transferor Companies No. 1 to 2 have given their written consents by way of affidavits. Therefore, the requirement of convening meetings of the Equity Shareholders of the Transferor Companies No. 1 to 2 may be dispensed with.
- B. All the Preference Shareholders of the Transferee Company have given their written consents by way of affidavits. Therefore, the requirement of convening meeting of the Preference Shareholders of the Transferee Company may be dispensed with.
- C. There is no Secured Creditor in the Transferor Companies No. 1 to 2. Therefore, there is no need to convene meetings of the Secured Creditor of the Transferor Companies No. 1 to 2.



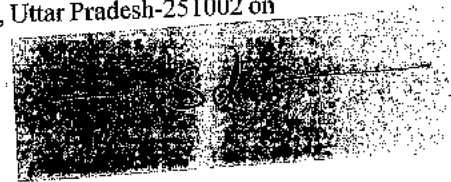
The Un-secured Creditors of the Transferor Companies No. 1 have given their written consents by way of affidavits. Further, Transferor Company No. 2 does not have any Un-secured Creditors. Therefore, the requirement of convening meeting of the Un-secured Creditors of the Transferor Companies No. 1 to 2 may be dispensed with.

15. Further, Learned Counsel- CS Ankit Kumar Singh, appearing for the Applicants, requested to convene the following meetings under the supervision of this Tribunal, for the purpose of considering and if deem fit, approving the proposed Scheme of Amalgamation:

- a. To convene a physical meeting of Secured Creditors of the Transferee Company, under the supervision of the Tribunal.
- b. To convene a physical meeting of Un-secured Creditors of the Transferee Company, under the supervision of the Tribunal.
- c. To convene a physical meeting of Equity Shareholders of the Transferee Company with facility of e-voting, under the supervision of the Tribunal.



16. This Tribunal directs that, in view of the consent affidavits given by the Equity Shareholders of the Transferor Companies No. 1 to 2, the requirement of convening meetings of the Equity Shareholders of the Transferor Companies No. 1 to 2, for the purpose of considering and if thought fit approving the proposed Scheme, is dispensed with.
17. This Tribunal directs that, in view of the consent affidavits given by the Preference Shareholders of the Transferee Company, the requirement of convening meeting of the Preference Shareholders of the Transferee Company, for the purpose of considering and if thought fit approving the proposed Scheme, is dispensed with.
18. As stated, there is no Secured Creditor in the Transferor Companies No. 1 to 2, accordingly, the requirement of convening the meetings of the Secured Creditors of the Transferor Companies No. 1 to 2, for the purpose of considering and if thought fit approving the proposed Scheme, is dispensed with.
19. This Tribunal directs that, in view of the consent affidavits given by the Un-secured Creditors of the Transferor Companies No. 1 and the fact that Transferor Company No. 2 does not have any Un-secured Creditors, the requirement of convening meetings of the Un-secured Creditors of the Transferor Companies No. 1 to 2, for the purpose of considering and if thought fit approving the proposed Scheme, is dispensed with.
20. This Tribunal directs conduct of meetings of shareholders and creditors of the Applicant Company No. 3 as follows:
- (a) A meeting of the Equity Shareholders of the Applicant Company No. 3 be convened and held at Solitaire INN Hotel, 6 Mile Stone, Meerut Road, National Highway 58, Muzaffarnagar, Uttar Pradesh-251002 on 18th September, 2021 at 12.00 p.m. for the purpose of considering and, if thought fit, approving with or without modification(s) the proposed amalgamation embodied in the Scheme.
 - (b) The Applicant Company No. 3 being a listed public limited company, is governed by the **SEBI circular no. CFD/DIL3/CIR/2017/21 dated 10th March, 2017** and is required to provide the facility of e-voting to its shareholders. Accordingly, voting by the Equity Shareholders of the Applicant Company No. 3 to the Scheme shall be carried out through e-voting, indicating the day, the date, and the time as aforesaid.
 - (c) A meeting of the Un-secured Creditors of the Applicant Company No. 3 be convened and held at Solitaire INN Hotel, 6 Mile Stone, Meerut Road, National Highway 58, Muzaffarnagar, Uttar Pradesh-251002 on



18th September, 2021 at 1.00p.m. for the purpose of considering and, if thought fit, approving with or without modification(s) the proposed amalgamation embodied in the Scheme.

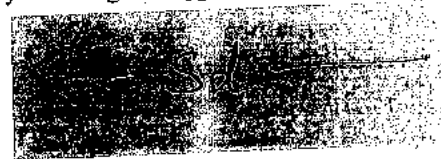
- (d) A meeting of the Secured Creditors of the Applicant Company No. 3 be convened and held at Solitaire INN Hotel, 6 Mile Stone, Meerut Road, National Highway 58, Muzaffarnagar, Uttar Pradesh-251002 on 18th September, 2021 at 2.00 p.m. for the purpose of considering and, if thought fit, approving with or without modification(s) the proposed amalgamation embodied in the Scheme.

21. This Tribunal further issues directions with regard to notices as follows:

- (a) That at least 30 (thirty) days before the said Meeting of the Equity Shareholders or Secured Creditors or Unsecured Secured, as the case may be of the Applicant Company No. 3 to be held as aforesaid, a Notice convening the said Meeting at the day, date and time as aforesaid, together with a copy of the Scheme, a copy of Explanatory Statement disclosing all material facts as required under Section 230(3) of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rule, 2016 notified on 14th December, 2016 and the prescribed form of Proxy shall be sent by email to those Equity Shareholders, Secured Creditors and Unsecured Creditors subsisting as on March 31, 2021 in the books and accounts of the Company whose email addresses are duly registered with the Applicant Company No. 3, addressed to each of the shareholders or creditors, at their last known email addresses as per the records of the of the Applicant Company No.3. In case of such Equity Shareholders, Secured Creditors and Un-secured Creditors whose e-mail ids are not available with the Company, publication of notice in newspapers as mentioned below and putting the notice on the web-site of the Company, will be sufficient compliance.



- (b) That at least 30 (thirty) days before the said Meeting of the Equity Shareholders or Secured Creditors or Unsecured Secured, as may be applicable of the Applicant Company No. 3 to be held as aforesaid, a Notice convening the said Meeting at the day, date and time as aforesaid be published once each in 'Financial Express' in English and 'Jansatta' in Hindi, both having wide circulation in the State of Uttar Pradesh, and stating that copies of the Scheme and the said statement required to be furnished pursuant to section 230 (3) of the Companies Act, 2013 can be obtained free of charge at the Registered Office of the Transferee Company situated at 9th K.M., Jansath Road, Muzaffarnagar - 251001, Uttar Pradesh or by emailing the Applicant Company No. 3 at cs@gulshanindia.com.



- (c) That the aforesaid notices shall also state that Form of Proxy can be obtained free of charge at the Registered Office of the Transferee Company situated at 9th K.M., Jansath Road, Muzaffarnagar – 251001, Uttar Pradesh or by emailing the Applicant Company No. 3 at cs@gulshanindia.com.

22. This Tribunal hereby appoints Chairpersons for the meetings aforesaid is as follows:

- (a) Mr. Rajeev Goel, Advocate (Mobile No: 9311411839; Email: rajeev391@gmail.com) shall be the common Chairperson for the above said meetings or in respect of any adjournment thereof and his/her remuneration to act as the Chairperson is fixed at Rs. 1,00,000/- (Rupees One Lakh Only) on consolidated basis for all the above said meetings.
- (b) Mr. Anadi Krishna Narayan Advocate (Mobile No: 9838645884; Email : anadvocates@gmail.com) shall be the common Alternate Chairperson for the above said meetings or in respect of any adjournment thereof and his/her remuneration to act as the Alternate Chairperson is fixed at Rs. 1,00,000(Rupees One Lakh Only) on consolidated basis for all the above said meetings.
- (c) Mr. Shashi Kant Gupta, Company Secretary in practice, (Mobile No. 9415042137, E-mail: skgupta1903@gmail.com) is appointed as the common Scrutinizer for the above said meetings or in respect of any adjournment thereof and his remuneration to act as the Scrutinizer is fixed at Rs. 75,000/- (Rupees Seventy Five Thousand Only) on consolidated basis for all the above said meetings.
- (d) That the quorum of the aforesaid Meeting of the Equity Shareholders of the Applicant Company No. 3 shall be as prescribed under Section 103 of the Companies Act, 2013 present in person or proxy or Authorized representatives.
- (e) That the quorum for the aforesaid meeting of the Secured Creditors of the Transferee Company shall be 2 in number present in person or proxies or Authorized representatives.
- (f) That the quorum for the aforesaid meeting of the Un-secured Creditors of the Transferee Company shall be 5 in number as prescribed for Shareholders under Section 103 of the Companies Act, 2013 present in person or proxies or Authorized representatives.
- (g) That the value and number of the shares of each Shareholder shall be in accordance with the books / registers of the Applicant Company No. 3 or



depository records and where the entries in the books / register / depository records are disputed, the Chairperson of the meeting shall determine the value for the purpose of the aforesaid meeting and his/her decision in that behalf would be final.

- (h) The number or value of the Secured Creditors and Un-secured Creditors shall be in accordance with the records or registers of the Applicant Company and where the entries in the records or registers are disputed, the Chairperson of the meetings shall determine the number or value, as the case may be for purpose of the meetings.
- (i) The said Chairperson shall have all powers pursuant to sections 230 and 232 of the Companies Act, 2013 read with other applicable provisions of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, Companies (Management and Administration) Rules, 2014 and MCA Circulars, to the extent necessary and applicable, in relation to the conduct of the meeting including for deciding procedural questions that may arise at the meeting or at any adjournment thereof or any other matter including, an amendment to the Scheme or resolution, if any, proposed at the meeting by any person(s).
- (j) In case if the Quorum as noted above is not present at the meetings, then the meetings shall be adjourned by half an hour, and thereafter the persons present and voting shall be deemed to constitute the quorum. For the purpose of quorum valid proxies/Authorised Representatives shall also be considered.
- (k) That voting by proxy/authorized representative be permitted, provided that a proxy in the prescribed form duly signed by the person entitled to attend and vote at the meetings, are filed with the Applicant Company No. 3 at its Registered Office, not later than 48 hours before the aforesaid meeting vide Rule 10 of the Companies (CAA) Rules, 2016 read with Section 105 of the Act.



- 23.** In compliance of sub section(5) of Section 230 of the Act and Rule 8 of the Companies (CAA) Rules, 2016, the Applicant Companies shall send notice under sub section (3) of Section 230 read with Rule 6 of the Rules with a copy of the Scheme of Amalgamation, the explanatory statement and the disclosures mentioned in Rule 6 to (a) the Central Government through the office of the Regional Director, Northern Region, Ministry of Corporate Affairs, New Delhi; (b) the Registrar of Companies, Uttar Pradesh, Kanpur; and (c) The Official Liquidator, Uttar Pradesh, Allahabad; and (d) the Income Tax Authority within whose jurisdiction the respective Applicant Companies are assessed to tax, clearly indicating the PAN of the concerned company. The



said notices be sent either by Registered Post or by Speed Post or by Courier or by Hand Delivery or through e-mail at the Offices of the authorities as required by sub rule (2) of Rule 8 of the Rules. The aforesaid authorities, who desire to make any representation under sub section (5) of section 230, shall send the same to this Tribunal within a period of 30 (thirty) days from the date of receipt of such notice, failing which it shall be deemed that they have no representation to make on the proposed Scheme. As prayed in the Application, the Tribunal dispense with the requirement of service of notice under Section 230(3) read with Section 230(5) of the Companies Act, 2013 to the Securities and Exchange Board of India as well as the National Stock Exchange of India Limited and the BSE Limited, the stock exchanges on which the equity shares of the Transferee Company are listed in view of the observations of the National Stock Exchange of India Limited and the BSE Limited given in no objection/no adverse observation letter enclosed in the Application;

24. The Applicant Companies to file Affidavits not less than 7 (seven) days before the date fixed for the holding of the meetings and to report to this Tribunal that the directions regarding issuance of notices and advertisement of the meetings have been duly complied with as per Rule 12 of the Companies (CAA) Rules, 2016.
25. It is further ordered that the Chairperson shall report to this Tribunal on the result of the meetings in Form No. CAA-4, duly verified by his affidavit, as per Rule 14 of the Companies (CAA) Rules, 2016 within 7 (seven) working days from the date of conclusion of the aforesaid meetings.



26. With the above directions CA(CAA) No. 09/ALD of 2021 is disposed of accordingly.



JUSTICE RAJESH DAYAL KHARE

MEMBER (J)

Date: 14.07.2021

Swati Gupta.
(LRA)

CERTIFIED TO BE TRUE COPY
OF THE ORIGINAL

Sudama Yadav
Sudama Yadav
Assistant Registrar
National Company Law Tribunal
Allahabad Bench, Prayagraj (U.P.)

FREE OF COST

Compared by Me
Mahesh Sahai
15/7/2021

Vardhman Doogar

Annexure III

B. Com., FCA, CS, MIB
Registered Valuer (Securities or Financial Assets)
Registration No.: IBBI/RV/06/2019/10802

6th August, 2020

To,
The Board of Directors
Gulshan Polyols Limited
9th K.M., Jansat Road,
Muzaffarnagar - 251001,
Uttar Pradesh, India

To,
The Board of Directors
Gulshan Holdings Private Limited
9th K.M., Jansat Road,
Muzaffarnagar - 251001,
Uttar Pradesh, India

To,
The Board of Directors,
East Delhi Importers & Exporters Private Limited
9th K.M., Jansat Road,
Muzaffarnagar - 251001,
Uttar Pradesh, India

Subject: Recommendation of Share Exchange Ratio for the proposed amalgamation of Gulshan Holdings Private Limited and East Delhi Importers & Exporters Private Limited in consideration of issue and exchange of shares in Gulshan Polyols Limited to the Equity Shareholders of Gulshan Holdings Private Limited and East Delhi Importers & Exporters Private Limited (other than Gulshan Polyols Limited itself).

Dear Sir(s)/ Madam(s),

Referring to engagement letter dated 2nd June, 2020 whereby I, Mr. Vardhman Doogar has been appointed by the management of Gulshan Polyols Limited ("hereinafter referred to as "Company", "GPL", "Transferee Company"), Gulshan Holdings Private Limited ("hereinafter referred to as "Company", "GHPL", "Transferor Company"), East Delhi Importers & Exporters Private Limited ("hereinafter referred to as "Company", "EDIEPL", "Transferor Company") for recommendation of Fair Share Exchange Ratio for the proposed Scheme of Amalgamation of Gulshan Holdings Private Limited and East Delhi Importers & Exporters Private Limited with Gulshan Polyols Limited.

The Fair Share Exchange Ratio ("Swap Ratio") for this report refers to number of equity shares of GPL which would be issued to the equity shareholders of GHPL & EDIEPL pursuant to the proposed Scheme of Amalgamation.

GPL, GHPL and EDIEPL are hereinafter collectively referred to as the 'Companies'. Vardhman Doogar has been hereinafter referred to as 'Registered Valuer' or 'I' or 'me'.

Scope & Purpose of Valuation

Registered Valuer have been informed by the management of Companies (hereinafter referred to as the 'Management') that they are considering a proposal for amalgamation of GHPL and EDIEPL with GPL (hereinafter referred to as 'Amalgamation') pursuant to the Scheme of Amalgamation between the Companies and their respective shareholders under section 230 to 232 of the Companies Act, 2013. I have been informed that the Board of directors of both the Companies, in their respective meeting held on 6th August, 2020, have given in-principal approval for amalgamation of GHPL and EDIEPL with GPL.



In this regards, Registered Valuer have been appointed to undertake the fair valuation of the equity shares of the Companies and to recommend the share exchange ratio for the proposed scheme in accordance with Internationally accepted Valuation Standards/ ICAI Valuation Standards 2018 issued by Institute of Chartered Accountants of India.

Registered Valuer understand that the appointed date for the Proposed Amalgamation is 1st April, 2020 or such other date as approved by the National Company Law Tribunal as per the draft Scheme of Amalgamation. For the purpose of this valuation, 30th June, 2020 has been considered as the "Valuation Date".

The scope of our services is to conduct a relative valuation of the shares of the Companies and to recommend a Share Exchange Ratio.

This Report is subject to the scope limitations and disclaimers detailed hereinafter. As such, the report is to be read in totality, not in parts, in conjunction with the relevant documents referred to therein.

SOURCES OF INFORMATION

For the aforementioned purpose, we have relied on the following information about the Companies received from the management and / or gathered from public domain:

- Brief overview of the business of Companies and other relevant information;
- Salient features of the Proposed Amalgamation;
- Draft Scheme of Arrangement
- Audited Financial Statement of GPL, GHPL, and EDIEPL for the financial year 2017-18, 2018-19;
- Audited financial statements of the GPL, GHPL, and EDIEPL for the financial year 2019-20, with key financial assumptions;
- Any material financial changes in GPL, GHPL and EDIEPL from the 31st March, 2020 to the valuation date in the absence of the financials for the period ended 30th June, 2020.
- Management Certified Projected financial statements of the GPL from the 1st July, 2020 to 31st March 2025, with key financial assumptions;
- Fair Value Report of Immovable Properties by Er. Ratan Dev Garg (Registered Valuer under Companies Act, 2013) dated 18th June, 2020;
- Management Assumptions related to Risk and Growth Projections;
- We have also received necessary explanations and information, which we believed were relevant to the present valuation exercise from the executives and management of the company;
- Information (industry related as well as company specific) available on various public domains;
- Latest Shareholding pattern of the Companies.

For our analysis, we have also relied on published and secondary source of data. We have not independently verified the accuracy or timeliness of the same.



SCOPE LIMITATIONS & DISCLAIMERS

- This report is subject to the scope limitations detailed hereinafter. As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein and in the context of the purpose for which it is made. Further my report on recommendation of fair equity share exchange ratio of the Companies is in accordance with ICAI Valuation Standards (IVS) 2018.
- This Valuation Report, its contents and the results herein are specific to the purpose mentioned in this report; specific to the date of this Valuation report and based on the Audited balance sheet of the companies as at 31st March 2020. The management has represented that the business activities of GPL, GHPL, and EDIEPL have been carried out in the normal and ordinary course and we have been given to understand that there has not been any material change since 30th June, 2020 and date hereof in their respective operations and financial position.
- In accordance with the terms of our engagement, we have assumed and relied upon, without independent verification, (i) the accuracy of information made available to us by the Companies and (ii) the accuracy of the information that was publicly available, and formed substantial basis for this Report. We have not carried out a due diligence or audit of the Companies, nor have we independently investigated or otherwise verified the data provided by the Companies. We do not express any form of assurance that the financial information or other information as prepared and provided by the Companies is accurate. Also, with respect to explanations and information sought from the Companies, we have been given to understand by the Companies that they have not omitted any relevant and material factors and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. Accordingly, we do not express any opinion or offer any form of assurance regarding its accuracy and completeness.
- The Enterprise Value/ Equity Value arrived at under DCF approach is based on the working capital position as conveyed to us on zero date and any change in the same on the closing date would impact the cash flow and, hence, the valuation. Our conclusions are based on these assumptions and information given by/ on behalf of the Companies. The respective management of the Companies has indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our valuation analysis/results. Accordingly, we assume no responsibility for any errors in the information furnished by the Companies and their impact on the Valuation Report. However, nothing has come to our attention to indicate that the information provided was materially misstated / incorrect. We do not imply and it should not be construed that we have verified any of the information provided to us, or that our inquiries could have verified any matter, which a more extensive examination might disclose.
- During the course of work, we have relied upon the Financial Projections of GPL as provided to us by the management. The realizations of the projections are dependent on the continuing validity of the assumptions on which they are based. Since, the projections relate to the future, actual results may be different from the projected results because events and circumstances do not occur as expected, and differences may be material.
- Valuation work, by its very nature, cannot be regarded as an exact science and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgement. Given the same set of facts and using the same assumptions, expert opinion may differ due to number of separate judgement decisions, which have to be made. There can therefore be no standard formulae to establish an undisputable value, although certain formulae are helpful in assessing reasonableness. There is, therefore, no undisputable single exchange ratio. While we have provided our recommendation of the exchange Ratio based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion as to the exchange ratio.



- This report and its contents is prepared for the Companies and to be used only for the specific engagement and regulatory reporting purposes and must not be copied, disclosed or circulated or referred to or quoted in any correspondence, registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or discussion with any person. The report is confidential to the Companies and it is given on the express undertaking that will not be communicated, in whole or in part, to any third party without prior written consent of the Valuer. Neither this report nor its contents may be used for any other purpose other than in connection with this Proposed Amalgamation without prior written consent of the Valuer.
- Whilst all reasonable care has been taken to ensure that the facts stated in the report are accurate and the opinions given are fair and reasonable, neither I, nor my officers or employees shall in any way be responsible for the contents stated herein. Accordingly, we make no representation or warranty, express or implied, in respect of completeness, authenticity or accuracy of such statements. We expressly disclaim any and all liabilities, which may arise based upon the information used in this report. We owe responsibility only to the Board of Directors of the Companies and nobody else. We are not Liabile to any third party in relation to the issue of this report. In no event we shall be liable for any loss, damage, cost or expense arising in any way from fraudulent acts, misrepresentations or wilful default on the part of the Companies, their management, directors, employees or agents.
- A valuation of this nature is necessarily based on prevailing stock market, financial, economic and other conditions in general and industry trends in particular as in effect on, and the information made available to us as of, the date hereof. Events occurring after the date hereof, may affect this Report and the assumptions used in preparing it, and we have no obligation to update this Report.
- The Report assumes that the Companies comply fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that the Companies will be managed in a competent and responsible manner. Our conclusion of value assumes that the assets & liabilities of the Companies, reflected in their respective latest balance sheets remain intact as of the date hereof.
- In addition, we express no opinion or recommendation as to how the shareholders or creditors of Companies should vote at their respective meeting(s) to be held in connection with the Proposed Amalgamation.
- The fee for this engagement is not contingent upon the results of this report.
- Any person / party intending to provide finance / deal in the shares / business of any of the Companies shall do so after seeking their own professional advice and after carrying out their own due diligence procedures and therefore forms reliable basis for the valuation.
- In the course of valuation, we were provided with both written and verbal information, including market, technical, financial and operating data.

BACKGROUND OF COMPANIES

Gulshan Polyols Limited(GPL)

GPL was incorporated on 20th October 2000 with Registrar of Companies, Kanpur as a Public Company, Limited by Shares, having its registered office at 9th K.M., Jansat Road, Muzaffarnagar - 251001, Uttar Pradesh, India. The equity shares of GPL are listed at Bombay Stock Exchange Limited ("BSE") and National Stock Exchange of India Limited ("NSE") and Company is engaged in the business of manufacturing multi-products such as starch sugar, high fructose rice syrup, brown rice syrup, rice syrup solids, calcium carbonate, agro based animal feed, alcohol and installing onsite PCC plants.



The shareholding pattern of the Company as on 30th June, 2020 is as follows;

Category	No. of Shares	Shareholding in Percentage
Promoter and Promoter Group	3,19,98,438	68.20%
Public and Others	1,49,18,582	31.80%
Total	4,69,17,020	100%

Source: BSE

Face Value of INR 1/- each

Financial Snapshot of the Company;

(Amount, Rs. In Crores)

Particulars	2018-19	2019-20
Assets		
Property Plant & Equipments, CWIP & Intangible Assets	277.63	263.12
Non-Current Investments	0.47	0.42
Other Non-Current assets	6.20	6.92
Current Assets	197.92	186.52
Total	482.22	456.98
Equity & Liabilities		
Equity	290.55	305.29
Non-Current Liabilities	40.82	21.74
Current Liabilities	150.85	129.95
Total	482.22	456.98

Source: Audited/ Management Certified Financial Statement

Gulshan Holdings Private Limited (GHPL)

GHPL is a private limited company within the Companies Act, 2013, having its registered office at 9th K.M., Jansat Road, Muzaffarnagar - 251001, Uttar Pradesh, India and Corporate Identity Number (CIN) U74899DL1985PTC022582. GHPL was originally incorporated as a company limited by shares on 20th November, 1985 under Companies Act, 1956 under the name of "Gulshan Marketing Private Limited". Thereafter, pursuant to Section 23 of the Companies Act, 1956 and under the order of the Central Government, the name of the Company was changed to Gulshan Holdings Private Limited. GHPL engaged in the business of acquiring, investing and holding shares in companies having similar objects or companies providing value benefit, and guaranteeing the payment of money unsecured or secured by or payable under or in respect of contractual obligations.

The shareholding pattern of the Company as on 30th June, 2020 is as follows:

Category	No. of Shares	Shareholding in Percentage
Promoter and Promoter Group	707	100%
Public and Others	-	-
Total	707	100%

Source: Management Information

Face Value of INR 1000/- each



Financial Snapshot of the Company

(Amount, Rs. In Crores)

Particulars	2018-19	2019-20
Assets		
Property Plant & Equipments, CWIP & Intangible Assets	1.40	1.40
Non-Current Investments	7.15	30.11
Other Non-Current assets	19.02	1.60
Current Assets	14.84	11.06
Total	42.41	44.17
Equity & Liabilities		
Equity	41.21	43.17
Non-Current Liabilities	0.68	0.51
Current Liabilities	0.52	0.50
Total	42.41	44.17

Source: Audited/ Management Certified Financial Statement

East Delhi Importers & Exporters Private Limited (EDIEPL)

EDIEPL is a private limited company within the Companies Act, 2013, having its registered office at 9th K.M., Jansat Road, Muzaffarnagar - 251001, Uttar Pradesh, India and Corporate Identity Number (CIN) U60231DL1997PTC088674. EDIEPL was originally incorporated as a company limited by shares on 23rd July, 1997 under Companies Act, 1956 under the name of "Atul Transport Private Limited". Thereafter, pursuant to Section 23 of the Companies Act, 1956 and under the order of the Central Government, the name of the Company was changed to East Delhi Importers and Exporters Private Limited. EDIEPL engaged in the business of importing, exporting, dealing and trading multi-products which includes but not limited to textile products, chemicals, sugar and related products, engineering goods, molasses, grains, glassware, alcohol, oils, paper and related products, wood and timber etc. Currently, company is not in operation.

The shareholding pattern of the Company as on 30th June, 2020 is as follows:

Category	No. of Shares	Shareholding in Percentage
Promoter and Promoter Group	10,000	100%
Public and Others	-	-
Total	10,000	100%

Source: Management Information

Face Value of INR 10/- each

Financial Snapshot of the Company

(Amount, Rs. In Crores)

	2018-19	2019-20
Equity & Liabilities		
Shareholder's Fund	5.84	5.94
Non-Current Liabilities	0.00	0.00
Current Liabilities	0.32	0.05
Total	6.16	5.99
Assets		
Fixed Assets	1.38	1.37
Non-Current Investments	-	-
Other Non-Current assets	-	-
Current Assets	4.78	4.62
Total	6.16	5.99

Source: Audited Financial Statement



Registered valuer - Vardhman Doogar

Registered Valuer is a fellow member of The Institute of Chartered Accountants of India (ICAI) (Membership No.: 517347) practicing as a partner with Doogar & Associates, Chartered Accountants (FRN No.: 000561N).

The Registered Valuer is also registered with the Insolvency and Bankruptcy Board of India (IBBI), as a Registered Valuer for asset class - 'Securities or Financial Assets' with Registration No. IBBI/RV /06/2019/10802.

Procedure adopted for the purpose of valuation

In connection with this analysis, we have adopted the following procedures to carry out the valuation analysis:

- Requested and received financial and qualitative information relating to the Companies;
- Obtained and analyzed data available in public domain, as considered relevant by us;
- Discussed with the management and representatives of the respective Companies on understanding of the business and fundamental factors affecting the Companies;
- Undertook industry analysis:
 - Research publicly available market data including economic factors and industry trends that may impact the valuation;
 - Analysis of key trends and valuation multiples of comparable companies/comparable transactions, if any, using proprietary databases subscribed by us;
- Analysis of other publicly available information;
- Selection of valuation approach and valuation methodology/(ies), in accordance with IVS, as considered appropriate and relevant by us;
- Determination of relative values of the equity shares of the Companies;
- Further, at the request of respective Managements, we have had discussions with fairness opinion providers appointed by respective Companies on the valuation approach adopted and assumptions made.

VALUATION APPROACH

Arriving at the fair share exchange ratio for the proposed amalgamation would require determining the relative values of each company. These values are to be determined independently but on relative basis, and without considering the effect of proposed amalgamation.

The valuation methodology to be adopted varies from case to case depending upon different factors affecting valuation. The basis of valuation would depend on the purpose of valuation, nature of business, future prospects of the company & industry and other attendant circumstances.

Different methodologies are adopted for valuation of manufacturing, investment, property and trading companies. Investment and property companies are valued based on the market value or fair value of their underlying assets while manufacturing companies are valued in relation to profits from business and relative value of assets.

Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of a similar nature and our reasonable judgment, analysis of businesses, in an independent and bona fide manner based on our previous experience of assignments of a similar nature.



There are three generally accepted approaches to valuation:

- **COST APPROACH**
- **INCOME APPROACH**
- **MARKET APPROACH**

COST APPROACH:

The "cost" approach is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. This valuation approach is mainly used in case where the asset base dominates earnings capability or in case where the valuing entity is a Holding company deriving significant value from its Assets & Investments.

Under the Adjusted Net Asset Value ("NAV") Method, the assets and liabilities are considered at their realizable / market value including Intangible Assets and Contingent Liabilities if any which are not stated in the balance sheet. From the realizable value of the assets, the potential liabilities (including the preference share capital, if any) would be deducted.

For valuation of GHPL, we have considered this method, as entity has significant investments & property in their balance sheet and their historical book value and carrying value respectively reflect the intrinsic value of the business.

For valuation of EDIEPL, we have considered this method, as entity is not in operations and entity has significant investments & property in their balance sheet and their historical book value and carrying value respectively reflect the intrinsic value of the business.

For valuation of GPL which is an operating company & has a going concern scenario, the relative earning power which comes under the Income & Market approach is of great importance than the Asset Approach. Thus, the method has not been used for the valuation of GPL.

INCOME APPROACH

Discounted Cash Flow Method

The income approach is widely used for valuation under "Going Concern" basis. It focuses on the income generated by the company in the past as well as its future earning capability. The Discounted Cash Flow ("DCF") Method under the income approach seeks to arrive at a valuation based on the strength of future cash flows. Under the Discounted Cash Flow method (DCF), the projected free cash flows to the firm/ equity shareholders are discounted at the weighted average cost of capital/ cost of equity. The sum of the discounted value of such free cash flows is the value of the firm / equity. Using the DCF analysis involves determining the following:

Estimating Future free cash flows:

Free cash flows are the cash flows expected to be generated by the company that are available to the providers of the company's capital. We have taken the earnings before interest and tax, to which we have added depreciation. Further such earnings are adjusted for non-operating incomes and expenses so as to arrive at EBITDA. The perpetuity (terminal) value is calculated based on the business' potential for further growth beyond the explicit forecast period. Usually "constant growth model" is applied, which implies an expected constant level of growth for perpetuity in the cash flows over the last year of the forecast period.



Appropriate discount rate to be applied to cash flows:

The Free Cash Flows arrived at above are discounted at appropriate discount rate to arrive at the Present Value thereof. This discount rate should reflect the opportunity cost to the providers of capital. The opportunity cost equals the rate of return the capital provider expects to earn on other investments of equivalent risk. The discounting factor reflects not only the time value of money, but also risk associated with the business' future operations.

Equity Value

The Equity Value (aggregate of present value of explicit period and terminal period cash flows) so derived, is further adjusted for the cash, non-operating assets liabilities (e.g. fair value of investments in subsidiaries / associates, value of surplus assets, any contingent liabilities, etc.) and preference shareholders liability, if any, to arrive at value to the owners of the business.

For valuation of GPL which is an operating company & entity derive its value from earnings. We have assigned appropriate weight to this method. The free cash flows to the firm available in the explicit period and those in perpetuity are discounted by discounting factor based on Weighted Average Cost of Capital.

For valuation of GHPL & EDIEPL, these entities have significant investments in property in their balance sheet without any other operational source of income and their historical book value fairly reflects the intrinsic value of the business. So, therefore, this method has not been used for the valuation of GHPL & EDIEPL.

MARKET APPROACH

Under this approach, the valuation is based on the market value of the company in case of listed companies and comparable companies trading or transaction multiples for unlisted companies.

Comparable Company Quoted Multiple (CCM)/ Comparable Transaction Multiple (CTM) Method

Under CCM, value of the Company is arrived at by using multiples derived from valuations of comparable companies, as manifest through stock market valuations of listed companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation.

Under CTM, value of the company is arrived on the basis of transactions related to sale/ purchase/ investment in similar companies in the market outside of Stock Market.

Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

For valuation of GPL, GHPL & EDIEPL, in the absence of comparable company/ transaction to determine relevant multiples for estimating equity values of subject companies, we could not consider these methods for the purpose of valuation.

Minimum Pricing Guidelines (as per ICDR)

In compliance with the SEBI Circular CFD/DIL3/CIR/2017/21 dated 10th March, 2017 and Issue of Capital and Disclosure Requirements Regulations, 2018 (ICDR Regulations), issuance of shares pursuant to order under section 230 to 234 of the Companies Act, 2013 requires to follow pricing guidelines that apply to preferential issue, if any such issue is to be made to shareholders of an unlisted company.



Pricing of Equity Shares

As per regulation 164(1) of ICDR Regulations, the market price cannot be lower than the higher of following of the issuer listed company, if share is frequently traded:

- (a) Average of the weekly high and low of the volume weighted average price during the 26 weeks preceding relevant date; or
- (b) Average of weekly high and low of the volume weighted average price during the 2 weeks preceding relevant date.

Frequently traded shares means the shares of the issuer/ company, in which the traded turnover on any recognised stock exchange during the twelve calendar months preceding the relevant date, is at least ten per cent of the total number of shares of such class of shares of the issuer. Provided that where the share capital of a particular class of shares of the issuer is not identical throughout such period, the weighted average number of total shares of such class of the issuer shall represent the total number of shares.

The Relevant date for the purpose of computing pricing shall be the date of the board meeting.

In the present case, the trading volumes of the equity shares of GPL were more than 10% of the total number of shares during the twelve calendar months preceding the relevant date i.e. 6th August, 2020 on the NSE and accordingly equity shares of the company was classified as frequently traded shares under preferential issue pricing guidelines. EDIEPL & GHPL are not listed Company and hence Market Price Method is not applicable. Thus, the minimum pricing requirements of ICDR are applicable on amalgamation of EDIEPL and GHPL with GPL, since GPL is frequently traded.

CONCLUSION OF VALUATION APPROACH

Fair Value for the purpose of amalgamation have to be determined after taking into consideration all the factors and methodologies. Though, different values have been arrived at, under each of the above methodologies. For the purposes of recommending a Share exchange ratio, it is necessary to arrive at a single value for the equity shares of GPL, GHPL and EDIEPL. It is however important to note that in doing so, we are not attempting to arrive at the absolute equity values but at their relative values to facilitate the determination of fair exchange ratio. For this purpose, appropriate weights have been assigned to each method.

The relative value per share and the share exchange ratio recommended is provided as follows;

(Value per Share in INR)

Valuation Approach	GPL		GHPL		EDIEPL	
	Value per Share	Weight	Value per Share	Weight	Value per Share	Weight
Adjusted Net Asset Value Method	NA	NA	1,913,284.67	1	8,686.72	1
Discounted Cash Flow Method	57.34	0.5	NA	NA	NA	NA
Market Price Method	38.69	0.5	NA	NA	NA	NA
Fair Value per share	48.01		1,913,284.67		8,686.72	
Share Exchange Ratio (Rounded off)			39,848		181	

NA= Not Applicable



BASIS OF AMALGAMATION

The fair equity share exchange ratio has been arrived on the basis of a relative valuation of equity shares of GPL, GHPL and EDIEPL based on the approaches explained herein earlier and various qualitative factors relevant to the companies and the business dynamics and growth potential of the businesses, having regard to information base, management representation and perceptions, key underlying assumptions and limitations.

In light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined herein above, we consider that the fair exchange ratio for the amalgamation of GHPL and EDIEPL into GPL as follows.

In consideration of amalgamation of GHPL with GPL, the equity shareholders of GHPL shall receive 39,848 Equity Share(s) of Rs.1/- each in GPL as fully paid up for every 1 Equity Share of Rs.1000/- each fully paid-up held by the equity shareholders of GHPL in the capital of GHPL.

In consideration of amalgamation of EDIEPL with GPL, the equity shareholders of EDIEPL shall receive 181 Equity Share(s) of Rs.1/- each in GPL as fully paid up for every 1 Equity Share of Rs.10/- each fully paid-up held by the equity shareholders of EDIEPL in the capital of EDIEPL.

Equity shares already held by GHPL & EDIEPL in GPL as on the date of valuation shall stands cancelled.

This report is to be read in its entirety.

Yours Faithfully,


Vardhman Doogar

Registered Valuer No.: IBBI/RV/06/2019/10802

ICAI Membership No.: 517347

UDIN: 20517347AAAAJB9507

Place: Gurgaon

Date: 6th August, 2020



Annexure

Calculation of Market Price as per SEBI ICDR guidelines – Gulshan Polyols Limited

Calculation of 2 Weeks Volume Weighted Average Price

Weeks	Date	Volume Wgt	High	Low	Average
1	05-Aug-20	43.04	43.04	37.55	40.30
	04-Aug-20	42.05			
	03-Aug-20	39.96			
	31-Jul-20	39.64			
	30-Jul-20	37.55			
2	29-Jul-20	36.12	38.03	36.12	37.07
	28-Jul-20	36.70			
	27-Jul-20	36.76			
	24-Jul-20	36.59			
	23-Jul-20	38.03			
2 Weeks Volume Weighted Average Price					38.69

Calculation of 26 Weeks Volume Weighted Average Price

Weeks	Date	Volume Wgt	High	Low	Average
1	05-Aug-20	43.04	43.04	37.55	40.30
	04-Aug-20	42.05			
	03-Aug-20	39.96			
	31-Jul-20	39.64			
	30-Jul-20	37.55			
2	29-Jul-20	36.12	38.03	36.12	37.07
	28-Jul-20	36.70			
	27-Jul-20	36.76			
	24-Jul-20	36.59			
	23-Jul-20	38.03			
3	22-Jul-20	39.39	39.39	37.58	38.49
	21-Jul-20	38.81			
	20-Jul-20	37.58			
	17-Jul-20	38.25			
	16-Jul-20	38.00			
4	15-Jul-20	38.24	39.34	35.69	37.51
	14-Jul-20	39.34			
	13-Jul-20	39.04			
	10-Jul-20	36.78			
	09-Jul-20	35.69			
5	08-Jul-20	35.03	35.11	34.88	35.00
	07-Jul-20	34.88			
	06-Jul-20	35.04			
	03-Jul-20	34.93			
	02-Jul-20	35.11			
6	01-Jul-20	34.74	35.16	34.32	34.74
	30-Jun-20	34.32			
	29-Jun-20	34.33			
	26-Jun-20	35.16			
	25-Jun-20	35.16			



7	24-Jun-20	35.27	35.53	34.65	35.09
	23-Jun-20	35.53			
	22-Jun-20	34.77			
	19-Jun-20	35.29			
	18-Jun-20	34.65			
8	17-Jun-20	33.85	37.56	33.85	35.70
	16-Jun-20	35.86			
	15-Jun-20	35.86			
	12-Jun-20	34.20			
	11-Jun-20	37.56			
9	10-Jun-20	35.99	35.99	28.74	32.37
	09-Jun-20	34.55			
	08-Jun-20	32.94			
	05-Jun-20	31.40			
	04-Jun-20	28.74			
10	03-Jun-20	28.66	28.66	26.51	27.58
	02-Jun-20	28.20			
	01-Jun-20	27.05			
	29-May-20	26.51			
	28-May-20	26.55			
11	27-May-20	25.62	26.97	25.49	26.23
	26-May-20	26.97			
	22-May-20	26.03			
	21-May-20	25.49			
12	20-May-20	25.56	26.44	25.37	25.90
	19-May-20	25.46			
	18-May-20	25.37			
	15-May-20	26.04			
	14-May-20	26.44			
13	13-May-20	26.62	27.58	26.33	26.96
	12-May-20	26.33			
	11-May-20	26.69			
	08-May-20	27.09			
	07-May-20	27.58			
14	06-May-20	28.33	29.46	27.87	28.66
	05-May-20	28.84			
	04-May-20	27.87			
	30-Apr-20	29.46			
15	29-Apr-20	30.42	30.42	27.72	29.07
	28-Apr-20	29.17			
	27-Apr-20	27.93			
	24-Apr-20	27.72			
	23-Apr-20	28.41			
16	22-Apr-20	27.63	29.76	27.63	28.69
	21-Apr-20	28.49			
	20-Apr-20	29.76			
	17-Apr-20	29.28			
	16-Apr-20	29.29			
17	15-Apr-20	29.12	29.12	26.64	27.88
	13-Apr-20	27.71			
	09-Apr-20	26.64			
18	08-Apr-20	25.79	25.79	23.31	24.55
	07-Apr-20	24.59			
	03-Apr-20	23.31			



19	01-Apr-20	22.05	22.21	20.66	21.43
	31-Mar-20	21.04			
	30-Mar-20	20.66			
	27-Mar-20	22.21			
	26-Mar-20	21.98			
20	25-Mar-20	22.30	26.75	22.30	24.53
	24-Mar-20	23.45			
	23-Mar-20	24.67			
	20-Mar-20	25.63			
	19-Mar-20	26.75			
21	18-Mar-20	28.52	32.99	28.52	30.75
	17-Mar-20	29.53			
	16-Mar-20	30.62			
	13-Mar-20	30.97			
	12-Mar-20	32.99			
22	11-Mar-20	35.21	40.45	35.21	37.83
	09-Mar-20	38.07			
	06-Mar-20	40.45			
	05-Mar-20	39.07			
23	04-Mar-20	39.93	44.06	39.65	41.86
	03-Mar-20	39.65			
	02-Mar-20	41.76			
	28-Feb-20	42.79			
	27-Feb-20	44.06			
24	26-Feb-20	45.36	46.46	43.03	44.75
	25-Feb-20	46.46			
	24-Feb-20	46.11			
	20-Feb-20	43.03			
25	19-Feb-20	44.56	45.71	43.04	44.37
	18-Feb-20	43.11			
	17-Feb-20	43.04			
	14-Feb-20	43.68			
	13-Feb-20	45.71			
26	12-Feb-20	46.49	46.49	43.17	44.83
	11-Feb-20	44.01			
	10-Feb-20	43.28			
	07-Feb-20	43.17			
	06-Feb-20	45.41			
26 Weeks Volume Weighted Average Price					33.16



**FAIRNESS OPINION REPORT ON VALUATION FOR THE PROPOSED SCHEME OF
AMALGAMATION**

amongst

Gulshan Holdings Private Limited and East Delhi Importers & Exporters Private Limited

and

Gulshan Polyols Limited

By



Navigant

Navigant Corporate Advisors Limited
423, A Wing, Bonanza, Sahar Plaza Complex,
J.B. Nagar, Andheri Kurla Road,
Andheri East,
Mumbai-400 059

Email Id- navigant@navigantcorp.com

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06th August, 2020

SEBI Registered Category I Merchant Banker

SEBI Registration No. INM000012243



Notice to Reader

Navigant Corporate Advisors Limited (“Navigant” / “NCAL” or “Authors of the Report”) is a SEBI registered ‘Category I’ Merchant banker in India and was engaged by Board of Directors of Gulshan Polyols Limited (“GPL” or “Transferee Company”) to prepare an Independent Fairness Opinion Report (“Report”) with respect to providing an independent opinion and assessment as to fairness of Valuation Report and Swap ratio determined by Mr. Vardhman Doogar, Registered Valuer (“Valuer”) an Independent Valuer for the purpose of intended proposed amalgamation of Gulshan Holdings Private Limited (“GHPL”, “Transferor Company”), East Delhi Importers & Exporters Private Limited (“EDIEPL”, “Transferor Company”) with Gulshan Polyols Limited (“GPL” or “Transferee Company”) pursuant to a Scheme of Amalgamation under section 230 to 232 and other applicable clauses of the companies Act, 2013 (“Scheme”).

GPL, GHPL and EDIEPL are collectively referred as “Companies”.

The Fairness Opinion Report (“Report”) has been prepared on the basis of the review of information provided to Navigant and specifically the Report on Swap ratio (hereinafter referred as Valuation Report) prepared by Valuer as an independent valuer. The report does not give any valuation or suggest any swap ratio; however, this report is limited to provide its fairness opinion on the Valuation Report.

The information contained in this Report is selective and is subject to updations, expansions, revisions and amendment. It does not purport to contain all the information recipients may require. No obligation is accepted to provide recipients with access to any additional information or to correct any inaccuracies which might become apparent.

This Report is based on data and explanations provided by the management and certain other data culled out from various websites believed to be reliable. Navigant has not independently verified any of the information contained herein. Neither the Company nor Navigant, nor affiliated bodies corporate, nor the directors, shareholders, managers, employees or agents of any of them, makes any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information contained in the Report. All such parties and entities expressly disclaim any and all liability for or based on or relating to any such information contained in, or errors in or omissions from, this Report or based on or relating to the Recipients’ use of this Report.



Date: 06th August, 2020

To,
The Board of Directors
Gulshan Polyols Limited
9th K.M., Jansat Road,
Muzaffarnagar - 251001,
Uttar Pradesh, India

To
The Board of Directors
Gulshan Holdings Private Limited
9th K.M., Jansat Road,
Muzaffarnagar - 251001,
Uttar Pradesh, India

To
The Board of Directors
East Delhi Importers & Exporters Private Limited
9th K.M., Jansat Road,
Muzaffarnagar - 251001,
Uttar Pradesh, India

Dear Members of the board,

Engagement Background

We Understand that the Board of Directors of Gulshan Holdings Private Limited (“GHPL”, “Transferor Company”), East Delhi Importers & Exporters Private Limited (“EDIEPL”, “Transferor Company”) and Gulshan Polyols Limited (“GPL” or “Transferee Company”) are considering a Scheme of Amalgamation between GHPL, EDIEPL and GPL and their respective Shareholders (“the Scheme”) for amalgamation of GHPL, and EDIEPL with GPL under the provisions of sections 230 to 232 and other relevant provisions of the Companies Act, 2013, as may be applicable for amalgamation of GHPL, EDIEPL with GPL.

We understand that the Valuation as well as the swap ratio thereof is based on the Valuation Certificate dated 6th August, 2020 issued by Mr. Vardhman Doogar, Registered Valuer (“Valuer”) (Membership. No. 517347).

We, Navigant Corporate Advisors Limited, a SEBI registered Category-I Merchant Banker, have been engaged by GPL to give a fairness opinion (“Opinion”) on Valuation Certificate dated 6th August, 2020 issued by Mr. Vardhman Doogar, Registered Valuer (“Valuer”) (Membership. No. 517347).



Background of the Companies

Gulshan Holdings Private Limited

(a) Gulshan Holdings Private Limited was incorporated on 20th November, 1985 as a private limited company with Registrar of Companies, Delhi & Haryana as a Private Company, Limited by Shares, having its registered office at 9th K.M., Jansat Road, Muzaffarnagar - 251001, Uttar Pradesh, India.

(b) GHPL was originally incorporated as a company limited by shares on 20th November, 1985 under Companies Act, 1956 under the name of “Gulshan Marketing Private Limited”. Thereafter, pursuant to Section 23 of the Companies Act, 1956 and under the order of the Central Government, the name of the Company was changed to Gulshan Holdings Private Limited and a fresh certificate of change of name was issued to the company.

(c) GHPL is engaged in the business of acquiring, investing and holding shares in companies having similar objects or companies providing value benefit, and guaranteeing the payment of money unsecured or secured by or payable under or in respect of contractual obligations. Also, The GHPL is engaged in the business of trading goods. Currently, company is not in operations.

The shareholding pattern of the Gulshan Holdings Private Limited as on June 30, 2020

Shareholders	Number of Shares	% Shareholding
Promoters Group	707	100%
Others	-	-
Total	707	100%

East Delhi Importers & Exporters Private Limited (EDIEPL)

(a) East Delhi Importers & Exporters Private Limited is a private limited company within the Companies Act, 2013, having its registered office at 9th K.M., Jansat Road, Muzaffarnagar - 251001, Uttar Pradesh, India and Corporate Identity Number (CIN) U60231DL1997PTC088674. EDIEPL was originally incorporated as a company limited by shares on 23rd July, 1997 under Companies Act, 1956 under the name of “Atul Transport Private Limited”. Thereafter, pursuant to Section 23 of the Companies Act, 1956 and under the order of the Central Government, the name of the Company was changed to East Delhi Importers and Exporters Private Limited and a fresh certificate of change of name was issued to the company

(b) EDIEPL is engaged in the business of importing, exporting, dealing and trading multi-products which includes but not limited to textile products, chemicals, sugar and related products, engineering goods, molasses, grains, glassware, alcohol, oils, paper and related products, wood and timber etc. Further, the company is engaged in the business as general carriers, transporters and freight forwarders, and exporting, importing, trading and dealing in the computer software, programmes, computer hardware and peripherals. Currently, company is not in operations



The Shareholding pattern of East Delhi Importers and Exporters Private Limited as on June 30, 2020

Shareholders	Number of Shares	% Shareholding
Promoters Group	10,000	100%
Others	-	-
Total	10,000	100%

Gulshan Polyols Limited

(a) Gulshan Polyols Limited was incorporated as a Public Limited Company under the provisions of the Companies Act, 1956 on GPL was incorporated on 20th October 2000 with Registrar of Companies, Kanpur as a Public Company, Limited by Shares, having its registered office at 9th K.M., Jansat Road, Muzaffarnagar - 251001, Uttar Pradesh, India. The equity shares of GPL are listed at Bombay Stock Exchange Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”).

(b) Transferee Company is engaged in the business of manufacturing multi-products such as starch sugar, high fructose rice syrup, brown rice syrup, rice syrup solids, calcium carbonate, agro based animal feed and alcohol. Further, the Transferee Company is engaged in installing onsite PCC plants.

The shareholding pattern of the Company as on 30th June, 2020 is as follows

Shareholders	Number of Shares	% Shareholding
Promoters Group	3,19,98,438	68.20%
Others	1,49,18,582	31.80%
Total	4,69,17,020	100%

Transaction Overview and Rational

GHPL is engaged in the business of “Trading of Goods and Holding Investments & Guarantees” while the EDIEPL is engaged in the business of “Transportation Services and Trading of Multi-Products” and GPL is engaged in the business of “Manufacturing & Dealing with Multi-Products”.

All the entities are engaged in complementary, similar and ancillary businesses pertaining to manufacturing, dealing and trading of multi-products.

Hence, with a view to consolidating complementary and similar businesses under a single entity and to achieve simplified corporate structure by way of group reorganisation, the management has envisaged to undertake the amalgamation of the Transferor Companies in the Transferee Company under this Scheme.



The amalgamation of the Transferor Companies with the Transferee Company would inter alia have the following benefits:

- Help in achieving improved operational efficiency and optimum advantages and also to achieve greater efficiency and synergy in operations by combining the activities of the Transferor Companies with the Transferee Company. Accordingly, the Scheme would strengthen and complement the businesses of the Companies ;
- The amalgamated entity will benefit from optimum utilization of manpower through improved organizational capacity and leadership, arising from the combination of people from the Transferor Companies and Transferee Company which have diverse skills, talent, management expertise, enlarged knowledge base and vast experience to compete successfully in an increased competitive industry;
- The amalgamated entity shall reduce fixed costs by removing duplicate departments, operations and lower the cost of the Company relative to the same revenue stream and shall thus increase the profit margins.
- Under a liberalised, fast changing and highly competitive environment, this amalgamation shall strengthen the business of the Transferor Companies and the Transferee Company by pooling up the resources, business expertise, business processes and assets for common purpose and hence optimum utilization;
- The synergies that exist between the entities in terms of services and resources can be put to the best advantage of all stakeholders;
- The amalgamation will result in better economic control, increased financial strength and flexibility and enhance the ability of the amalgamated entity to undertake large projects, thereby contributing to enhancement of future business potential;
- Cost savings are expected to flow from more focused operational efforts, rationalisation, standardisation and simplification of business processes, productivity and improvements, improved procurement and the elimination of duplication and rationalization of administrative expenses;
- The consolidation of the companies engaged in similar & complementary line of business in one entity, under a single centralized system of management, will result in the management being able to exercise greater control over the operations of the Companies and which will help in synchronising the operations. This will also result in the management being enabled to undertake any re-structuring /re-organization of the various business undertakings of the companies for the purposes of achieving optimum efficiency /and or to attract investments in the individual business undertakings of the Companies.



In view of the aforesaid, the Board of Directors of the Transferor Companies as well as the Transferee Company have considered and proposed the amalgamation of the entire undertakings and businesses of the Transferor Companies with the Transferee Company in order to benefit the stakeholders of both Transferor Companies and Transferee Company. Accordingly, the Board of Directors of all the companies have formulated this Scheme of Amalgamation for the transfer and vesting of the entire undertakings and businesses of the Transferor Companies to the Transferee Company pursuant to the provisions of Section 230 to Section 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013.

Information relied upon:

We have prepared the fairness opinion report on the basis of the information provided to us and inter alia the following:

- Share Exchange ratio report by CA Vardhman Doogar, Registered Valuer dated 6th August, 2020;
- Other information and explanations as provided by the management/Valuer.

Further, we had discussions on such matters which we believe are necessary or appropriate for the purpose of issuing the Report.

We assume no responsibility for the legal, tax, accounting or structuring matters including, but not limited to, legal or title concerns. Title to all subject business assets is assumed to be good and marketable and we would urge the company to carry out the independent assessment of the same prior to entering into any transaction, after giving due weightage to the results of such assessment.

We have been informed that all information relevant for the purpose of issuing the Fairness Opinion report has been disclosed to us and we are not aware of any material information that has been omitted or that remains undisclosed.

Valuation Summary:

Some of the methods considered by the valuer for arriving at fair value of shares of a company are as under:

"SEBI Guidelines for pricing of equity shares"

The valuation of GPL has been conducted in compliance with the SEBI circular CFD/DIL3/CIR/2017/21 dated 10th March 2017 and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations (ICDR Regulations), which prescribe guidelines for pricing of shares of a listed entity:



Valuation Methodologies

The three main valuation approaches are the asset approach, income approach and market approach. There are several commonly used and accepted methods including those set out in the Valuation Standards, 2018 issued by Institute of Chartered Accountants of India, within the asset approach, income approach and market approach, for determining the relative fair value, which can be considered in the present case, to the extent relevant and applicable, to arrive at the Share Exchange Ratio for the purpose of proposed merger, such as:

1. Cost Approach
2. Income Approach
3. Market Approach

1. Cost Approach - Net Asset Value (NAV) Methodology

The “cost” approach is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. This valuation approach is mainly used in case where the asset base dominates earnings capability or in case where the valuing entity is a Holding company deriving significant value from its Assets & Investments.

Under the Adjusted Net Asset Value (“NAV”) Method, the assets and liabilities are considered at their realizable / market value including Intangible Assets and Contingent Liabilities if any which are not stated in the balance sheet. From the realizable value of the assets, the potential liabilities (including the preference share capital, if any) would be deducted.

For valuation of GHPL we have considered this method, as entity has significant investments & property in their balance sheet and their historical book value and fair value respectively reflect the intrinsic value of the business.

For valuation of EDIEPL we have considered this method, as entity is not in operations and entity has significant investments & property in their balance sheet their historical book value and fair value respectively reflect the intrinsic value of the business.

For valuation of GPL which is an operating company & has a going concern scenario, the relative earning power which comes under the Income & Market approach is of great importance than the Asset Approach. So, therefore, this method has not been used for the valuation exercise.

2. Income Approach - Discounted Cash Flows method (‘DCF’)

Discounted Cash Flow Method

The income approach is widely used for valuation under “Going Concern” basis. It focuses on the income generated by the company in the past as well as its future earning capability. The Discounted Cash Flow (“DCF”) Method under the income approach seeks to arrive at a valuation based on the strength of future cash flows.



Under the Discounted Cash Flow method (DCF), the projected free cash flows to the firm/ equity shareholders are discounted at the weighted average cost of capital/ cost of equity. The sum of the discounted value of such free cash flows is the value of the firm / equity. Using the DCF analysis involves determining the following:

Estimating future free cash flows:

Free cash flows are the cash flows expected to be generated by the company that are available to the providers of the company's capital. We have taken the earnings before interest and tax, to which we have added depreciation. Further such earnings are adjusted for non-operating incomes and expenses so as to arrive at EBITDA. The perpetuity (terminal) value is calculated based on the business' potential for further growth beyond the explicit forecast period. Usually "constant growth model" is applied, which implies an expected constant level of growth for perpetuity in the cash flows over the last year of the forecast period.

Appropriate discount rate to be applied to cash flows i.e. the cost of capital:

The Free Cash Flows arrived at above are discounted at appropriate discount rate to arrive at the Present Value thereof. This discount rate should reflect the opportunity cost to the providers of capital. The opportunity cost equals the rate of return the capital provider expects to earn on other investments of equivalent risk. The discounting factor reflects not only the time value of money, but also risk associated with the business' future operations.

Equity Value:

The Equity Value (aggregate of present value of explicit period and terminal period cash flows) so derived, is further adjusted for the cash, non-operating assets liabilities (e.g. fair value of investments in subsidiaries / associates, value of surplus assets, any contingent liabilities, etc.) and preference shareholders liability, if any, to arrive at value to the owners of the business.

For valuation of GPL which is an operating company & entity drive its value from earnings. We have assigned appropriate weight to this method. The free cash flows to the firm available in the explicit period and those in perpetuity are discounted by discounting factor based on Weighted Average Cost of Capital.

For valuation of GHPL & EDIEPL, these entities have significant investments in property in their balance sheet without any other operational business and their historical book value fairly reflects the intrinsic value of the business. So, therefore, this method has not been used for the valuation exercise.



3. Market Approach

Under this approach, the valuation is based on the market value of the company in case of listed companies and comparable companies trading or transaction multiples for unlisted companies.

Comparable Company Quoted Multiple (CCM)/ Comparable Transaction Multiple (CTM) Method

Under CCM, value of the Company is arrived at by using multiples derived from valuations of comparable companies, as manifest through stock market valuations of listed companies.

This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Under CTM, value of the company is arrived on the basis of transactions related to sale/ purchase/ investment in similar companies in the market outside of Stock Market.

Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

For valuation of GPL, GHPL & EDIEPL, in the absence of comparable company/ transaction to determine relevant multiples for estimating equity values of subject companies, we could not consider these methods for the purpose of valuation.

Pricing of Equity Shares

As per regulation 164(1) of ICDR Regulations, the market price cannot be lower than the higher of following of the issuer listed company, if share is frequently traded:

(a) Average of the weekly high and low of the volume weighted average price during the 26 weeks preceding relevant date; or

(b) Average of weekly high and low of the volume weighted average price during the 2 weeks preceding relevant date.

Frequently traded shares means the shares of the issuer, in which the traded turnover on any recognised stock exchange during the twelve calendar months preceding the relevant date, is at least ten per cent of the total number of shares of such class of shares of the issuer. Provided that where the share capital of a particular class of shares of the issuer is not identical throughout such period, the weighted average number of total shares of such class of the issuer shall represent the total number of shares.

The Relevant date for the purpose of computing pricing shall be the last working day immediately prior to the date of the board meeting.

In the present case, the trading volumes of the equity shares of GPL were more than 10% of the total number of shares during the twelve calendar months preceding the relevant date i.e. 6th August, 2020 on the NSE and accordingly equity shares of the company was classified as frequently traded shares under preferential issue pricing guidelines.



EDIEPL & GHPL not a listed Company and hence Market Price Method is not applicable. Thus, the minimum pricing requirements of ICDR are applicable on amalgamation of EDIEPL and GHPL with GPL, since GPL is frequently traded.

Share exchange ratio recommendation

Fair Value for the purpose of amalgamation have to be determined after taking into consideration all the factors and methodologies. Though, different values have been arrived at, under each of the above methodologies. For the purposes of recommending a Share exchange ratio, it is necessary to arrive at a single value for the equity shares of GPL, GHPL and EDIEPL. It is however important to note that in doing so, we are not attempting to arrive at the absolute equity values but at their relative values to facilitate the determination of fair exchange ratio. For this purpose, appropriate weights have been assigned to each method.



The relative value per share and the share exchange ratio recommended is provided as follows:

Share exchange ratio for the proposed amalgamation of GHPL and EDIEPL with GPL

Valuation Approach	GPL		GHPL		EDIEPL	
	Value per share	Weight	Value per share	Weight	Value per share	Weight
Adjusted Net Asset Value Method	N.A.	N.A.	19,13,284.67	1	8,686.72	1
Discounted Cash Flow Method	57.34	0.5	N.A.	N.A.	N.A.	N.A.
Market Price Method	38.69	0.5	N.A.	N.A.	N.A.	N.A.
Fair Value per share	48.01		19,13,284.67		8,686.72	
Share Exchange Ratio (Rounded off)			39,848		181	

Conclusion Ratio:

Valuer has recommend that:

In consideration of amalgamation of GHPL with GPL, the equity shareholders of GHPL shall receive 39,848 Equity Share(s) of Rs.1/- each in GPL as fully paid up for every 1 Equity Share of Rs.1000/- each fully paid-up held by the equity shareholders of GHPL in the capital of GHPL.

In consideration of amalgamation of EDIEPL with GPL, the equity shareholders of EDIEPL shall receive 181 Equity Share(s) of Rs.1/- each in GPL as fully paid up for every 1 Equity Share of Rs.10/- each fully paid-up held by the equity shareholders of EDIEPL in the capital of EDIEPL.

Equity shares already held by GHPL & EDIEPL in GPL as on the date of valuation shall stands cancelled.

N.A. = Not Applicable



Exclusions and Limitations

Our opinion and analysis is limited to the extent of review of the valuation report by the valuer and the Draft scheme document. In connection with the opinion, we have relied on the following information about the Companies received from the management and / or gathered from public domain:

- A) Brief overview of the business of Companies and other relevant information;
- B) Salient features of the Proposed Amalgamation;
- C) Draft Scheme of Arrangement
- D) Audited Financial Statement of GPL, GHPL, and EDIEPL for the financial year 2017-18, 2018-19;
- E) Audited financial statements of the GPL, GHPL, and EDIEPL for the financial year 2019-20, with key financial assumptions;
- F) Any material financial changes in GPL, GHPL and EDIEPL from the 31st March, 2020 to the valuation date in the absence of the financials for the period ended 30th June, 2020.
- G) Management Certified Projected financial statements of the GPL from the 1st July, 2020 to 31st March 2025, with key financial assumptions;
- H) Fair Value Report of Immovable Properties by Er. Ratan Dev Garg as on 18th June, 2020;
- I) Management Assumptions related to Risk and Growth Projections;
- J) We have also received necessary explanations and information, which we believed were relevant to the present valuation exercise from the executives and management of the company;
- K) Information (industry related as well as company specific) available on various public domains;
- L) Latest Shareholding pattern of the Companies.

For our analysis, we have also relied on published and secondary source of data. We have not independently verified the accuracy or timeliness of the same.

This opinion is intended only for the sole use and information of GPL, GHPL, & EDIEPL and in connection with the Scheme, including for the purpose of obtaining judicial and regulatory approvals for the Scheme or the purpose of complying with the SEBI regulations and requirement of stock exchanges on which the company is listed, and for no other purpose. We are not responsible in any way to any person/party/statutory authority for any decision of such person or party or authority based on this opinion. Any person/party intending to provide finance or invest in the shares/business of GHPL, EDIEPL and/or GPL or their subsidiaries /joint ventures/associates shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision.



For the purpose of this assignment, Navigant has relied on the Valuation Report for the proposed “Scheme of Amalgamation” of GHPL, EDIEPL and GPL and their respective shareholders and information and explanation provided to it, the accuracy whereof has not been evaluated by Navigant. Navigant’s work does not constitute certification or due diligence of any past working results and Navigant has relied upon the information provided to it as set out in working results of the aforesaid reports.

Navigant has not carried out any physical verification of the assets and liabilities of the companies and takes no responsibility on the identification and availability of such assets and liabilities.

We hereby give our consent to present and disclose the Fairness Opinion in the general meetings of the shareholders of GHPL, EDIEPL and GPL and to the Stock Exchanges and to the Registrar of Companies. Our opinion is not, nor should it be construed as our opining or certifying the compliance of the proposed Scheme of Amalgamation with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising thereon.

The information contained in this report is selective and is subject to updating, expansions, revisions and amendment, if any. It does not purport to contain all the information recipients may require. No obligation is accepted to provide recipients with access to any additional information or to correct any inaccuracies which might become apparent. Recipients are advised to independently conduct their own investigation and analysis of the business of the Companies. The report has been prepared solely for the purpose of giving a fairness opinion on Valuation Report issued for the proposed Scheme of Amalgamation between GHPL, EDIEPL and GPL and their respective shareholders, and may not be applicable or referred to or quoted in any other context.

Our opinion is dependent on the information provided to us being complete and accurate in all material respects. Our scope of work does not enable us to accept responsibility for the accuracy and completeness of the information provided to us. The scope of our assignment does not involve performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information used during the course of our work. As such we have not performed any audit, review or examinations of any of the historical or prospective information used and, therefore, do not express any opinion with regard to the same. In addition, we do not take any responsibility for any changes in the information used for any reason, which may occur subsequent to this date.

One should note that valuation is not an exact science and that estimating values necessarily involves selecting a method or approach that is suitable for the purpose. Moreover in this case where the shares of the company are being issued as consideration to the shareholders of GHPL, and EDIEPL, it is not the absolute valuation that is important for framing an opinion but the relative valuation of the company vis-a-vis shares of GHPL, and EDIEPL.



We have assumed that the Final Scheme will not differ in any material respect from the Draft Scheme Document shared with us.

We do not express any opinion as to any tax or other consequences that might arise from the Scheme on GHPL, EDIEPL and GPL and their respective shareholders, nor does our opinion address any legal, tax, regulatory or accounting matters, as to which we understand that the respective companies have obtained such advice as they deemed necessary from qualified professionals. We have undertaken no independent analysis of any potential or actual litigation, regulatory action, possible unasserted claims, government investigation or other contingent liabilities to which GHPL, EDIEPL and GPL and/or their associates/ subsidiaries, are or may be party.

The company has been provided with an opportunity to review the Draft Opinion as part of our standard practice to make sure that factual inaccuracy/omissions are avoided in our Final Opinion.

Our Opinion is not intended to and does not constitute a recommendation to any shareholder as to how such holder should vote or act in connection with the Scheme or any matter thereto.

Our Fairness Opinion:

On the basis of and subject to the foregoing, to the best of our knowledge and belief, it is our view that, as on the date thereof, the share exchange ratio as recommended by the valuer in relation to the proposed Amalgamation of GHPL and EDIEPL to GPL are fair, from a financial point of view, to the shareholders of the Company.

This being of our best of professional understanding, we hereby sign the Fairness Opinion report on valuation.

For Navigant Corporate Advisors Limited



Sarthak Vijlani
Managing Director

Date: 6th August, 2020

Place: Mumbai

Date: November 03, 2020

Annexure V

To,

National Stock Exchange of India Limited

Exchange Plaza,

Plot No. C/1, G Block, Bandra – Kurla

Complex,

Bandra (East),

Mumbai 400 051

Trading Symbol: **GULPOLY**

Dear Sir/Ma'am,

Sub: Report on Complaints

Ref: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("**LODR Regulations**") for the proposed Scheme of Amalgamation of Gulshan Holdings Private Limited ("**Transferor Company 1**") and East Delhi Importers & Exporters Private Limited ("**Transferor Company 2**") (collectively referred as the "**Transferor Companies**") with Gulshan Polyols Limited ("**Transferee Company**") ("**Scheme**")

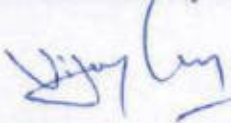
This has reference to the captioned subject application filed by the Company with National Stock Exchange of India Limited ("**NSE**") on September 11, 2020. The Scheme and other relevant documents were hosted by NSE on its website on October 09, 2020.

No complaints relating to the Scheme have been received during the period from **September 11, 2020 to October 30, 2020**. As required by Para I(A)(6) of Annexure I to the SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017, the "**Report on Complaints**" is enclosed.

Thanking You,

Yours faithfully,

For Gulshan Polyols Limited



Vijay Kumar Garg
(Company Secretary)

Encl.: As Above.

REPORT ON COMPLAINTS
(for the period from September 11, 2020 to October 30, 2020)

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	NIL
2.	Number of complaints forwarded by Stock Exchanges / SEBI	NIL
3.	Total number of complaints / comments received (1+2)	NIL
4.	Number of complaints resolved	NOT APPLICABLE
5.	Number of complaints pending	NOT APPLICABLE

Part B

Sr. No.	Name of the complainant	Date of complaint	Status (Resolved/Pending)
NOT APPLICABLE			

For Gulshan Polyols Limited




Vijay Kumar Garg
(Company Secretary)

Complaints Report:

Part A

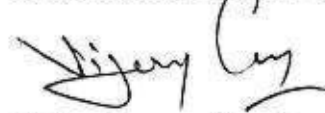
Annexure VI

Sr. No.	Particulars	Number
1.	Number of complaints received directly	0
2.	Number of complaints forwarded by Stock Exchange	0
3.	Total Number of complaints/comments received (1+2)	0
4.	Number of complaints resolved	0
5.	Number of complaints pending	0

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	NA	NA	NA
2.	NA	NA	NA
3.	NA	NA	NA

For, Gulshan Polyols Limited



(Vijay Kumar Garg)
Company Secretary

Place: New Delhi

Date: September 29, 2020



Date: November 03, 2020

To,

BSE Limited,
P.J. Towers, Dalal Street,
Mumbai – 400 001.
Scrip Code: **532457**
SYMBOL: **GULPOLY**

Sub: Report on Complaints

Ref: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (“**LODR Regulations**”) for the proposed Scheme of Amalgamation of Gulshan Holdings Private Limited (“**Transferor Company 1**”) and East Delhi Importers & Exporters Private Limited (“**Transferor Company 2**”) (collectively referred as the “**Transferor Companies**”) with Gulshan Polyols Limited (“**Transferee Company**”) (“**Scheme**”)

This has reference to the captioned subject application filed by the Company with BSE Limited (“**BSE**”) on September 11, 2020. The Scheme and other relevant documents were hosted by BSE on its website on September 21, 2020.

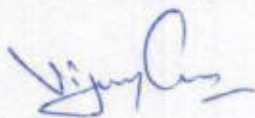
A ‘Report on Complaint’ dated September 29, 2020 has already been uploaded on the BSE’s listing portal and the same has been hosted on the BSE’s website.

No complaints relating to the Scheme have been received during the period from **September 11, 2020 to October 30, 2020**. As required by Para I(A)(6) of Annexure I to the SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017, the “**Report on Complaints**” is enclosed.

The aforesaid compliance is being made again in abundant caution.

Thanking You,

Yours faithfully,
For Gulshan Polyols Limited



Vijay Kumar Garg
(Company Secretary)

Encl.: As Above.

REPORT ON COMPLAINTS
(for the period from September 11, 2020 to October 30, 2020)

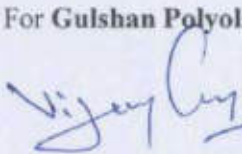

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	NIL
2.	Number of complaints forwarded by Stock Exchanges / SEBI	NIL
3.	Total number of complaints / comments received (1+2)	NIL
4.	Number of complaints resolved	NOT APPLICABLE
5.	Number of complaints pending	NOT APPLICABLE

Part B

Sr. No.	Name of the complainant	Date of complaint	Status (Resolved/Pending)
NOT APPLICABLE			

For Gulshan Polyols Limited

Vijay Kumar Garg
(Company Secretary)

National Stock Exchange Of India Limited

Annexure VII

Ref: NSE/LIST/24671_III

January 29, 2021

The Company Secretary
Gulshan Polyols Limited
9th K.M., Jansath Road,
Muzaffarnagar,
Uttar Pradesh – 251001

Kind Attn.: Mr. Vijay Kumar Garg

Dear Sir,

Sub: Observation Letter for Draft Scheme of Amalgamation between Gulshan Holdings Private Limited, East Delhi Importers & Exporters Private Limited, Gulshan Polyols Limited and their respective shareholders

We are in receipt of the Draft Scheme of Amalgamation between Gulshan Holdings Private Limited, East Delhi Importers & Exporters Private Limited, Gulshan Polyols Limited and their respective shareholders vide application dated September 11, 2020.

Based on our letter reference no Ref: NSE/LIST/24671 submitted to SEBI and pursuant to SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ('Circular'), kindly find following comments on the draft scheme:

- a. *The Company shall duly comply with various provisions of the Circular.*
- b. *The Company shall ensure that the financials of the companies involved in the Scheme is updated and are not more than 6 months old before filing the same with the Hon'ble National Company Law Tribunal (NCLT).*
- c. *The Company shall ensure that the proposed scheme is acted upon only if approved by the NCLT and if the majority votes cast by the public shareholders are in favour of the proposal.*
- d. *The Company shall ensure that additional information and undertakings, if any, submitted by the Company, after filing the scheme with the stock exchange, and from the date of receipt of this letter is displayed on the websites of the listed company.*
- e. *The Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before NCLT and the company is obliged to bring the observations to the notice of NCLT.*
- j. *It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/ observation/ representations.*

It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/representations.

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our “No-objection” in terms of Regulation 94 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines / Regulations issued by statutory authorities.

The validity of this “Observation Letter” shall be six months from January 29, 2021 within which the scheme shall be submitted to NCLT.

Yours faithfully,
For National Stock Exchange of India Limited

Jiten Patel
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL http://www.nseindia.com/corporates/content/further_issues.htm

DCS/AMAL/SD/R37/1889/2020-21

“E-Letter”

February 1, 2021

The Company Secretary,
GULSHAN POLYOLS LTD.
9th K M Jansath Road, Muzaffarnagar,
Uttar Pradesh, 251001

Annexure VIII

Sir/Madam,

Sub: Observation letter regarding the Draft Scheme of Amalgamation between Gulshan Holdings Pvt Ltd, East Delhi Importers & Exporters Pvt Ltd, Gulshan Polyols Ltd and their respective shareholders.

We are in receipt of the Draft Scheme of Amalgamation between Gulshan Holdings Pvt Ltd, East Delhi Importers & Exporters Pvt Ltd, Gulshan Polyols Ltd and their respective shareholders by Gulshan Polyols Ltd filed as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated January 29, 2021 has inter alia given the following comment(s) on the draft scheme of arrangement:

- **“The Company shall ensure that the financials of the companies involved in the Scheme is updated and are not more than 6 months old majority before filing the same with the Hon’ble National Company Law Tribunal”.**
- **“Company shall ensure that additional information and undertakings, if any, submitted by the Company, after filing the Scheme with the Stock Exchange, and from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges.”**
- **“Company shall duly comply with various provisions of the Circular.”**
- **“The Company shall ensure that the proposed scheme is acted upon only if approved by the NCLT and if the majority votes cast by the public shareholders are in favour of the proposal.”**
- **“Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT.”**
- **“It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations.”**

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.

- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted company involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the Listing Centre only and no physical filings would be accepted.** You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,

sd/-

Nitinkumar Pujari
Senior Manager

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF GULSHAN POLYOLS LIMITED AT ITS MEETING HELD ON AUGUST 06, 2020 AT G- 81, PREET VIHAR, DELHI- 110092 EXPLAINING EFFECT OF THE SCHEME ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS, LAYING OUT IN PARTICULAR THE SHARE ENTITLEMENT AS PER THE PROVISIONS OF SECTION 232(2)(C) OF THE COMPANIES ACT, 2013.

1. Background:

- 1.1 The Board of Directors (**"Board"**) of Gulshan Polyols Limited (**"the Transferee Company" or "GPL"**) at its meeting held on 6th August 2020 approved the scheme of amalgamation amongst the Gulshan Holdings Private Limited (**"GHPL" or "Transferor Company 1"**) and East Delhi Importers & Exporters Private Limited (**"EDIEPL" or "Transferor Company 2"**) (hereinafter together referred as the **"Transferor Companies"**) with the Transferee Company and their respective shareholders and creditors (**"the Scheme"**) to be implemented as per the terms specified in the Scheme.
- 1.2 As per the provisions of Section 232(2)(c) of Companies Act, 2013, the Board of Directors is required to prepare and adopt a report explaining the effect of the Scheme on each class of Shareholders, Key Managerial Personnel, Promoters and non-promoter Shareholders and the same is required to be appended with the Notice of the Meeting of Shareholders. This report of the Board is made in order to comply with the requirements of Section 232(2)(c) of Companies Act, 2013.
- 1.3 The following necessary documents were placed before the Board:
- (a) Draft Scheme of Amalgamation initialled by the Company Secretary for the purposes of identification;
 - (b) Valuation Report dated 6th August, 2020 prepared by Mr. Vardhman Doogar, Chartered Accountant (Registered Valuer) describing the methodology adopted by them in arriving at and recommending the Share Exchange Entitlement Ratio (**"Valuation Report"**);
 - (c) Fairness Opinion dated 6th August, 2020 prepared by M/s. Navigant Corporate Advisors Limited, a Category I Merchant Banker providing the Fairness Opinion on the Share Entitlement Ratio recommended by the Valuer (**"Fairness Opinion"**);
 - (d) Audit Committee Report dated 6th August, 2020 recommending the Scheme of Amalgamation.

2. Effect of Scheme of Amalgamation:

- 2.1 The Scheme contemplates amalgamation of Transferor Companies into the Transferee Company pursuant to the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and dissolution without winding up of the Transferor Companies pursuant thereto. It does not contemplate any compromise or arrangement with any other class of persons, apart from the shareholders of the respective companies.

2.2 Upon the Scheme becoming effective, the existing equity share capital of the Transferee Company held by Transferor Companies shall stand cancelled and in consideration of the amalgamation of the Transferor Companies in the Transferee Company, the Transferee Company shall, without any further application, act or deed, issue and allot to the shareholders of the Transferor Companies, 2,99,82,536 (Two Crore Ninety Nine Lakh Eighty Two Thousands Five Hundred and Thirty Six) full paid-up equity shares of the face value of INR 1/- (Rupee One) each, in the following manner:

- i. 39,848 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.1000/- each fully paid up of Gulshan Holdings Private Limited.
- ii. 181 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.10/- each fully paid up of East Delhi Importers and Exporters Private Limited.”

2.3 The amalgamation of the Transferor Companies with the Transferee Company would *inter alia* have the following benefits:

- a) Ensuring a streamlined group structure by reducing the number of legal entities;
- b) Reducing the multiplicity of legal and regulatory compliances required at present;
- c) Eliminating duplicative communication and coordination efforts across multiple entities;
- d) Rationalising cost by eliminating multiple record keeping and administrative functions;
- e) The amalgamation would not only lead to simplification of the shareholding structure and reduction of the shareholding tiers, but also demonstrate the promoter group direct commitment to and engagement with GPL;
- f) Strengthen the business of the Transferee Company by pooling up the resources, land, investment and assets for common purpose and hence optimum utilization.

2.4 The effect of the proposed Scheme of Amalgamation on the stakeholders of GPL would be as follows:


Effect of the Scheme on:

(a)	Equity Shareholders (Promoters and Non Promoters)	Upon the coming into the effect of the Scheme and in consideration of the transfer and vesting of the Transferor Companies, the Transferee Company shall issue and allot to the equity shareholders of the Transferor Companies, New Equity Shares of the Transferee Company in the ratio as enumerated in Clause 14 of Part III of the Scheme. Further, the authorized share capital of the Transferor Companies shall stand transferred to and be amalgamated / combined with the authorized share capital of the Transferee Company in the manner as stipulated in Clause 17 of Part III of the Scheme.
(b)	Preference Shareholders	No Impact.
(c)	Key Managerial Personnel (KMP)	The Transferee Company is not expecting any change in the KMPs of the Transferee Company in pursuance of the Scheme becoming effective.
(d)	Directors	No Impact. The Scheme will have no effect on the office of the existing Directors of the Transferee

		Company.
(e)	Creditors	No Impact. They shall be paid as and when their debt becomes due. The liability of the creditors of the Transferee Company, under the Scheme, is neither being reduced nor being extinguished. The creditors of the Transferee Company would in no way be affected by the Scheme.
(f)	Employees	The Transferee Company is not expecting any change in the Employees of the Transferee Company in pursuance of the Scheme becoming effective. Moreover, all in-scope employees forming part of Transferor Company shall be transferred to the Transferee Companies on the same terms and conditions on which they are engaged by the Transferor Companies.
(g)	Debenture holders, Bond holders, Depositors and Debenture Trustees	The Transferee Company has not issued debentures, bonds and doesn't have debenture trustee. Further, the Transferee Company has not accepted deposit.

2.5 In the opinion of the Board, the said scheme will be of advantage and beneficial to the Company, its Shareholders, Creditors and other Stakeholders and the terms thereof are fair and reasonable.

**BY THE ORDER OF THE BOARD
 FOR AND ON BEHALF OF
 GULSHAN POLYOLS LIMITED**



Ashwani Kumar Vats
CEO and Whole Time Director
DIN: 00062645
Place: Delhi
Date: August 05, 2021

GULSHAN HOLDINGS PRIVATE LIMITED

CIN No. U74899UP1985PTC128005

Regd. Office 9TH KM, Jansath Road,
Muzaffarnagar-251001, Uttar Pradesh

E-mail cs@gulshanindia.com

Phone No. 0131-32958800

Annexure X

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF GULSHAN HOLDINGS PRIVATE LIMITED AT ITS MEETING HELD ON AUGUST 06, 2020 AT G- 81, PREET VIHAR, DELHI- 110092 EXPLAINING EFFECT OF THE SCHEME ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS, LAYING OUT IN PARTICULAR THE SHARE ENTITLEMENT AS PER THE PROVISIONS OF SECTION 232(2)(C) OF THE COMPANIES ACT, 2013.

1. Background:

- 1.1 The Board of Directors (**"Board"**) of Gulshan Holdings Private Limited (**"the Transferor Company 1"** or **"GHPL"**) at its meeting held on 6th August 2020 approved the scheme of amalgamation amongst the Transferor Company 1 and East Delhi Importers & Exporters Private Limited (**"EDIEPL"** or **"Transferor Company 2"**) (hereinafter together referred as the **"Transferor Companies"**) with Gulshan Polyols Limited (**"Transferee Company"** or **"GPL"**) and their respective shareholders and creditors (**"the Scheme"**) to be implemented as per the terms specified in the Scheme.
- 1.2 As per the provisions of Section 232(2)(c) of Companies Act, 2013, the Board of Directors is required to prepare and adopt a report explaining the effect of the Scheme on each class of Shareholders, Key Managerial Personnel, Promoters and non-promoter Shareholders and the same is required to be appended with the Notice of the Meeting of Shareholders. This report of the Board is made in order to comply with the requirements of Section 232(2)(c) of Companies Act, 2013.
- 1.3 The following necessary documents were placed before the Board:
 - (a) Draft Scheme of Amalgamation initialled by the Company Secretary for the purposes of identification;
 - (b) Valuation Report dated 6th August, 2020 prepared by Mr. Vardhman Doogar, Chartered Accountant (Registered Valuer) describing the methodology adopted by them in arriving at and recommending the Share Exchange Entitlement Ratio (**"Valuation Report"**);
 - (c) Fairness Opinion dated 6th August, 2020 prepared by M/s. Navigant Corporate Advisors Limited, a Category I Merchant Banker providing the Fairness Opinion on the Share Entitlement Ratio recommended by the Valuer (**"Fairness Opinion"**);

2. Effect of Scheme of Amalgamation:

- 2.1 The Scheme contemplates amalgamation of Transferor Companies into the Transferee Company pursuant to the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and dissolution without winding up of the Transferor Companies pursuant thereto. It does not contemplate any compromise or arrangement with any other class of persons, apart from the shareholders of the respective companies.
- 2.2 Upon the Scheme becoming effective, the existing equity share capital of the Transferee Company held by Transferor Companies shall stand cancelled and in consideration of the amalgamation of the Transferor Companies in the Transferee Company, the Transferee Company shall, without any further

GULSHAN HOLDINGS PRIVATE LIMITED

CIN No. U74899UP1985PTC128005

Regd. Office 9TH KM, Jansath Road,
Muzaffarnagar-251001, Uttar Pradesh

E-mail cs@gulshanindia.com

Phone No. 0131-32958800

application, act or deed, issue and allot to the shareholders of the Transferor Companies, 2,99,82,536 (Two Crore Ninety Nine Lakh Eighty Two Thousands Five Hundred and Thirty Six) full paid-up equity shares of the face value of INR 1/- (Rupee One) each, in the following manner:

- i. 39,848 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.1000/- each fully paid up of Gulshan Holdings Private Limited.
- ii. 181 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.10/- each fully paid up of East Delhi Importers and Exporters Private Limited.”

2.3 The amalgamation of the Transferor Companies with the Transferee Company would *inter alia* have the following benefits:

- a) Ensuring a streamlined group structure by reducing the number of legal entities;
- b) Reducing the multiplicity of legal and regulatory compliances required at present;
- c) Eliminating duplicative communication and coordination efforts across multiple entities;
- d) Rationalising cost by eliminating multiple record keeping and administrative functions;
- e) The amalgamation would not only lead to simplification of the shareholding structure and reduction of the shareholding tiers, but also demonstrate the promoter group direct commitment to and engagement with GPL;
- f) Strengthen the business of the Transferee Company by pooling up the resources, land, investment and assets for common purpose and hence optimum utilization.

2.4 The effect of the proposed Scheme of Amalgamation on the stakeholders of Transferor Company 1 would be as follows:

Effect of the Scheme on:

(a)	Equity Shareholders (Promoters and Non-Promoters)	Upon the coming into the effect of the Scheme and in consideration of the transfer and vesting of the Transferor Companies, the Transferee Company shall issue and allot to the equity shareholders of the Transferor Companies, New Equity Shares of the Transferee Company in the ratio as enumerated in Clause 14 of Part III of the Scheme. Further, the authorized share capital of the Transferor Companies shall stand transferred to and be amalgamated / combined with the authorized share capital of the Transferee Company in the manner as stipulated in Clause 17 of Part III of the Scheme.
(b)	Preference Shareholders	The Transferor Company 1 has not issued preference shares.
(c)	Key Managerial Personnel (KMP)	It is expected to be no adverse effect of the said Scheme on the KMPs of the Transferor Company 1.
(d)	Directors	It is expected to be no adverse effect of the said Scheme on the directors of the Transferor Company

GULSHAN HOLDINGS PRIVATE LIMITED

CIN No. U74899UP1985PTC128005

Regd. Office 9TH KM, Jansath Road,
Muzaffarnagar-251001, Uttar Pradesh

E-mail cs@gulshanindia.com

Phone No. 0131-32958800

		1. Mrs. Mridula Jain (Director of Transferor Company 1) will not hold office of directorship in the Transferee Company. All other common directors will continue to hold office of directorship in the Transferee Company.
(e)	Creditors	<p>The creditors of the Transferor Company 1 will become business creditors of the Transferee Company pursuant to the Scheme. They shall be paid as and when their debt becomes due.</p> <p>There will be no adverse impact on the rights and interest of the creditor(s) of the Transferee Company 1.</p>
(f)	Employees	<p>All in-scope employees forming part of Transferor Company 1 shall be transferred to the Transferee Company on the same terms and conditions on which they are engaged by the Transferor Company 1.</p> <p>Thus, the Scheme will have no adverse effect on the employees of the Transferor Company 1.</p>
(g)	Debenture holders, Bond holders, Depositors and Debenture Trustees	The Transferor Company 1 has not issued debentures, bonds and doesn't have debenture trustee. Further, the Transferor Company 1 has not accepted deposit.

2.5 In the opinion of the Board, the said scheme will be of advantage and beneficial to the Company, its Shareholders, Creditors and other Stakeholders and the terms thereof are fair and reasonable.

BY THE ORDER OF THE BOARD
FOR AND ON BEHALF OF
GULSHAN HOLDINGS PRIVATE LIMITED



Dr. Chandra Kumar Jain
Director

DIN: 00062221

Place: Delhi

Date: August 05, 2021

EAST DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED

CIN No. U60231UP1997PTC129363

Regd. Office 9TH KM, Jansath Road,
Muzaffarnagar-251001, Uttar Pradesh

E-mail cs@gulshanindia.com

Phone No. 0131-32958800

Annexure XI

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF EAST DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED AT ITS MEETING HELD ON AUGUST 06, 2020 AT G-81, PREET VIHAR, DELHI- 110092 EXPLAINING EFFECT OF THE SCHEME ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS, LAYING OUT IN PARTICULAR THE SHARE ENTITLEMENT AS PER THE PROVISIONS OF SECTION 232(2)(C) OF THE COMPANIES ACT, 2013.

1. Background:

- 1.1 The Board of Directors (**"Board"**) of East Delhi Importers & Exporters Private Limited (**"EDIEPL"** or **"Transferor Company 2"**) at its meeting held on 6th August 2020 approved the scheme of amalgamation amongst Gulshan Holdings Private Limited (**"the Transferor Company 1"** or **"GHPL"**) and Transferor Company 2 (hereinafter together referred as the **"Transferor Companies"**) with Gulshan Polyols Limited (**"Transferee Company"** or **"GPL"**) and their respective shareholders and creditors (**"the Scheme"**) to be implemented as per the terms specified in the Scheme.
- 1.2 As per the provisions of Section 232(2)(c) of Companies Act, 2013, the Board of Directors is required to prepare and adopt a report explaining the effect of the Scheme on each class of Shareholders, Key Managerial Personnel, Promoters and non-promoter Shareholders and the same is required to be appended with the Notice of the Meeting of Shareholders. This report of the Board is made in order to comply with the requirements of Section 232(2)(c) of Companies Act, 2013.
- 1.3 The following necessary documents were placed before the Board:
 - (a) Draft Scheme of Amalgamation initialled by the Company Secretary for the purposes of identification;
 - (b) Valuation Report dated 6th August, 2020 prepared by Mr. Vardhman Doogar, Chartered Accountant (Registered Valuer) describing the methodology adopted by them in arriving at and recommending the Share Exchange Entitlement Ratio (**"Valuation Report"**);
 - (c) Fairness Opinion dated 6th August, 2020 prepared by M/s. Navigant Corporate Advisors Limited, a Category I Merchant Banker providing the Fairness Opinion on the Share Entitlement Ratio recommended by the Valuer (**"Fairness Opinion"**);

2. Effect of Scheme of Amalgamation:

- 2.1 The Scheme contemplates amalgamation of Transferor Companies into the Transferee Company pursuant to the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and dissolution without winding up of the Transferor Companies pursuant thereto. It does not contemplate any compromise or arrangement with any other class of persons, apart from the shareholders of the respective companies.
- 2.2 Upon the Scheme becoming effective, the existing equity share capital of the Transferee Company held by Transferor Companies shall stand cancelled and in consideration of the amalgamation of the Transferor Companies in the Transferee Company, the Transferee Company shall, without any further

EAST DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED

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Phone No. 0131-32958800

application, act or deed, issue and allot to the shareholders of the Transferor Companies, 2,99,82,536 (Two Crore Ninety Nine Lakh Eighty Two Thousands Five Hundred and Thirty Six) full paid-up equity shares of the face value of INR 1/- (Rupee One) each, in the following manner:

- i. 39,848 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.1000/- each fully paid up of Gulshan Holdings Private Limited.
- ii. 181 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.10/- each fully paid up of East Delhi Importers and Exporters Private Limited.”

2.3 The amalgamation of the Transferor Companies with the Transferee Company would *inter alia* have the following benefits:

- a) Ensuring a streamlined group structure by reducing the number of legal entities;
- b) Reducing the multiplicity of legal and regulatory compliances required at present;
- c) Eliminating duplicative communication and coordination efforts across multiple entities;
- d) Rationalising cost by eliminating multiple record keeping and administrative functions;
- e) The amalgamation would not only lead to simplification of the shareholding structure and reduction of the shareholding tiers, but also demonstrate the promoter group direct commitment to and engagement with GPL;
- f) Strengthen the business of the Transferee Company by pooling up the resources, land, investment and assets for common purpose and hence optimum utilization.

2.4 The effect of the proposed Scheme of Amalgamation on the stakeholders of Transferor Company 2 would be as follows:

Effect of the Scheme on:

(a)	Equity Shareholders (Promoters and Non-Promoters)	Upon the coming into the effect of the Scheme and in consideration of the transfer and vesting of the Transferor Companies, the Transferee Company shall issue and allot to the equity shareholders of the Transferor Companies, New Equity Shares of the Transferee Company in the ratio as enumerated in Clause 14 of Part III of the Scheme. Further, the authorized share capital of the Transferor Companies shall stand transferred to and be amalgamated / combined with the authorized share capital of the Transferee Company in the manner as stipulated in Clause 17 of Part III of the Scheme.
(b)	Preference Shareholders	The Transferor Company 2 has not issued preference shares.
(c)	Key Managerial Personnel (KMP)	It is expected to be no adverse effect of the said Scheme on the KMPs of the Transferor Company 2.
(d)	Directors	It is expected to be no adverse effect of the said Scheme on the directors of the Transferor Company

EAST DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED

CIN No. U60231UP1997PTC129363

**Regd. Office 9TH KM, Jansath Road,
Muzaffarnagar-251001, Uttar Pradesh**

E-mail cs@gulshanindia.com

Phone No. 0131-32958800

		2. Mr. Avdhesh Kumar Garg (Director of Transferor Company 2) will not hold office of directorship in the Transferee Company. All other common directors will continue to hold office of directorship in the Transferee Company.
(e)	Creditors	<p>The creditors of the Transferor Company 2 will become business creditors of the Transferee Company pursuant to the Scheme. They shall be paid as and when their debt becomes due.</p> <p>There will be no adverse impact on the rights and interest of the creditor(s) of the Transferor Company 2.</p>
(f)	Employees	<p>All in-scope employees forming part of Transferor Company 2 shall be transferred to the Transferee Company on the same terms and conditions on which they are engaged by the Transferor Company 2.</p> <p>Thus, the Scheme will have no adverse effect on the employees of the Transferor Company 2.</p>
(g)	Debenture holders, Bond holders, Depositors and Debenture Trustees	<p>The Transferor Company 2 has not issued debentures, bonds and doesn't have debenture trustee. Further, the Transferor Company 2 has not accepted deposit.</p>

2.5 In the opinion of the Board, the said scheme will be of advantage and beneficial to the Company, its Shareholders, Creditors and other Stakeholders and the terms thereof are fair and reasonable.

BY THE ORDER OF THE BOARD

FOR AND ON BEHALF OF

EAST DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED

Aditi Pasari

Aditi Pasari

Director

DIN: 00120753

Place: Delhi

Date: August 05, 2021

**D & A FINANCIAL SERVICES (P) LIMITED**

Merchant Banking & Corporate Advisory Services

Date: 5th August, 2021

Gulshan Holdings (P) Limited
9th KM, Jansath Road
Muzaffarnagar-251001
Uttar Pradesh

Subject: Compliance Report with respect to Abridged Prospectus in Compliance with requirement of Regulation 37 of the SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 read with SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated 22nd December, 2020 in terms of Scheme of Amalgamation of Gulshan Holdings (P) Limited ("Transferor Company No. 1") and East Delhi Importers & Exporters (P) Limited ("Transferor Company No. 2") and Gulshan Polyols Limited ("Transferee Company") and their respective shareholders and creditors under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder ("Scheme")

Dear Sir/s,

We, M/s D & A Financial Services (P) Limited, SEBI registered Merchant Banker, having SEBI Registration No. INM000011484 have been appointed by Gulshan Polyols Limited to provide a compliance report with respect to adequacy and accuracy of disclosure(s) made in the Abridged Prospectus with respect to Gulshan Holdings (P) Limited, under the Scheme as stated above.

Scope and Purpose of the Compliance Report

Pursuant to the requirements of SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated 22nd December, 2020, a compliance report has to be obtained from an independent Merchant Banker on the information disclosed in Abridged Prospectus in line with information required to be disclosed as per Part E of Schedule VI of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations").

The purpose of the report is to inform the shareholders and/or Creditors (Secured and Unsecured) about the details of the unlisted company to the extent applicable, involved in the scheme in line with the information required to be disclosed in line with Part E of Schedule VI of ICDR Regulations.



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D & A FINANCIAL SERVICES (P) LIMITED

Merchant Banking & Corporate Advisory Services

Sources of the Information

We have received the following information from the management and other related parties of the Company:

1. Proposed Scheme of Amalgamation.
2. Abridged Prospectus dated 5th August, 2021 prepared in accordance with SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated 22nd December, 2020.
3. Information/documents/undertakings etc. provided by management and other related parties of company pertaining to disclosures made in Abridged Prospectus dated 5th August, 2021.

Disclaimer: This Report is intended solely for the limited purpose mentioned earlier and should not be regarded as a recommendation to the investors to invest in the Company or deal in any form in the securities of the Company.

We have assumed that the documents/information provided to us in this respect, wherever required for the purpose of disclosures in Abridged Prospectus is complete in all respects.

This report is not meant for meeting any other regulatory or disclosure requirements, save and except as specified above, under any Indian or foreign law, statute, act guideline or similar instruction. The Management or related parties of Company are prohibited from using this report other than for its sole limited purpose and not to make a copy of this report available to any party other than those required by statute for carrying out the limited purpose of this report.

In no circumstances whatsoever, will D & A Financial Services (P) Limited, its Directors and Employees accept any responsibility of liability towards any third party for consequences arising out of the use of this report.



Compliance Report

We in the capacity of SEBI registered Merchant Banker do hereby certify that the information as disclosed in the Abridged Prospectus dated 5th August, 2021, is in line with disclosures required to be made as per Part E of Schedule VI of ICDR Regulations, to the extent applicable with respect to unlisted company i.e Gulshan Holdings (P) Limited and the disclosures made with respect to Gulshan Holdings (P) Limited, are accurate and adequate to the extent applicable.

Thanking You
For D & A Financial Services (P) Limited


(Priyaranjan)
Vice President/Authorized Signatory



SEBI Registration No. INM000011484

Place: New Delhi

DISCLOSURE DOCUMENT COMPRISING OF APPLICABLE INFORMATION IN THE FORMAT SPECIFIED FOR ABRIDGED PROSPECTUS

This disclosure document (“**Document**”) contains applicable information pertaining to the unlisted company, Gulshan Holdings Private Limited, holding company of Gulshan Polyols Limited, and the proposed Scheme of Amalgamation amongst Gulshan Holdings Private Limited and East Delhi Importers and Exporters Private Limited with Gulshan Polyols Limited and their respective shareholders and creditors (“**Scheme**”).

This Document has been prepared in connection with the above Scheme, pursuant to the Securities and Exchange Board of India (“**SEBI**”) circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 and SEBI circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 (“**SEBI Circulars**”). This Document should be read together with the Scheme.

THIS DOCUMENT CONTAINS 10 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES

NO EQUITY SHARES ARE PROPOSED TO BE OFFERED PURSUANT TO THIS DOCUMENT

You may download the Scheme from the website of Gulshan Polyols Limited i.e., www.gulshanindia.com or the website of the stock exchanges where the equity shares of Gulshan Polyols Limited are listed i.e., BSE Limited (“**BSE**”) and National Stock Exchange of India Limited (“**NSE**”) (BSE and NSE together hereinafter referred to as the “**Stock Exchanges**”)

(Capitalised terms not defined herein shall have their meaning ascribed to them under the Scheme)

GULSHAN HOLDINGS PRIVATE LIMITED

Registered Office: at 9th K.M., Jansath Road, Muzaffarnagar - 251001, Uttar Pradesh, India

Telephone: +91 11 49999200, Website: Email: cs@gulshanindia.com

Corporate Identification Number (CIN): U74899UP1985PTC128005

Contact Person: Ms. Asha Mittal

NAME OF PROMOTER OF GULSHAN HOLDINGS PRIVATE LIMITED

Dr. Chandra Kumar Jain

Mrs. Mridula Jain

Ms. Arushi Jain

Ms. Aditi Pasari

Ms. Anubha Gupta

DETAILS OF THE SCHEME, LISTING AND PROCEDURE

The Scheme of Amalgamation amongst Gulshan Holdings Private Limited (“**Transferor Company No. 1**” or “**GHPL**”) and East Delhi Importers and Exporters Private Limited (“**Transferor Company No. 2**” or “**EDIEPL**”) (collectively referred to as the “**Transferor Companies**”) with Gulshan Polyols Limited (“**Transferee Company**”) and their respective shareholders and creditors (“**Scheme**”) provides for (a) Amalgamation (merger by absorption) of Transferor Company No. 1 into and with the Transferee Company and consequent dissolution of the Transferor Company No. 1 without winding up; and (b) Amalgamation (merger by absorption) of Transferor Company No. 2 into and with Transferee Company and consequent dissolution of the Transferor Company No. 2 without winding up, under

Sections 230 to 232 and other applicable provisions of the Act. The Scheme also provides for various other matters consequent and incidental thereto.

Consideration under the Scheme: Upon the Scheme becoming effective, the existing equity share capital of the Transferee Company held by Transferor Companies shall stand cancelled and in consideration of the amalgamation of the Transferor Companies in the Transferee Company, the Transferee Company shall, without any further application, act or deed, issue and allot to the shareholders of the Transferor Companies, 2,99,82,536 (Two Crore Ninety Nine Lakh Eighty Two Thousands Five Hundred and Thirty Six) fully paid-up equity shares of the face value of INR 1/- (Rupee One) each, in the following manner:

- i. 39,848 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.1000/- each fully paid up of Gulshan Holdings Private Limited; and
- ii. 181 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.10/- each fully paid up of East Delhi Importers and Exporters Private Limited.

Rationale for the Scheme, as provided in the Scheme, is given below:

- a) Help in achieving improved operational efficiency and optimum advantages and also to achieve greater efficiency and synergy in operations by combining the activities of the Transferor Companies with the Transferee Company. Accordingly, the Scheme would strengthen and complement the businesses of the Companies;
- b) The amalgamated entity will benefit from optimum utilization of manpower through improved organizational capacity and leadership, arising from the combination of people from the Transferor Companies and Transferee Company which have diverse skills, talent, management expertise, enlarged knowledge base and vast experience to compete successfully in an increased competitive industry;
- c) The amalgamated entity shall reduce fixed costs by removing duplicate departments, operations and lower the cost of the Company relative to the same revenue stream and shall thus increase the profit margins;
- d) The amalgamation will offer a simplified corporate structure to the amalgamated entity;
- e) Under a liberalised, fast changing and highly competitive environment, this amalgamation shall strengthen the business of the Transferor Companies and the Transferee Company by pooling up the resources, business expertise, business processes and assets for common purpose and hence optimum utilization;
- f) The synergies that exist between the entities in terms of services and resources can be put to the best advantage of all stakeholders;
- g) The amalgamation will result in better economic control, increased financial strength and flexibility and enhance the ability of the amalgamated entity to undertake large projects, thereby contributing to enhancement of future business potential;
- h) Cost savings are expected to flow from more focused operational efforts, rationalisation, standardisation and simplification of business processes, productivity and improvements, improved procurement and the elimination of duplication and rationalization of administrative expenses;
- i) The consolidation of the companies engaged in similar & complementary line of business in one entity, under a single centralized system of management, will result in the management

being able to exercise greater control over the operations of the companies and which will help in synchronising the operations. This will also result in the management being enabled to undertake any re-structuring /re-organization of the various business undertakings of the companies for the purposes of achieving optimum efficiency /and or to attract investments in the individual business undertakings of the Companies.

Appointed Date: Appointed Date for the Scheme means the opening business hours of 1st April, 2020 or such other date as may be fixed or approved by the Appropriate Authority.

** The above details of the Scheme have been suitably extracted from the Scheme.*

LISTING AND PROCEDURE

After the Effective Date of this Scheme, the new equity shares to be issued and allotted by the Transferee Company in terms of the Scheme as mentioned above in Consideration shall be listed and shall be admitted for trading on the Stock Exchanges by virtue of this Scheme and in accordance with the provisions of SEBI Circulars. Transferee Company shall make all requisite applications and shall otherwise comply with the provisions of the SEBI Circulars and Applicable Laws and take all steps to get the new equity shares issued by it in pursuance to this Scheme listed on the Stock Exchanges.

The new equity shares allotted by the Transferee Company pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated Stock Exchanges.

It is pertinent to mention here that the procedure with respect to public issue/offer would not be applicable as these issues are only to the shareholders of the Transferor Companies, pursuant to the Scheme of Amalgamation without cash consideration.

ELIGIBILITY FOR THE ISSUE

- Whether the company is compulsorily required to allot at least 75% of the net offer to public, to qualified institutional buyers- **NOT APPLICABLE**
- The Equity Shares sought to be listed are proposed to be allotted by the Transferee Company to the shareholders of the Transferor Companies pursuant to the Scheme to be sanctioned by National Company Law Tribunal, Allahabad Bench under Section 230 to 232 of the Companies Act, 2013; and
- The percentage of shareholding of pre-scheme public shareholders of the Transferee Company in the post-scheme shareholding pattern of the Transferee Company (Resulting Company) shall not be less than 25%.

INDICATIVE TIMELINE

This Document should not be deemed to be an offer to the public. Shares would be issued as above upon the Scheme coming into effect after requisite statutory approvals are accorded thereto. The Scheme requires approval of the National Company Law Tribunal, Allahabad Bench (“**NCLT**”) and no exact time frame can be given when the Scheme will become effective. However, the Appointed Date for the Scheme is opening business hours of April 01, 2020 or such other date as may be approved by the Appropriate Authority.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in relation to this Scheme. For taking an investment decision, investors must rely on their own examination of the Scheme, including the risks involved. The Equity Shares have not been recommended or approved by Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Information Document. Specific attention of the investors is invited to the section titled “Risk Factors” of this Information Document.

PRICE INFORMATION OF LEAD MANAGER

Not Applicable.

PROMOTERS OF GULSHAN HOLDINGS PRIVATE LIMITED

The promoters of Gulshan Holdings Private Limited owns and controls 100% shareholding. The shareholding pattern of the promoters are given below:

Sl. No.	Name of Promoter	No. of Shares Held	Percentage of Shareholding
1.	Dr. Chandra Kumar Jain	182	25.74%
2.	Mrs. Mridula Jain	173	24.47%
3.	Ms. Arushi Jain	108	15.28%
4.	Ms. Aditi Pasari	124	17.54%
5.	Ms. Anubha Gupta	120	16.97%
	Total	707	100%

The brief profiles of the promoters of Gulshan Holdings Private Limited are as follows:

- Dr. Chandra Kumar Jain:** Dr. C.K. Jain is a Sugar Technologist and has been awarded a Doctorate Degree in Chemistry. He is an industrialist of repute with more than 4 decades of rich business experience and has been the guiding force behind the growth of Gulshan Group since its inception.. Apart from business activities, Dr. Jain is an active philanthropist.
- Mrs. Mridula Jain:** Mrs. Mridula Jain has been associated with Gulshan Group for the past 15 years as the Director. She is actively involved in the management and decision making of the Gulshan Holdings Private Limited. She contributes to the Company from her years of experience with day-to-day management, strategic decision making and development policies for the Company.
- Ms. Arushi Jain:** Ms. Arushi Jain is MS in marketing from City University of New York, USA. She is also a Baking Technologist from American Institute of Baking, USA. She has been associated with Gulshan Group since 1996 and currently involved in operations and overall management of the Gulshan Group. She manages business policies, strategic decisions, business development and day-to-day affairs of the Starch derivatives plant of Gulshan

Gulshan Group. She also has experience in market research and baking industry. She has hosted culinary series on CNBC.

4. **Ms. Aditi Pasari:** Ms. Aditi Pasari is MBA from Cardiff University, UK. She has the experience of having conceived and set-up a packaging unit in Haridwar, under the umbrella of Gulshan Group. She has been associated with Gulshan Group since 2009 and is currently designated as Whole Time Director in Gulshan Group. She has supervisory responsibility for Finance and Human Resources functions and leads various strategic initiatives in the smooth operation of Gulshan Group.

5. **Ms. Anubha Gupta:** Ms. Anubha Gupta completed her B.A. (Hons) English Literature from Jesus and Mary College, Delhi University in 2010, after which she went to the Courtauld Institute of Art, University of London to pursue her Post Graduation in History of Art. Currently she is heading, Artsome.co, a not-for-profit first of its kind online portal which attempts to fill the lack of education and exposure to art in South Asia. Along with her passion for Arts, contributes to the Gulshan Group with an extensive understanding of the contemporary business world.

BUSINESS MODEL/ BUSINESS OVERVIEW AND STRATEGY

Gulshan Holdings Private Limited having CIN: U74899UP1985PTC128005 and PAN: AAACG5688F was incorporated on 20th November, 1985 with Registrar of Companies, Delhi & Haryana as a Private Company, Limited by Shares, and presently having its registered office at 9th K.M., Jansath Road, Muzaffarnagar - 251001, Uttar Pradesh, India. The Transferor Company No. 1 is the holding Company of the Transferee Company. The company is engaged in the business of acquiring, investing and holding shares in companies having similar objects or companies providing value benefit, and guaranteeing the payment of money unsecured or secured by or payable under or in respect of contractual obligations.

BOARD OF DIRECTORS

Sr. No.	Name	Designation	Experience
1.	Dr. Chandra Kumar Jain	Non-Executive Director	<p>He is currently heading Gulshan Polyols Limited in the capacity of Chairman and Managing Director. He is an industrialist of repute with more than 4 decades of rich business experience and has been the guiding force behind the growth of Gulshan Group since its inception. He is also promoter of Gulshan Mercantile Urban Co-operative Bank Ltd (GMUCB). He is associated with Gulshan Holdings Private Limited from its incorporation year- 1985.</p> <p>Other current directorships:</p>

			<p>a. Gulshan Polyols Limited</p> <p>b. Gulshan Sugar and Chemicals Limited</p>
2.	Mrs. Mridula Jain	Non-Executive Director	<p>She has been associated with Gulshan Group for the past 15 years as the Director. She is actively involved in the management and decision making of the Gulshan Holdings Private Limited. She contributes to the Company from her years of experience with day-to-day management, strategic decision making and development policies for the Company.</p> <p>Other current directorships: Nil</p>
3.	Ms. Arushi Jain	Non-Executive Director	<p>She has been associated with Gulshan Group since 1996 and currently involved in operations and overall management of the Gulshan Group. She manages business policies, strategic decisions, business development and day-to-day affairs of the Starch derivatives plant of Gulshan Group.</p> <p>Other current directorships:</p> <p>a. Gulshan Polyols Limited</p> <p>b. Gulshan Sugar and Chemicals Limited</p> <p>c. Houzilla Interiors Private Limited</p> <p>d. Gulshan Care Foundation</p>

OBJECTS OF THE PROPOSED SCHEME

Brief objects of the proposed Scheme are as follows:

- (a) Amalgamation (merger by absorption) of Transferor Company No. 1 into and with the Transferee Company and consequent dissolution of the Transferor Company No. 1 without winding up; and
- (b) Amalgamation (merger by absorption) of Transferor Company No. 2 into and with Transferee Company and consequent dissolution of the Transferor Company No. 2 without winding up, under Sections 230 to 232 and other applicable provisions of the Act. The Scheme also provides for various other matters consequent and incidental thereto.

The Scheme also provides for various other matters consequent and incidental thereto. The Rationale for the Scheme is set out under the heading “Details of the Scheme, Listing and Procedure” at page 1 of this Document.

Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilisation of issue proceeds of past public issues/ rights issues, if any, of Gulshan Holdings Private Limited in the preceding 10 years: Not Applicable.

Name of monitoring agency, if any: Not Applicable.

Terms of issuance of Convertible Security, if any: Not Applicable.

Pre-Scheme Shareholding Pattern of Gulshan Holdings Private Limited

Sr. No.	Particulars	Pre-Scheme Number of Shares	Pre-Scheme % Shareholding
1.	Promoter & Promoter Group	707	100%
2.	Public	-	-
	Total	707	100%

Note: Upon the Scheme becoming effective, Gulshan Holdings Private Limited will get dissolved.

RESTATED AUDITED FINANCIALS

Standalone Financials

(Rs. in Lakhs)

Particulars	Year ended March 31, 2021 (Audited)	Year ended March 31, 2020 (Audited)	Year ended March 31, 2019 (Audited)	Year ended March 31, 2018 (Audited)	Year ended March 31, 2017 (Audited)
Total income from operations (net)	226.25	458.91	360.04	410.42	365.55
Net Profit / (Loss) before tax and extraordinary items	178.74	399.95	313.88	317.68	321.57
Net Profit / (Loss) after tax and extraordinary items	127.73	352.62	262.02	277.67	305.66
Equity Share Capital	7.07	7.07	7.07	7.07	7.07
Reserves and Surplus	4,502.62	4,374.89	4,113.94	3,928.25	3,664.50
Net worth	4,509.69	4,381.96	4,121.01	3,935.32	3,671.57
Basic Earnings Per Share (Rs.)	18,066.35	49,876.22	37,060.99	39,274.23	43,232.98
Diluted Earnings Per Shares (Rs.)	18,066.35	49,876.22	37,060.99	39,274.23	43,232.98
Return on net worth (%)	2.83%	8.05%	6.36%	7.06%	8.32%
Net Asset Value Per Equity Share (Rs.)	6,37,863.21	6,19,796.87	5,82,887.02	5,56,622.04	5,19,316.87

Consolidated Financials

(Rs. in Lakhs)

Particulars	Year ended March 31, 2021 (Audited)	Year ended March 31, 2020 (Audited)	Year ended March 31, 2019 (Audited)	Year ended March 31, 2018 (Audited)	Year ended March 31, 2017 (Audited)
Total income from operations (net)	76,672.95	62,292.49	360.04	410.42	365.55
Net Profit / (Loss) before tax and extraordinary items	9,370.31	2,906.33	313.87	317.68	321.57
Net Profit / (Loss) after tax and extraordinary items	3,515.42	1,162.82	1,121.73	2,101.88	3,096.66
Equity Share Capital	7.07	7.07	7.07	7.07	7.07
Reserves and Surplus	22,377.33	18,046.36	13,874.67	12,752.94	11,831.46
Net worth	22,384.40	18,053.43	13,881.74	12,760.01	11,838.53
Basic Earnings Per Share (Rs.)	4,97,230.55	1,64,472.88	1,58,661.56	2,97,295.09	4,38,000.20
Diluted Earnings Per Shares (Rs.)	4,97,230.55	1,64,472.88	1,58,661.56	2,97,295.09	4,38,000.20
Return on net worth (%)	15.70%	6.44%	8.08%	16.47%	26.16%
Net Asset Value Per Equity Share (Rs.)	31,66,111	25,53,527	19,63,471	18,04,810	16,73,474

Notes:

- a. *Gulshan Holdings Private Limited became holding company of Gulshan Polyols in February, 2020. Prior to that, Gulshan Polyols Limited was associate company of Gulshan Holdings Private Limited. Thus, from FY 2016-17 to FY 2018-19, the consolidated accounts mentioned above were prepared on equity method as applicable for consolidation of accounts of associate company as per then applicable AS and beginning from FY 2019-20, the consolidated accounts are prepared based on IND-AS which are applicable now. For Consolidated Financials for FY 2020-21 and 2019-20, Net Profit / (Loss) after tax and extraordinary items refers to Net profit after comprehensive income attributable to parents and reserves & surplus contains reserves & surplus which is attributable to the parents. For Consolidated Financials for from FY 2016-17 to FY 2018-19, Net Profit / (Loss) before tax and extraordinary items are being reported on standalone basis due to applicability of AS and Net Profit / (Loss) after tax and extraordinary items refers to Net profit after total comprehensive income. For Consolidated Financial Statements (particularly for FY 2016-17 to 2018 to 19), previous year figures have not been regrouped and rearranged to make them comparable with the current year figures as Gulshan Polyols Limited was associate company of Gulshan Holdings Private Limited and the figures have been stated as it is given in the audited balance sheet.*
- b. *Reserves and Surplus comprises of Other Equity.*

- c. *Net worth comprises of Equity Share Capital and Reserves and Surplus.*
- d. *Basic and Diluted earnings per share has been calculated by applying the following formula: Net Profit/ (Loss) after tax and extraordinary items divided by number of shares outstanding.*
- e. *Return on net worth % has been calculated by applying the following formula: Net Profit/ (Loss) after tax and extraordinary items divided by Net worth and multiplied by 100.*
- f. *Net asset value per share has been calculated by adding the balance of Equity Share Capital and Reserves and Surplus and dividing the same by number of shares outstanding.*

RISK FACTORS FOR GULSHAN HOLDINGS PRIVATE LIMITED
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- The proposed Scheme is subject to the approval of NCLT. If the proposed Scheme does not receive the requisite approvals, the objects and benefits mentioned in the proposed Scheme will not be achieved.
- The company is primarily engaged into investing activity and the only source of income is dividend/interest from the entities in which it has investment. Any default on the operations of these investee companies shall affect the profitability/growth of the Company.
- Pandemic like Covid-19 can adversely affect the operations and results of the company as investee companies will curtail dividend payments.
- The business of the company depends heavily upon Key Managerial Personnel (KMP) and loss of service of such KMP shall affect the performance of the company.
- The company is presently an unlisted company and its equity shares are presently not available for trading on any Stock Exchanges.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTIONS
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- A. **Total number of outstanding litigations against Gulshan Holdings Private Limited and amount involved:** Nil.
- B. **Brief details of top 5 material outstanding litigations against Gulshan Holdings Private Limited and amount involved:** Nil.
- C. **Regulatory Action, if any – disciplinary action taken by SEBI or stock exchanges against the Promoters in last 5 financial years including outstanding action, if any:** Nil
- D. **Brief Details of outstanding criminal proceedings against the Promoters of Gulshan Holdings Private Limited:** Nil.

ANY OTHER IMPORTANT INFORMATION- NIL

DECLARATION BY GULSHAN HOLDINGS PRIVATE LIMITED

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/issued by SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Document is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued there under, as the case may be. We hereby certify that all the statements in the Document are true and correct.

For and on behalf of **GULSHAN HOLDINGS PRIVATE LIMITED**

**Chandra
Kumar Jain** Digitally signed by
Chandra Kumar Jain
Date: 2021.08.05
16:21:24 +05'30'

Name: Dr. Chandra Kumar Jain

Designation: Non-Executive Director

Date: August 05, 2021

Place: New Delhi



D & A FINANCIAL SERVICES (P) LIMITED
Merchant Banking & Corporate Advisory Services

Date: 5th August, 2021

East Delhi Importers & Exporters (P) Limited
9th KM, Jansath Road
Muzaffarnagar-251001
Uttar Pradesh

Subject: Compliance Report with respect to Abridged Prospectus in Compliance with requirement of Regulation 37 of the SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 read with SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated 22nd December, 2020 in terms of Scheme of Amalgamation of Gulshan Holdings (P) Limited (“Transferor Company No. 1”) and East Delhi Importers & Exporters (P) Limited (“Transferor Company No. 2”) and Gulshan Polyols Limited (“Transferee Company”) and their respective shareholders and creditors under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (“Scheme”)

Dear Sir/s,

We, M/s D & A Financial Services (P) Limited, SEBI registered Merchant Banker, having SEBI Registration No. INM000011484 have been appointed by Gulshan Polyols Limited to provide a compliance report with respect to adequacy and accuracy of disclosure(s) made in the Abridged Prospectus with respect to East Delhi Importers & Exporters (P) Limited, under the Scheme as stated above.

Scope and Purpose of the Compliance Report

Pursuant to the requirements of SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated 22nd December, 2020, a compliance report has to be obtained from an independent Merchant Banker on the information disclosed in Abridged Prospectus in line with information required to be disclosed as per Part E of Schedule VI of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“ICDR Regulations”).

The purpose of the report is to inform the shareholders and/or Creditors (Secured and Unsecured) about the details of the unlisted company to the extent applicable, involved in the scheme in line with the information required to be disclosed in line with Part E of Schedule VI of ICDR Regulations.



1

Sources of the Information

We have received the following information from the management and other related parties of the Company:

1. Proposed Scheme of Amalgamation.
2. Abridged Prospectus dated 5th August, 2021 prepared in accordance with SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated 22nd December, 2020.
3. Information/documents/undertakings etc. provided by management and other related parties of company pertaining to disclosures made in Abridged Prospectus dated 5th August, 2021.

Disclaimer: This Report is intended solely for the limited purpose mentioned earlier and should not be regarded as a recommendation to the investors to invest in the Company or deal in any form in the securities of the Company.

We have assumed that the documents/information provided to us in this respect, wherever required for the purpose of disclosures in Abridged Prospectus is complete in all respects.

This report is not meant for meeting any other regulatory or disclosure requirements, save and except as specified above, under any Indian or foreign law, statute, act guideline or similar instruction. The Management or related parties of Company are prohibited from using this report other than for its sole limited purpose and not to make a copy of this report available to any party other than those required by statute for carrying out the limited purpose of this report.


In no circumstances whatsoever, will D & A Financial Services (P) Limited, its Directors and Employees accept any responsibility of liability towards any third party for consequences arising out of the use of this report.



Compliance Report

We in the capacity of SEBI registered Merchant Banker do hereby certify that the information as disclosed in the Abridged Prospectus dated 5th August, 2021, is in line with disclosures required to be made as per Part E of Schedule VI of ICDR Regulations, to the extent applicable with respect to unlisted company i.e East Delhi Importers & Exporters (P) Limited and the disclosures made with respect to East Delhi Importers & Exporters (P) Limited, are accurate and adequate to the extent applicable.

Thanking You
For **D & A Financial Services (P) Limited**


(Priyaranjan)

Vice President/Authorized Signatory



SEBI Registration No. INM000011484

Place: New Delhi

DISCLOSURE DOCUMENT COMPRISING OF APPLICABLE INFORMATION IN THE FORMAT SPECIFIED FOR ABRIDGED PROSPECTUS

This disclosure document ("**Document**") contains applicable information pertaining to the unlisted company, East Delhi Importers & Exporters Private Limited, and the proposed Scheme of Amalgamation amongst Gulshan Holdings Private Limited and East Delhi Importers and Exporters Private Limited with Gulshan Polyols Limited and their respective shareholders and creditors ("**Scheme**").

This Document has been prepared in connection with the above Scheme, pursuant to the Securities and Exchange Board of India ("**SEBI**") circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 and SEBI circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ("**SEBI Circulars**"). This Document should be read together with the Scheme.

THIS DOCUMENT CONTAINS 9 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES

NO EQUITY SHARES ARE PROPOSED TO BE OFFERED PURSUANT TO THIS DOCUMENT

You may download the Scheme from the website of Gulshan Polyols Limited i.e., www.gulshanindia.com or the website of the stock exchanges where the equity shares of Gulshan Polyols Limited are listed i.e., BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**") (BSE and NSE together hereinafter referred to as the "**Stock Exchanges**")

(Capitalised terms not defined herein shall have their meaning ascribed to them under the Scheme)

EAST DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED

Registered Office: at 9th K.M., Jansath Road, Muzaffarnagar - 251001, Uttar Pradesh, India

Telephone: +91 11 49999208, Website: Email: akg@gulshanindia.com

Corporate Identification Number (CIN): U60231UP1997PTC129363

Contact Person: Mr. Avdhesh Garg

NAME OF PROMOTER OF EAST DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED

Dr. Chandra Kumar Jain

Mrs. Mridula Jain

Ms. Arushi Jain

DETAILS OF THE SCHEME, LISTING AND PROCEDURE

The Scheme of Amalgamation amongst Gulshan Holdings Private Limited ("**Transferor Company No. 1**" or "**GHPL**") and East Delhi Importers and Exporters Private Limited ("**Transferor Company No. 2**" or "**EDIEPL**") (collectively referred to as the "**Transferor Companies**") with Gulshan Polyols Limited ("**Transferee Company**") and their respective shareholders and creditors ("**Scheme**") provides for (a) Amalgamation (merger by absorption) of Transferor Company No. 1 into and with the Transferee Company and consequent dissolution of the Transferor Company No. 1 without winding up; and (b) Amalgamation (merger by absorption) of Transferor Company No. 2 into and with Transferee Company and consequent dissolution of the Transferor Company No. 2 without winding up, under Sections 230 to 232 and other applicable provisions of the Act. The Scheme also provides for various other matters consequent and incidental thereto.

Consideration under the Scheme: Upon the Scheme becoming effective, the existing equity share capital of the Transferee Company held by Transferor Companies shall stand cancelled and in consideration of the amalgamation of the Transferor Companies in the Transferee Company, the Transferee Company shall, without any further application, act or deed, issue and allot to the shareholders of the Transferor Companies, 2,99,82,536 (Two Crore Ninety Nine Lakh Eighty Two Thousands Five Hundred and Thirty Six) fully paid-up equity shares of the face value of INR 1/- (Rupee One) each, in the following manner:

- i. 39,848 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.1000/- each fully paid up of Gulshan Holdings Private Limited; and
- ii. 181 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.10/- each fully paid up of East Delhi Importers and Exporters Private Limited.

Rationale for the Scheme, as provided in the Scheme, is given below:

- a) Help in achieving improved operational efficiency and optimum advantages and also to achieve greater efficiency and synergy in operations by combining the activities of the Transferor Companies with the Transferee Company. Accordingly, the Scheme would strengthen and complement the businesses of the Companies;
- b) The amalgamated entity will benefit from optimum utilization of manpower through improved organizational capacity and leadership, arising from the combination of people from the Transferor Companies and Transferee Company which have diverse skills, talent, management expertise, enlarged knowledge base and vast experience to compete successfully in an increased competitive industry;
- c) The amalgamated entity shall reduce fixed costs by removing duplicate departments, operations and lower the cost of the Company relative to the same revenue stream and shall thus increase the profit margins;
- d) The amalgamation will offer a simplified corporate structure to the amalgamated entity;
- e) Under a liberalised, fast changing and highly competitive environment, this amalgamation shall strengthen the business of the Transferor Companies and the Transferee Company by pooling up the resources, business expertise, business processes and assets for common purpose and hence optimum utilization;
- f) The synergies that exist between the entities in terms of services and resources can be put to the best advantage of all stakeholders;
- g) The amalgamation will result in better economic control, increased financial strength and flexibility and enhance the ability of the amalgamated entity to undertake large projects, thereby contributing to enhancement of future business potential;
- h) Cost savings are expected to flow from more focused operational efforts, rationalisation, standardisation and simplification of business processes, productivity and improvements, improved procurement and the elimination of duplication and rationalization of administrative expenses;
- i) The consolidation of the companies engaged in similar & complementary line of business in one entity, under a single centralized system of management, will result in the management being able to exercise greater control over the operations of the companies and which will help in synchronising the operations. This will also result in the management being enabled to undertake any re-structuring /re-organization of the various business undertakings of the

companies for the purposes of achieving optimum efficiency /and or to attract investments in the individual business undertakings of the Companies.

Appointed Date: Appointed Date for the Scheme means the opening business hours of 1st April, 2020 or such other date as may be fixed or approved by the Appropriate Authority.

** The above details of the Scheme have been suitably extracted from the Scheme.*

LISTING AND PROCEDURE

After the Effective Date of this Scheme, the new equity shares to be issued and allotted by the Transferee Company in terms of the Scheme as mentioned above in Consideration shall be listed and shall be admitted for trading on the Stock Exchanges by virtue of this Scheme and in accordance with the provisions of SEBI Circulars. Transferee Company shall make all requisite applications and shall otherwise comply with the provisions of the SEBI Circulars and Applicable Laws and take all steps to get the new equity shares issued by it in pursuance to this Scheme listed on the Stock Exchanges.

The new equity shares allotted by the Transferee Company pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated Stock Exchanges.

It is pertinent to mention here that the procedure with respect to public issue/offer would not be applicable as these issues are only to the shareholders of the Transferor Companies, pursuant to the Scheme of Amalgamation without cash consideration.

ELIGIBILITY FOR THE ISSUE

- Whether the company is compulsorily required to allot at least 75% of the net offer to public, to qualified institutional buyers- **NOT APPLICABLE**
- The Equity Shares sought to be listed are proposed to be allotted by the Transferee Company to the shareholders of the Transferor Companies pursuant to the Scheme to be sanctioned by National Company Law Tribunal, Allahabad Bench under Section 230 to 232 of the Companies Act, 2013; and
- The percentage of shareholding of pre-scheme public shareholders of the Transferee Company in the post-scheme shareholding pattern of the Transferee Company (Resulting Company) shall not be less than 25%.

INDICATIVE TIMELINE

This Document should not be deemed to be an offer to the public. Shares would be issued as above upon the Scheme coming into effect after requisite statutory approvals are accorded thereto. The Scheme requires approval of the National Company Law Tribunal, Allahabad Bench (“**NCLT**”) and no exact time frame can be given when the Scheme will become effective. However, the Appointed Date for the Scheme is opening business hours of April 01, 2020 or such other date as may be approved by the Appropriate Authority.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in relation to this Scheme. For taking an investment decision, investors must rely on their own examination of the

Scheme, including the risks involved. The Equity Shares have not been recommended or approved by Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Information Document. Specific attention of the investors is invited to the section titled “Risk Factors” of this Information Document.

PRICE INFORMATION OF LEAD MANAGER

Not Applicable.

PROMOTERS OF EAST DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED

The promoters of East Delhi Importers and Exporters Private Limited owns and controls 100% shareholding. The shareholding pattern of the promoters are given below:

Sl. No.	Name of Promoter	No. of Shares Held	Percentage of Shareholding
1.	Dr. Chandra Kumar Jain	6,000	60%
2.	Mrs. Mridula Jain	2,000	20%
3.	Ms. Arushi Jain	2,000	20%
	Total	10,000	100%

The brief profiles of the promoters of East Delhi Importers & Exporters Private Limited are as follows:

- Dr. Chandra Kumar Jain:** Dr. C.K. Jain is a Sugar Technologist and has been awarded a Doctorate Degree in Chemistry. He is an industrialist of repute with more than 4 decades of rich business experience and has been the guiding force behind the growth of Gulshan Group since its inception. Apart from business activities, Dr. Jain is an active philanthropist.
- Mrs. Mridula Jain:** Mrs. Mridula Jain has been associated with Gulshan Group for the past 15 years as the Director. She is actively involved in the management and decision making of Gulshan Group. She contributes to the Company from her years of experience with day-to-day management, strategic decision making and development policies for the Company.
- Ms. Arushi Jain:** Ms. Arushi Jain is MS in marketing from City University of New York, USA. She is also a Baking Technologist from American Institute of Baking, USA. She has been associated with Gulshan Group since 1996 and currently involved in operations and overall management of the Gulshan Group. She manages business policies, strategic decisions, business development and day-to-day affairs of the Starch derivatives plant of Gulshan Group. She also has experience in market research and baking industry. She has hosted culinary series on CNBC.

BUSINESS MODEL/ BUSINESS OVERVIEW AND STRATEGY

East Delhi Importers & Exporters Private Limited having CIN: U60231UP1997PTC129363 and PAN AABCA3294L was incorporated on 23rd July 1997 with Registrar of Companies, Delhi & Haryana as a Private Company, Limited by Shares, and presently having its registered office at 9th K.M., Jansath Road, Muzaffarnagar - 251001, Uttar Pradesh, India. The company is engaged in the business of importing, exporting, dealing and trading multi-products which includes but not limited to textile

products, chemicals, sugar and related products, engineering goods, molasses, grains, glassware, alcohol, oils, paper and related products, wood and timber etc. Further, the Company is engaged in the business as general carriers, transporters and freight forwarders, and exporting, importing, trading and dealing in the computer software, programmes, computer hardware and peripherals.

BOARD OF DIRECTORS

Sr. No.	Name	Designation	Experience
1.	Ms. Aditi Pasari	Non-Executive Director	<p>She has the experience of having conceived and set-up a packaging unit in Haridwar, under the umbrella of Gulshan Group. She has been associated with Gulshan Group since 2009 and is currently designated as Whole Time Director in Gulshan Polyols Limited. She has supervisory responsibility for Finance and Human Resources functions and leads various strategic initiatives in the smooth operation of Gulshan Group.</p> <p>Other current directorships:</p> <ol style="list-style-type: none"> a. Gulshan Polyols Limited b. Gulshan Lamee Pack Private Limited c. Reliance Expovision Private Limited d. PHD Chamber of Commerce and Industry e. ARP Developers Private Limited f. Gulshan Sugar and Chemicals Limited g. Gulshan Care Foundation
2.	Mr. Avdhesh Kumar Garg	Non-Executive Director	<p>He manages strategic decision making, development plans and daily affairs of the company. Apart from contributing to the Company with his experience in problem solving, he leads numerous initiatives and programmes at the company and has a supervisory responsibility, ensuring smooth operation of the Company.</p> <p>Other current directorships: Nil</p>

OBJECTS OF THE PROPOSED SCHEME

Brief objects of the proposed Scheme are as follows:

- (a) Amalgamation (merger by absorption) of Transferor Company No. 1 into and with the Transferee Company and consequent dissolution of the Transferor Company No. 1 without winding up; and
- (b) Amalgamation (merger by absorption) of Transferor Company No. 2 into and with the Transferee Company and consequent dissolution of the Transferor Company No. 2 without winding up, under Sections 230 to 232 and other applicable provisions of the Act. The Scheme also provides for various other matters consequent and incidental thereto.

The Scheme also provides for various other matters consequent and incidental thereto. The Rationale for the Scheme is set out under the heading "Details of the Scheme, Listing and Procedure" at page 1 of this Document.

Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilisation of issue proceeds of past public issues/ rights issues, if any, of East Delhi Importers & Exporters Private Limited in the preceding 10 years: Not Applicable.

Name of monitoring agency, if any: Not Applicable.

Terms of issuance of Convertible Security, if any: Not Applicable.

Pre-Scheme Shareholding Pattern of East Delhi Importers and Exporters Private Limited

Sr. No.	Particulars	Pre-Scheme Number of Shares	Pre-Scheme % Shareholding
1.	Promoter & Promoter Group	10,000	100%
2.	Public	-	-
	Total	10,000	100%

Note: Upon the Scheme becoming effective, East Delhi Importers and Exporters Private Limited will get dissolved.

RESTATED AUDITED FINANCIALS

Standalone Financials

(Value in Rs.)

Particulars	Year ended March 31, 2021 (Audited)	Year ended March 31, 2020 (Audited)	Year ended March 31, 2019 (Audited)	Year ended March 31, 2018 (Audited)	Year ended March 31, 2017 (Audited)
Total income from operations (net)	11,35,388	23,78,781	33,78,097	33,42,734	38,74,523
Net Profit / (Loss) before tax and extraordinary items	3,31,207	12,35,156	22,67,146	20,56,304	28,83,910
Net Profit / (Loss) after tax and	2,43,129	9,14,016	16,77,510	15,28,621	20,23,227

extraordinary items					
Equity Share Capital	1,00,000	1,00,000	1,00,000	1,00,000	1,00,000
Reserves and Surplus	5,94,94,988	5,92,51,859	5,83,37,842	5,66,60,332	5,51,31,711
Net worth	5,95,94,988	5,93,51,859	5,84,37,842	5,67,60,332	5,52,31,711
Basic Earnings Per Share (Rs.)	24.31	91.40	167.75	152.86	202.32
Diluted Earnings Per Shares (Rs.)	24.31	91.40	167.75	152.86	202.32
Return on net worth (%)	0.41%	1.54%	2.87%	2.69%	3.66%
Net Asset Value Per Equity Share (Rs.)	5,959.50	5,935.19	5,843.78	5,676.03	5,523.17

Notes:

- a. *East Delhi Importers & Exporters Private Limited is not required to prepare consolidated financial statements.*
- b. *Reserves and Surplus comprises of Other Equity.*
- c. *Net worth comprises of Equity Share Capital and Reserves and Surplus.*
- d. *Basic and Diluted earnings per share has been calculated by applying the following formula: Net Profit/ (Loss) after tax and extraordinary items divided by number of shares outstanding.*
- e. *Return on net worth % has been calculated by applying the following formula: Net Profit/ (Loss) after tax and extraordinary items divided by Net worth and multiplied by 100.*
- f. *Net asset value per share has been calculated by adding the balance of Equity Share Capital and Reserves and Surplus and dividing the same by number of shares outstanding.*

RISK FACTORS FOR EAST DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED

- The proposed Scheme is subject to the approval of NCLT. If the proposed Scheme does not receive the requisite approvals, the objects and benefits mentioned in the proposed Scheme will not be achieved.
- Pandemic like Covid-19 can adversely affect the operations and results of the company.
- Engaging in international business inherently involves a number of other difficulties and risks, including: changes in foreign currency exchange rates, changes in a specific country's or region's political or economic conditions, particularly in emerging markets, burdens of complying with a wide variety of foreign customs, laws and regulations, increased financial accounting and reporting burdens and complexities, changes in diplomatic and trade relationships, and difficulties in enforcing agreements and collecting receivables
- The business of the company depends heavily upon Key Managerial Personnel (KMP) and loss of service of such KMP shall affect the performance of the company.
- The company is presently an unlisted company and its equity shares are presently not available for trading on any Stock Exchanges.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTIONS

- A. **Total number of outstanding litigations against East Delhi Importers & Exporters Private Limited and amount involved: Nil.**

- B. **Brief details of top 5 material outstanding litigations against East Delhi Importers & Exporters Private Limited and amount involved: Nil.**
- C. **Regulatory Action, if any – disciplinary action taken by SEBI or stock exchanges against the Promoters in last 5 financial years including outstanding action, if any: Nil**
- D. **Brief Details of outstanding criminal proceedings against the Promoters of East Delhi Importers & Exporters Private Limited: Nil.**

ANY OTHER IMPORTANT INFORMATION- NIL

DECLARATION BY EAST DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/issued by SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Document is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued there under, as the case may be. We hereby certify that all the statements in the Document are true and correct.

For and on behalf of **EAST DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED**

ADITI PASARI Digitally signed by ADITI
PASARI
Date: 2021.08.05 15:28:38
+05'30'

Name: Aditi Pasari

Designation: Non-Executive Director

Date: August 05, 2021

Place: New Delhi

RAJEEV SINGAL & CO.
CHARTERED ACCOUNTANTS

Reg. No. - 008692C
PAN- AAPFR2931N



175, Dwarkapuri, Main Road
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Muzaffarnagar (U.P.)-251001
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singhalrk2012@gmail.com
Office Mob- +91-9568000525
Phone 131-2970118

INDEPENDENT AUDITOR'S REPORT

**To the Members of ,
Gulshan Polyols Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Gulshan Polyols Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2021, and the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the 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 accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and 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 in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

"We have determined that there are no key audit matters to communicate in our report."



Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditors' 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.

Management's Responsibility for the Standalone Financial Statements

The 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 standalone financial statements that give a true and fair view of the state of affairs, profit / loss (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 (Ind AS) 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, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors is 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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.



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

- Identify and assess the risks of material misstatement of the 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements 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 auditors' 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 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, to the extent applicable.
2. As required by section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 Statement of Cash Flows 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 Ind AS specified under Section 133 of the Act.
 - e. On the basis of written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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, in our opinion and to the best of our information and according to the explanations given to us:
 - (1) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements.
 - (2) 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 .
 - (3) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - (4) The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these standalone financial statements since they do not pertain to the financial year ended 31 March 2021.



3. With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For and on behalf of
For Rajeev Singal & Co
Chartered Accountants
(Firm Registration no. 008692C)

Date : 22-05-2021
Place : Delhi

UDIN: 21077834AAAAPX8081



(Rajeev Kumar Singhal)
Partner
Membership No. 077834

Annexure A” to the Independent Auditors’ Report

With reference to the Annexure A referred to in the Independent Auditors’ Report to the members of the Company on the standalone financial statements for the year ended 31 March 2021, we report the following:

- (i)
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
 - (b) The Company has a regular programme of physical verification of its fixed assets, by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain fixed assets were physically verified during the year and no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties included in fixed assets are held in the name of the Company.
- (ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The Company has maintained proper records of inventory. The discrepancies noticed on verification between the physical stock and the book records were not material.
- (iii) According to information and explanations given to us, the company has not granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans given, investments made, guarantees and securities given.
- (v) The Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of Section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed there under.
- (vi) We have broadly reviewed the cost records maintained by the company pursuant to the Companies (Cost Records and Audit) Rules 2014, as amended and prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been made and maintained. We have however, not made a detailed examination of the Cost Records with a view to determine whether they are accurate and complete.
- (vii)
 - (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident fund, Employees’ State Insurance, Income-tax, Goods and Services tax, duty of Customs, Cess and other



material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income-tax, Goods and Services tax, duty of Customs, Cess and other material statutory dues were in arrears as at 31 March 2021, for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of Income-tax or Sales tax or Service tax or Goods and Services tax or duty of Customs or duty of Excise or Value added tax which have not been deposited by the Company on account of disputes, except for the following:

	Nature of the Dues	Amount (Rs. in Lakhs)	Period to which the amount relates	Forum where pending	REMARKS
Central Excise Act 1944	Excise Duty	44.92	2011-2012	CESTAT ALLAHABAD	4.49/- Lakh Deposit.

- (viii) The company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- (ix) In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and no fresh term loan raised by the company during the year under audit.
- (x) To the best of our knowledge 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 course of our audit.
- (xi) In our opinion and according to the information and explanations given to us and based on examination of the records of the Company, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) According to the information and explanations given to us, in our opinion, the Company is not a Nidhi Company as prescribed under Section 406 of the Act.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or



private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.

- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- (xvi) According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

Date : 22-05-2021
Place : Delhi



For and on behalf of
For Rajeev Singal & Co
Chartered Accountants
(Firm Registration no. 008692C)

A handwritten signature in blue ink, appearing to read "R. Singhal".

(Rajeev Kumar Singhal)
Partner
Membership No. 077834

UDIN! 21077834AAAACX6081

“ANNEXURE - B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

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

We have audited the internal financial controls with reference to standalone financial statements of **GULSHAN POLYOLS LIMITED** (“the Company”) as of 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control 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 the 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.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. 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 control 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 judgement, 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 financial statements.



Meaning of Internal Financial Controls over Financial Reporting

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 over Financial Reporting

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 financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31 March 2021, 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 issued by the ICAI.

Date : 22-05-2021

Place : Delhi



UDIN: 21077834AAAACX8081

For and on behalf of
For Rajeev Singal & Co
Chartered Accountants
(Firm Registration no. 008692C)

(Rajeev Kumar Singhal)

Partner

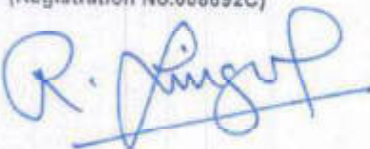
Membership No. 077834

GULSHAN POLYOLS LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2021

(Rs. in Lakhs)

Particulars	Note No.	As at 31st March, 2021	As at 31st March, 2020
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	2	24,083.87	25,978.79
(b) Capital Work-in-Progress	3	303.11	321.56
(c) Intangible Assets	4	8.81	11.88
(d) Financial Assets			
(i) Investments	5	41.95	41.95
(ii) Loans	6	506.93	459.66
(iii) Other Financial Assets	7	192.30	83.69
(e) Other Non-Current Assets	8	180.08	148.35
Total Non-Current Assets		25,317.05	27,045.88
Current Assets			
(a) Inventories	9	9,045.07	8,650.06
(b) Financial Assets			
(i) Trade Receivables	10	9,838.15	8,236.90
(ii) Cash and Cash equivalents	11	1,787.89	242.51
(iii) Other Financial Assets	12	66.95	73.41
(c) Other Current Assets	13	3,593.48	1,449.50
Total Current Assets		24,331.54	18,652.38
Total Assets		49,648.59	45,698.26
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	14	469.17	469.17
(b) Other Equity	15	35,096.07	30,059.90
Total Equity		36,555.24	30,529.07
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	1,053.00	2,108.94
(ii) Other Financial Liabilities	17	133.48	41.01
(b) Deferred Tax Liabilities (Net)	18	1,475.91	23.71
Total Non-Current Liabilities		2,662.39	2,173.66
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	-	5,960.93
(ii) Trade payables	20		
- Outstanding dues of micro, small and medium enterprises		231.74	229.60
- Outstanding dues of creditors other than above		5,399.04	2,658.10
(iii) Other Financial Liabilities	21	752.32	2,654.57
(b) Other Current Liabilities	22	1,707.55	820.02
(c) Provisions	23	512.20	180.56
(d) Liabilities for current Tax (Net)		1,828.11	491.74
Total Current Liabilities		10,430.96	12,995.53
Total Equity and Liabilities		49,648.59	45,698.26
The accompanying notes form an integral part of the financial statements	1		

As per our report of even date
For RAJEEV SINGAL & CO.
Chartered Accountants
(Registration No.008692C)




(RAJEEV KUMAR SINGHAL)
Partner
Membership no: 077834
UDIN: 21077834AAAACX6081



For and on behalf of the Board of Directors


DR. CHANDRA KUMAR JAIN
Chairman & Managing Director
DIN: 00062221


ASHWANI KUMAR VATS
Whole Time Director and CEO
DIN : 00062413


ASHA MITTAL
Company Secretary


RAJIV GUPTA
Chief Financial Officer

Date: May 22, 2021
Place : Delhi

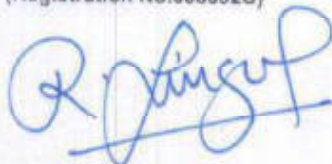
GULSHAN POLYOLS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2021

(Rs. in Lakhs)

Particulars	Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
REVENUE			
Revenue from Operations	24	76,603.44	62,079.77
Other Income	25	187.42	94.72
Total Income (I)		76,790.86	62,174.49
EXPENSES			
Cost of Materials Consumed	26	36,055.47	35,486.96
Purchase of Stock in Trade	27	471.74	704.73
Changes in Inventories of Finished goods, Work in progress and Stock in Trade	28	664.69	(848.39)
Employee Benefits Expenses	29	2,860.58	2,168.43
Finance Cost	30	654.67	1,138.08
Depreciation & amortisation Expenses	31	3,255.37	3,101.96
Other Expenses	32	23,478.51	17,670.49
Total Expenses (II)		67,441.03	59,432.27
Profit Before Tax (III) (I-II)		9,349.83	2,742.22
Tax Expense:	34		
Current Tax Expense		1,813.17	495.94
Add: Mat Credit (Utilised)		1,285.05	47.95
Deferred Tax Expense		6.06	139.93
Total Tax Expenses (IV)		3,104.28	683.82
Profit/(Loss) for the year (V) (III-IV)		6,245.55	2,058.40
Other Comprehensive Income			
Item that will not be reclassified to Profit and Loss: (Gain)/Loss of defined benefit obligation		(77.07)	23.21
Income Tax relating to item that will not be reclassified to profit or loss		14.95	(4.20)
Total Other Comprehensive (Income)/Loss (VI)		(62.12)	19.01
Total Comprehensive Income for the year (VII) (V - VI)		6,307.67	2,039.39
Earning per equity share of face value of Rs. 1 each Basic and diluted (in Rs.)			
Basic	43	13.31	4.39
Diluted		13.31	4.39
The accompanying notes form an integral part of the financial statements	1		

As per our report of even date
For RAJEEV SINGAL & CO.
Chartered Accountants
(Registration No.008692C)



(RAJEEV KUMAR SINGHAL)
Partner

Membership no: 077834
UDIN: 21077834AAAACX5081

Date: May 22, 2021
Place : Delhi



For and on behalf of the Board of Directors


DR. CHANDRA KUMAR JAIN
Chairman & Managing Director
DIN: 00062221


ASHWANI KUMAR VATS
Whole Time Director & CEO
DIN : 00062413


ASHA MITTAL
Company Secretary


RAJIV GUPTA
Chief Financial Officer

GULSHAN POLYOLS LIMITED
Statement of Cash Flow for the period ended 31st March, 2021

		(Rs. in Lakhs)	
Particulars		Year ended 31/03/2021	Year ended 31/03/2020
A.	Cash flow from operating activities		
	Profit before Tax	9,349.84	2,742.22
	Adjustment for :		
	Depreciation and Amortization Expenses	3,255.37	3,101.96
	Dividend income	(0.24)	(0.99)
	Provision/(write back) for doubtful debts and advances (net)	98.32	-
	(Gain) / Loss on disposal of property, plant and equipment	(82.02)	(0.18)
	(Gain) / Loss on disposal of Investment	(13.04)	-
	Interest income	(65.61)	(93.55)
	Interest expenses	654.67	1,138.08
	Cash generated from operations before working capital changes	13,197.27	6,887.53
	Adjustment for :		
	Decrease/(increase) in other assets	(690.12)	182.95
	Decrease/(increase) in trade receivables	(1,699.57)	1,767.03
	Decrease/(increase) in inventories	(395.01)	(3,317.07)
	(Decrease)/increase in other current liabilities	633.94	(117.55)
	(Decrease)/increase in provisions	331.63	16.33
	(Decrease)/increase in trade and other payables	840.82	(390.04)
	Cash generated from operating activities	(978.29)	(1,858.36)
	Direct taxes paid (net of refunds)	(1,635.00)	(616.70)
	Cash flows before exceptional items	10,583.97	4,412.47
	Exceptional items	-	-
	Net Cash flow generated from operating activities (A)	10,583.97	4,412.47
B.	Cash Flow from Investing activities		
	Sale proceeds from property, plant and equipment	208.40	93.52
	Purchase of property, plant and equipment	(1,465.30)	(1,743.62)
	Purchase of intangibles	-	(1.01)
	Net Sale/ Purchase proceeds of from non-current investments and current investments	13.04	4.78
	Interest income	65.61	93.55
	Dividend income	0.24	0.99
	Net Cash Flow Generated from investing activities (B)	(1,178.01)	(1,551.79)
C.	Cash flow from Financing activities		
	Interest expenses	(654.67)	(1,138.08)
	Repayment of long-term borrowings	(963.47)	(1,931.82)
	Repayment of short-term borrowings	(5,960.93)	(1,498.34)
	Dividend paid	(281.50)	(469.17)
	Dividend distribution tax paid	-	(96.44)
	Net Cash flow Generated from financing activities (C)	(7,860.57)	(5,133.85)
	Net increase in cash and cash equivalents (A+B+C)	1,545.39	(2,273.17)
	Cash and cash equivalents at the beginning of the year	242.50	2,515.67
	Cash and cash equivalents at year end	1,787.89	242.50

Note:

1. The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) Statement of Cash Flows.

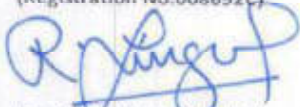
The Accompanying notes form an integral part of the financial statements

As per our report of even date attached

For **RAJEEV SINGAL & CO.**

Chartered Accountants

(Registration No. 008692C)



(**RAJEEV KUMAR SINGHAL**)

Partner

Membership no: 077834

UDIN: 21077834AAAACX6014

Date: May 22, 2021

Place : Delhi

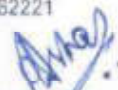




DR. CHANDRA KUMAR JAIN

Chairman & Managing Director

DIN: 00062221



ASHA MITTAL

Company Secretary

For and on behalf of the Board of Directors



ASHWANI KUMAR VATS

Whole Time Director and CEO

DIN : 00062413



RAJIV GUPTA

Chief Financial Officer

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2021

A. Equity Share Capital

	(Rs. in Lakhs)
Opening Balance as at April 01, 2019	469.17
Changes during the year	-
Closing balance as at March 31, 2020	469.17
Change during the year	-
Closing balance as at March 31, 2021	469.17

B. Other Equity attributable to the Equity Holders of the Company

Particulars	RESERVES AND SURPLUS					Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Capital Redemption Reserve	Retained Earnings	
Balance as at 1st April 2019	132.35	3,701.57	4,986.24	-	19,765.95	28,586.11
Profit for the year	-	-	-	-	2,058.40	2,058.40
Amount Transfer to General Reserve	-	-	-	-	-	-
Amount Transfer to Capital Redemption Reserve	-	-	-	50.00	(50.00)	-
Dividend on equity shares	-	-	-	-	(469.17)	(469.17)
Dividend Distribution Tax	-	-	-	-	(96.44)	(96.44)
Other Comprehensive income for the year, net of income tax	-	-	-	-	(19.01)	(19.01)
As at 31st March 2020	132.35	3,701.57	4,986.24	50.00	21,189.74	30,059.90
Balance as at 1st April 2020	132.35	3,701.57	4,986.24	50.00	21,189.74	30,059.90
Profit for the year	-	-	-	-	6,245.55	6,245.55
Amount Transfer to General Reserve	-	-	-	-	-	-
Dividend on equity shares	-	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	(281.50)	(281.50)
Other comprehensive income for the year, net of income tax	-	-	-	-	62.12	62.12
As at 31st March, 2021	132.35	3,701.57	4,986.24	50.00	27,215.91	36,086.07

The accompanying notes from 1 to 39 form an integral part of the financial statements.

As per our report of even date
For RAJEEV SINGAL & CO.
Chartered Accountants
(Registration No.008692C)



Rajeev Singal
(RAJEEV KUMAR SINGHAL)
Partner

Membership no: 077834
UDIN: 21077834AAAAACX6081

Date: May 22, 2021
Place : Delhi

For and on behalf of the Board of Directors

Ashwani Kumar Vats

ASHWANI KUMAR VATS
Whole Time Director & CEO
DIN : 00052413

Dr. Chandra Kumar Jain
DR. CHANDRA KUMAR JAIN
Chairman & Managing Director
DIN: 00062221

Asha Mittal

ASHA MITTAL
Company Secretary

Rajiv Gupta
RAJIV GUPTA
Chief Financial Officer

2. PROPERTY, PLANT AND EQUIPMENT

Particulars	(Rs. in Lakhs)						
	Free hold Land	ROU (Right of Use of Assets)	Building	Plant and Equipment	Office Furniture and Equipment	Vehicle	Total
Gross Block							
Balance as at 1st April 2019	258.72	634.07	4,009.60	32,601.11	187.94	437.57	38,129.01
Additions	-	334.80	114.52	1,295.46	21.93	111.89	1,878.60
Disposals	-	-	25.03	65.49	-	21.81	112.13
Balance as at 1st April 2020	258.72	968.87	4,099.09	33,831.09	209.87	527.65	39,895.49
Additions	-	232.27	-	933.48	11.53	306.46	1,483.75
Disposals	-	114.06	-	-	-	59.14	173.20
Balance as at 31st March 2021	258.72	1,087.09	4,099.09	34,764.57	221.40	775.18	41,206.04
Accumulated Depreciation							
Balance as at 1st April 2019	-	23.94	732.81	9,796.91	77.25	206.54	10,837.45
Additions	-	22.41	309.82	2,649.81	32.57	83.42	3,098.04
Disposals	-	-	-	0.43	-	18.36	18.79
Balance as at 1st April 2020	-	46.35	1,042.63	12,446.30	109.82	271.60	13,916.70
Additions	-	28.68	290.36	2,816.16	28.91	88.18	3,252.29
Disposals	-	-	-	-	-	46.82	46.82
Balance as at 31st March 2021	-	75.03	1,332.99	15,262.46	138.73	312.95	17,122.17
Net Block							
Balance as at 31st March 2021	258.72	1,012.06	2,766.09	19,502.11	82.67	462.22	24,083.87
Balance as at 31st March 2020	258.72	922.52	3,056.46	21,384.79	100.04	256.26	25,978.79
Balance as at 31st March 2019	258.72	610.13	3,276.79	22,804.20	110.69	231.03	27,291.57

3. CAPITAL WORK IN PROGRESS	(Rs. in Lakhs)	
	As at 31st March, 2021	As at 31st March, 2020
Capital Work in Progress consist of the following:		
Work in progress	303.11	321.56
Total	303.11	321.56

4. INTANGIBLE ASSETS	(Rs. in Lakhs)	
	As at 31st March, 2021	As at 31st March, 2020
Gross Block (Software)		
Balance as at 1st April 2019	21.98	-
Additions	1.01	-
Disposals	-	-
Balance as at 31st March 2020	23.00	-
Additions	-	-
Disposals	-	-
Balance as at 31st March 2021	23.00	-
Accumulated Depreciation		
Balance as at 1st April 2019	7.20	-
Additions	3.82	-
Disposals	-	-
Balance as at 31st March 2020	11.11	-
Additions	3.06	-
Disposals	-	-
Balance as at 31st March 2021	14.19	-
Net Block		
Balance as at 31st March 2021	8.81	-
Balance as at 31st March 2020	11.88	-
Balance as at 31st March 2019	14.79	-



5. INVESTMENTS

(Rs.in Lakhs)

NON- CURRENT INVESTMENTS	As at 31st March, 2021	As at 31st March, 2020
(a) Investment at fair Value through OCI Equity Shares Unquoted (Fully paid up)		
(i) 10,500 equity shares of Rs. 10 each -BEIL Infrastructure Ltd.	1.05	1.05
(ii) 4,09,025 equity shares of Rs. 10 each - Narmada Clean Tech Ltd.(formly named as Bharuch Eco-Aqua Infrastructure Ltd.)	40.90	40.90
Total	41.95	41.95

6. Loans

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
NON-CURRENT (Unsecured, Considered good)		
Security Deposits	506.93	459.66
Total	506.93	459.66

7. Other Financial Assets (Non Current)

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
NON-CURRENT		
Bank Deposits with maturity of more than 12 months as Margin Money	192.30	83.69
Total	192.30	83.69

Bank Deposits in form of FDR having maturity period of more than 12 months is kept as margin money against Bank guarantees

8. OTHER NON-CURRENT ASSETS

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Capital Advances	-	15.85
Other Loans & Advances	136.00	127.80
Balance with Government Authorities	-	3.20
Balance with Gratuity fund	44.08	1.50
Total	180.08	148.35

9. INVENTORIES

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
(i) Raw Materials	4,648.21	3,617.19
(ii) Work in Progress	749.80	695.18
(iii) Finished Goods	1,898.08	2,557.71
(iv) Stock in Traded Goods	35.08	94.77
(v) Stores, Spares & Packing	523.24	435.91
(vi) Coal, Fuel & Chemicals	1,190.65	1,249.29
Total	9,045.07	8,650.06

10. TRADE RECEIVABLES

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Un-secured and Considered Good	9,838.15	8,168.58
Considered Doubtful	-	68.32
Total	9,838.15	8,236.90

Note: A provision of Rs.98.31 Lakh on doubtful trade receivable has been made during the year.



11. CASH AND CASH EQUIVALENTS

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Cash in hand	5.73	6.38
Balance with Banks -In Current accounts	1,782.16	236.13
Total	1,787.89	242.51

12. Other Financial Assets

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unpaid dividend account	66.95	73.41
Total	66.95	73.41

13. OTHER CURRENT ASSETS

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured and Considered Good		
Advance to Employees	11.19	9.88
Advance to suppliers and service providers	1,350.97	323.63
Advance/Current Taxes	1,761.36	370.66
Balance with Govt. Authorities	304.03	276.21
Other Advances	165.92	469.12
Total	3,593.48	1,449.50

14. EQUITY SHARE CAPITAL

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Authorised Equity Share Capital:		
22,50,00,000 Equity shares of Rs.1 each	2,250.00	2,250.00
Authorised Preference Share Capital:		
2,50,000 Preference shares of Rs.10 each	25.00	25.00
14,50,000 Preference shares of Rs.100 each	1,450.00	1,450.00
Total	3,725.00	3,725.00
Issued, Subscribed and Paid up:		
4,69,17,020 Equity shares of Rs.1 each (Previous year 4,69,17,020 Equity shares of Rs.1 each)	469.17	469.17
9,75,000 Preference shares of Rs.100 each (Previous year 9,75,000 Equity shares of Rs.100 each)	975.00	975.00
Total	1,444.17	1,444.17



Particulars	As at 31st March, 2021		As at 31st March, 2020	
	No. of shares	Amount (1 Rs Each)	No. of shares	Amount (1 Rs Each)
Equity Shares				
Shares outstanding at the beginning of the year	4,69,17,020	469.17	4,69,17,020	469.17
Add: Issued during the year	-	-	-	-
Closing balance	4,69,17,020	469.17	4,69,17,020	469.17

Terms/rights attached to the Equity Shares

The Company has one class of Equity shares having a par value of Rs.1 each. Each shareholder is eligible for one vote per share held. The Company had Paid an interim dividend during the financial year 2020-2021 of Rs.0.60/- per equity share at face value of Rs. 1/- each (60%) in their meeting held on November 2, 2020. The Company declares and pays dividend in Indian Rupees.

(b) Details of shares held by Equity Shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholder	As at 31st March, 2021		As at 31st March, 2020	
	No. of shares held	% of holding	No. of shares held	% of holding
(i) Gulshan Holdings Pvt. Ltd.	2,63,75,047	56.22%	2,40,64,760	51.29%
(ii) Dr. C. K. Jain	35,46,990	7.56%	35,46,990	7.56%

(C) Reconciliation of Number of Preference shares outstanding at the beginning and at the end of the reporting period

Particulars	As at (Rs 100 Each)		As at (Rs 100 Each)	
	No. of shares	Amount (100 Rs Each)	No. of shares	Amount (100 Rs Each)
Preference Shares				
Shares outstanding at the beginning of the year	9,75,000	975.00	9,75,000	975.00
Add: Issued during the year	-	-	-	-
Closing balance	9,75,000	975.00	9,75,000	975.00

Terms/rights attached to the Preference Shares

The Company has two class of Preference Shares having a par value of Rs.10 and Rs 100 each. Shareholder is not eligible for vote .

(d) Details of Preference shares held by Preference Shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholder	As at (Rs 100 Each)		As at (Rs 100 Each)	
	No. of shares held	% of holding	No. of shares held	% of holding
Dr. Chandra Kumar Jain	9,75,000	100.00%	9,75,000	100.00%



15. OTHER EQUITY (Rs. in Lakhs)

Particulars	Capital Reserve	Securities Premium Reserve	General Reserve	Capital Redemption Reserve	Retained Earning	Total
Balance as at 1st April 2020	132.35	3701.57	4986.24	50.00	21189.74	30,059.90
Profit for the year	-	-	-	-	6,245.55	6,245.55
Amount Transfer to Capital Redemption Reserve	-	-	-	-	-	-
Dividend on equity shares for the year	-	-	-	-	(281.50)	(281.50)
Dividend Distribution Tax	-	-	-	-	-	-
Other Comprehensive income for the year net of tax	-	-	-	-	62.12	62.12
Balance as at 31st March 2021	132.35	3701.57	4986.24	50.00	27215.91	36086.07

Particulars	Capital Reserve	Securities Premium Reserve	General Reserve	Capital Redemption Reserve	Retained Earning	Total
Balance as at 31st March, 2019	132.35	3,701.57	4,986.24	-	19,765.96	28,586.11
Profit for the year	-	-	-	-	2,058.40	2,058.40
Amount Transfer to General Reserve	-	-	-	50.00	(50.00)	-
Dividend on equity shares for the year	-	-	-	-	(469.17)	(469.17)
Dividend Distribution Tax	-	-	-	-	(96.44)	(96.44)
Other comprehensive income for the year, net of income tax	-	-	-	-	(19.01)	(19.01)
Balance as at 31st March, 2020	132.35	3,701.57	4,986.24	50.00	21,189.74	30,059.90

16. FINANCIAL LIABILITIES - NON CURRENT BORROWINGS (Rs. in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Secured Loans		
(i) Term Loan from bank measured at Amortised Cost	-	1,000.00
(ii) Long term maturities of Finance Lease obligations/ hire purchase finance	-	133.94
	-	1,133.94
Unsecured		
9,75,000, 6% Redeemable Preference shares of Rs. 100 each (refer note xxx below)	1,053.00	975.00
	1,053.00	975.00
Total	1,053.00	2,108.94
(a) Nature of security for secured borrowings are given below:		
(i) Term Loans from Banks	-	2,949.75
The Immovable and Movable Assets of the Unit Located at Boregoan Industrial Area, Distt.Chhindawara (M.P.) and Abu Road, Sirahi, Rajasthan are charged to Citi Bank by way of First charge for External Commercial Borrowings(ECB) of USD 11.60 million.		
The Immovable Assets of the Unit Located at the Jhagadia Industrial Estate, Dist Bharuch (Gujarat) and movable assets of Units located at Muzaffarnagar (UP) are charged to The Hongkong & Shanghai Banking Corporation Ltd. by way of First charge on pan-passu with Citi Bank for Term Loan of Rs.40 crores.		
(ii) Long term maturities of Finance Lease obligations	-	133.94
Above loans are secured against vehicles purchased through Banks under hire purchase agreements.		
(b) The aggregate amount of loans under each head guaranteed by Directors or others are given below:		
Term Loans from Banks	-	2,949.75
Above term loans are secured by personal guarantee of the Promoter Director.		
Redeemable Preference Share capital includes interest of Rs.78 Lacs.		



17. Other Financial Liabilities

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Lease Liabilities	133.48	41.01
Total	133.48	41.01

18. DEFERRED TAX LIABILITIES (NET)

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Depreciation and amortisation	1,475.91	1,469.85
Mat Receivables	-	(1,446.14)
Total	1,475.91	23.71

19. SHORT TERM BORROWINGS

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Secured loans		
Working Capital Loan	-	5,960.93
Total	-	5,960.93

(a) The Working Capital Loans are secured by the Hypothecation of Present and Future stock of Raw Materials, Stores, Stock in Process, Chemicals and Consumables, Fuels, Packing, Finished Goods etc. and Book Debts of the Company.

(b) The Loan is further secured by way of a Second Charge on Fixed Assets of the Company and personal guarantee of Promoter Director of the Company.

20. TRADE PAYABLES

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Trade Payables consist of the following:		
- micro, small and medium enterprises (refer note 37)	231.74	229.60
- others	5,399.04	2,658.10
Total	5,630.78	2,887.70

21. OTHER FINANCIAL LIABILITIES

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
(a) Interest accrued but not due on borrowings	-	7.00
(b) Current maturities of long term debt	-	2,003.59
(c) Unclaimed dividends	66.95	73.41
(d) Capital liabilities	5.00	43.96
(e) Expenses payable	666.99	525.93
(f) Lease Liability	13.37	0.68
Total	752.32	2,654.57

22. OTHER CURRENT LIABILITIES

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
(a) Advance from Customers	324.15	221.50
(b) Other liabilities	1,383.39	598.52
Total	1,707.55	820.02

23. PROVISIONS

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Employee Benefits	512.20	180.56
Total	512.20	180.56



24. REVENUE FROM OPERATIONS

(Rs.in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Revenue		
(a) Sale of Product (including excise duty)	74,438.99	59,705.59
(b) Freight and Handling Charges recovered	606.59	403.05
(I)	75,045.58	60,108.64
Other Operating Revenues		
(i) Export and Other Incentives	204.14	429.63
(ii) Miscellaneous Receipts & claims	60.85	116.35
(iii) Sales- Scrap & Waste Material	153.13	139.78
(iv) Foreign Exchange Fluctuations	83.93	129.97
(v) Lease Rent, Operation & Maintenance Charges	1,055.81	1,155.39
(II)	1,557.86	1,971.12
REVENUE FROM OPERATIONS (I+II)	76,603.44	62,079.77

(A) Revenue from contracts with customers disaggregated based on nature of products or services.		
Revenue from sale of products		
i) Mineral Processing	8,118.46	11,741.33
ii) Grain Processing	53,657.52	47,862.81
iii) Distillery	13,269.61	504.50
Other Operating Revenues		
(i) Export and Other Incentives	204.14	429.63
(ii) Miscellaneous Receipts & claims	60.85	116.35
(iii) Sales- Scrap & Waste Material	153.13	139.78
(iv) Foreign Exchange Fluctuations	83.93	129.97
(v) Lease Rent, Operation & Maintenance Charges	1,055.81	1,155.39
Total	76,603.44	62,079.77

(B) Revenue from contracts with customers disaggregated based on geography		
Domestic	68,758.38	50,407.21
Export	5,680.61	9,298.38
Total	74,438.99	59,705.59

(C) Reconciliation of gross revenue with the revenue from contracts with customers		
Gross revenue #	74,482.81	59,753.60
Less: discounts	(43.82)	(48.01)
Total	74,438.99	59,705.59

Revenues are recorded at a point in time. The Company has no remaining performance obligations once the goods are delivered to the customer as per terms of the contract.

(D) Receivables, contract assets and contract liabilities from contracts with customers		
Trade receivables*	9,838.15	8,236.90
Contract balances		
– Advances from customers **	(324.15)	(221.50)
Total	9,514.00	8,015.40

* Trade receivables are non-interest bearing and are generally due within 0 to 90 days. There is no significant financing component in any transaction with the customers.

** The adjustments of advances during the year are not considered to be significant.



25. OTHER INCOME

(Rs.in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Interest Income On Bank Deposits & Others	65.61	93.55
(b) Dividend Income On Investments	0.24	0.99
(c) Gain / (Loss) on sale of investments (Net) On Investments	13.04	-
(d) Profit/ (Loss) on property, plant and equipment sold / discarded (Net)	82.02	0.18
(e) Other Non-Operating income	26.50	-
Total	187.42	94.72

26. COST OF MATERIALS CONSUMED

(Rs.in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Raw Material	36,055.47	35,496.96
Total	36,055.47	35,496.96

27. PURCHASE OF GOODS TRADED

(Rs.in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Purchase of Stock in Trade	471.74	704.73
Total	471.74	704.73

28. CHANGE IN INVENTORIES

(Rs.in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Opening inventories		
(a) Traded Goods	94.77	46.64
(b) Work in progress	695.18	640.19
(c) Finished Goods	2,557.71	1,812.45
	3,347.66	2,499.27
(b) Less: Closing Inventories		
(a) Traded Goods	35.08	94.77
(b) Work in progress	749.80	695.18
(c) Finished Goods	1,898.08	2,557.71
	2,682.97	3,347.66
Total	664.69	(848.39)

29. EMPLOYEE BENEFITS EXPENSES

(Rs.in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Salaries and Wages	2,579.95	1,963.67
(b) Contribution to Provident and Other Funds	122.76	78.98
(c) Employee Welfare	157.87	125.78
Total	2,860.58	2,168.43

30. FINANCE COST

(Rs.in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Interest & Charges on Bank borrowing for working Capital	408.36	647.27
(b) Interest on Term and Other Loans	168.31	393.58
(c) Gain on foreign currency transactions and translation	-	-
(d) Interest Expenses recognised on Redeemable Preference Shares	78.00	97.24
Total	654.67	1,138.08

31. DEPRECIATION AND AMORTIZATION EXPENSES

(Rs.in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Depreciation on Property, Plant and Equipment	3,252.29	3,098.04
(b) Amortisation on Intangible Assets	3.08	3.92
Total	3,255.37	3,101.96



32. OTHER EXPENSES

(Rs.in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Process Chemicals & Consumables	5,393.81	3,697.47
(b) Stores, Spare Parts & Packing	2,864.37	2,127.64
(c) Power and Fuel	8,310.81	6,627.94
(d) Repair & Maintenance:		
-Building	4.51	4.50
-Plant & Machinery	1,263.21	647.05
(e) Rates and Taxes	335.99	127.00
(f) Rent	109.55	79.32
(g) Printing and Stationary	26.51	24.26
(h) Advertisement and Publicity	4.83	4.07
(i) Subscription and Membership fees	9.62	10.72
(j) Travelling Expenses	114.06	177.18
(k) Legal and Professional Expenses	216.54	218.60
(l) Payment to Auditors*	8.00	6.25
(m) Communication Charges	46.73	56.01
(n) Repair and Maintenance	50.18	47.31
(o) Insurance	92.28	82.33
(p) Donation	0.63	1.67
(q) Corporate Social Responsibility expenses**	218.09	37.46
(r) Miscellaneous Expenses	17.95	9.19
(s) Allowance for Doubtful trade receivables	98.32	-
(t) Commission & Discount	125.38	133.92
(u) Freight and Forwarding Expenses	4,099.14	3,489.27
(v) Others	68.00	61.34
Total	23,478.51	17,670.49
(*) (c) Details of Auditors Remuneration are as follows:		
(i) Statutory Audit Fees	6.25	5.00
(ii) Limited Review Fee	1.25	1.00
(iii) Reimbursement of expenses		
(iv) Other Management Services, Consultancy and certification Charges	0.50	0.25
	8.00	6.25

() Details of Corporate Social Responsibility expenditure in accordance with section 135 of the Companies Act, 2013:**

Particulars	2020-21	2019-20
Gross amount required to be spent by the Company during the year	51.99	53.93
Amount Spent during the year	218.09	37.46
Amount Unspent during the year	-	16.47

The company made excess expenditure on CSR amounting Rs. 166.11 Lakhs (includes expenditure of Rs. 16.47 Lakhs which is unspent carry forward from last year.



33. Disclosure in respect of employee benefits under Indian Accounting Standard (Ind AS) – 19 "Employee Benefits" are given below:

i) **Defined Contribution Plan**

Employers' contribution towards provident fund amounting to INR 36.73 Lakhs (Previous year INR 39.13 Lakhs) is recognized as an expense and included in Employee Benefit expenses Note No 29.

ii) **Defined Benefit Plan**

Gratuity

The company provides for gratuity, a defined benefit retirement plan, covering eligible employees. The gratuity plan provides lump sum payments to vested employees at retirement, death, incapacitation or termination of employment, of an amount equivalent to 15 days salary for each completed year of service. Vesting occurs on completion of 5 continuous years of service as per Indian law. However, no vesting condition applies in case of death.

The company makes contributions to LIC through a trust which is funded defined benefit plan for qualifying employees.

Expected contributions to gratuity plans for the year 2021-22 are INR 32.47 Lakhs

Reconciliation of present value of defined benefit obligation

(Rs in Lakhs)

A	Particulars	Gratuity (Funded)	
		31 st March 2021	31 st March 2020
	Change in the Present value of obligation		
	Balance at the beginning of the year	330.85	268.42
	Benefits paid	-	(15.18)
	Current service cost	33.44	33.70
	Interest cost	22.66	20.71
	Past Service cost	-	-
	Actuarial (gains) losses recognised in profit and loss:		
	-Changes in demographic assumptions	-	-
	Actuarial (gains) losses recognised in OCI:		
	-Changes in demographic assumptions	-	(0.02)
	-Changes in financial assumptions	1.72	24.30
	-Experience adjustments	(80.29)	(1.06)
	Balance at the end of the year	308.39	330.85

B	Particulars	Gratuity (Funded)	
		31 st March 2021	31 st March 2020
	Change in the fair value of plan asset		
	Balance at the beginning of the year	332.02	298.95
	Contributions paid into the plan	1.32	10.00
	Benefits paid	-	-
	Expected Return on Plan Asset	24.46	23.07
	Opening Adjustment	(2.39)	-
	Mortality Charges	(3.38)	-
	Actuarial Gain/(Loss) on Planned Assets	-	-
	Balance at the end of the year	352.04	332.02
	Net Defined Benefit Asset/(Liability)	43.65	1.17

C	Particulars	Gratuity (Funded)	
		31 st March 2021	31 st March 2020
	Expense recognized in profit or loss		
	Current service cost	33.45	33.70
	Interest cost	0.08	(2.36)
	Actuarial (Gain)/Loss	-	-
	TOTAL	33.53	31.34



D Particulars	Gratuity (Funded)	
	31 st March 2021	31 st March 2020
Expense recognized in OCI		
Actuarial (gains) / losses		
- change in demographic assumptions	-	(0.02)
- change in financial assumptions	1.72	24.30
- experience variance (i.e. Actual experience vs assumptions)	(80.29)	(1.06)
- return on plan assets, excluding amount recognized in net interest expense	1.50	-
TOTAL	77.07	23.21

E Plan Assets

Plan Assets comprise of the following:

(Rs in lakhs)

Particulars	31 st March 2021	31 st March 2020
Equities	0%	0%
Bonds	0%	0%
Gilts	0%	0%
Pooled assets with an insurance company*	100%	100%
Others	0%	0%
TOTAL	100%	100%

* The company's assets are managed by the Life Insurance Corporation of India, the total assets held as on 31st March 2020 is INR 332.02 Lakhs.

F Actuarial Assumptions	Gratuity (Funded)	
	31 st March 2021	31 st March 2020
Economic assumptions:		
Discount Rate (Per annum)	6.79%	6.85%
Future Salary increase	6.50%	6.50%
Demographic assumptions:		
Retirement Age (Years)	58	58
Mortality rates inclusive of provision for disability**	IALM (2012-14)	IALM (2012-14)
Withdrawal Rate (%)	1.00%	1.00%

** The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 13.42 years (31st March 2020: 9 years).

G Sensitivity Analysis

Particulars	Gratuity (Funded)	
	31 st March 2021	31 st March 2020
Present Value of Obligation at the end of the period	308.39	330.85
a) Discount rate-100 basis points	29.96	363.74
b) Discount rate+100 basis points	(27.78)	302.61
c) Salary Growth Rate -100 basis points	(27.97)	302.27
d) Salary Growth Rate+100 basis points	29.90	363.52

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.



H Risk Exposure

Investment Risk-The funds are invested by LIC and they provide returns on the basis of the prevalent bond yields. LIC on an annual basis requests for contributions to the fund, while the contribution requested may not be on the same interest rate as the prevalent bond yields, based on the past experience it is a low risk.

Interest Risk-LIC does not provide market value of assets, rather maintains a running statement with interest rates declared annually. The fall in interest rate is not therefore offset by increase in value of bonds, hence may pose a risk.

Longevity Risk-Since the gratuity payment happens at the retirement age of 58, longevity impact is very low at this age, hence this is a non-risk.

Salary Risk-The liability is calculated taking into account the salary increases, basis our past experience of salary increases with the assumptions used, they are in line, hence this risk is low.

I Maturity profile of defined benefit obligation

(Rs in lakhs)

Actuarial Assumptions	Gratuity (Funded)	
	31 st March 2021	31 st March 2020
Year 1		
Years 2-5	24.47	39.89
Years 6-10	67.34	90.07
Beyond 10	81.86	150.65
	134.74	441.29

34. INCOME TAX

A. Amounts recognised in profit or loss

(Rs in lakhs)

Particulars	31 st March 2021		31 st March 2020	
	Current tax expense			
Current year	1813.17		495.94	
Add: MAT Credit utilised	1285.05		47.95	
		3,098.22		543.89
Deferred Tax Expense		3,098.22		543.89
Property, plant and equipment		6.06		
				139.93
Total Tax Expense		3,104.28		683.82

As per Indian tax laws, companies are liable for a Minimum Alternate Tax ("MAT" tax) when current tax, as computed under the provisions of the Income Tax Act, 1961 ("Tax Act"), is determined to be below the MAT tax computed under section 115JB of the Tax Act. The excess of MAT tax over current tax is eligible to be carried forward and set-off in the future against the current tax liabilities over a period of 15 years

B. Movement in deferred tax balances

(Rs in lakhs)

Particulars	As at	Recognized in P&L	Recognized in OCI	As at
	31 st March 2020			31 st March 2021
Deferred Tax Assets				
MAT Receivable	1,446.14	(1,446.14)	-	-
Total Deferred Tax Assets	1,446.14	(1,446.14)	-	-

Particulars	As at	Recognized in P&L	Recognized in OCI	As at
	31 st March 2020			31 st March 2021
Deferred Tax Liabilities				
Property, plant and equipment	1469.85	6.06	-	1,475.91
Total Deferred Tax Liabilities	1,469.85	6.06	-	1,475.91
Net Deferred Tax Assets (Liability)	(23.71)	(1,440.08)	-	(1,475.91)



35. Financial instruments and risk management

I. Financial instruments by category

(Rs in Lakhs)

	As at 31.03.2021				As at 31.03.2020			
	FV TPL	FVTOC I	Amortised Cost	Total Carrying Value	FVTP L	FVTOCI	Amortised Cost	Total Carrying Value
Financial Assets								
Investments								
- in equity instruments	-	41.95	-	41.95	-	41.95	-	41.95
Trade Receivable	-	-	9,838.15	9,838.15	-	-	8,236.90	8,236.90
Security deposits	-	-	506.93	506.93	-	-	459.66	459.66
Term deposit with banks	-	-	192.30	192.30	-	-	83.69	83.69
Cash and cash equivalents	-	-	1,787.89	1,787.89	-	-	242.51	242.51
Bank balances other than above	-	-	66.95	66.95	-	-	73.41	73.41
Total Financial Assets	-	41.95	12,392.22	12,434.17	-	41.95	9,096.17	9,138.12
Financial Liabilities								
Term loans from bank	-	-	-	-	-	-	1,000.00	1,000.00
Obligations under finance leases and hire purchase contracts	-	-	-	-	-	-	133.94	133.94
Redeemable preference shares	-	-	1,053.00	1,053.00	-	-	975.00	975.00
Lease liability	-	-	146.86	146.86	-	-	41.69	41.69
Working capital loans	-	-	-	-	-	-	5,960.93	5,960.93
Trade payables	-	-	5,630.78	5,630.78	-	-	2,887.70	2,887.70
Interest accrued but not due on borrowings	-	-	-	-	-	-	7.00	7.00
Current maturities of long-term debt	-	-	-	-	-	-	2,003.59	2,003.59
Unclaimed dividends	-	-	66.95	66.95	-	-	73.41	73.41
Capital liabilities	-	-	5.00	5.00	-	-	43.96	43.96
Expenses payable	-	-	666.99	666.99	-	-	525.93	525.93
Total Financial Liabilities	-	-	7,569.58	7,569.58	-	-	13,653.15	13,653.15

II. Fair value hierarchy

The following table provides an analysis of financial instruments that are measured at fair value and have been grouped into Level 1, Level 2 and Level 3 below:

As at 31 March 2021	Note No	Level 1	Level 2	Level 3	Total
Financial Assets					
Financial Instruments at FVTOCI					
Unquoted equity instruments	5	-	-	41.95	41.95
Total financial assets		-	-	41.95	41.95



As at 31 March 2020	Note No	Level 1	Level 2	Level 3	Total
Financial Assets					
Financial Instruments at FVTOCI					
Unquoted equity instruments	5	-	-	41.95	41.95
Total financial assets		-	-	41.95	41.95

Level 1: Quoted prices in the active market. This level of hierarchy includes financial assets that are measured by reference to quoted prices in the active market. This category consists of debt based open ended mutual funds.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. The company does not have any investments which are categorized as Level 2.

Level 3: Valuation techniques with unobservable inputs. This level of hierarchy includes items measured using inputs that are not based on observable market data (unobservable inputs). Fair value determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instruments nor based on available market data. This is the case for investment in unlisted equity securities.

Note:

- There are no transfers between level 1 and level 2 during the year.
- The fair value of financial assets and liabilities approximate their carrying amount measured under Level III hierarchy.

The fair value of the financial assets are determined at the amount that would be received to sell an asset in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:

Investments in debt mutual funds: Fair value is determined by reference to quotes from the financial institutions, i.e. net asset value (NAV) for investments in mutual funds declared by mutual fund house.

Unquoted equity investments: Fair value is derived on the basis of income approach; in this approach the discounted cash flow method is used to capture the present value of the expected future economic benefits to be derived from the ownership of these investments.

Reconciliation of Level 3 fair value measurement

(Rs in Lakhs)

	Unlisted equity instruments
As at 01 April 2019	46.73
Acquisition/(Dispose of)	(4.78)
Gains/(losses) recognized	-
- in other comprehensive income	-
As at 31 March 2020	41.95
Acquisition/(Dispose of)	-
Gains/(losses) recognized	-
- in other comprehensive income	-
As at 31 March 2021	41.95

III. Financial risk management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.



This note explains the sources of risk which the entity is exposed to and how the entity manages the risk in the financial statements: -

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables and financial assets measured at amortized cost	Ageing analysis	Diversification of bank deposits and credit limits
Liquidity risk	Business commitment and other liabilities	Credit rating	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Future commercial transactions Recognized financial assets and liabilities not denominated in Indian rupee	Rolling cash flow forecasts Cash flow forecasting	Forward foreign exchange contracts
Market risk - security prices	Investments in equity instruments and debt mutual funds	Sensitivity analysis	Portfolio diversification

i. Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations. To manage trade receivable, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, economic trends, analysis of historical bad debts and ageing of such receivables. The Company computes an allowance for impairment of trade receivables for unrelated parties based on a simplified approach, that represents its expected credit losses. The Company uses an allowance matrix to measure the expected credit loss of trade receivables. Loss rates are based on actual credit loss experienced over the past 3 years. These loss rates are adjusted with scalar factors to reflect differences between current and historical economic conditions and the management's view of economic conditions over the expected lives of the receivables.

Financial instruments that are subject to such risk, principally consist of investments, trade receivables and other loans and advances. None of the financial instruments of the Company results in material concentration of credit risks.

Expected credit loss for trade receivables under simplified approach

The Company recognizes lifetime expected credit losses on trade receivables using a simplified approach, wherein the Company has defined percentage of provision by analyzing historical trend of default relevant to each category of customer based on the criteria defined above and such provision percentage determined have been considered to recognize life time expected credit losses on trade receivables (other than those where default criteria are met).

As at March 31, 2021

(Rs in Lakhs)

Particulars/ days post due	<=90 days	91-180 days	181-365 days	366-730 days	731-1095 days	More than 1095 days	Total
Gross carrying amount	8,921.58	364.09	80.92	395.54	170.91	3.42	9,936.46
Expected loss rate	0.19%	0.19%	0.19%	9.25%	25.00%	50.00%	
Expected credit loss (Loss allowance provision)	16.46	0.67	0.15	36.59	42.73	1.71	98.31
Carrying amount of trade receivables (net of impairment)	8,905.12	363.42	80.77	358.95	128.18	1.71	9,838.15



Reconciliation of loss allowance provision – Trade and other receivables (Rs in Lakhs)

Particulars	31 st March 2021	31 st March 2020
Opening balance	0.00	48.69
Provision made during the year	98.31	-
Trade receivables written off during the year	-	(48.69)
Provision reversed during the year / collection	-	-
Closing balance	98.31	0.00

Other than financial assets mentioned above, none of the financial assets were impaired and there were no indications that defaults in payment obligations would occur.

Concentration of significant credit risk

There is no concentration of customer risk so far transactions with non-related parties are concerned.

ii. **Liquidity risk**

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and to ensure funds are available for use as per the requirements. The company mitigates liquidity risk by way of formulation of cash budget and comparison of actual cash flows with budget on a continuous basis.

(Rs in Lakhs)

	Contractual cash flows			
	31 st March 2021	< 1 year	2 to 5 Years	5 years <
Non-derivative financial liabilities				
Borrowings (Long Term)	1,053.00	78.00	975.00	-
Trade Payables	5,630.78	5,630.78	-	-
Other financial liabilities	885.80	752.32	36.81	96.67
Total non-derivative liabilities	7,569.58	6,461.10	1,011.81	96.67

	Contractual cash flows			
	31 st March 2020	< 1 year	2 to 5 Years	5 years <
Non-derivative financial liabilities				
Borrowings (Long Term)	2,149.95	-	2,149.95	-
Borrowings (Short Term)	5,960.93	5,960.93	-	-
Trade Payables	2,887.70	2,887.70	-	-
Other financial liabilities	2,654.57	2,654.57	-	-
Total non-derivative liabilities	13,653.15	11,503.20	2,149.95	-

iii. **Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, debt and equity investments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.



a. **Foreign Currency risk**

Currency risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in the foreign exchange rate. The Company has exposure to foreign currency risk on account of its payables and receivables in foreign currency which are mitigated through the guidelines under the approved foreign currency risk management policy. The Company enters into forward foreign exchange contracts to mitigate the foreign currency risk. The carrying amounts of the company's foreign exchange monetary items as at the end of reporting period are as follows:

	As at 31 st March 2021	Conversi on rates	As at 31 st March 2020	Conversi on rates
Transaction currency	USD (in Lakhs)	INR	USD (in Lakhs)	INR
--> Financial assets				
Trade receivables	12.00	73.50	13.06	75.39
Financial liabilities				
Borrowings	0.00	0.00	14.50	65.50
Net statement of financial position Exposure	12.00		(1.44)	

Note: The company has no foreign currency loan at the year end. It had foreign currency exposure only on account of Trade Receivables which is unhedged.

Sensitivity analysis

The Company's currency exposures in respect of foreign currency monetary items at each period end presented that result in net currency gains and losses in the income statement and equity arise principally from movement in INR exchange rates. At each period end, if INR had weakened by 10% against the USD, with all other variables held constant, the changes in profit or loss will be as summarized in the following table. 10% is the sensitivity rate used when reporting to foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis has been carried out without considering the hedged items. A positive number below indicates an increase in profit or equity and vice-versa.

(Rs in Lakhs)

	Profit or loss	
	Strong	Weak
31st March 2021		
USD (10% movement)	88.20	(88.20)
31st March 2020		
USD (10% movement)	98.46	(98.46)

b. **Interest rate risk**

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. Any rise in market rate of interest effective effecting valuation of financial instruments, financial assets and financial liabilities have been regularly analyzed for mitigation measure.



Exposure to interest rate risk

The interest rate profile of the company's interest-bearing financial instruments as reported to the management is as follows.

Particulars	Nominal Amount	
	31 st March 2021	31 st March 2020
Financial Assets/Liabilities		
Variable-rate instruments		
Long term borrowings	-	1,133.94
Short Term Borrowings	-	5,960.93
Fixed-rate instruments		
Long Term Borrowings	1,053.00	975.00

(Profit) or loss

Particulars	50 bp increase	50 bp decrease
31st March 2021		
Variable-rate instruments	-	-
31st March 2020		
Variable-rate instruments	44.03	(44.03)

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

c Fiscal Risk

The company does not foresee any material fiscal risk pertaining to its overseas transactions with related parties in respect of which its application for advance pricing agreement is pending before fiscal authorities for years even though authorities make any upward revision of prices. Though overseas transactions with related parties for many years are conducted as per application made for advance pricing agreement, impact of any upward revision of prices of any of the items of out-put is unlikely to give rise to any additional financial liability considering huge carry forward loss and unabsorbed depreciation as per company's income tax return.

36 Capital Management

For the purpose of the Company's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders of the parent. The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and short-term deposits.



Particulars	(Rs in Lakhs)	
	31 st March 2021	31 st March 2020
Interest-bearing loans and borrowings (Note No 16, 19)	1,053.00	8,069.87
Trade and other payables (Note 17, 20, 21 & 22)	8,224.12	6,403.31
Less: cash and short-term deposits (Note 11)	1,787.89	242.51
Net debt	7,489.23	14,230.67
Reserve & Surplus (Note 15)	36,086.07	30,059.90
Equity (Note 14)	469.17	469.17
Total Capital	36,555.24	30,529.07
Capital and net debt	44,044.47	44,759.74
Gearing ratio	17.00%	31.79%

In order to achieve this overall objective, the Company's capital management, among other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches of the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2021 and 2020.

37. Details of dues to micro, small and medium enterprises as defined under the Micro Small and Medium Enterprises Development Act, 2006 ["MSMED Act"]:

SNO	Particulars	31 st March 2021		31 st March 2020	
1	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	231.74	-	229.60	-
2	The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-	-
3	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act	-	-	-	-
4	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-	-	-
5	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act	-	-	-	-



38. Leases

Company as a lessee

The Company has adopted Ind AS 116 "Leases" effective April 1, 2019 as notified by the Ministry of Corporate Affairs ("MCA") and applied the Standard to its leases using the simplified approach. This has resulted in recognising right-of-use assets and corresponding lease liabilities.

Recognition and Carrying value of right-of-use assets for the period ended March 31, 2021: (Rs. in lakhs)

Particulars	
Balance as at beginning of the period	922.52
Right of use asset recognised during the period	118.21
Depreciation charged during the period	28.68
Total	1,012.05

The following is the break-up of current and non-current lease liabilities as at March 31, 2021

Particulars	
Current lease liabilities	13.37
Non-current lease liabilities	133.48
Total	146.85

The following is the movement in lease liabilities during the period ended March 31, 2021:

Particulars	
Balance as at beginning of the period	41.69
Lease liability recognised during the period	103.12
Finance cost accrued during the period	15.42
Lease rent paid/payable during the period	13.37
Lease liability at the end of the period	146.86

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2021 on an undiscounted basis:

Particulars	
Not later than one year	13.37
Later than one year and not later than five years	53.50
Later than five years	400.82

The Company has incurred Rs. NIL for the period ended March 31, 2021 towards expense relating to short-term leases which has not been considered to be recorded as lease liability.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising, is accounted for on a straight-line basis over the lease terms.



39. DETAIL OF SALES, RAW MATERIAL CONSUMPTION, INVENTORIES, ETC. UNDER BROAD HEADS ARE GIVEN BELOW:

A. Raw Materials Consumed:

(Rs.in Lakhs)

Products	2020-21	2019-20
Rice	14,451.40	4,670.12
Corn/Starch	19,580.02	27,083.61
Lime & Lime Stone	2,024.05	2,238.14
Capital Goods	0.00	1,505.10
TOTAL	36,055.47	35,496.97

B. Traded Goods

(Rs.in Lakhs)

Products	Purchases		Sales		Opening Stock		Closing Stock	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Calcium Carbonate	471.74	704.73	1,022.63	1,112.89	94.77	46.64	35.08	94.77
TOTAL	471.74	704.73	1,022.63	1,112.89	94.77	46.64	35.08	94.77

C. Manufactured Goods

(Rs.in Lakhs)

Products	Sales		Opening Stock		Closing Stock	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
1. Sorbitol & Sweetner	21,287.26	20,967.86	535.00	362.47	498.70	535.00
2. Fructose	13,289.36	7,551.74	310.65	240.05	335.19	310.65
3. Starch	8,895.79	10,710.13	810.01	277.57	97.57	810.01
4. Calcium Carbonate	7,095.89	7,976.40	275.14	449.71	273.02	275.14
5. By Products	11,820.22	8,685.87	388.47	136.96	285.74	388.47
6. Liquor/CL and HS	2,718.57	451.71	238.44	345.69	201.90	238.44
7. Ethanol	8,915.87	0.00	0.00	0.00	205.96	0.00
8. Capital Goods	0.00	2,652.05	0.00	0.00	0.00	0.00
TOTAL	74,022.96	58,995.76	2,557.71	1,812.45	1,898.08	2,557.71

40 A. C.I.F. value of imports by the Company (Excluding imported items purchased locally): (Rs.in Lakhs)

Particulars	2020-21	2019-20
Raw Materials, Stores and Components	1,615.65	2,193.22
Capital Goods	107.62	435.49

B. Expenditure in foreign currency during the year:

(Rs.in Lakhs)

Particulars	2020-21	2019-20
Interest	19.67	159.34
Commission	36.87	27.43
Travelling	19.67	31.02
Technical Service Expenses	66.59	77.09
Legal & Professional Fee	5.39	5.82

C. Earnings in Foreign Exchange:

(Rs.in Lakhs)

Particulars	2020-21	2019-20
Export of Goods on F.O.B. basis	5,680.61	9,298.38

D. Value of Raw Materials, Coal and Fuel and Stores and Spares consumed during the year ended:

Particulars	Value (Rs.in Lakhs)			
	2020-21	2019-20	2020-21	2019-20
Raw Materials:				
Imported	0.00	1,302.46	0.00	0.00
Indigenous	36,055.47	34,194.51	100.00%	100.00%
	36,055.47	35,496.97	100.00%	100.00%
Coal and Fuel:				
Imported	0.00	0.00	0.00	0.00
Indigenous	5,449.53	3,729.64	100.00%	100.00%
	5,449.53	3,729.64	100.00%	100.00%
Stores and Spares:				
Imported	60.82	112.88	20.73%	56.17%
Indigenous	232.56	88.08	79.27%	43.83%
	293.38	200.96	100.00%	100.00%



41. Contingent Liabilities in respect of:

- i) Corporate guarantee (in the form of counter guarantee) extended to Gujarat Industrial Development Corporation (GIDC) for Rs.7.39 Lakhs (Previous year Rs.7.39 Lakhs) on account of Bharuch Eco Infrastructure Limited, for proportionate share of financial assistance pertaining to the Company extended to GIDC by Industrial Development Finance Corporation (IDFC) for laying the common pipe line for treated water from industrial units.
- ii) Bank guarantees of Rs. 715.38 Lakhs (Previous Year 884.95 Lakhs) includes Financial and Performance guarantees issued in favour of Statutory Authorities, PSU, Government bodies and Corporates.
- iii) Estimated amounts of contracts remaining to be executed on capital account and not provided for Rs. 6252.25 Lakhs (Previous year Rs. 71.04 Lakhs).

42. Related Party Transactions as per Indian Accounting Standard 24:

The disclosure in pursuance to Indian Accounting Standard-24 on "Related Party disclosures" is as under:

- (a) Name of related party and nature of related party relationship where control exist:
 - (i) Holding Company : Gulshan Holding Pvt. Ltd.
 - (ii) Subsidiary Company : Nil
- (b) Name of related party and nature of related party relationship other than those referred to in (a) above having transaction with the company:
 - (i) Joint Ventures etc. : Nil
 - (ii) Key Management Personnel : Dr. Chandra Kumar Jain, Managing Director
Mrs. Aditi Pasari, Whole Time Director
Mrs. Arushi Jain, Whole Time Director
Mr. Ashwani Kumar Vats, CEO & Whole Time Director
Mr. Rajiv Gupta, CFO
Ms. Asha Mittal, CS
 - (iii) Relative of KMP : Mrs. Mridula Jain
 - (iv) Corporate entities over which key Management personnel are able to exercise significant influence:
Gulshan Lamee Pack Pvt. Ltd, Gulshan Specialty Minerals Private Limited, Gulshan Sugar & Chemicals Ltd., Reliance Expovision Pvt Ltd., East Delhi Importers & Exporters Pvt Ltd., ARP Developers Pvt Ltd., Oye Oye.com Online Services India LLP., Houzilla Interiors Pvt Ltd.

(v) Transactions with related parties of the period 01.04.2020 to 31.03.2021 (Rs.in Lakhs)

(a) Key Managerial Personnel	2020-21	2019-20
Remuneration to Key Personnel:		
- Salaries & Perks	352.18	387.70
- Commission on Profits	400.00	-
Rent Paid - Dr. C.K Jain	114.70	64.80
- Mrs. Mridula Jain, Relative	9.60	9.60
(b) Others		-
Gulshan Holding Private Ltd. - Interest paid	0.00	3.37
Gulshan Lamee Pack Pvt. Ltd.- Product Sales	37.22	50.64
(c) Gulshan Lamee Pack Pvt. Ltd- Outstanding balance as on 31.03.2021 (Dr.)	2.58	12.18



43. Earning Per Share

(Rs.in Lakhs)

Particulars	2020-21	2019-20
1 Net Profit After Tax	6,245.55	2,058.40
2 Weighted Average of number of Equity Share outstanding during the year	469.17	469.17
3 Basic Earning Per Share of Rs.1/- each	13.31	4.39
4 Diluted Earning Per Share of Rs.1/- each	13.31	4.39

44. Information on segment reporting pursuant to Ind AS 108 – Operating

Segments Operating segments:

- Mineral Processing
- Grain Processing
- Distillery

Identification of Segments:

The chief operational decision maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss of the segment and is measured consistently with profit or loss in the financial statements. Operating segments have been identified on the basis of the nature of products.

Segment revenue and results:

The expenses and income which are not directly attributable to any business segment are shown as Un-allocable expenditure (net of un-allocable income).

Segment assets and liabilities:

Assets used by the operating segment mainly consist of Property, Plant and Equipment, Trade Receivables, Cash and Cash Equivalents and Inventories. Segment Liabilities include Trade Payables and Other Liabilities. Common Assets and Liabilities which cannot be allocated to any of the segments are shown as a part of Un-allocable Assets/ Liabilities.

(Rs. in Lakhs)

Particulars	Mineral Processing		Grain Processing		Distillery		Total	
	31 st March 2021	31 st March 2020	31 st March 2021	31 st March 2020	31 st March 2021	31 st March 2020	31 st March 2021	31 st March 2020
Revenue								
External sales	9,237.46	13,144.68	54,080.63	48,430.59	13,269.60	504.49	76,587.69	62,079.77
Unallocated							15.75	0.00
Total Revenue	9,237.46	13,144.68	54,080.63	48,430.59	13,269.60	504.49	76,603.44	62,079.77
Results								
Segment results before interest and Finance cost	1,729.13	3,291.26	6,631.03	1,091.82	1,579.25	(473.20)	9,939.41	3,909.88
Un-allocable Income	-	-	-	-	-	-	65.09	(29.57)
Operating Profit	1,729.13	3,291.26	6,631.03	1,091.82	1,579.25	(473.20)	10,004.50	3,880.31
Interest Expenses							654.67	1,138.08
Current Tax (Net of MAT)							3,098.21	543.89
Deferred Tax Charge							6.06	139.93
Net Profit							6,245.55	2,058.40



Other Information

	Mineral Processing		Grain Processing		Distillery		Others		Total	
	31 st March 2021	31 st March 2020	31 st March 2021	31 st March 2020	31 st March 2021	31 st March 2020	31 st March 2021	31 st March 2020	31 st March 2021	31 st March 2020
Segment Assets	6,553.61	6,261.31	28,242.84	27,667.77	12,810.90	10,838.44	-	-	47,607.35	44,767.52
Unallocated Assets	-	-	-	-	-	-	2,041.24	930.74	2,041.24	930.74
TOTAL ASSETS	6,553.61	6,261.31	28,242.84	27,667.77	12,810.90	10,838.44	2,041.24	930.74	49,648.59	45,698.26
Segment Liabilities	1,486.72	941.93	5,214.88	13,417.96	1,447.27	1,264.22	-	-	8,150.88	15,624.11
Unallocated Liabilities & Provisions	-	-	-	-	-	-	4,942.48	(454.93)	4,942.48	(454.93)
TOTAL LIABILITIES	1,486.72	941.93	5,214.88	13,417.96	1,447.27	1,264.22	4,942.48	(454.93)	13,093.35	15,169.19

45. The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its valuation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.
46. **Standards issued but not yet effective**
Since there were no standard issued but not yet effective at the time of preparing the financial statements, hence the disclosure is not applicable.
47. The outbreak of COVID-19 pandemic globally and in India is causing significant disturbance and slowdown of economic activity. Company's operations were also severely affected due to interruption in production, supply chain disruption, unavailability of personnel, etc. The management of the Company has exercised due care in concluding significant accounting judgements and estimates in preparation of the financial results. In assessing the recoverability of Trade receivables, the Company has considered subsequent recoveries, past trends, credit risk profiles of the customers and internal and external information available up to the date of issuance of these financial results. In assessing the recoverability of inventories, the Company has considered the latest selling prices, customer orders on hand and margins. Based on the above assessment, the Company is of the view that the carrying amounts of Trade receivables and inventories are expected to be realizable to the extent shown in the financial results. The impact of COVID-19 may be different from the estimates as at the date of approval of these financial results and the Company will continue to closely monitor the development.

As per our report of even date attached

For RAJEEV SINGAL & CO.

Chartered Accountants

(Firm Registration No.008692C)



(RAJEEV KUMAR SINGHAL)

Partner

Membership no: 077834

UDIN: 21077834AAAACX6081

Dated: 22nd May, 2021
Place: Delhi



FOR AND ON BEHALF OF THE BOARD OF DIRECTORS



DR. CHANDRA KUMAR JAIN

Chairman & Managing
Director DIN: 0006222



ASHA MITTAL
Company Secretary



ASHWANI KUMAR VATS

Whole Time Director and
CEO DIN: 00052413



RAJIV GUPTA
Chief Financial Officer

RAJEEV SINGAL & CO.
CHARTERED ACCOUNTANTS

Reg. No. - 008692C
PAN- AAPFR2931N



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Muzaffarnagar (U.P.)-251001

singhalrc2012@gmail.com
Office Mob- +91-9568000525
Phn- 0131-2970118

**INDEPENDENT AUDITORS' LIMITED REVIEW REPORT ON UNAUDITED
FINANCIAL RESULTS**

To,
The Board of Directors
Gulshan Polyols Limited

We have reviewed the accompanying statement of Unaudited Financial Results of Gulshan Polyols Limited for the quarter ended June 30, 2021. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

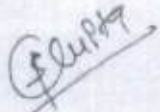
We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Rajeev Singal & Co.
Chartered Accountants
(Firm Registration No.: 008692C)



Place: Delhi
Date: July 21, 2021
UDIN: 21408730AAAAEL7187


(C.A. Sunil Kumar)
Partner
Membership No.408730

GULSHAN POLYOLS LIMITED
CIN: L24231UP2000PLC034918

Regd. Off.: 9th K.M., Jansath Road, MuzaffarNagar, U.P. - 251001

Tel. No.:011-49999200, Fax No.: 011-49999202

Website: www.gulshanindia.com Email: cs@gulshanindia.com

Statement of Un-Audited Financial Results for the Quarter Ended June 30, 2021

(Rs. in Lakhs)

Sr. No.	Particulars	Quarter ended		Year ended	
		30.06.2021 (Unaudited)	31.03.2021 (Audited)	30.06.2020 (Unaudited)	31.03.2021 (Audited)
1	Income from Operations				
	a. Revenue from Operations	23,855.51	22,734.54	12,095.22	76,603.44
	b. Other Income	41.42	130.82	8.34	187.42
	Total Income	23,896.93	22,865.36	12,103.56	76,790.86
2	Expenses :				
	(a) Cost of materials consumed	11,939.46	10,339.73	5,537.69	36,055.47
	(b) Purchases of Stock-in-Trade	107.89	(10.64)	40.54	471.74
	(c) Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	(213.90)	488.41	916.27	664.69
	(d) Employee benefits expenses	821.62	1,206.20	429.96	2,860.58
	(e) Finance Cost	81.99	171.83	218.59	654.67
	(f) Depreciation and amortization expenses	756.50	861.92	755.37	3,255.37
	(g) Other Expenses	6,886.77	6,421.84	3,486.35	23,478.51
	Total expenses	20,380.33	19,479.29	11,384.78	67,441.03
3	Profit from ordinary activities before tax	3,516.60	3,386.07	718.78	9,349.83
4	Tax Expense:				
	Current Tax	931.09	771.18	125.59	1,813.17
	Add: MAT Credit Available	-	451.18	65.19	1,285.05
	Deferred Tax	(33.52)	9.34	9.83	6.06
	Total Tax Expenses	897.57	1,231.68	200.61	3,104.28
5	Net Profit from ordinary activities after tax from continuing operations (3-4)	2,619.03	2,154.39	518.17	6,245.55
6	Profit/(Loss) from discontinued operations	-	-	-	-
7	Tax expense of discontinued operations	-	-	-	-
8	Profit/(Loss) from Discontinued operations (after tax) (6-7)	-	-	-	-
9	Other Comprehensive (income)/expenses (net of tax)				
	Item that will not to be reclassified to Profit and Loss:				
	(Gain)/loss of defined benefit obligation	-	(77.07)	-	(77.07)
	Income tax relating to items that will not be reclassified to profit or loss	-	14.95	-	14.95
	Other Comprehensive income/(expenses) (net of tax)	-	(62.12)	-	(62.12)
10	Total Comprehensive income for the period, Net of Tax (5+8-9)	2,619.03	2,216.51	518.17	6,307.67
11	Paid-up equity share capital	469.17	469.17	469.17	469.17
	Face value of the share (Rs.)				
12	Earning per equity share (face value Rs. 1/-each) (in rupees)				
	Basic	5.58	4.59	1.10	13.31
	Diluted	5.58	4.59	1.10	13.31

S.No	Notes:
1	The above Unaudited financial results have been reviewed and recommended by the Audit committee and approved by the Board of Directors in their respective meetings held on July 21, 2021. These Results have been subjected to Limited Review by the Statutory Auditors as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and they have expressed an unmodified opinion on the aforesaid Results.
2	The above Financial Results has been prepared in accordance with Indian Accounting Standards ('IND AS') prescribed under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other recognised accounting practices and policies to the extent applicable.
3	Figures for the previous period have been regrouped/ rearranged wherever necessary to make them comparable with current figure.
4	The Nomination, Remuneration and Compensation Committee, has granted Options under GPL Employees Stock Option Schemes - 2018 to eligible employees, which will be due for vesting from 1st April 2024 to 31st May 2024 at the exercise rate of Rs. 137/- per share (based on the Average Buying cost of the Company from the BSE/NSE market).
5	Results of Gulshan Polyols Limited for the above mentioned period are available on our website, www.gulshanindia.com and on the Stock Exchange website www.nseindia.com and www.bseindia.com
6	The Hon'ble National Company Law Tribunal (NCLT), Allahabad Bench has issued an order dated July 14, 2021 (received on July 15, 2021) ordering meetings of shareholders and creditors of Gulshan Polyols Limited to be convened for the Scheme of Amalgamation executed between the Company, Gulshan Holdings Private Limited (Holding Company), East Delhi Importers & Exporters Private Limited (Group Company) and their respective Shareholders.

SEGMENT WISE REVENUE AND CAPITAL EMPLOYED FOR THE QUARTER ENDED JUNE 30, 2021

		(Rs in Lakhs)			
	Particulars	Unaudited Results for the Quarter ended	Audited Results for the Quarter ended	Unaudited Results for the Quarter ended	Audited Results for the Year ended
		30.06.2021	31.03.2021	30.06.2020	31.03.2021
1	Segment Revenue (Sales and Other Operating Income)				
	a) Ethanol (Bio-Fuel)/Distillery	4,398.96	4,625.12	1,199.96	13,269.60
	b) Mineral Processing	1,860.39	2,457.76	1,607.84	9,237.46
	c) Grain Processing	17,577.78	15,651.66	9,271.68	54,080.63
	d) Unallocated	18.38	-	15.75	15.75
	Total Segment Revenue	23855.51	22734.54	12095.22	76603.44
2	Segment Results (Profit from ordinary activities before tax and interest)				
	a) Ethanol (Bio-Fuel)/Distillery	830.45	676.50	21.40	1,579.25
	b) Mineral Processing	247.91	380.80	351.05	1729.13
	c) Grain Processing	2467.02	2459.46	557.23	6631.03
	d) Unallocated	53.21	41.14	7.70	65.09
	Total Segment Results	3598.59	3557.90	937.38	10004.50
	Less: Finance Cost	81.99	171.83	218.59	654.67
	Total Profit before Tax from ordinary activities	3516.60	3386.07	718.78	9349.83
3	Segment Assets				
	a) Ethanol (Bio-Fuel)/Distillery	12938.23	12810.90	12228.94	12810.90
	b) Mineral Processing	6133.54	6553.61	6679.46	6553.61
	c) Grain Processing	31176.89	28242.84	26646.58	28242.84
	d) Unallocated	4026.44	2041.24	1279.29	2041.24
	Total	54275.10	49648.59	46834.26	49648.59
4	Segment Liabilities				
	a) Ethanol (Bio-Fuel)/Distillery	1198.58	1447.27	2907.43	1447.27
	b) Mineral Processing	1131.09	1488.72	2409.61	1488.72
	c) Grain Processing	9040.37	5214.88	9635.99	5214.88
	d) Unallocated	3730.78	4942.48	833.98	4,942.48
	Total	15100.82	13093.35	15787.02	13093.35

Date : July 21, 2021
Place : Delhi

For and on behalf of the Board



(Dr. Chandra Kumar Jain)
Chairman and Managing Director





Independent Auditor's Report

To,
The Members of **Gulshan Holdings Pvt. Ltd.**
Report on the Audit of the Standalone financial statements

Opinion

We have audited the standalone financial statements of **Gulshan Holdings Pvt. Ltd.** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit, changes in equity and its cash flows for the year ended on that date.

Basis for opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs 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 (ICAI) 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key audit matters

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

"We have determined that there are no Key Audit Matters to communicate in our Report."

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual 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 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.

Management's Responsibility for the Financial Statements

The Company's management and Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, cash flows and Statement of changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Ind AS 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 financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Board of Directors is also responsible for overseeing the Company's financial reporting Process.

Auditor's Responsibility for the Audit of the 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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statement 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 the 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 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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 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, 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 standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended.
 - e) On the basis of the written representations received from the directors of the Company as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, 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" to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the matters to be included in the Auditors' Reports in accordance with the requirements of section 197(16) of the Act as amended:

No Managerial Remuneration is paid during the period ended on 31.03.2021

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has no pending litigations that would materially affect the financial position of the Company.
 - ii. The Company did not have any long-term contracts including derivative contracts; for which there were any material foreseeable losses.



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

For Aashish Bathla & Co.
Chartered Accountants
(Firm Registration No. 028043C)


Aashish Bathla
Proprietor



Place : Muzaffarnagar
Date: 06-07-2021

(Membership No. 446095)
UDIN:-21446095AAAACB6704



ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

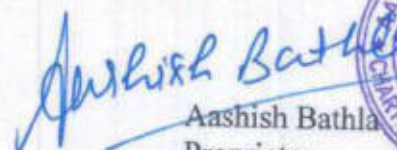
(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Gulshan Holdings Pvt. Ltd. of even date)

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets were physically verified by the Management during the Period in accordance with a regular program of verification, which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. As explained to us, no discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties included in Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
- ii. The Company did not have inventory during the Period under audit, in view of which Clause (ii) of paragraph 3 of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- iii. In our opinion and as per information and explanations given the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Proprietorships or other parties covered in the register maintained under section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. The Company has not accepted deposits within the meaning of section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as mentioned) during the Period and does not have any unclaimed deposits as at March 31, 2021 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi. As maintenance of Cost records has not been prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act 2013, the requirement to maintain cost records is not applicable to the company.
- vii. According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has been regular in depositing undisputed statutory dues including other material statutory dues applicable to it with the appropriate authorities.



- (b) According to the records of the Company and the information and explanations given to us, there were no disputed demands outstanding as at 31st March 2021 for a period of more than six months from the date they became payable.
- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and dues to Government.
- ix. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loans during the Period and hence reporting under clause (ix) of the Order is not applicable.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the Period.
- xi. In our opinion and according to the information and explanations given to us, the Company has not paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company has no transactions with its related parties during the period.
- xiv. During the Period, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) 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 Period the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For AASHISH BATHLA & CO.
Chartered Accountants
(Firm Registration No. 1283430)


Aashish Bathla

Proprietor
(Membership No. 446095)
UDIN:-21446095AAAACB6704



Place: Muzaffarnagar
Date: 06-07-2021



ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Gulshan Holdings Pvt. Ltd. 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 controls over financial reporting of Gulshan Holdings Pvt. Ltd. ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the Period ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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.

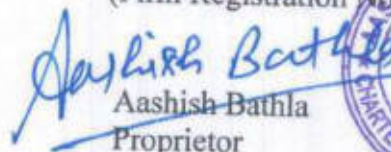
Opinion

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, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **AASHISH BATHLA & CO.**

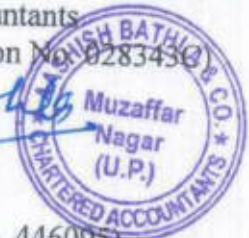
Chartered Accountants

(Firm Registration No. 0283430)


Aashish Bathla
Proprietor

(Membership No. 446095)

UDIN:-21446095AAAACB6704



Place: Muzaffarnagar

Date: 06-07-2021

GULSHAN HOLDINGS PRIVATE LIMITED

G-81 Preet Vihar, Vikash Marg, Delhi- 110092
BALANCE SHEET AS AT 31st March, 2021

PARTICULARS	Note No.	As at 31st March, 2021	Amount in lakhs As at 31st March, 2020
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	2		
(b) Financial Assets		138.80	139.52
(i) Investments	3		
(ii) Other Financial Assets	4	3,673.56	3,011.09
(c) Deferred Tax Assets	5	604.48	95.32
(d) Other Non-Current Assets	6	43.95	44.49
Total Non-Current Assets		<u>27.99</u>	<u>7.80</u>
(2) Current Assets			
(a) Financial Assets		4,488.75	3,298.22
(i) Cash and Cash Equivalents	7		
(ii) Other Bank Balances	8	6.56	75.32
(iii) Loans & Advances	9	53.36	1,004.28
Total Current Assets		<u>11.94</u>	<u>4.14</u>
Total Assets		<u>4,560.62</u>	<u>4,381.96</u>
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	10		
(b) Other Equity	11	7.07	7.07
Total Equity		<u>4,502.62</u>	<u>4,374.89</u>
LIABILITIES			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	12	-	-
(b) Deferred tax Liabilities	13	-	-
Total Non-Current Liabilities		<u>-</u>	<u>-</u>
(2) Current Liabilities			
(a) Financial Liabilities	14	0.00	-
(b) Other Current Liabilities	15	0.47	-
(c) Current Tax Liabilities		50.46	-
Total Current Liabilities		<u>50.93</u>	<u>-</u>
Total Equity and Liabilities		<u>4,560.62</u>	<u>4,381.96</u>

Significant accounting policies 1

Notes to the financial statements 2-24

The accompanying notes 1 to 21 are an integral part of the financial statements

As per our report of even date attached

For Aashish Bathia & Co.

Chartered Accountants

Registration No.: 089342C

Aashish Bathia
Aashish Bathia
(Proprietor)
Membership No.: 446095



For and on behalf of the Board of Directors

Chandra Kumar Jain
CHANDRA KUMAR JAIN
(DIRECTOR)

Arushi Jain
ARUSHI JAIN
(DIRECTOR)

Place : Muzaffarnagar

Date : 06-07-2021

UDIN:-21446095AAAACB6704

GULSHAN HOLDINGS PRIVATE LIMITED
G-81 Preet Vihar, Vikash Marg, Delhi- 110092
STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED 31st March, 2021

PARTICULARS	Note No.	Amount in lakhs	
		Period ended 31st March, 2021	Year ended 31st March, 2020
I Revenue from Operations	16	226.25	458.91
Total Income (I+II)		<u>226.25</u>	<u>458.91</u>
III EXPENSES			
Employee Benefits Expense	17	5.60	43.20
Finance Costs	18	24.39	8.65
Depreciation and Amortization Expense	19	0.73	0.39
Other Expenses	20	16.81	6.72
Total Expenses (III)		<u>47.52</u>	<u>58.96</u>
IV Profit before tax (I + II - III)		178.74	399.95
V Tax Expense:			
(1) Current Tax	29.83		
(2) MAT credit utilized	20.63	50.46	47.27
(3) Deferred Tax		0.54	0.06
(4) Tax Adjustment of earlier years		-	-
VI Profit for the year		<u>51.01</u>	<u>47.33</u>
Other Comprehensive Income		<u>127.73</u>	<u>352.62</u>
Items that will be reclassified to Profit or Loss:			
VII Effective portion of gain/(loss) on hedging instruments in cash flow hedge		-	-
VIII Income tax relating to items that will be reclassified to Profit or Loss		-	-
IX Other Comprehensive Income for the year (VII - VIII)		-	-
X Total Comprehensive Income for the year (VI + IX)		127.73	352.62
XI Earning per Equity Share in of Face Value of Rs. 1000/- each	21		
(i) Basic		18,066.35	49,876.22
(ii) Diluted		18,066.35	49,876.22

Significant accounting policies 1
Notes to the financial statements 2-24
The accompanying notes 1 to 23 are an integral part of the financial statements

As per our report of even date attached

For Aashish Bathia & Co

Chartered Accountants

Registration No. 028343C

Aashish Bathia

(Proprietor)

Membership No.: 446098



For and on behalf of the Board of Directors

Chandra Kumar Jain
CHANDRA KUMAR JAIN
(DIRECTOR)

Arushi Jain
ARUSHI JAIN
(DIRECTOR)

Place : Muzaffarnagar
Date : 06-07-2021
UDIN:-21446095AAAACB6704

GULSHAN HOLDING PRIVATE LIMITED
Statement of Cash Flow for the year ended 31st March, 2021

Particulars	(Rs.in Lakhs) Year ended 31/03/2021	(Rs.in Lakhs) Year ended 31/03/2020
A. Cash Flow from Operating Activities		
Profit before Tax		
Adjustment for :	178.74	399.96
Depreciation and Amortization Expenses		
Dividend income	0.73	0.39
(Gain) / Loss on disposal of Booking	(159.23)	(236.32)
(Gain) / Loss on disposal of shares	0.00	(6.50)
Interest income	2.49	0.00
Interest expenses	(69.51)	(216.09)
	24.39	8.65
Cash generated from operations before working capital changes	(22.40)	(49.92)
Adjustment for :		
Decrease/(Increase) in Non & Other current assets	413.77	1,806.46
(Decrease)/Increase in other current liabilities	0.47	(52.25)
(Decrease)/Increase in Deferred Tax & MAT	0.00	31.23
Cash generated from operating activities	391.84	1,735.52
Direct taxes paid for the year	0.00	(47.27)
Cash flows before exceptional items	391.84	1,688.25
Exceptional items	0.00	0.00
Net Cash flow generated from operating activities (A)	391.84	1,688.25
B. Cash Flow from Investing Activities (A)		
Purchase of proceeds of from purchase/maturity of non-current investments	(664.96)	(2,295.92)
Interest income	69.51	216.09
Gain / (Loss) on disposal of Booking	0.00	6.50
Dividend income	159.23	236.32
Net Cash Flow Generated from investing activities (B)	(436.21)	(1,837.01)
C. Cash Flow from Financing Activities		
Interest expenses	(24.39)	(8.65)
Repayment of short-term borrowings	0.00	(4.42)
Dividend Paid	0.00	(168.00)
Net Cash flow Generated from financing activities (C)	(24.39)	(181.07)
Net increase in cash and cash equivalents (A+B+C)	(68.76)	(329.82)
Cash and cash equivalents at the beginning of the year	75.32	405.14
Cash and cash equivalents at year end	6.56	75.32
Note:	(0.00)	(0.00)

The cash flow statement has been prepared under the indirect method as set out in Indina Accounting Standard (Ind AS 7) Statement of Cash Flows.

As per our report of even date

For Aashish Bathia & Co.

Chartered Accountants

Registration No. 128343C

Aashish Bathia
Aashish Bathia
(Proprietor)

Membership No.: 416899



For and on behalf of the Board of Directors

Chandra Kumar Jain
CHANDRA KUMAR JAIN
(DIRECTOR)

Arushi Jain
ARUSHI JAIN
(DIRECTOR)

Date : 06-07-2021

Place : Muzaffarnagar

UDIN:-21446095AAAACB6704

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

NOTE : 1

CORPORATE INFORMATION :

The Company was incorporated on 20.11.1985 under the name Gulshan Marketing Private Limited in which it carried on marketing activities. Out of its accumulated earnings it had acquired securities of its group companies. Subsequently the company's name was changed to Gulshan Holdings Private Limited. The company does not accept or hold any public deposit.

SIGNIFICANT ACCOUNTING POLICIES

- i. Accounting Policies not specifically referred to otherwise, are in consonance with generally accepted accounting principles.
- ii. Expenses considered payable are accounted for on accrual basis.
- iii. The depreciation is provided on written down value method based on the useful lives as prescribed under Schedule II of the Act.
- iv. The financial statements have been prepared in accordance with the generally accepted accounting principles. Revenues and expenses are accounted on accrual basis with necessary provisions for all known liabilities and losses except certain items as per notes elsewhere.
- v. All income and expenditure items having a material bearing on financial statements are recognised on accrual basis.
- vi. In the opinion of the Board of directors, the current assets, loans and advances have a value of realisation in the ordinary course of business at least equal to the amount at which they have been stated in the Balance Sheet.
- vii. There are no dues over thirty days outstanding towards any small or micro unit as per MSME Act.
- viii. Previous year figures have been regrouped whenever considered necessary to make the current year presentation comparable with current year figures.
- ix. **INVENTORIES**
The Company did not have inventory during the year.
- x. **RETIREMENT BENEFITS :**
No provision for gratuity or other retirement benefits has been made since Payment of Gratuity Act, Employees' Provident Fund Act, Employees' State Insurance Act etc. are not applicable to the company.
- xi. **REVENUE RECOGNITION :**
All Revenues are accounted for on accrual basis in accordance with the IND AS issued by the Institute of Chartered Accountants of India. Accordingly, wherever there are uncertainties in the ascertainment/realization of income, the same is not accounted for.



xii. INTANGIBLE ASSETS:

The Company does not have any intangible assets.

xiii. PROPERTY, PLANT AND EQUIPMENTS :

Property, Plant and Equipments are stated at cost, less accumulated depreciation. All costs including freight and incidental expenses attributable to the Fixed Assets are capitalised.

xiv. BORROWING COST:

Interest and other costs are charged to the Statement of Profit & Loss.

xv. INVESTMENTS:

Long term investments are carried at cost. No provision for diminution in value of long term investments is recognized, as the diminution is considered to be of temporary nature.



STATEMENT OF CHANGES IN EQUITY

Note No.- 11

A. EQUITY SHARE CAPITAL

Particulars	Amount in ₹
Balance at the beginning of the period i.e. 1st April 2019	7.07
Changes in Equity Share Capital during the year	-
Balance as at 31st March 2020	7.07
Balance at the beginning of the period i.e. 1st April 2020	7.07
Changes in Equity Share Capital during the year	-
Balance as at 31st March 2021	7.07

B. OTHER EQUITY

Particulars	Reserves and Surplus		Other Comprehensive Income	Total
	General Reserve	Retained Earnings	Effective portion of gain/(loss) in cash flow hedge	
Balance as at 1st April 2019				
Transfer to/from General Reserve	278.36	3,835.58	-	4,113.94
Profit for the year	35.26	(35.26)	-	-
Adjustment of MAT of earlier year's	-	352.62	-	352.62
Dividend on Equity Shares during the year	-	76.33	-	76.33
Balance as at 31st March 2020		(168.00)		(168.00)
Balance as at 1st April 2020	313.62	4,061.27	-	4,374.89
Transfer to/from General Reserve	313.62	4,061.27	-	4,374.89
Profit for the year	-	-	-	-
Adjustment of MAT of earlier year's	-	127.73	-	127.73
Dividend on Equity Shares during the year	-	-	-	-
Balance as at 31st March 2021	313.61	4,188.99	-	4,502.62

As per our report of even date attached

For Aashish Bathla & Co.

Chartered Accountants

Registration No.: 028343C



Aashish Bathla
(Proprietor)

Membership No.: 446095

Place : Muzaffarnagar

Date : 06-07-2021

For and on behalf of the Board of Directors

CHANDRA KUMAR JAIN
Director

ARUSHI JAIN
Director

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021
 2. Property, Plant & Equipment

Assets	Gross Block			Total Cost as at		Depreciation and Amortisation		Amount in lakhs		
	As at 01.04.20	Additions during the year	Deduction During the year	31-03-2021	Upto 31.03.2020	For the period	Adjustment	Total Upto 31.03.2021	As At 31.03.2021	As At 31.03.2020
LAND	131.86	-	-	131.86	-	-	-	-	131.86	131.86
BUILDING	10.94	-	-	10.94	3.27	0.73	-	4.00	6.94	7.66
TOTAL	142.80	-	-	142.80	3.27	0.73	-	4.00	138.80	139.52
PREVIOUS YEAR TOTAL	142.80	-	-	142.80	2.88	0.39	-	3.27	139.52	139.92



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

PARTICULARS	Period ended 31st March, 2021	Amount in lakhs	
		AS AT 31st March, 2021	AS AT 31st March, 2020
3 NON-CURRENT INVESTMENTS			
INVESTMENT IN EQUITY INSTRUMENTS			
In Subsidiary (at cost unless stated otherwise)			
26375047 equity shares of Rs. 1/- each fully paid-up in Gulshan Polyols Ltd.		3,630.65	2,965.70
In Others			
Quoted (at cost unless stated otherwise)			
In companies not under the same Management			
50000 equity shares in Genus Power Infrastructures Ltd. of Re. 1/- each		0.25	0.25
50000 Equity Shares in Genus Paper & Boards Ltd. of Re. 1/- each		0.25	0.25
(Previous year 50000 equity shares in Genus Power Infrastructures Ltd. of Re. 1/- each)			
1500 equity shares of Rs.2/- each fully paid-up in J.P. Associates Ltd. (Previous year 1500 equity shares)		2.06	2.06
25000 equity shares of Rs.10/- each in Rashtriya Chemicals & Fertilizers Ltd. (Previous year 25000 equity shares)		20.69	20.69
25000 equity shares of Rs.2/- each in Suzlon Energy Ltd. (Previous year 25000 equity shares)		19.65	19.65
Un-Quoted (at cost unless stated otherwise)			
Nil Preference Equity Shares of Rs. 100/- each in Gulshan Polyols Ltd. (Previous year 50000 Preference equity shares of Rs. 100 each)		0.00	0.00
In companies not under the same Management			
249300 equity shares in Dhawana Sugar Industries Ltd. of Rs. 10/- each Paid up Re. 1/- per share (Previous year 249300 equity Shares of Re. 10/- each paid up Re. 1/- per share)		0.00	2.49
TOTAL		3,673.56	3,011.09
4 OTHER FINANCIAL ASSETS			
Non-Current			
Bank deposits with more than 12 months maturity		604.48	95.32
TOTAL		604.48	95.32
5 DEFERRED TAX ASSETS			
MAT Credit Receivable		44.49	45.09
Add Transfer from Deferred Tax Asset (Liability)		(0.54)	(0.60)
TOTAL		43.95	44.49
6 OTHER NON-CURRENT ASSETS			
Advance Income-tax and tax deducted at source		27.99	7.80
TOTAL		27.99	7.80
7 CASH AND CASH EQUIVALENTS			
Cash and Cash Equivalents			
Balance with Banks			
Bank Accounts			
Cash on hand		5.87	69.74
Fixed Deposits with GMUC Bank*		0.69	5.58
TOTAL		6.56	75.32
*Cash and cash equivalents include cash on hand, cash at bank.			
8 OTHER BANK BALANCE			
Term Deposits (maturity of more than three months but less than twelve months)		53.36	1,004.28
Term deposits with original maturity of more than 3 months having remaining maturity of less than 12 months from the Balance Sheet date.		53.36	1,004.28



9 LOANS & ADVANCES

Other loans and advances**

**Other Advances with statutory authorities

	11.94	4.14
TOTAL	11.94	4.14

10 EQUITY SHARE CAPITAL

Authorised Equity Share Capital :

55,500 Equity Shares of Rs. 1000 each
(Previous year 55,500 Equity Shares of Rs. 1000 each)

	555.00	555.00
--	--------	--------

Issued, Subscribed and Paid up:

707 Equity Shares of Rs. 1000/- each
(Previous Year 707 shares of Rs. 1000/- each)

	7.07	7.07
TOTAL	7.07	7.07

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

B. The details of shareholders holding more than 5 percent shares:

S.No.	Name of Shareholders	As on 31/03/2021		As on 31/03/2020		Amount in lakhs	
		Number of Share held	%age of Holding	Number of Share held	%age of Holding		
1.	Dr. Chandra Kumar Jain	182	25.74	182	25.74		
2.	Mrs. Mridula Jain	173	24.47	173	24.47		
3.	Mrs. Aditi Pasari	124	17.54	124	17.54		
4.	Mrs. Arushi Jain	108	15.28	108	15.28		
5.	Mrs. Anubha Gupta	120	16.97	120	16.97		

C. Reconciliation of Shares outstanding at the beginning and at the end of year are given below :

Particulars	2020-2021		2019-2020	
	Number	Amount (in lakhs)	Number	Amount (in lakhs)
Equity Shares outstanding at the beginning of the year	707	7.07	707	7.07
Add : Equity Shares issued during the year	-	-	-	-
Less : Equity Shares bought back/ redeemed during the year	-	-	-	-
Equity Shares outstanding at the end of the year	707	7.07	707	7.07

11 OTHER EQUITY

Particulars	RESERVE AND SURPLUS		
	General Reserve	Retained Earnings	Total
Balance as at 1st April 2019			
Transfer to/from General Reserve	278.36	3,835.58	4,113.94
Profit for the year	35.26	(35.26)	0.00
Adjustment of MAT of earlier year's	-	352.62	352.62
Dividend on Equity Shares during the year	-	76.33	76.33
Balance as at 31st March 2020	-	(168.00)	(168.00)
Balance as at 1st April 2020	313.62	4,061.27	4,374.89
Transfer to/from General Reserve	313.62	4,061.27	4,374.89
Profit for the year	-	-	-
Adjustment of MAT of earlier year's	-	127.73	127.73
Dividend on Equity Shares during the year	-	0.00	0.00
Balance as at 31st March 2021	313.62	4,189.00	4,502.62

12 NON-CURRENT BORROWINGS

Secured:

Loan from Bank
Overdraft Account

	-	-
	-	-

13 DEFERRED TAX LIABILITIES (NET)

At the beginning of the year

Charge / Credit to Statement of Profit and Loss

	0.00	0.54
	0.54	0.06

Deferred Tax on account of MAT Credit Entitlement

Add Transfer to Deferred Tax Assets

At the end of the year

	0.54	0.60
	-	-
	(0.54)	(0.60)
	0.00	0.00



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

PARTICULARS	Period ended	AS AT	
		31st March, 2021	31st March, 2020
Amount in lakhs			
14 Trade Payable Sundry Creditors		0.00	0.00
	TOTAL	-	-
15 OTHER CURRENT LIABILITIES			
Expenses Payable		0.47	-
	TOTAL	0.47	-
16 REVENUE FROM OPERATIONS			
Interest on deposits and others		69.51	216.09
Dividend Income		159.23	236.32
Profit on Transfer of Booking		0.00	6.50
Loss on write off of Shares		-2.49	0.00
	TOTAL	226.25	458.91
*Profit during the year realised on transfer/cancelling booking of property, which was completed during the year against advance given in preceding years.			
17 EMPLOYEE BENEFITS EXPENSE			
Salaries & Wages		5.60	43.20
	TOTAL	5.60	43.20
18 FINANCE COSTS			
Interest & Charges on Bank borrowing for working capital		24.39	8.65
	TOTAL	24.39	8.65
19 DEPRECIATION AND AMORTISATION EXPENSE			
Depreciation and Amortization Expense		0.73	0.39
	TOTAL	0.73	0.39
20 OTHER EXPENSES			
Establishment Expenses			
Office & General Exp.		5.47	0.13
Legal and Professional Charges		10.93	6.29
Auditors Remuneration*		0.42	0.30
		16.82	6.73
<u>Auditor's Remuneration</u>		<u>16.81</u>	<u>6.72</u>
Audit Fees		0.42	0.30
21 EARNINGS PER SHARE (EPS)			
i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (Rs. in lakhs)		127.73	352.62
ii) Number of equity shares used as denominator for calculating EPS		707.00	707.00
iii) Number of Diluted Equity Share		707.00	707.00
iv) Basic Earning per share (Amount in Rs.)		18,066.35	49,876.22
v) Diluted Earning per share (Amount in Rs.)		18,066.35	49,876.22
vi) Face value per equity share (Amount in Rs.)		1,000	1,000



NOTES TO THE FINANCIAL STATEMENTS

22. DEFERRED TAXATION :

In compliance with IND AS-12 on "Accounting for Taxes on Income" Deferred Tax Liability for the current year of Rs. 54424.65 /- has been provided as at 31st March 2021 and the same has been charged to the Statement of Profit & Loss of the Company. This pertains to the timing difference in Depreciation on Assets as per books of accounts. The Deferred Tax Liability has been calculated by applying tax rate that have been enacted and applicable as on the Balance Sheet date. No deferred tax liability/asset has been created for the Long Term capital Loss or any liability in respect of difference considered to be of permanent nature and not adjustable in future. The credit for MAT available for future set off has been added to the Deferred Tax Assets. Thus the total MAT credit available for future set off of Rs. 23.86 lakhs net of the Deferred Tax liability on account of Timing Difference of Depreciation of Rs. 0.54 lakhs has been shown as Deferred Tax Liability as on 31.03.2021. The impact of MAT for earlier years has been taken into account during the year through Retained earnings.

23. There are no separate reportable segments as per Indian Accounting Standard (Ind AS) 108.

24. Disclosures of Related Party transactions as per Ind AS -24

(a) Name of related party and nature of related party relationship where control exist:

i. Holding Company : NIL

ii. Subsidiary Company : Gulshan Polyols Ltd.

(b) Name of related party and nature of related party relationship other than those referred to in (a) above in transaction with the Company:

(i) Joint Venture etc. :

NIL

(ii) Key Management personnel:

Dr. C. K. Jain, Director

Mrs. Arushi Jain, Director

(iii) Relatives of Key Managerial Personnel:

Mrs. Mridula Jain

Mrs. Aditi Pasari

Mrs. Anubha Gupta

As per our report of even date attached
For Aashish Bathla & Co.
Chartered Accountants
Registration No. 028343C




Date:- 06-07-2021

Place :- Muzaffarnagar

UDIN:-21446095AAAACB6704

For and on behalf of the Board of Directors


CHANDRA KUMAR JAIN
(DIRECTOR)


ARUSHI JAIN
(DIRECTOR)



Independent Auditor's Report

To,

The Members of **Gulshan Holdings Pvt. Ltd.**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of **Gulshan Holdings Pvt. Ltd.** ("the Parent"), and its subsidiary, (the Parent and its subsidiary together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31st, 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flows Statement for the year ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

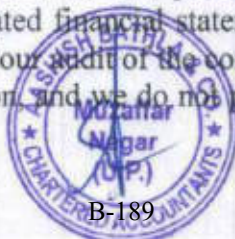
In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of the other auditors on separate financial statements of subsidiary referred to in the Other Matters section below, the aforesaid consolidated financial statements 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 ('IndAS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31st, 2021, and their consolidated profit, their consolidated total comprehensive income, their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) 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 there under, 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 obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters section below, is sufficient and appropriate to provide as basis for our audit opinion on the consolidated financial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and 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.

Key Audit Matter	Auditor's Response
<p>Valuation and verification of Investments- We have focused on the valuation and verification of the investments in Shares because these represent a principal element on the net assets in the Financial Statements. Refer Note 5 to the Financial Statement</p>	<p>We obtained independent confirmation of the number of shares held and net asset value per share for each of the underlying investments as at the year end date. We verified the valuation of these investments as per the accounting records and accounting standards. We have also obtained the most recent set of audited financial statements for each underlying investments.</p> <p>We have verified all the necessary documents and are satisfied with the same.</p> <p>We have accepted the Audit Report of the subsidiary by their Auditors and have not verified the contents therein and accepted the same.</p> <p>In view of the report on Holding company and also by the Auditors of the subsidiary further, no impact of COVID-19 pandemic is required to be made in the financial statements.</p>

Information Other than the Financial Statements and Auditor's Report Thereon

The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Report on Corporate Governance, Shareholder information and Report of the Board of Directors & Management Discussion and Analysis, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiary, audited by the other auditors, to the extent it relate so these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiary, is traced from their financial statements audited by the other auditors

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.



Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is 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 in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate or cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

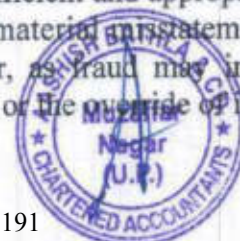
The Company's management and Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance, cash flows and Statement of changes in equity of the Company in accordance with the Indian Accounting Standards (IndAS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

Auditor's Responsibility for the Audit of the 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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



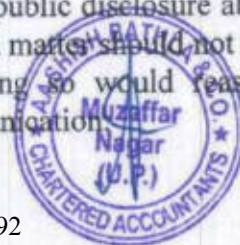
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls with reference to financial statement 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 the 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 Group'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 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 to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances; we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Other Matters

We did not audit the financial statements of the subsidiary whose financial statements reflect total assets of Rs.49,648.59 lakhs as at 31st March, 2021, total revenues from operations of Rs.76,603.44 lakhs and net cash inflows amounting to Rs.1787.89 lakhs for the year ended on that date, and considered the same as it is in the consolidated financial statements. Another auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of subsidiary, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditor.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiary referred to in the Other Matters section above we report, to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, return and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement and dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Parent as on March 31, 2021 taken on record by the Board of Directors of the Parent and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies, is disqualified as on March 31, 2021, 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 Group and the operating effectiveness of such controls, refer to our separate



Report in "Annexure A" which is based on the auditors' reports of the Parent, subsidiary company. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of the Group.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:



In our opinion and to best of our information and according to the explanations given to us, the remuneration paid by directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the matters to be included in the Auditors' 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 the consolidated financial position of the Group, in accordance with the generally accepted accounting practice – also refer Notes 1.16 to the consolidated financial statements.
- ii) The Group, did not have any material foreseeable losses 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 Parent and its subsidiary company.

Place : Muzaffarnagar
Dated : 06-07-2021
UDIN:- 21446095AAAACC9911

For AASHISH BATHLA & Co.
Chartered Accountants
(Firm Registration No. 028343C)

AASHISH BATHLA
Proprietor
(Membership No. 446095)



ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Gulshan Holdings Pvt. Ltd. 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")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2021, we have audited the internal financial controls over financial reporting of Gulshan Holding Pvt Ltd (hereinafter referred to as "the Parent") and its subsidiary company, which are companies incorporated in India, as on that date.

Management's Responsibility for Internal Financial Controls

The respective Boards of Directors of the Parent, its subsidiary company which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent and its subsidiary company, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, 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 financial statements, whether due to fraud or error.



We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary company, which is company incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent, its subsidiary company, which are companies incorporated in India.

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 consolidated 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 consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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 control 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 and based on the consideration of the other auditors referred to in the Other Matters paragraph below, the Parent, its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2021, based on the criteria for internal financial control over financial reporting 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.



Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to subsidiary company, which is company incorporated in India, is based solely on the corresponding reports of the auditors of such company incorporated therein.

Our opinion is not modified in respect of the above matters

Place :Muzaffarnagar
Dated :06-07-2021
UDIN:-21446095AAAACC9911

For AASHISH BATHLA & CO.
Chartered Accountants
(Firm Registration No. 028311C)




AASHISH BATHLA
Proprietor
(Membership No. 446095)

GULSHAN HOLDING PRIVATE LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2021

	Particulars	Note No.	As at 31st March, 2021	As at 31st March, 2020	(Rs. in Lakhs)
A	ASSETS				
1	Non-Current Assets				
	(a) Property, Plant and Equipment	2			
	(b) Capital Work-in-Progress	3	24,222.68	26,118.32	
	(c) Intangible Assets	4	303.11	321.56	
	(d) Financial Assets		8.81	11.88	
	(i) Investments				
	(ii) Loans	5	84.85	87.35	
	(iii) Other Financial Assets	6	506.93	459.66	
	(e) Deferred Tax Assets	7	796.78	179.01	
	(f) Other Non-Current Assets	8	-	20.78	
	Total Non-Current Assets	9	180.08	156.15	
2	Current Assets		25,103.24	27,354.71	
	(a) Inventories				
	(b) Financial Assets	10	9,045.07	8,650.06	
	(i) Trade Receivables				
	(ii) Cash and Cash equivalents	11	9,838.15	8,236.90	
	(iii) Other Financial Assets	12	1,794.44	317.83	
	(c) Other Current Assets	13	120.31	1,077.69	
	Total Current Assets	14	5,604.95	3,425.18	
	Total Assets		26,402.92	21,707.66	
			52,506.16	49,062.37	
B	EQUITY AND LIABILITIES				
1	Equity				
	(a) Equity Share Capital				
	(b) Other Equity	15	7.07	7.07	
	Attributable to owners of the parent	16	22,377.33	18,046.36	
	Non-controlling Interests		22,384.40	18,053.43	
	Total Equity		17,021.44	15,863.45	
2	Non-Current Liabilities		39,405.84	33,916.88	
	(a) Financial Liabilities				
	(i) Borrowings	17	1,053.00	2,108.94	
	(ii) Other Financial Liabilities	18	133.48	41.01	
	(b) Deferred Tax Liabilities (Net)	19	1,431.96	-	
	Total Non-Current Liabilities		2,618.44	2,149.95	
3	Current Liabilities		2,618.44	2,149.95	
	(a) Financial Liabilities				
	(i) Borrowings	20	-	5,960.93	
	(ii) Trade payables	21	-	5,960.93	
	- Outstanding dues of micro, small and medium enterprises		231.74	229.60	
	- Outstanding dues of creditors other than above		5,399.04	2,658.10	
	(iii) Other Financial Liabilities	22	752.79	2,854.57	
	(b) Other Current Liabilities	23	1,707.55	820.02	
	(c) Provisions	24	512.20	180.56	
	(d) Liabilities for current Tax (Net)		1,878.57	491.75	
	Total Current Liabilities		10,481.88	12,995.54	
	Total Equity and Liabilities		52,506.16	49,062.37	
	The accompanying notes from 1 to 41 form an integral part of the financial statements	1			

Significant accounting policies

Notes to the financial statements

The accompanying notes 1 to 41 are an integral part of the financial statements

As per our report of even date

For Aashish Bathla & Co

Chartered Accountants

(Registration No.0283/2019)

(Aashish Bathla)

Proprietor

Membership no: 446095



For and on behalf of the Board of Directors

SD/-
CHANDRA KUMAR JAIN
(DIRECTOR)

SD/-
ARUSHI JAIN
(DIRECTOR)

Date: 06-07-2021

Place : Muzaffarnagar

UDIN :-21446095AAAACC9911

GULSHAN HOLDING PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2021

Particulars	Note No.	(Rs. in Lakhs)	
		For the year ended 31st March, 2021	For the year ended 31st March, 2020
REVENUE			
Revenue from Operations			
Other Income	25	76,672.96	62,292.49
Total Income (I)	26	185.91	101.70
EXPENSES		76,858.86	62,394.19
Cost of Materials Consumed	27		
Purchase of Stock in Trade	28	36,055.47	35,496.06
Changes in Inventories of Finished goods, Work in progress and Stock in Trade		471.74	704.73
Employee Benefits Expenses	29	664.69	(848.39)
Finance Cost	30	2,866.18	2,211.63
Depreciation & amortisation Expenses	31	679.05	1,143.48
Other Expenses	32	3,256.09	3,102.35
Total Expenses (II)	33	23,495.32	17,677.09
Profit Before Tax (III) (I-II)		67,488.55	59,487.86
Tax Expense:		9,370.31	2,906.33
Current Tax Expense			
Add: Mat Credit (Utilised)		1,843.00	525.24
Deferred Tax Expense		1,305.67	65.92
Total Tax Expenses (IV)		6.60	139.99
Profit/(Loss) for the year (V) (III-IV)		3,155.27	731.15
Other Comprehensive Income		6,215.04	2,175.18
Item that will not to be reclassified to Profit and Loss:			
(Gain)/Loss of defined benefit obligation		(77.07)	23.21
Income Tax relating to item that will not be reclassified to profit or loss		14.95	(4.20)
Total Other Comprehensive (Income)/Loss (VI)		(62.12)	19.01
Total Comprehensive Income for the year (VII) (V - VI)		6,277.16	2,156.17
Net Profit before comprehensive income attributable to :			
Owners of the Parent			
Non-Controlling Interest		3,480.50	1,172.57
		2,734.54	1,002.61
Net Profit after Comprehensive income attributable to :			
Owners of the Parent			
Non-Controlling Interest		3,515.42	1,162.82
		2,761.74	993.35
Earning per equity share of face value of Rs. 1 each Basic and diluted (In Rs.)			
Basic	34		
Diluted		497,230.55	164,472.88
The accompanying notes from 1 to 41 form an integral part of the financial statements		497,230.55	164,472.88
	1		

Significant accounting policies
Notes to the financial statements
The accompanying notes 1 to 41 are an integral part of the financial statements

As per our report of even date
For Aashish Bathla & Co.
Chartered Accountants
(Registration No.028343)

Aashish Bathla
(Aashish Bathla)
Proprietor
Membership no: 446095



For and on behalf of the Board of Directors

SD/-
CHANDRA KUMAR JAIN
(DIRECTOR)

SD/-
ARUSHI JAIN
(DIRECTOR)

Date: 06-07-2021
Place : Muzaffarnagar
UDIN :-21446095AAAACC9911

GULSHAN HOLDING PRIVATE LIMITED
Consolidated Statement of Cash Flow for the year ended 31st March, 2021

Particulars	Year ended 31/03/2021	(Rs.in Lakhs) Year ended 31/03/2020
A. Cash flow from operating activities		
Profit before Tax		
Adjustment for :	9,370.31	2,906.33
Depreciation and Amortization Expenses		
Dividend income	3,256.09	3,102.35
Dividend Paid & Dividend Distribution Tax	(1.22)	(1.47)
Allowance for Doubtful trade receivables	123.25	497.78
(Gain) / Loss on disposal of property, plant and equipment	98.32	-
(Gain) / Loss on disposal of investment	(82.02)	(6.68)
Comprehensive Income/(Loss)	(10.55)	-
Interest income	82.12	(19.01)
Interest expenses	(135.12)	(306.27)
Cash generated from operations before working capital changes	<u>679.05</u>	<u>1,143.48</u>
Adjustment for :	13,360.23	7,316.51
Decrease/(increase) in other Non Current and Current assets	(265.48)	(2,400.48)
Decrease/(increase) in Trade receivables	(1,699.57)	(8,236.90)
Decrease/(increase) in Inventories	(395.01)	(8,650.06)
(Decrease)/increase in Trade and Other payables	1,821.28	6,310.04
(Decrease)/increase in Provisions	15.93	180.02
Cash generated from operating activities	<u>(522.83)</u>	<u>(12,797.38)</u>
Direct taxes paid (net of refunds)	(1,645.90)	(239.39)
Cash flows before exceptional items	<u>11,191.50</u>	<u>(5,720.26)</u>
Exceptional items	-	-
Net Cash flow generated from operating activities (A)	<u>11,191.50</u>	<u>(5,720.26)</u>
B. Cash Flow from Investing activities		
Sale (Takeover) of Property, Plant and Equipment, vehicle	208.40	(29,414.19)
Purchase of Property, Plant and Equipment	(1,465.30)	-
(Purchase) /Sale of investment	13.05	-
Share Capital & Reserves in Subsidiary Taken over	(788.20)	17,878.97
(Increase)/Decrease in Investment including Cancellation of Investment in Subsidiary	-	10,388.55
Interest income	135.12	306.27
Gain/(Loss) on disposal of Assets & Property, Plant and Equipment	-	6.68
Dividend income	1.22	1.47
Net Cash Flow Generated from investing activities (B)	<u>(1,895.70)</u>	<u>(832.25)</u>
C. Cash flow from Financing activities		
Interest expenses	(679.05)	(1,143.48)
Receipt/(Repayment) of long-term borrowings	(1,055.94)	2,145.53
Receipt/(Repayment) of short-term borrowings	(5,960.93)	5,960.93
Dividend paid	(123.25)	(401.34)
Dividend distribution tax paid	-	(98.44)
Net Cash flow Generated from financing activities (C)	<u>(7,819.17)</u>	<u>6,465.20</u>
Net increase in cash and cash equivalents (A+B+C)	<u>1,476.62</u>	<u>(87.31)</u>
Cash and cash equivalents at the beginning of the year	<u>317.83</u>	<u>405.14</u>
Cash and cash equivalents at the half year end	<u>1,794.45</u>	<u>317.83</u>
	0.01	

Note:

1. The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) Statement of Cash Flows.

The Accompanying notes form an integral part of the financial statements

As per our report of even date

For Aashish Bathia & Co.

Chartered Accountants

(Registration No. 026211C)

Muzaffar

Nagar

(U.P.)

Proprietor

Membership no: 446095

Date: 06-07-2021

Place : Muzaffarnagar

UDIN :-21446095AAAACC8911

For and on behalf of the Board of Directors

SD/-

CHANDRA KUMAR JAIN
(DIRECTOR)

SD/-

ARUSHI JAIN
(DIRECTOR)

GULSHAN HOLDINGS PRIVATE LIMITED

Year Ended 31.3.2021

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of Preparation of Consolidated Financial Statements

(i) Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013. The Group adopted Ind AS from 1st April, 2017.

(ii) Basis of Preparation

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 – Share-based Payment, leasing transactions that are within the scope of Ind AS 116 – Leases, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period; they are recognized in the period of the revision and future periods if the revision affects both current and future periods.

(iii) Basis of Consolidation

The Consolidated Financial Statements (CFS) include the financial statements of the Company and its subsidiary. The Consolidated financial statements have been prepared on the following basis:

The consolidation is done on line-by-line basis as has been done in last Financial year.

The Assets, Liabilities, Income and Expenses of subsidiary are aggregated and consolidated, line by line. The profit for the period along with the profit of the holding company has been reflected in the retained earnings for the year. Profit or loss and each component of other comprehensive income are attributed to the Group as owners and to the non-controlling interests. The Group presents the non-controlling interests in the Balance Sheet within equity, separately from the equity of the Group as owners.

All intra group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

As far as possible, the consolidated financial statements are prepared using accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the company's separate financial statements.



(iv) Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

1.2 Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note No.1.5. Accounting estimates could change from period to period. Revision to accounting estimates are recognized in the period in which the estimates are revised and in any future period affected. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of the changes in circumstances surrounding the estimates.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

1.3 Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- ▶ Expected to be realized or intended to be sold or consumed in normal operating cycle
- ▶ Held primarily for the purpose of trading
- ▶ Expected to be realized within twelve months after the reporting period, or
- ▶ Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- ▶ It is expected to be settled in normal operating cycle
- ▶ It is held primarily for the purpose of trading
- ▶ It is due to be settled within twelve months after the reporting period, or
- ▶ There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

All assets and liabilities have been classified as current or noncurrent according to the Group's operating cycle and other criteria set out in the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of current non-current classification of assets and liabilities.



1.4 Foreign currencies

These financial statements are presented in INR, which is also the functional currency of the Group. All financial information presented in INR has been rounded to the nearest lakhs.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognized in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

1.5 Critical estimates and judgments

The preparation of financial statements requires the use of accounting estimates which by definition will seldom equal the actual results. Management also needs to exercise judgment in applying the Group's accounting policies.

This note provides an over view of the areas that involved a higher degree of judgment or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgment are:

- Estimation of Defined benefit obligation - refer Note No.1.17
- Estimation of current tax expenses - refer Note No.1.8
- Useful life of Property, plant and equipment - refer Note No.1.10
- Valuation of Inventory - refer Note No.1.14
- Provisions and Accruals - refer Note No.1.16
- Contingencies - refer Note No.1.16

1.6 Fair value measurement

The Group measures financial instruments at fair value as per Ind AS 113 at each balance sheet date.

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.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.



The fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

Level 1- Quoted prices (unadjusted) 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 (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3- Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

For assets and liabilities that are recognized in the financial statement on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

1.7 Revenue from contracts with customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

(i) Sale of goods

Revenue from the sale of goods is recognized at the point in time when control of the asset is transferred to the customer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, sales tax and applicable trade discounts and volume rebates. Revenue includes shipping and handling costs billed to the customer.

(ii) Interest income

Interest income primarily comprises of interest from term deposits. Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss.

(iii) Dividend

Dividend income from investment is accounted for when the right to receive is established, which is generally when shareholders approve the dividend.

(iv) Other Income

Other income is recognized when no significant uncertainty as to its determination or realization exists.

(v) Export Incentives

Export incentives are recognized when the incentives are received from the government authorities.

Export entitlements from government authorities under the Merchandise Exports from India Scheme (MEIS) and Service Exports from India Scheme (SEIS), Duty Draw Back scheme is recognized in the statement of profit and loss based on receipt of the scrip from the government authorities.

1.8 Taxes

Tax expenses comprise of current and deferred tax:

Current income tax

- a. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.
- b. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.



Deferred tax

- a. Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.
- b. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.
- c. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.
- d. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.
- e. The Group recognizes tax credits in the nature of MAT credit as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period, i.e., the period for which tax credit is allowed to be carried forward. In the year in which the Group recognizes tax credits as an asset, the said asset is created by way of tax credit to the Statement of Profit and Loss. The Group reviews such tax credit asset at each reporting date and writes down the asset to the extent, the Group does not have convincing evidence that it will pay normal tax during the specified period.
- f. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.
- g. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

1.9 Earnings per share

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

1.10 Property, Plant and Equipment Recognition and measurement

Construction in progress is stated at cost, net of accumulated impairment losses, if any. Property, plant and equipment are initially recognized at cost after deducting refundable purchase taxes and including the cost directly attributable to bring the asset to the location and conditions necessary for it to be capable of operating in the manner intended by the management, borrowing cost in accordance with the established accounting policy, cost of restoring and dismantling, if any, initially estimated by the management.

After the initial recognition the property, plant and equipment are carried at cost less accumulated depreciation and impairment losses. Cost of Self-constructed asset is determined using the same principles as for acquired assets after eliminating the component of internal profits.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

Depreciation has been provided on written down value method in terms of expected life span of assets specified in Schedule – II of the Companies Act, 2013 or as determined by management. The Group, based on technical assessment made by technical expert and management estimate, depreciates certain items of building, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The residual value and useful life are reviewed annually, and any deviation is accounted for as a change in estimate.

Cost of lease hold land are written off over the primary lease period of the land except of the leasehold land, held by the company on the date of transition, which is amortized over the remaining useful lives of the assets. Freehold land is not depreciated.

The estimated useful lives, residual values and depreciation methods are reviewed at each financial year end and the effect of any change is accounted for on prospective basis.



The carrying amount of the all property, plant and equipment are derecognized on its disposal or when no future economic benefits are expected from its use or disposal and the gain or loss on de-recognition is recognized in the statement of profit & loss.

1.11 Intangible Assets

Acquired intangible assets are initially recognized at cost after deducting refundable purchase taxes and including the transaction cost, if any. After initial recognition, intangibles are carried at cost less accumulated amortization and impairment losses.

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. Computer software development costs for in-house developed software is recognized as assets are amortized on a written down value basis over their estimated useful life.

The estimated useful lives, residual values and amortization method are reviewed at each financial year end and the effect of any change is accounted for on prospective basis.

1.12 Borrowing costs

Borrowing costs 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 or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

1.13 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

Lease Liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments), or a change in the assessment of an option to purchase the underlying asset. The Company's lease liabilities are included in Interest-bearing loans and borrowings



Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

1.14 Inventories

Inventories consist of raw materials, packing materials, stores and spares, work-in-progress and finished goods and stock of traded goods, which are measured at the lower of cost and net realizable value.

Cost includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of finished goods and work-in-progress, cost includes and appropriate share of overheads based on normal operating capacity. Stores and spares, that do not qualify to be recognized as property, plant and equipment, consist of packing materials, engineering spares (such as machinery spare parts) and consumables, which are used in operating machines or consumed as indirect materials in the manufacturing process. The basis of measurement of cost is as follows:

- (i) **Raw Materials, Packing Materials and Stores & Spares:** FIFO basis
- (ii) **Finished Goods:** Cost of input plus appropriate overhead.
- (iii) **Work-in-Progress:** Cost of input plus overhead up-to the stage of completion.
- (iv) **By- Products:** At net realizable value
- (v) **Stock-In-Trade:** FIFO Basis

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

1.15 Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognized in the statement of profit and loss if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount.

Impairment losses, other than those recognized on goodwill, that have been recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.



1.16 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent Liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Disputes, liabilities and claims against the company including claims raised by fiscal authorities (e.g. GST, Income Tax etc.) pending in appeal / court for which no reliable estimate can be made and or involves uncertainty of the outcome of the amount of the obligation or which are remotely poised for crystallization are not provided for in accounts but disclosed in notes to accounts.

According to the information and explanations given to us, there are no dues of Income-tax or Goods and Service tax or duty of Customs or duty of Excise or Value added tax which have not been deposited by the group on account of disputes, except for the following:

Name of the Statute	Nature of Dues	Amount (Rs. In Lakhs)	Period to which the amount relates	Forum where pending	REMARKS
Central Excise Act 1944	Excise Duty	44.92	2011-12	CESTAT ALLAHABAD	Rs. 4.49 Lakh Deposit. Pertains to Subsidiary

Contingent Assets

Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

1.17 Employee benefits

a. Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, short term compensated absences etc., and the expected cost of bonus, ex-gratia are recognized in schemes is recognized during the period in which the employees render the related services.

b. Post-Employment Benefits:

i) Defined Contribution Plans:

State governed Provident Fund Scheme and Employees State Insurance Scheme are defined contribution plans. The contribution paid / payable under the schemes is recognized during the period in which the employees render the related services.

ii) Defined Benefit Plans:

The Company has Defined Benefit Plan for post-employment benefit in the form of Gratuity for eligible Employees, which is administered through a Gratuity Policy with Life Insurance Corporation of India (L.I.C). Gratuity Liability based on actuarial valuation as per Ind AS 19. Liability recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the end of each reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuary using the projected unit credit method. The present value of defined benefit is determined by discounting the estimated future cash outflows by reference to market yield at the end of each reporting period on government bonds that have terms approximate to the terms of the related obligation. The interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The cost is included in employee benefit expense in the statement of profit and loss. Actuarial gain / loss arising from experience adjustments and changes in actuarial assumptions are credited / debited to "other comprehensive income" forming part of other equity.



1.18 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial Recognition and Measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial assets.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

Subsequent Measurement

For purpose of subsequent measurement financial assets are classified in two broad categories:

- Financial Assets at fair value
- Financial assets at amortized cost

Where assets that measured at fair value, gains and losses are either recognized entirely in the statement of profit and loss or recognized in other comprehensive income.

A financial asset that meets the following two conditions is measured at amortized cost:

- Business Model Test: The objective of the company's business model is to hold the financial asset to collect the contractual cash flows.
- Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through OCI:

- Business Model Test: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

- All other financial asset is measured at fair value through profit and loss.

All equity investments are measured at fair value in the balance sheet, with value changes recognized in the statement of profit and loss, except for those equity investments for which the entity has elected irrevocable option to present value changes in OCI.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company's balance sheet) when:

The rights to receive cash flows from the asset have expired, or

- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred to control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.



Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

For this purpose, the Company follows 'simplified approach' for recognition of impairment loss allowance on the trade receivable balances. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based in lifetime ECLs at each reporting date, right from its initial recognition.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

Financial Liabilities:

All financial liabilities are initially recognized at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities are classified as measured at amortized cost or fair value through profit and loss (FVTPL). A financial liability is classified as FVTPL if it is classified as held for trading, or it is derivative or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gain or losses, including any interest expense, are recognized in statement of profit and loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit and loss.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Derecognition

A financial liability is derecognized when the obligation under liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the financial statements if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

1.19 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

1.20 Impact of Covid-19 Pandemic:

The outbreak of COVID-19 pandemic globally and in India is causing significant disturbance and slowdown of economic activity. COVID-19 has caused interruption in production, supply chain disruption, etc. during last week of March, 2020 and thereafter. The management of the Company has exercised due care in concluding significant accounting judgments and estimates in preparation of the financial results. In view of there being no comments of the impact of COVID-19 in the accounts of the subsidiary and impact of COVID-19 is visible on the sudden decline in the temporary market valuation of investments held by the company. The Company considers the impact as a temporary aberration, having no major impact of Covid-19. Thus, no effect of COVID- 19 has been made in the financial statements during the year.



STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2021

A. Equity Share Capital		(Rs. In Lakhs)
Opening Balance as at April 01, 2019	7.07	
Changes during the year	-	
Closing balance as at March 31, 2020	7.07	
Change during the year	-	
Closing balance as at March 31, 2021	7.07	

Particulars	Capital Reserve on Consolidation	RESERVES AND SURPLUS				Attributable to owners of the parent	Non-controlling Interests	Total
		General Reserve	Retained Earnings					
Balance as at 1st April 2019	-	278.36	3,535.58	4,113.94	15,863.45	14,870.10	4,113.94	
Profit for the year	911.56	-	261.01	1,172.57	1,172.57	-	2,175.18	
Amount Transfer to General Reserve	-	36.39	(30.39)	(9.75)	-	(9.26)	-	
Other Comprehensive Income (net of tax)	(8.44)	-	(1.31)	(2,965.69)	76.32	-	(2,965.69)	
Investment made in GPIL	(2,965.69)	-	-	76.32	-	-	76.32	
Adjustment of MAT of earlier year's	-	-	76.32	-	-	-	76.32	
Share of Parent with respect to addition during the year	15,658.97	-	-	15,658.97	-	-	30,529.07	
As at 31st March 2020	13,596.40	316.75	4,133.21	18,045.36	15,863.45	14,870.10	33,909.81	
Balance as at 1st April 2020	13,596.40	316.75	3,480.50	18,046.36	15,863.45	2,794.54	33,909.81	
Profit for the year	-	-	34.92	34.92	34.92	27.20	62.12	
Other Comprehensive Income (net of tax)	-	-	(123.25)	(123.25)	(123.25)	-	(123.25)	
Dividend Distributed	-	-	938.80	938.80	938.80	(1,603.74)	(664.95)	
NCI Transferred to retained Earnings due to Further acquisition of Shares	-	-	-	-	-	-	-	
As at 31st March, 2021	13,596.40	316.75	8,464.18	22,377.33	17,021.44	-	39,398.77	

The accompanying notes from 1 to 41 form an integral part of the financial statements

Significant accounting policies

Notes to the financial statements
The accompanying notes 1 to 41 are an integral part of the financial statements

For and on behalf of the Board of Directors



CHANDRABHA BATHLA
(DIRECTOR)

ARUSHI JAIN
(DIRECTOR)

Date: 06-07-2021
Place: Muzaffarnagar
UDIN :-21446955AAAAACC9911

2. PROPERTY, PLANT AND EQUIPMENT

	Free hold Land	ROU (Right of Use of Asset)	Building	Plant and Equipment	Office Furniture and Equipment	Vehicle	Total
Gross Block	131.86	-	10.94	32,601.11	167.94	437.57	142.80
Balance as at 1st April 2019	236.72	634.07	4,009.60	1,295.46	21.93	111.86	36,129.02
Addition on account of Consolidation	-	334.80	114.52	48.49	-	21.01	1,676.90
Additions	-	-	23.03	33,831.09	209.87	306.46	40,038.29
Disposals	390.68	232.27	4,119.03	533.48	11.53	59.14	1,483.75
Balance as at 1st April 2020	-	114.06	-	-	-	-	173.20
Disposals	390.98	1,087.09	4,119.03	34,764.57	221.40	775.16	41,348.84
Accumulated Depreciation	-	-	2.88	9,796.91	77.25	206.54	2.80
Balance as at 1st April 2019	-	-	732.80	2,049.01	32.57	18.20	10,837.44
Addition on account of Consolidation	-	-	310.22	0.43	-	-	3,099.43
Additions	-	-	-	12,446.19	109.62	271.80	13,913.97
Disposals	-	-	1,046.90	2,816.16	28.91	68.19	3,283.02
Balance as at 1st April 2020	-	-	281.09	-	-	-	46.92
Additions	-	-	1,326.59	15,282.46	138.73	312.95	17,126.16
Disposals	-	-	-	19,602.11	82.67	462.22	24,222.68
Net Block	390.68	1,012.05	2,773.04	19,502.11	160.04	462.22	26,118.32
Balance as at 31st March 2021	390.68	922.52	3,064.13	21,284.79	160.04	256.26	26,118.32
Balance as at 31st March 2020	131.86	-	8.06	-	-	-	139.92

(Rs. in Lakhs)

1. CAPITAL WORK IN PROGRESS		As at 31st March, 2021	As at 31st March, 2020
Capital Work in Progress consist of the following:			
Work in progress		303.11	321.59
Total		303.11	321.59

(Rs. in Lakhs)

4. INTANGIBLE ASSETS		As at 31st March, 2021
Gross Block (Software)		21.96
Balance as at 1st April 2019		1.01
Additions		-
Disposals		23.00
Balance as at 31st March 2020		-
Additions		23.00
Disposals		-
Balance as at 31st March 2021		7.20
Accumulated Depreciation		3.92
Balance as at 1st April 2019		-
Additions		11.11
Disposals		3.08
Balance as at 31st March 2020		-
Additions		14.19
Disposals		-
Balance as at 31st March 2021		8.81
Net Block		11.88
Balance as at 31st March 2020		14.79
Balance as at 31st March 2019		-

(Rs. in Lakhs)



(Rs.in Lakhs)

5. INVESTMENTS	As at	As at
NON-CURRENT INVESTMENTS	31st March, 2021	31st March, 2020
Long Term Investment		
In Others (at cost unless stated otherwise)		
(a) Quoted		
(i) 50,000 equity shares in Genus Power Infrastructures Ltd of Re 1/- each	0.25	0.25
(ii) 50,000 equity shares in Genus Paper & Boards Ltd.	0.25	0.25
(Previous year 50,000 equity Shares in Genus Power Infrastructured Ltd, of Re 1/- each)		
(iii) 1500 equity shares of Rs. 2/- each fully paid-up in J.P. Associates Ltd.	2.06	2.06
(iv) 25,000 equity shares of Rs. 10/- each in Rashtriya Chemicals & Fertilizers Ltd.	20.69	20.69
(v) 25,000 equity shares of Rs. 2/- each in Suzion Energy Ltd.	19.65	19.65
(b) Unquoted (at cost unless stated otherwise)		
(i) 2,49,300 equity shares in Dhaulana Sugar Industries Ltd. Of Rs.10 each paid up Re. 1/- per share	-	2.49
Investment in Others		
(ii) 10,500 equity shares of Rs. 10 each -BEIL Infrastructure Ltd.	1.05	1.05
(iii) 4,09,025 equity shares of Rs. 10 each - Narmada Clean Tech Ltd.(formerly named as Bharuch Eco-Aqua Infrastructure Ltd.)	40.90	40.90
Total	84.85	87.35

(Rs.in Lakhs)

6. Loans	As at	As at
Particulars	31st March, 2021	31st March, 2020
NON-CURRENT		
(Unsecured, Considered good)		
Security Deposits	506.93	459.66
Total	506.93	459.66

(Rs.in Lakhs)

7. Other Financial Assets (Non Current)	As at	As at
Particulars	31st March, 2021	31st March, 2020
NON-CURRENT		
Bank Deposits with maturity of more than 12 months as Margin Money	796.78	179.01
Total	796.78	179.01

Bank Deposits in form of FDR having maturity period of more than 12 months is kept as margin money against Bank guarantees

8. DEFERRED TAX ASSETS (NET)	(Rs.in Lakhs)	(Rs.in Lakhs)
Particulars	As at	As at
	31st March, 2021	31st March, 2019
Depreciation and amortisation	-	(1,469.85)
Mat Credit Available	-	1,490.63
Total	-	20.78

9. OTHER NON-CURRENT ASSETS	(Rs.in Lakhs)	(Rs.in Lakhs)
Particulars	As at	As at
	31st March, 2021	31st March, 2020
Capital Advances	-	15.85
Other Loans & Advances	136.00	127.80
Balance with Government Authorities	-	11.00
Balance with Gratuity fund	44.08	1.50
Total	180.08	156.15

10. INVENTORIES	(Rs.in Lakhs)	(Rs.in Lakhs)
Particulars	As at	As at
	31st March, 2021	31st March, 2020
(i) Raw Materials	4,648.21	3,617.19
(ii) Work in Progress	749.80	695.18
(iii) Finished Goods	1,898.08	2,557.71
(iv) Stock in Traded Goods	35.08	94.77
(v) Stores, Spares & Packing	523.24	435.91
(vi) Coal, Fuel & Chemicals	1,190.65	1,249.29
Total	9,845.07	8,650.06



(Rs.in Lakhs)

11. TRADE RECEIVABLES

Particulars	As at 31st March, 2021	As at 31st March, 2020
Un-secured and Considered Good	9,838.15	8,168.58
Considered Doubtful		68.32
Total	9,838.15	8,236.90

Note: A provision of Rs.98.31 Lakh on doubtful trade receivable has been made during the year.

(Rs.in Lakhs)

12. CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2021	As at 31st March, 2020
Cash in hand	6.41	11.96
Balance with Banks -In Current accounts	1,788.03	305.87
Total	1,794.44	317.83

(Rs.in Lakhs)

13. Other Financial Assets

Particulars	As at 31st March, 2021	As at 31st March, 2020
Other Bank Balances (Term Deposits with original maturity more than 3 months and less than 12 months)	53.36	1,004.28
Unpaid dividend account	66.95	73.41
Total	120.31	1,077.69

(Rs.in Lakhs)

14. OTHER CURRENT ASSETS

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured and Considered Good	11.19	9.88
Advance to Employees	1,350.97	323.63
Advance to suppliers and service providers	1,789.35	370.66
Advance/Current Taxes	304.03	276.21
Balance with Govt. Authorities	2,149.40	2,444.80
Other Advances		
Total	5,604.95	3,425.18



15. EQUITY SHARE CAPITAL

(Rs. in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Authorized Equity Share Capital: 55,500 Equity shares of Rs. 1000 each	555.00	555.00
Issued, Subscribed and Paid up: 707 Equity shares of Rs. 1000 each (Previous year 707 Equity shares of Rs. 1000 each)	7.07	7.07
Total	7.07	7.07

(a) Reconciliation of Number of Equity Shares outstanding at the beginning and at the end of the reporting period

(Rs. in Lakhs)

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	No. of shares	Amount (1 Rs Each)	No. of shares	Amount (1 Rs Each)
Equity Shares Shares outstanding at the beginning of the year	707	7.07	707	7.07
Add: Issued during the year	-	-	-	-
Closing balance	707	7.07	707	7.07

(b) Details of shares held by Equity Shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholder	As at 31st March, 2021		As at 31st March, 2020	
	No. of shares held	% of holding	No. of shares held	% of holding
(i) Dr. C. K. Jain	182	25.74%	182	25.74%
(ii) Mrs. Mindula Jain	173	24.47%	173	24.47%
(iii) Mrs. Aditi Passari	124	17.54%	124	17.54%
(iv) Mrs. Anurati Jain	106	15.20%	106	15.20%
(v) Mrs. Anubha Gupta	120	16.97%	120	16.97%

16. OTHER EQUITY

(Rs. in Lakhs)

Particulars	RESERVES AND SURPLUS		Attributable to owners of the parent		Non-controlling interests	Total
	Capital Reserve on Consolidation	General Reserve	Retained Earnings	Non-controlling interests		
Balance as at 1st April 2020	13,596.40	316.75	4,133.21	15,863.45	33,906.81	
Profit for the year	-	-	3,480.50	2,734.54	6,215.04	
Other Comprehensive Income (net of tax)	-	-	34.92	27.20	62.12	
Dividend Distributed	-	-	(123.25)	(123.25)	(123.25)	
NCI Transferred to retained Earnings due to Further acquisition of Shares	-	-	938.80	(1,803.74)	(864.95)	
Balance as at 31st March 2021	13,596.40	316.75	8484.18	22,377.23	39,398.77	

Particulars	RESERVES AND SURPLUS		Attributable to owners of the parent		Non-controlling interests	Total
	Capital Reserve on Consolidation	General Reserve	Retained Earnings	Non-controlling interests		
Balance as at 31st March, 2019	-	278.36	3,835.56	4,113.94	-	4,113.94
Profit for the year	911.56	-	261.01	1,172.57	1,002.61	2,175.18
Amount Transfer to General Reserve	-	(8.44)	(38.30)	-	-	(46.74)
Other comprehensive Income for the year, net of income tax	-	-	(1.31)	(9.75)	(9.28)	(19.01)
Investment made in GPI	(2,965.69)	-	76.32	(2,965.69)	-	(2,965.69)
Adjustment of MAT of earlier year's	-	-	-	76.32	-	76.32
Share of Parent with respect to addition during the year	15,658.97	-	-	15,658.97	14,870.10	30,529.07
Balance as at 31st March, 2020	13,596.40	316.75	4,133.21	16,946.36	16,863.45	33,909.81



17. FINANCIAL LIABILITIES –NON CURRENT BORROWINGS

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Secured Loans		
(i) Term Loan from bank measured at Amortised Cost	-	1,000.00
(ii) Long term maturities of Finance Lease obligations/ hire purchase finance	-	133.94
		1,133.94
Unsecured		
9,75,000, 8% Redeemable Preference shares of Rs. 100 each (refer note xxx below)	1,053.00	975.00
	1,053.00	975.00
Total	1,053.00	2,108.94
(a) Nature of security for secured borrowings are given below:		
(i) Term Loans from Banks	-	2,949.75
The Immovable and Movable Assets of the Unit Located at Boregoan Industrial Area, Distt.Chhindawara (M.P.) and Abu Road, Sirohi, Rajasthan are charged to Citi Bank by way of First charge for External Commercial Borrowings(ECB) of USD 11.60 million.		
The Immovable Assets of the Unit Located at the Jhagadia Industrial Estate, Dist Bharuch (Gujarat) and movable assets of Units located at Muzaffarnagar (UP) are charged to The Hongkong & Shanghai Banking Corporation Ltd. by way of First charge on pari-passu with Citi Bank for Term Loan of Rs 40 crores.		
(ii) Long term maturities of Finance Lease obligations	-	133.94
Above loans are secured against vehicles purchased through Banks under hire purchase agreements.		
(b) The aggregate amount of loans under each head guaranteed by Directors or others are given below:		
Term Loans from Banks	-	2,949.75
Above term loans are secured by personal guarantee of the Promoter Director.		
Redeemable Preference Share capital includes interest of Rs.78 Lacs.		

18. Other Financial Liabilities

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Lease Liabilities	133.48	41.01
Total	133.48	41.01

19. DEFERRED TAX LIABILITIES (NET)

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Depreciation and amortisation	1,476.45	-
Mat Receivables	(44.49)	-
Total	1,431.96	-

20. SHORT TERM BORROWINGS

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Secured loans		
Working Capital Loan	-	5,960.93
Total	-	5,960.93
(a) The Working Capital Loans are secured by the Hypothecation of Present and Future stock of Raw Materials, Stores, Stock in Process, Chemicals and Consumables, Fuels, Packing, Finished Goods etc. and Book Debts of the Company.		
(b) The Loan is further secured by way of a Second Charge on Fixed Assets of the Company and personal guarantee of Promoter Director of the Company.		

21. TRADE PAYABLES

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Trade Payables consist of the following:		
- micro, small and medium enterprises	231.74	229.60
- others	5,399.04	2,658.10
Total	5,630.78	2,887.70

22. OTHER FINANCIAL LIABILITIES

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
(a) Interest accrued but not due on borrowings	-	7.00
(b) Current maturities of long term debt	-	2,003.59
(c) Unclaimed dividends	66.95	73.41
(d) Capital liabilities	5.00	43.96
(e) Expenses payable	667.48	525.93
(f) Lease Liability	13.37	0.68
Total	752.79	2,654.57



23. OTHER CURRENT LIABILITIES

(Rs. in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
(a) Advance from Customers	324.15	221.50
(b) Other liabilities	1,383.39	598.52
Total	1,707.55	820.02

24. PROVISIONS

(Rs. in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Employee Benefits	512.20	180.56
Total	512.20	180.56

25. REVENUE FROM OPERATIONS

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Revenue		
(a) Sale of Product (including excise duty)	74,438.99	59,705.59
(b) Freight and Handling Charges recovered	606.59	403.05
(c) Income from Interest	69.51	212.72
(i)	75,116.10	60,321.36
Other Operating Revenues		
(i) Export and Other Incentives	204.14	429.63
(ii) Miscellaneous Receipts & claims	60.85	116.35
(iii) Sales- Scrap & Waste Material	153.13	139.78
(iv) Foreign Exchange Fluctuations	83.93	129.97
(v) Lease Rent, Operation & Maintenance Charges	1,055.81	1,155.39
(ii)	1,557.86	1,971.12
REVENUE FROM OPERATIONS (I+II)	76,672.95	62,292.49

(A) Revenue from contracts with customers disaggregated based on nature of products or services.

Revenue from sale of products		
i) Mineral Processing	8,118.46	11,741.33
ii) Grain Processing	53,657.52	47,862.81
iii) Distillery	13,269.61	504.50
iv) Unallocated	69.51	212.72
Other Operating Revenues		
(i) Export and Other Incentives	204.14	429.63
(ii) Miscellaneous Receipts & claims	60.85	116.35
(iii) Sales- Scrap & Waste Material	153.13	139.78
(iv) Foreign Exchange Fluctuations	83.93	129.97
(v) Lease Rent, Operation & Maintenance Charges	1,055.81	1,155.39
Total	76,672.95	62,292.49

(B) Revenue from contracts with customers disaggregated based on geography

Domestic	68,756.38	60,407.21
Export	5,680.61	9,298.38
Total	74,438.99	59,705.59

(C) Reconciliation of gross revenue with the revenue from contracts with customers

Gross revenue #	74,482.81	59,753.60
Less: discounts	(43.82)	(48.01)
Total	74,438.99	59,705.59

Revenues are recorded at a point in time. The Company has no remaining performance obligations once the goods are delivered to the customer as per terms of the contract.

(D) Receivables, contract assets and contract liabilities from contracts with customers

Trade receivables*	9,838.15	8,236.90
Contract balances		
- Advances from customers**	(324.15)	(221.50)
Total	9,514.00	8,015.40

* Trade receivables are non-interest bearing and are generally due within 0 to 90 days. There is no significant financing component in any transaction with the customers.

** The adjustments of advances during the year are not considered to be significant.

26. OTHER INCOME

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Interest Income		
On Bank Deposits & Others	65.61	93.55
(b) Dividend Income		
On Investments	1.22	1.47
(c) Gain / (Loss) on sale of investments (Net)		
On Investments	10.55	-
(d) Profit/ (Loss) on property, plant and equipment sold / discarded (Net)	82.02	0.18
(e) Other Non-Operating Income	26.50	6.50
Total	185.91	101.70



(Rs.in Lakhs)

27. COST OF MATERIALS CONSUMED

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Raw Material	36,055.47	35,496.96
Total	36,055.47	35,496.96

(Rs.in Lakhs)

28. PURCHASE OF GOODS TRADED

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Purchase of Stock in Trade	471.74	704.73
Total	471.74	704.73

(Rs.in Lakhs)

29. CHANGE IN INVENTORIES

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Opening inventories		
(a) Traded Goods	94.77	46.64
(b) Work in progress	695.18	640.19
(c) Finished Goods	2,557.71	1,812.45
	3,347.66	2,499.27
(b) Less: Closing Inventories		
(a) Traded Goods	35.08	94.77
(b) Work in progress	749.80	695.18
(c) Finished Goods	1,898.08	2,557.71
	2,682.97	3,347.66
Total	664.69	(848.39)

(Rs.in Lakhs)

30. EMPLOYEE BENEFITS EXPENSES

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Salaries and Wages	2,585.55	2,006.87
(b) Contribution to Provident and Other Funds	122.76	78.96
(c) Employee Welfare	157.87	125.78
Total	2,866.18	2,211.63

(Rs.in Lakhs)

31. FINANCE COST

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Interest & Charges on Bank borrowing for working Capital	432.74	656.03
(b) Interest on Term and Other Loans	168.31	393.58
(c) Gain on foreign currency transactions and translation	78.00	93.87
(d) Interest Expenses recognised on Redeemable Preference Shares	-	-
Total	679.05	1,143.48

(Rs.in Lakhs)

32. DEPRECIATION AND AMORTIZATION EXPENSES

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Depreciation on Property, Plant and Equipment	3,253.02	3,098.43
(b) Amortisation on Intangible Assets	3.08	3.92
Total	3,256.09	3,102.35



33. OTHER EXPENSES

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Process Chemicals & Consumables	5,393.81	3,697.47
(b) Stores, Spare Parts & Packing	2,864.37	2,127.64
(c) Power and Fuel	8,310.81	6,627.94
(d) Repair & Maintenance:		
-Building	4.51	4.50
-Plant & Machinery	1,263.21	647.05
(e) Rates and Taxes	335.99	127.00
(f) Rent	109.55	79.32
(g) Printing and Stationary	26.51	24.26
(h) Advertisement and Publicity	4.83	4.07
(i) Subscription and Membership fees	9.62	10.72
(j) Travelling Expenses	114.06	177.18
(k) Legal and Professional Expenses	227.47	224.92
(l) Payment to Auditors*	8.42	6.47
(m) Communication Charges	46.73	56.01
(n) Repair and Maintenance	50.16	47.31
(o) Insurance	92.28	82.33
(p) Donation	0.63	1.67
(q) Corporate Social Responsibility expenses**	218.09	37.46
(r) Miscellaneous Expenses	23.41	9.25
(s) Allowance for Doubtful trade receivables	98.32	-
(t) Commission & Discount	125.38	133.92
(u) Freight and Forwarding Expenses	4,099.14	3,489.27
(v) Others	68.00	61.34
Total	23,495.32	17,677.09
(*) (c) Details of Auditors Remuneration are as follows:		
(i) Statutory Audit Fees	6.67	5.22
(ii) Limited Review Fee	1.25	1.00
(iii) Reimbursement of expenses		
(iv) Other Management Services, Consultancy and certification Charges	0.50	0.25
	8.42	6.47

34. EARNINGS PER SHARE (EPS)

i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (Rs. in lakhs)	3,515.42	1,162.82
ii) Number of equity shares used as denominator for calculating EPS	707	707
iii) Number of Diluted Equity Share (Amount in Rs.)	707	707
iv) Basic Earning per share (Amount in Rs.)	497,230.55	164,472.88
v) Diluted Earning per share (Amount in Rs.)	497,230.55	164,472.88
vi) Face value per equity share (Amount in Rs.)	1,000	1,000



35. Additional Information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

Name of the entity	31 st March 2021			
	Net Assets		Share in Profit or (Loss)	
	As % of consolidated net assets	Amount (Rs. in Lakhs)	As % of consolidated	Amount (Rs. in Lakhs)
PARENT Gulshan Holdings Pvt. Ltd.	2.23	879.04	-0.49	-30.51
SUBSIDIARY Gulshan Polyols Ltd.	97.77	38,526.80	100.49	6,245.55
Grand Total	100.00	39,405.84	100.00	6,215.04

Name of the entity	Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated other Comprehensive Income	Amount (Rs. in Lakhs)	As % of consolidated Total Comprehensive Income	Amount (Rs. in Lakhs)
PARENT Gulshan Holdings Pvt Ltd	-	-	-0.49	-30.51
SUBSIDIARY Gulshan Polyols Ltd.	100.00	62.12	100.49	6,307.67
Grand Total	100.00	62.12	100.00	6,277.16

36. INCOME TAX

a. Amounts recognized in profit or loss

(Rs in lakhs)

Particulars	31 st March 2021	
Current tax expense		
Current year	1,843.00	
MAT Credit Available	1,305.67	3,148.67
Deferred Tax Expense		6.60
Total Tax Expense		3,155.27

As per Indian tax laws, companies are liable for a Minimum Alternate Tax ("MAT" tax) when current tax, as computed under the provisions of the Income Tax Act, 1961 ("Tax Act"), is determined to be below the MAT tax computed under section 115JB of the Tax Act. The excess of MAT over current tax together with any brought forward MAT credit is eligible to be carried forward and set-off in the future against the current tax liabilities over a period of 15 years.



b. Movement in deferred tax balances

(Rs in lakhs)

Particulars	As at 31 st March 2021
Deferred Tax Assets	
MAT Receivable	44.49
Total Deferred Tax Assets	44.49

Particulars	As at 31 st March 2021
Deferred Tax Liabilities	(1476.45)
Total Deferred Tax Liabilities	(1476.45)
Net Deferred Tax Assets/ (Liability)	(1431.96)

37. The Company has one subsidiary viz Gulshan Polyols Limited. Consolidated Financial Statements have been prepared with its subsidiary in view of Explanation to Section 129(3) of the Companies Act, 2013.

38. Effective 1st April, 2014, the estimated useful lives of fixed assets were revised in keeping with the provisions of Schedule II to the Companies Act, 2013.

39. Disclosures of Related Party transactions as per Ind AS -24

a. Name of related party and nature of related party relationship where control exist:

- i. Holding Company: NIL
- ii. Subsidiary Company: Gulshan Polyols Ltd.

b. Name of related party and nature of related party relationship other than those referred to in (a) above in transaction with the Company:

- (i) Joint Venture etc.: NIL
- (ii) Key Management personnel: Dr. C. K. Jain, Director
Mrs. Arushi Jain, Director
- (iii) Relatives of Key Managerial Personnel: Mrs. Mridula Jain
Mrs. Aditi Pasari
Mrs. Anubha Gupta

(c) Transactions with related parties during the period 01.04.2020 to 31.03.2021 other than the transactions between the Holding and subsidiary company:

(Rs. in Lakhs)

PARTICULARS	Transaction during the year	Outstanding Balance as on 31.03.2021
Remuneration to Key Management Personnel & Relatives	-	-



40. Information on segment reporting pursuant to Ind AS 108

(Rs. in Lakhs)

Particulars	Mineral Processing	Grain Processing	Distillery	Corporate & Others	Total
	31.03.21	31.03.21	31.03.21	31.03.21	31.03.21
Revenue External sales	9237.46	54080.63	13269.60	69.51	76657.20
Un-allocated Sales				15.75	15.75
Total Revenue Results	9237.46	54080.63	13269.60	85.26	76672.95
Segment results before interest and Finance cost	1729.13	6631.03	1579.25	44.86	9984.27
Un-allocable Income					65.09
Operating Profit	1729.13	6631.03	1579.25	44.86	10049.36
Interest Expenses					679.05
Current Tax (Net of Mat Credit/Debit)					3148.67
Deferred Tax Charge / (Credit)					6.60
Net Profit					6215.04

Particulars	Mineral Processing	Grain Processing	Distillery
	31.03.21	31.03.21	31.03.21
Segment Assets	6553.61	28242.84	12810.90
Unallocated Assets	-	-	-
TOTAL ASSETS	6553.61	28242.84	12810.90
Segment Liabilities	1488.72	5214.88	1447.27
Unallocated Liabilities & Provisions	-	-	-
TOTAL LIABILITIES	1488.72	5214.88	1447.27

Particulars	Corporate	Others	Total
	31.03.21	31.03.21	31.03.21
Segment Assets	929.97	1927.60	50464.92
Unallocated Assets	-	2041.24	2041.24
TOTAL ASSETS	929.97	3968.84	52506.16
Segment Liabilities	6.98	-	8157.85
Unallocated Liabilities & Provisions	-	4942.48	4942.48
TOTAL LIABILITIES	6.98	4942.48	13100.33



(1) The Group's corporate strategy aims at creating multiple drivers of growth anchored on its core competencies. The Group is currently focused on four business groups: Mineral Processing, Grain Processing, Distillery and Corporate. The Group's organizational structure and governance processes are designed to support effective management of multiple businesses while retaining focus on each one of them.
The Operating Segments have been reported in a manner consistent with the internal reporting provided to the Corporate Management Committee, which is the Chief Operating Decision Maker.

(2) The business groups comprise the following:

Segment	:	Group Company
• Mineral Processing	:	Subsidiary: Gulshan Polyols Ltd.
• Grain Processing	:	Subsidiary: Gulshan Polyols Ltd.
• Distillery	:	Subsidiary: Gulshan Polyols Ltd.
• Corporate	:	Parent : Gulshan Holding Pvt. Ltd.

(3) The Group is not reliant on revenues from transactions with any single external customer and did not receive 10% or more of its revenues from transactions with any single external customer.

41. Previous year figures have been regrouped/reclassified to make them comparable to current year figures.

As per our report of even date attached.


For Aashish Bathla & Co.
Chartered Accountants
Registration No. 0283430

For and on behalf of the Board of Directors


Aashish Bathla
(Proprietor)
Membership No. 446095




Chandra Kumar Jain
(Director)


Arushi Jain
(Director)

Date: 06-07-2021

Place: New Delhi

UDIN:- 21446095AAAACC9911

INDEPENDENT AUDITORS' REPORT

To The Members of,
East Delhi Importers and Exporters Pvt. Limited
Delhi

Annexure XVI

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **East Delhi Importers and Exporters Pvt. Limited.** ("The Company") which comprise the Balance Sheet as at **March 31, 2021**, and the Statement of Profit and Loss, for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

- In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2021
- In the case of the Statement of Profit and Loss, of the Profit for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility of Management for 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 financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the Accounting principles generally accepted in India, including the accounting standards specified under section 133 of the act. This responsibility also includes the 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 judgment and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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



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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") as amended, 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.
2. As required by Section 143(3) of the Act, we report that:

We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

 - a. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - b. The Balance Sheet, and the Statement of Profit and Loss, dealt with by this Report are in agreement with the books of account.
 - c. In our opinion, the Balance Sheet, and the Statement of Profit and Loss account comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the of the Companies (Accounts) Rules, 2014.;
 - d. On the basis of the written representations received from the directors as on March 31, 2021 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of section 164(2) of the Act.



- e. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of Companies (Audit and Auditors), 2016, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company does not have any pending litigations which would impact its financial position.
 - (ii) The Company did not have any Long Term Contract including Derivative contracts for which there were any material foreseeable Losses.
 - (iii) There were no amounts which were required to be transferred to the investor Education and Protection Fund by the company.

Date : 08-06-2021
Place : MUZAFFARNAGAR
UDIN: 21070408AAAABT3387

For **SHAHID & ASSOCIATES**
Chartered Accountants
(Registration No. 002140C)



(**MOHD. SHAHID**)
Proprietor
Membership No. : 70408
UDIN:

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirement" of our Report of even date to the financial statements of the company for the year ended March 31st 2021:

- (i) In Respect of its Fixed Assets:
 - (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
 - (b) These fixed assets have been physically verified by the management at reasonable intervals in accordance with regular programme of verification. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - (c) The title deeds of immovable properties are held in the name of the company.
- (ii) In Respect of its inventory:

According to the information and explanations given to us, there is no inventory during the year hence this clause is not applicable to the company.
- (iii) According to information and explanations given to us, the company has not granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act 2013.
- (iv) According to information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.
- (v) According to information and explanations given to us the company has not accepted any deposits during the year.
- (vi) Central Government has not prescribed the maintenance of cost records under Sub-section (1) of Section 148 of the Companies Act 2013
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales -tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.
 - (b) According to the information and explanations given to us, no undisputed amount is payable in respect of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess as at March 31, 2021.
- (viii) The company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- (ix) The company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and Also Company has not raised money by term loans during the year.
- (x) According to the information and explanations given to us, we have not noticed or reported any fraud by the company or any fraud on the Company by its officers or employees during the year.
- (xi) According to information and explanations given to us, the company has not paid any managerial remuneration during the year under review hence this clause is also not applicable to the company.
- (xii) This clause of the CARO 2016 is not applicable to the Company as the Company is not a Nidhi Company.



- (xiii) There is no related party transaction during the year with the company hence this point is not applicable to the company.
- (xiv) 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 under review.
- (xv) According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him and the provisions of section 192 of Companies Act, 2013 have been complied with;
- (xvi) This clause of the CARO 2016 is not applicable to the Company as the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Date : 08-06-2021
Place : MUZAFFARNAGAR
UDIN: 21070408AAAABT3387

For **SHAHID & ASSOCIATES**
Chartered Accountants
(Registration No. 002140C)



MOHD. SHAHID)
Proprietor
Membership No. : 70408
UDIN:

“ANNEXURE - B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF “EAST DELHI IMPORTERS AND EXPORTERS PRIVATE LIMITED”

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

We have audited the internal financial controls over financial reporting of **EAST DELHI IMPORTERS AND EXPORTERS PRIVATE LIMITED** (“the Company”) as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. These 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 and understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for my /our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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



Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Date : 08-06-2021

Place : Muzaffarnagar

UDIN:21070408AAAABT3387

For **SHAHID & ASSOCIATES**
Chartered Accountants
(Registration No. 002140C)



(MOHD. SHAHID)

Proprietor

Membership No. : 70408

UDIN:

East Delhi Importers and Exporters Pvt. Limited
Balance Sheet as at 31st March 2021

	Note No.	As at 31/03/2021	As at 31/03/2020
<u>EQUITY AND LIABILITIES</u>			
Shareholders' Funds			
Share Capital	2	100000.00	100000.00
Reserves and Surplus	3	59494987.52	59251858.88
		<u>59594987.52</u>	<u>59351858.88</u>
Non-Current Liabilities			
Deferred Tax Liabilities (Net)	4	17203.00	17734.00
		<u>17203.00</u>	<u>17734.00</u>
Current Liabilities			
Short-term Borrowings	5	0.00	254655.22
Short-term Provisions	6	102089.00	321586.00
		<u>102089.00</u>	<u>576241.22</u>
		<u>59714279.52</u>	<u>59945834.10</u>
<u>ASSETS</u>			
Non-Current Assets			
Fixed Assets	7	13582298.00	13673067.00
		<u>13582298.00</u>	<u>13673067.00</u>
Current Assets			
Current Investments	8	37828020.42	37828020.42
Cash and Bank Balances	9	7829759.10	7656025.68
Short-term Loans and Advances	10	474202.00	788721.00
		<u>46131981.52</u>	<u>46272767.10</u>
		<u>59714279.52</u>	<u>59945834.10</u>

Significant Accounting Policies &
Notes to Financial Statements

As per our report of even date attached
For SHAHID & ASSOCIATES

Chartered Accountants
(Registration NO.-002140C)

(MOHD. SHAHID)

Proprietor

M.NO.-070408

UDIN: 21070408AAAABT3387

Dated:-08-06-2021

Place: Muzaffarnagar



AVDESH KUMAR
DIRECTOR

Aditi Pasari

ADITI PASARI
DIRECTOR

East Delhi Importers and Exporters Pvt. Limited
Statement of Profit and Loss for the period ended 31st March 2021

	Note No.	As at 31/03/2021	As at 31/03/2020
REVENUES			
Other Income			
Total Revenues	11	1135388.44	2378781.00
		<u>1135388.44</u>	<u>2378781.00</u>
EXPENSES			
Employee Benefits Expenses	12	450000.00	828000.00
Finance Costs	13	25095.80	95934.60
Depreciation and Amortization	14	90769.00	100297.00
Other Expenses	15	238317.00	119393.00
Total Expenses		<u>804181.80</u>	<u>1143624.60</u>
Profit/ (Loss) before Exceptional and Extraordinary items and Tax		331206.64	1235156.40
Exceptional Items		0.00	0.00
Profit/ (Loss) before Extraordinary items and Tax		331206.64	1235156.40
Extraordinary Items		0.00	0.00
Profit before Tax		331206.64	1235156.40
Tax Expenses:			
Current Tax		88609.00	321586.00
Deferred Tax		(531.00)	(446.00)
Profit/ (Loss) for the period from continuing Operations		243128.64	914016.40
Profit/ (Loss) from Discontinuing Operations		0.00	0.00
Tax Expenses of Discontinuing Operations		0.00	0.00
Profit/ (Loss) for the period		243128.64	914016.40

Significant Accounting Policies &
Notes to Financial Statements

As per our report of even date attached
For SHAHID & ASSOCIATES

Chartered Accountants
(Registration NO.-002140C)

(MOHD. SHAHID)

Proprietor

M.NO.-070408

UDIN: 21070408AAAABT3387

Dated:-08-06-2021

Place: Muzaffarnagar



AVDESH KUMAR
DIRECTOR.

ADITI PASARI
ADITI PASARI
DIRECTOR.

Note: 1

ACCOUNTING POLICIES & NOTES ON ACCOUNTS

A. Significant Accounting Policies

1. Basis of Preparation

The Financial Statements have been prepared in accordance with the applicable Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant disclosure requirements of the Companies Act, 2013 under historical cost convention and on the basis of going concern.

Accounting policies not specifically referred to otherwise are consistent and are in consonance with generally accepted accounting principles followed by the company.

2. Fixed Assets & Depreciation:

Fixed Assets are valued at acquisition cost including directly attributable cost of bringing them to their respective working conditions for the intended use.

Depreciation on fixed Assets is provided to the extent of depreciable amount on Written Down Value Method as specified in Part C of Schedule II of Companies Act 2013.

3. Inventory Valuation

There is no Stock in trade in the Company at the end of the financial year hence no valuation of Stock has been made.

The Company has not made any production during the financial year hence no Raw Material, Stores & Spares, Chemicals has been consumed.

4. Revenue Recognition

The Company follows mercantile system of Accounting where all the Income & Expenditure items having material bearing on the financial statements are recognized on accrual basis.

5. Retirement Benefits

Provident Fund and Gratuity Act is not applicable to the Company at present.

6. Cash Flow Statement:

Cash Flow Statement are not required to be prepared because the company is a small company within the meaning of section 2(85) of the Companies Act 2013.

7. Provisions for Current & Deferred Tax:

Provision for Current Tax is made on Normal basis during the year.

Deferred tax resulting from timing difference between book and taxable profit is accounted for using the Tax Rates and laws that have been enacted or substantively enacted as on the Balance Sheet date.

NOTES FORMING PART OF THE ACCOUNTS

1. Previous year figures have been re-grouped, re-casted and re-arranged wherever considered necessary.
2. In the opinion of the Board of Directors, Current Assets and Loans and Advances have a value of realization in the ordinary course of business at least equal to the amount at which they have been stated in the Balance sheet and appropriate provision have been made in respect of all known liabilities.
3. Figures have been rounded off to nearest rupees.
4. The Additional information as required under Schedule III of the Companies Act, 2013 are not applicable as the Company is not engaged in any of the activities referred therein.



East Delhi Importers and Exporters Pvt. Limited

Notes to the Financial Statements

2. Share Capital:

A. Authorized, Issued, Subscribed and Paid-up Share Capital

Authorized:

10,000 Equity Share of Rs. 10/- each

	As at 31/03/2021	As at 31/03/2020
100000.00	100000.00	100000.00
100000.00	100000.00	100000.00

Issued, Subscribed and Paid-up:

10,000 (Previous year 10,000) Equity Shares of Rs. 10 each fully paid-up

100000.00	100000.00	100000.00
Total	100000.00	100000.00

B. Reconciliation of Shares outstanding at the beginning and at the end of year are given below:

	2020-21		2019-20	
	Numbers	Amount	Numbers	Amount
Equity Shares outstanding at the beginning of the year	10000	100000	10000	100000
Add: Equity Shares Issued during the year - (a)	0	0	0	0
Less: Equity Shares bought back/ redeemed during the year	0	0	0	0
Equity Shares outstanding at the end of the year	10000	100000	10000	100000

C. Detail of shareholder holding more than 5 percent shares of the Company as on reporting date are given below:

S.no.	Name of shareholder	As at 31/03/2021		As at 31/03/2020	
		Numbers of Shares held	Percentage of Holding	Numbers of Shares held	Percentage of Holding
1	Dr. C.K.Jain	6000	60%	6000	60%
2	Mrs. Mridula Jain	2000	20%	2000	20%
3	Mrs Arushi Jain	2000	20%	2000	20%

3. Reserves and Surplus:

General Reserve

Surplus i.e. balance in Statement of Profit and Loss - (b)

Total

7200000.00	7200000.00	7000000.00
52294987.52	52294987.52	52251858.88
59494987.52	59494987.52	59251858.88

(a) Additions and deductions since the last Balance Sheet under each head of Reserve are as under:

	As at			As at			As at		
	31/03/2019	Additions	Deductions	31/03/2020	Additions	Deductions	31/03/2021		
General Reserve	6800000	200000	-	7000000	200000.00	-	7200000.00		
	6800000	200000	-	7000000	200000.00	-	7200000.00		

(b) Allocations and appropriations in Surplus i.e. balance in Statement of Profit and Loss are as under:

Opening Balance	52251858.88	51537842.48
Add: Profit for the period	243128.64	914016.40
	52494987.52	52451858.88
Less: Transfer to General Reserve	200000.00	200000.00
Closing Balance	52294987.52	52251858.88



4 **Deferred Tax Liabilities (Net)**

Deferred Tax Liabilities on account of
Depreciation and Amortization Expenses
Deferred Tax Liabilities (Net)

17203.00	17734.00
<u>17203.00</u>	<u>17734.00</u>

5 **Short-term Borrowings**

Secured

From Banks

-	254655.22
<u>0.00</u>	<u>254,655.22</u>

Above Loan is secured by way of first charge against Fixed Deposit held in Gulshan Mercantile Urban Co-operative Bank Ltd.

6 **Short-term Provisions**

Provision for Current Tax
Expenses Payables

88609.00	321586.00
13480.00	0.00
<u>102089.00</u>	<u>321586.00</u>

7 **Tangible Assets**

Summary of cost and net carrying amount of each class of tangible assets are given below:

	Gross Block		Accumulated Depreciation		Net Carrying Amount	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020	31/03/2021	31/03/2020
Land	12,717,605	12,717,605	-	-	12,717,605	12,717,605
Building	1,757,395	1,757,395	892,702	801,933.00	864,693	955,462.00
	<u>14,475,000</u>	<u>14,475,000</u>	<u>892,702</u>	<u>801,933.00</u>	<u>13,582,298</u>	<u>13,673,067.00</u>

(a). Reconciliation of the gross and net carrying amounts of assets at the beginning and period ending 30/09/2020 are as under:

Cost	As at			As at
	31/03/2020	Additions	Disposals	31/03/2021
Land	12,717,605	-	-	12,717,605
Building	1,757,395	-	-	1,757,395
	<u>14,475,000</u>	<u>-</u>	<u>-</u>	<u>14,475,000</u>
Previous Year	14,475,000	-	-	14,475,000

Accumulated Depreciation	As at			As at
	31/03/2020	Additions	Deductions	31/03/2021
Land	-	-	-	-
Building	801,933	90769	-	892,702.00
	<u>801,933</u>	<u>90769</u>	<u>-</u>	<u>892,702.00</u>
Previous Year	701,636	100297	-	801,933.00

8 **Current Investments:**

965020 Equity Shares of Gulshan Polyols Limited

37828020.42	37828020.42
<u>37828020.42</u>	<u>37828020.42</u>

9 **Cash and Bank Balances:**

Cash and Bank Balances consist of the following:

Cash and Cash Equivalents

Cash on hand

240,278.60	576120.60
------------	-----------

Balance with Banks:

-Current Accounts

663264.50	634463.52
<u>903543.10</u>	<u>1210584.12</u>

Other Balances

Balance with Banks:

Fixed Deposits maturing within 12 months

6926216.00	6445441.56
<u>6926216.00</u>	<u>6445441.56</u>
<u>7829759.10</u>	<u>7656025.68</u>

10 **Short-term Loans and Advances**

(Secured, Considered Good)

Advance Current Tax & T.D.S

A.Y. 2021-22

211081.00	-
-----------	---

A.Y. 2020-21

240,580.00

A.Y. 2019-20

285020.00


A.Y. 2011-12

263,121.00	263121.00
<u>474202.00</u>	<u>788721.00</u>



11 Other Income:		
Interest Income		
On Others		
Dividend	537855.44	2378781.00
On Income Tax Refund	579012.00	
	18521.00	0.00
	<u>1135388.44</u>	<u>2378781.00</u>
12 Employee Benefits Expenses:		
Salaries		
	450000.00	828000.00
	<u>450000.00</u>	<u>828000.00</u>
13 Finance Costs:		
Interest & Bank Charges		
	25095.80	95934.60
	<u>25095.80</u>	<u>95934.60</u>
14 Depreciation and Amortization Expenses:		
Depreciation and Amortization Expenses:		
	90769.00	100297.00
	<u>90769.00</u>	<u>100297.00</u>
15 Other Expenses:		
Administrative Expenses		
Rates & Taxes	25256.00	
Advertisement Expenses	4200.00	0.00
Communication Expenses	19980.00	0.00
Legal and Professional Charges	51040.00	27913.00
Office Expenses	70881.00	78000.00
Travelling Exp.	53480.00	0.00
Auditors' Remuneration - (a)	13480.00	13480.00
TOTAL	<u>238317.00</u>	<u>119393.00</u>
 (a). Details of Auditors' Remuneration are as follows:		
Statutory Auditors:		
Audit Fees	11800.00	11800.00
Reimbursement of expenses	1680.00	1680.00
	<u>13480.00</u>	<u>13480.00</u>


AVDESH KUMAR
Director


ADITI PASARI
Director

Dated:-08-06-2021
Place: Muzaffarnagar
UDIN: 21070408AAAABT3387

As per separate report of even date
For SHAHID & ASSOCIATES
Chartered Accountants
(Registration NO.-902140C)




(MOHD. SHAHID)
Proprietor

PRE-SCHEME CAPITAL STRUCTURE OF THE TRANSFEREE COMPANY

(Based on shareholding data as on March 31, 2021)

Particulars	Amount (Rs.)
Authorised Share Capital	
22,50,00,000 Equity Shares of Rs. 1/- each.	Rs. 22,50,00,000
2,50,000 Redeemable Preference Shares (0%) of Rs. 10/- each.	Rs. 25,00,000
14,50,000 Redeemable Preference Shares (0-10%) of Rs. 100/- each.	Rs. 14,50,00,000
Total	Rs. 37,25,00,000
Issued, Subscribed and Paid-up Share Capital	
4,69,17,020 Equity Shares of Rs. 1/- each	Rs. 4,69,17,020
9,75,000 Redeemable Preference Shares (8%) of Rs. 100/- each	Rs. 9,75,00,000
Total	Rs. 14,44,17,020

POST-SCHEME CAPITAL STRUCTURE OF THE TRANSFEREE COMPANY

(Based on shareholding data as on March 31, 2021)

Particulars	Amount (Rs.)
Authorised Share Capital	
28,06,00,000 Equity Shares of Rs 1/- each.	Rs. 28,06,00,000
2,50,000 Redeemable Preference Shares (0%) of Rs. 10/- each.	Rs. 25,00,000
14,50,000 Redeemable Preference Shares (0-10%) of Rs. 100/- each.	Rs. 14,50,00,000
Total	Rs. 42,81,00,000
Issued, Subscribed and Paid-up Share Capital	
4,95,59,489 Equity Shares of Rs. 1/- each.	Rs. 4,95,59,489
9,75,000 Redeemable Preference Shares (8%) of Rs. 100/- each.	Rs. 9,75,00,000
Total	Rs. 14,70,59,489

PRE-SCHEME AND POST SCHEME SHAREHOLDING PATTERN OF THE TRANSFEREE COMPANY

(Based on shareholding data as on March 31, 2021)

Sr. No.	Name & Category of Shareholders	Pre-Scheme		Post-Scheme	
		Total nos. shares held	Shareholding as a % of total no. of shares	Total nos. shares held	Shareholding as a % of total no. of shares
(A)	Shareholding of Promoter & Promoter Group				
1.	Indian				
	(a) Individuals/Hindu Undivided Family				
	Dr. Chandra Kumar Jain	35,46,990	7.56%	1,18,85,326	23.98%
	Mrs. Mridula Jain	4,60,105	0.98%	77,15,809	15.57%
	Ms. Arushi Jain	3,80,545	0.81%	50,46,129	10.18%
	Ms. Aditi Pasari	72,599	0.15%	50,13,751	10.12%
	Mr. Anubha Gupta	1,98,132	0.42%	49,79,892	10.05%
	(b) Central Government	-	-	-	-
	(c) Bodies Corporate				
	Gulshan Holdings Private Limited	2,63,75,047	56.22%	-	-
	East Delhi Importers & Exporters Private Limited	9,65,020	2.06%	-	-
	(d) Financial Institutions	-	-	-	-
	(e) Any other	-	-	-	-
	Sub Total A(1)	3,19,98,438	68.20%	3,46,40,907	69.90%
2.	Foreign				
	(a) Individuals (Non-Residents Individuals/ Foreign Individuals)	-	-	-	-
	(b) Bodies Corporate	-	-	-	-
	(c) Institutions	-	-	-	-
	(d) Any Others	-	-	-	-
	Sub Total A(2)	-	-	-	-

	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	3,19,98,438	68.20%	3,46,40,907	69.90%
(B)	Public Shareholding				
1.	a. Institutions	-	-	-	-
	b. Mutual Funds/ UTI	-	-	-	-
	c. Financial Institutions / Banks	-	-	-	-
	d. Central Government/ State Government(s)	-	-	-	-
	e. Venture Capital Funds	-	-	-	-
	f. Insurance Companies	-	-	-	-
	g. Foreign Institutional Investors	-	-	-	-
	h. Foreign Venture Capital Investors	-	-	-	-
	i. Any Other	-	-	-	-
	Sub-Total (B)(1)	-	-	-	-
2.	Non-Institutions				
	(a) Bodies Corporate	7,96,876	1.70	7,96,876	1.61%
	(b) Individuals				
	i. Individual shareholders holding nominal share capital up to Rs 2 lakh	1,09,18,394	23.27	1,09,18,394	22.03
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2	11,69,191	2.49	11,69,191	2.36%
	(c) Any Other				
	i. Non-Resident Indian	7,08,973	1.51	7,08,973	1.43%
	ii. Clearing Members	78,900	0.17	78,900	0.16%
	iii. HUF	4,01,233	0.86	4,01,233	0.81%
	iv. IEPF	5,55,975	1.19	5,55,975	1.12%
	Sub-Total (B)(2)	1,46,29,542	31.18%	1,46,29,542	29.52%
	Total Public Shareholding (B)= (B)(1)+(B)(2)	1,46,29,542	31.18%	1,46,29,542	29.52%
	TOTAL (A)+(B)	4,66,27,980	99.38%	1,46,29,542	29.52%

(C)	Non-Promoter Non-Public Shareholding				
1.	Shares held by Custodians and against which DRs have been issued	-	-	-	-
2.	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations 2014)	2,89,040	0.62%	2,89,040	0.58%
	Total Non-Promoter- Non Public Shareholding (C)= (C)(1)+(C)(2)	2,89,040	0.62%	2,89,040	0.58%
	GRAND TOTAL- (A) + (B) + (C)	4,69,17,020	100%	4,95,59,489	100%



To,
The Board of Directors,
Gulshan Holdings Private Limited
9th KM Jansath Road Muzaffarnagar
Uttar Pradesh 251001, India

Annexure XVIII

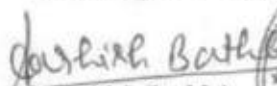
We, the statutory auditors of Gulshan Holdings Private Limited, (hereinafter referred to as "**the Company**"), have examined the proposed accounting treatment specified in clause 18 of the Draft Scheme of Amalgamation between Gulshan Holdings Private Limited ("**Transferor Company 1**") and East Delhi Importers & Exporters Private Limited ("**Transferor Company 2**") with Gulshan Polyols Limited ("**Transferee Company**") in terms of the provisions of section(s) 230 to 232 of the ~~Companies Act, 1956~~/ Companies Act, 2013 with reference to its compliance with the applicable Accounting Standards notified under the ~~Companies Act, 1956~~/ Companies Act, 2013 and Other Generally Accepted Accounting Principles.

The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and Regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved. Our responsibility is only to examine and report whether the Draft Scheme complies with the applicable Accounting Standards and Other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.

Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid scheme is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under and all the applicable Accounting Standards notified by the Central Government under the ~~Companies Act, 1956~~/ Companies Act, 2013.

This Certificate is issued at the request of the Company pursuant to the requirements of Companies Act, 2013 for onward submission to the Hon'ble National Company Law Tribunal (Allahabad Bench). This Certificate should not be used for any other purpose without our prior written consent.

For Aashish Bathla & Co.
Chartered Accountants
Firm Regn No.:- 028343C


(Aashish Bathla)

Proprietor

Membership No. 446095

UDIN- 21446095AAAAAAM5225

Date:- 16-03-2021

Place:-Muzaffarnagar



Shahid & Associates

Chartered Accountants

34/49 A, South Civil Lines
Near Maruti Dharam Kanta
Arya Samaj Road
MUZAFFARNAGAR (U.P.) - 251001
Phone Cum Fax 2621040
Mobile 9012200078

To,
The Board of Directors,
East Delhi Importers & Exporters Private Limited
9th KM Jansath Road Muzaffarnagar
Uttar Pradesh 251001, India

We, the statutory auditors of East Delhi Importers & Exporters Private Limited, (hereinafter referred to as "the Company"), have examined the proposed accounting treatment specified in clause 18 of the Draft Scheme of Amalgamation between Gulshan Holdings Private Limited ("Transferor Company 1") and East Delhi Importers & Exporters Private Limited ("Transferor Company 2") with Gulshan Polyols Limited ("Transferee Company") in terms of the provisions of section(s) 230 to 232 of the Companies Act, 1956/ Companies Act, 2013 with reference to its compliance with the applicable Accounting Standards notified under the Companies Act, 1956/ Companies Act, 2013 and Other Generally Accepted Accounting Principles.

The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and Regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved. Our responsibility is only to examine and report whether the Draft Scheme complies with the applicable Accounting Standards and Other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.

Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid scheme is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under and all the applicable Accounting Standards notified by the Central Government under the Companies Act, 1956/ Companies Act, 2013.

This Certificate is issued at the request of the Company pursuant to the requirements of Companies Act, 2013 for onward submission to the Hon'ble National Company Law Tribunal (Allahabad Bench). This Certificate should not be used for any other purpose without our prior written consent.

For Shahid & Associates.

Chartered Accountants

Firm Regn.No.: 002140

(Mohd. Shahid)

Proprietor

Membership No. 070408

UDIN- 21070408AAAAAY2473

Date:-16-03-2021

Place:- Muzaffarnagar



RAJEEV SINGAL & CO.

(Chartered Accountants)

GSTIN NO 09AAPFR2931N1ZJ

Reg. No.:- 008692C

PAN- AAPFR2931N



175, Dwarkapuri, Main Road
Opp. Shiv Mandir, 1st Floor
Muzaffarnagar(U.P.)-251001
www.carajeevsinghal.com
singhalrk2012@gmail.com
Off.M. +91-7599023969
Ph-0131-2970053

To,

The Board of Directors,
Gulshan Polyols Limited
9th KM Jansath Road Muzaffarnagar
Uttar Pradesh 251001, India

We, the statutory auditors of Gulshan Polyols Limited, (hereinafter referred to as "the Company"), have examined the proposed accounting treatment specified in clause 18 of the Draft Scheme of Amalgamation between Gulshan Holdings Private Limited ("Transferor Company 1") and East Delhi Importers & Exporters Private Limited ("Transferor Company 2") with Gulshan Polyols Limited ("Transferee Company") in terms of the provisions of section(s) 230 to 232 of the Companies Act, 1956/ Companies Act, 2013 with reference to its compliance with the applicable Accounting Standards notified under the Companies Act, 1956/ Companies Act, 2013 and Other Generally Accepted Accounting Principles.

The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and Regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved. Our responsibility is only to examine and report whether the Draft Scheme complies with the applicable Accounting Standards and Other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.

Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid scheme is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under and all the applicable Accounting Standards notified by the Central Government under the Companies Act, 1956/ Companies Act, 2013.

This Certificate is issued at the request of the Company pursuant to the requirements of Companies Act, 2013 for onward submission to the Hon'ble National Company Law Tribunal (Allahabad Bench). This Certificate should not be used for any other purpose without our prior written consent.

For Rajeev Singal & Co.

(Chartered Accountants)

Firm Regn No.:- 008692C

Rajeev Kumar Singhal

Partner

Membership No. 077834

UDIN-21077834AAAABW9395

Date:- 13/03/2021

Place:- Muzaffarnagar



**IN THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, ALLAHABAD BENCH
CA (CAA) No. 09/ALD of 2021**

IN THE MATTER OF SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

AND

**IN THE MATTER OF THE SCHEME OF AMALGAMATION BETWEEN GULSHAN HOLDINGS PRIVATE LIMITED, EAST
DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED WITH GULSHAN POLYOLS LIMITED**

AND

Gulshan Holdings Private Limited, a company incorporated)
under the Companies Act, 1956 having Corporate Identity)
Number: U74899UP1985PTC128005 and its registered office at)
9th K.M., Jansath Road, Muzaffanagar – 251001, Uttar Pradesh,) ... Transferor Company No. 1
India.)

East Delhi Importers & Exporters Private Limited, a company)
incorporated under the Companies Act, 1956 having Corporate)
Identity Number: U60231UP1997PTC129363 and its registered)
office at 9th K.M., Jansath Road, Muzaffanagar – 251001, Uttar) ... Transferor Company No. 2
Pradesh, India.)

Gulshan Polyols Limited, a company incorporated under the)
Companies Act, 1956 having Corporate Identity Number:)
L24231UP2000PLC034918 and its registered office at 9th K.M.,)
Jansath Road, Muzaffanagar – 251001, Uttar Pradesh, India.) ... Company/Transferee Company

FORM OF PROXY

CIN: L24231UP2000PLC034918

Name of the Company: Gulshan Polyols Limited

Registered Office: 9th K.M., Jansath Road, Muzaffanagar – 251001, Uttar Pradesh, India

Name of the Unsecured Creditor(s):
Registered Address:
Email ID:

I/ We, the undersigned as an unsecured creditor of Gulshan Polyols Limited ("**the Transferee Company**"), hereby appoint:

- i. Name:
Address:
Email ID: or failing him/her
- ii. Name:
Address:
Email ID: or failing him/her
- iii. Name:
Address:
Email ID:

as my/ our proxy, to act for me/ us at the meeting of the unsecured creditors of Gulshan Polyols Limited, the Transferee Company to be held at Solitaire INN Hotel, 6 Mile Stone, Meerut Road, National Highway 58, Muzaffarnagar, Uttar Pradesh-251002 on Saturday, the 18th day of September, 2021 at 1:00 P.M., for the purpose of considering and, if thought fit, approving, with or without modification(s), the Scheme of Amalgamation of Gulshan Holdings Private Limited and East Delhi Importers & Exporters Private Limited, the transferor Companies

with Gulshan Polyols Limited, the transferee Company under Sections 230 to 232 of the Companies Act, 2013 ("**Scheme**") and at such meeting and at an adjournment or adjournments thereof, to vote, for me/ us and in my/ our name(s) _____ [here, '*if for*', insert '**FOR**'; '*if against*' insert '**AGAINST**', and in the latter case, strike out the words below after '*the said Scheme*'] the said Scheme as my/our proxy.

Dated this _____ day of _____, 2021.

Affix Re 1/- Revenue

Signature of Unsecured Creditor(s)

Signature of first Proxy Holder

Signature of second Proxy Holder

Signature of third Proxy Holder

NOTES:

1. The Form of Proxy in order to be effective should be in the prescribed form, duly completed and signed or authenticated by the concerned person and deposited at the registered office of the Transferee Company at 9th K.M., Jansath Road, Muzaffanagar – 251001, Uttar Pradesh, India, not later than 48 hours before the scheduled time of the meeting.
2. In case of multiple proxies, proxy later in time shall be accepted.
3. Please affix a revenue stamp of Re. 1/- before signing across the same.
4. All alterations made in the Form of Proxy should be initialed.
5. Only an unsecured creditor of the Transferee Company is entitled to attend and vote at the Tribunal convened meeting of the unsecured creditors ("**Meeting**"), either in person or by proxy or through an authorized representative, (in case the unsecured creditor is a body corporate) as the case may be. Where a body corporate which is an unsecured creditor authorises any person to act as its representative at the meeting, a copy of the resolution of the board of directors or other governing body of such body corporate authorizing such person to act as its representative at the meeting, and certified to be a true copy by a director, the manager, the secretary, or other authorised officer of such body corporate shall be lodged with the Transferee Company at its registered office not later than 48 hours before the scheduled time of the Meeting.
6. Such unsecured creditor is entitled to appoint a proxy to attend and vote at the Meeting instead and on behalf of such unsecured creditors and such proxy need not be an unsecured creditor. Proxies to be valid and effective should be in the prescribed Form of proxy, duly completed and signed or authenticated by the concerned person and should be deposited at the registered office of the Transferee Company not later than 48 hours before the scheduled time of the Meeting.
7. An unsecured creditor/ its proxy, attending the Meeting, is requested to bring the Attendance Slip duly completed and signed or authenticated by the concerned person along with a copy of the deposited Form of Proxy (in case of a proxy).
8. An unsecured creditor (in case such unsecured creditor is an individual) or the authorized representative of the unsecured creditor (in case such unsecured creditor is a body corporate) or the proxy should carry their valid and legible identity proof (i.e., PAN Card/ Aadhaar Card/ Passport/ Driving License / Voter ID Card). Additionally, an unsecured creditor (in case such unsecured creditor is a sole proprietorship) or the proxy should carry a valid document evidencing the individual as the proprietor of the sole proprietorship.

GULSHAN POLYOLS LIMITED

CIN: L24231UP2000PLC034918

Registered Office: 9th K.M., Jansath Road, Muzaffanagar – 251001, Uttar Pradesh, India.

Phone: +91 11 49999200; Fax: +91 11 49999202

E-mail: cs@gulshanindia.com, Website: www.gulshanindia.com

ATTENDANCE SLIP

MEETING OF THE UNSECURED CREDITORS OF GULSHAN POLYOLS LIMITED ON SATURDAY, SEPTEMBER 18, 2021 AT 1:00 P.M

Unique Reference No. (as intimated over the email):

I hereby record my presence at the meeting of the unsecured creditors of Gulshan Polyols Limited, convened pursuant to the order dated July 14, 2021 passed by the Hon'ble Bench of the National Company Law Tribunal at Allahabad in Company Application (CAA) No. 09/ALD of 2021, at Solitaire INN Hotel, 6 Mile Stone, Meerut Road, National Highway 58, Muzaffarnagar, Uttar Pradesh-251002 on Saturday, the 18th day of September, 2021 at 1:00 P.M.

Name of the Unsecured Creditors:

Signature of the Unsecured Creditors:

OR

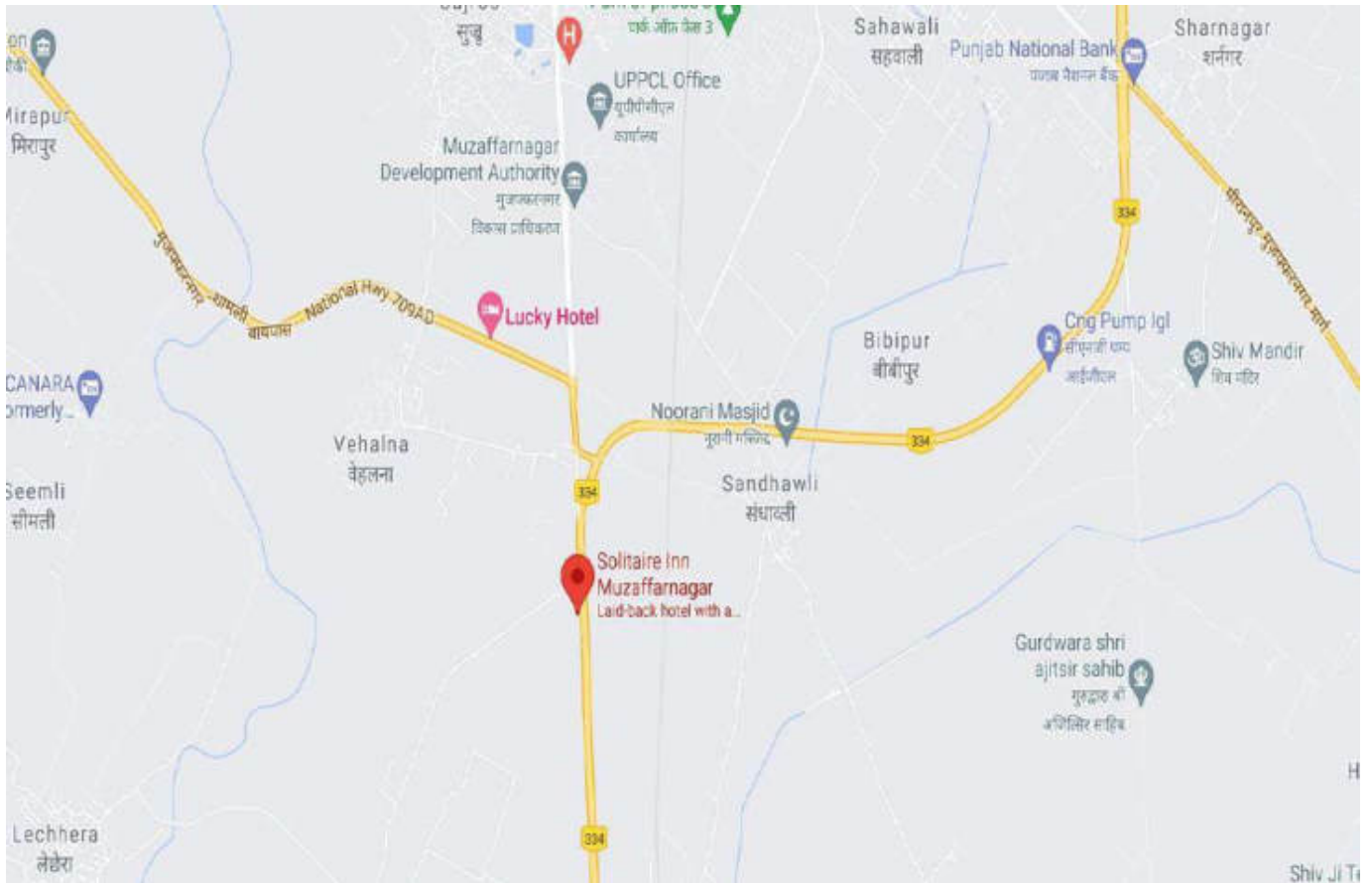
Name of the Proxy Holder:

Signature of the Proxy Holder:

NOTES:

1. Unsecured Creditors/ authorized representatives or their proxies attending the meeting must bring this attendance slip to the meeting and hand over the same at the entrance of the meeting venue after completing and signing the same.
2. Unsecured Creditors / authorized representatives or their proxies desiring to attend the meeting should bring his/ her copy of the notice for reference at the meeting.

Route Map of the NCLT Convened Meeting





GULSHAN POLYOLS LIMITED

CIN: L24231UP2000PLC034918

Registered Office: 9th K.M., Jansath Road, Muzaffanagar – 251001, Uttar Pradesh, India.

Phone: +91 11 49999200; **Fax:** +91 11 49999202

E-mail: cs@gulshanindia.com, **Website:** www.gulshanindia.com

**NOTICE CONVENING MEETING OF THE SECURED CREDITORS OF
GULSHAN POLYOLS LIMITED PURSUANT TO ORDER DATED JULY 14, 2021 OF
THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, ALLAHABAD BENCH**

Meeting	
Day	Saturday
Date	September 18, 2021
Time	2:00 P.M. (IST)
Venue of Meeting	Solitaire INN Hotel, 6 Mile Stone, Meerut Road, National Highway 58, Muzaffarnagar, Uttar Pradesh-251002

Sr. No.	Contents	Page Nos.
1.	Notice of the meeting of secured creditors of Gulshan Polyols Limited (" Notice ")	A-4
2.	Explanatory Statement under Sections 230 and 232 read with Section 102 and other applicable provision of the Companies Act, 2013 (" Act ") and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (" CAA Rules ")	A-9
3.	Annexure I Scheme of Amalgamation of Gulshan Holdings Private Limited (" Transferor Company No. 1 ") and East Delhi Importers & Exporters Private Limited (" Transferor Company No. 2 ") with Gulshan Polyols Limited (" Transferee Company " or " Company ") and their respective shareholders and creditors (" Scheme ").	B-1
4.	Annexure II Order dated July 14, 2021 passed by the Hon'ble National Company Law Tribunal, Allahabad Bench (" Tribunal ") in Company Application No. (CAA) No. 09/ALD of 2021.	B-45
5.	Annexure III Valuation Report dated August 06, 2020 prepared by Mr. Vardhman Doogar, a Chartered Accountant and the Registered Valuer describing the methodology adopted by them in arriving at and recommending the Share Exchange Entitlement Ratio (" Valuation Report ");	B-56
6.	Annexure IV	B-70

	Fairness Opinion dated August 06, 2020 prepared by M/s. Navigant Corporate Advisors Limited, a Category I Merchant Banker providing the Fairness Opinion on the Share Entitlement Ratio recommended by the Registered Valuer (" Fairness Opinion ")	
7.	Annexure V Complaint Report submitted by the Company to the National Stock Exchange of India Limited (" NSE ")	B-85
8.	Annexure VI Complaint Report submitted by the Company to the BSE Limited (" BSE ")	B-87
9.	Annexure VII Copy of Observation letter dated January 29, 2021 given by the NSE on the Scheme.	B-90
10.	Annexure VIII Copy of Observation letter dated February 01, 2021 given by the BSE on the Scheme.	B-92
11.	Annexure IX Report adopted by the Board of Directors of the Company of the Transferee Company in its meeting held on August 06, 2020 pursuant to the provisions of Section 232(2)(c) of the Act.	B-94
12.	Annexure X Report adopted by the Board of Directors of the Transferor Company No. 1 in its meeting held on August 06, 2020 pursuant to the provisions of Section 232(2)(c) of the Act.	B-97
13.	Annexure XI Report adopted by the Board of Directors of the Transferor Company No. 2 in its meeting held on August 06, 2020 pursuant to the provisions of Section 232(2)(c) of the Act.	B-100
14.	Annexure XII Information in the format prescribed for abridged prospectus pertaining to the unlisted entity i.e., Transferor Company No. 1 involved in the Scheme as specified in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (" ICDR Regulations ") along with the compliance report issued by D & A Financial Services (P) Limited, a Category I Merchant Banker.	B-103
15.	Annexure XIII Information in the format prescribed for abridged prospectus pertaining to the unlisted entity i.e., Transferor Company No. 2 involved in the Scheme as specified in Part E of Schedule VI of the ICDR Regulations along with the compliance report issued by D & A Financial Services (P) Limited, a Category I Merchant Banker.	B-116
16.	Annexure XIV Audited financial statements of the Transferee Company as on March 31, 2021 and unaudited financial results (limited reviewed) of the Transferee Company for the quarter ended June 30, 2021.	B-128
17.	Annexure XV Audited standalone and consolidated financial statements of the Transferor	B-169

	Company No. 1 as on March 31, 2021	
18.	Annexure XVI Audited financial statements of the Transferor Company No. 2 as on March 31, 2021	B-224
19.	Annexure XVII Pre and post scheme, expected capital structure and shareholding pattern of the Transferee Company.	B-237
20.	Annexure XVIII Auditor's certificates that the accounting treatment proposed in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Act.	B-241
21.	Form of Proxy	C-1
22.	Attendance Slip	C-4
23.	Route Map for the venue of the Meeting	C-5

The Notice of the Meeting, Statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the CAA Rules (page nos. A-1 to A-31), Annexure I to Annexure XVIII (page nos. B-1 to B-243) and form of proxy, attendance slip and route map (page nos. C-1 to C5) constitute a single and complete set of documents and should be read together as they form an integral part of this document.

IN THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, ALLAHABAD BENCH
CA (CAA) No. 09/ALD of 2021

IN THE MATTER OF SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

AND

IN THE MATTER OF THE SCHEME OF AMALGAMATION BETWEEN GULSHAN HOLDINGS PRIVATE LIMITED, EAST
DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED WITH GULSHAN POLYOLS LIMITED

AND

Gulshan Holdings Private Limited, a company incorporated)
under the Companies Act, 1956 having Corporate Identity)
Number: U74899UP1985PTC128005 and its registered office at)
9th K.M., Jansath Road, Muzaffanagar – 251001, Uttar Pradesh,) ... Transferor Company No. 1
India.)

East Delhi Importers & Exporters Private Limited, a company)
incorporated under the Companies Act, 1956 having Corporate)
Identity Number: U60231UP1997PTC129363 and its registered)
office at 9th K.M., Jansath Road, Muzaffanagar – 251001, Uttar) ... Transferor Company No. 2
Pradesh, India.)

Gulshan Polyols Limited, a company incorporated under the)
Companies Act, 1956 having Corporate Identity Number:)
L24231UP2000PLC034918 and its registered office at 9th K.M.,)
Jansath Road, Muzaffanagar – 251001, Uttar Pradesh, India.) ... Company/Transferee Company

NOTICE CONVENING MEETING OF SECURED CREDITORS

To,

**All the Secured Creditors of
Gulshan Polyols Limited**

1. NOTICE is hereby given that, in accordance with the Order dated July 14, 2021 in the above-mentioned Company Scheme Application, passed by the Hon'ble National Company Law Tribunal, Allahabad Bench ("**Tribunal**") ("**Tribunal Order**"), a meeting of the secured creditors of the Transferee Company, will be held for the purpose of their considering, and if thought fit, approving, with or without modification(s), the proposed Scheme of Amalgamation of Gulshan Holdings Private Limited ("**Transferor Company No. 1**") and East Delhi Importers & Exporters Private Limited ("**Transferor Company No. 2**") with Gulshan Polyols Limited ("**Transferee Company**" or "**Company**") and their respective shareholders and creditors ("**Scheme**") at Solitaire INN Hotel, 6 Mile Stone, Meerut Road, National Highway 58, Muzaffarnagar, Uttar Pradesh-251002 on Saturday, September 18, 2021 at 2.00 p.m. (IST), being the venue, date and time as decided by the Hon'ble Tribunal in the Tribunal Order.
2. Pursuant to the said Tribunal Order and as directed therein, the meeting of the secured creditors of the Transferee Company ("**Meeting**") will be held at aforementioned venue, date and time in compliance with the

applicable provisions of the Companies Act, 2013 (“**Act**”) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”) to consider, and if thought fit, pass, with or without modification(s), the following resolution for approval of the Scheme by requisite majority as prescribed under Section 230 (1) and (6) read with Section 232(1) of the Act and SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017 and SEBI Circular SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020, as amended:

“**RESOLVED THAT** pursuant to the provisions of Section 230 read with section 232 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions of the Companies Act, 2013, the rules, circulars, and notifications made thereunder (including any statutory modification or re-enactment thereof) as may be applicable, the Securities Exchange Board of India Circular No CFD/DIL3/CIR/2017/21 dated March 10, 2017, the observation letters issued by BSE Limited *vide* letter dated February 01, 2021 and the National Stock Exchange of India Limited *vide* letter dated January 29, 2021 respectively and subject to provisions of the Memorandum and Articles of Association of the Company and subject to approval of the Hon’ble National Company Law Tribunal, Allahabad Bench (‘**NCLT**’) and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the Hon’ble NCLT or by any regulatory or other authorities, while granting such consents, approvals and permissions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the ‘**Board**’, which term shall deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any other person authorized by it to exercise its powers including the powers conferred by this Resolution), the arrangement embodied in the Scheme of Amalgamation of Gulshan Holdings Private Limited and East Delhi Importers & Exporters Private Limited with Gulshan Polyols Limited and their respective Shareholders and creditors (‘**Scheme**’), be and is hereby approved.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the amalgamation embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the Hon’ble NCLT while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any doubts or difficulties that may arise in giving effect to the Scheme, as the Board may deem fit and proper.”

3. Due to difficulty in dispatch of the Notice along with the explanatory statement by post or courier, on account of threat posed by COVID-19 pandemic situation and as permitted under by the Hon’ble Tribunal, the Company is sending the Notice in electronic form only. The secured creditors can vote on resolution through physical voting during the meeting. Assent or dissent of the secured creditors, in person or by proxy on the resolution mentioned in the Notice would only be taken through ballot / polling paper in the Meeting.
4. A person, whose name is recorded in the Books of the Transferee Company as on the cut-off date, i.e., **Wednesday, March 31, 2021** only shall be entitled to exercise his/her/its voting rights on the resolution proposed in the Notice and attend the Meeting. A person who is not a secured creditor as on the cut-off date, should treat the Notice for information purpose only.
5. A copy of the said Scheme, statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (“**CAA Rules**”) along with all annexures to such statement are enclosed herewith. A copy of this Notice

and the accompanying documents are also placed on the website of the Company viz. www.gulshanindia.com; and the website of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com.

6. Copies of the said Scheme and of the statement under Section 230 of the Companies Act, 2013 read with Rule 6(3) of the CAA Rules can be obtained free of charge on any day (except Saturday, Sunday and public holidays) at the registered office of the Transferee Company at 9th K.M., Jansath Road, Muzaffanagar – 251001. Persons entitled to attend and vote at the Meeting may vote in person, by proxy, provided that all proxies in the prescribed form, duly completed and signed or authenticated by the concerned person, are deposited at the registered office of the Transferee Company as mentioned above not later than 48 hours before the scheduled time of the Meeting. Forms of Proxy can be obtained free of charge on any day (except Saturday, Sunday and public holidays) at the registered office of the Transferee Company at 9th K.M., Jansath Road, Muzaffanagar – 251001.
7. The Hon'ble Tribunal has appointed Mr. Rajeev K Goel, as the Chairperson of the Meeting, including for any adjournment(s) thereof. The Tribunal has also appointed Mr. Anadi Krishna Narayan, as the Alternate Chairperson for the meeting including for any adjournment(s) thereof and appointed Mr. Shashi Kant Gupta as the Scrutinizer for the Meeting, including for any adjournment(s) thereof. The Scheme, if approved by the Meeting, will be subject to the subsequent approval of the Hon'ble Tribunal.
8. The above-mentioned Scheme, if approved at the aforesaid Meeting, will be subject to the subsequent sanction of the Tribunal and such other approvals, permissions and sanctions of regulatory or other authorities, as may be necessary.

Sd/-
Rajeev K Goel
Chairperson appointed by
Tribunal for the Meeting

Uttar Pradesh, August 14, 2021

Registered Office:
9th K.M., Jansath Road, Muzaffanagar – 251001,
Uttar Pradesh, India.
Phone: +91 11 49999200
Fax: +91 11 49999202
E-mail: cs@gulshanindia.com
Website: www.gulshanindia.com

Notes:

1. **A SECURED CREDITOR OF THE TRANSFEREE COMPANY IS ENTITLED TO ATTEND AND VOTE AT THE TRIBUNAL CONVENED MEETING OF THE SECURED CREDITORS ("MEETING"), EITHER IN PERSON OR BY PROXY OR THROUGH AN AUTHORIZED REPRESENTATIVE, AS THE CASE MAY BE. WHERE A BODY CORPORATE WHICH IS AN SECURED CREDITOR AUTHORIZES ANY PERSON TO ACT AS ITS REPRESENTATIVE AT THE MEETING, A COPY OF THE RESOLUTION OF THE BOARD OF DIRECTORS OR OTHER GOVERNING BODY OF SUCH BODY CORPORATE AUTHORIZING SUCH PERSON TO ACT AS ITS REPRESENTATIVE AT THE MEETING, AND CERTIFIED TO BE A TRUE COPY BY A DIRECTOR, THE MANAGER, THE SECRETARY, OR OTHER AUTHORIZED OFFICER OF SUCH BODY CORPORATE SHALL BE LODGED WITH THE TRANSFEREE COMPANY AT ITS REGISTERED OFFICE NOT LATER THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING.**
2. **A SECURED CREDITOR ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF ITSELF AND THE PROXY NEED NOT BE A SECURED CREDITOR OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS PRIOR TO THE COMMENCEMENT OF THE MEETING. NO PERSON SHALL BE APPOINTED AS PROXY WHO IS MINOR.**
3. A secured creditor/its proxy, attending the Meeting, is requested to bring the Attendance Slip duly completed and signed or authenticated by the concerned person along with a copy of the deposited Form of Proxy (in case of a proxy).
4. A secured creditor (in case such secured creditor is an individual) or the authorized representative of the secured creditor (in case such secured creditor is a body corporate) or the proxy, as the case may be should carry their valid and legible identity proof (i.e. a PAN Card/ Aadhaar Card/ Passport/ Driving License/ Voter ID Card). Additionally, a secured creditor (in case such secured creditor is a sole proprietorship) or the proxy, as the case may be should carry a valid document evidencing the individual as the proprietor of the sole proprietorship.
5. The statement pursuant to Sections 230 and 232 read with Section 102 and other applicable provisions of the Companies Act, 2013 ("**Act**") and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in respect of the business set out in the Notice of the Meeting is annexed hereto.
6. The Notice of the Meeting and the accompanying documents mentioned in the Index are being sent through electronic mode to those secured creditors whose email addresses are registered with the Company and by way of publication of notice in Newspapers (as mentioned below) for the secured creditors whose email addresses are not registered with the Company.
7. A person, whose name is recorded in the Register of Transferee Company as on the cut-off date, i.e., **Wednesday, March 31, 2021** only shall be entitled to exercise his/her/its voting rights on the resolution proposed in the Notice and attend the Meeting. A person who is not a secured creditor as on the cut-off date, should treat the Notice for information purpose only.
8. The secured creditors may note that the aforesaid documents are also available on the website of the Company and can be accessed / downloaded using the below given link:

http://www.gulshanindia.com/scheme_of_amalgamation.html and on the website of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively.

If so desired, secured creditors may obtain a physical copy of the Notice and the accompanying documents, i.e., Scheme and the Statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 etc., free of charge. A written request in this regard, along with details of your debt in the Company, may be addressed to the Company Secretary at cs@gulshanindia.com.

9. The notice, Explanatory Statement together with the documents accompanying the same, are being sent through by email to those secured creditors who have registered their email Ids with the Transferee Company.
10. In terms of the directions contained in the Order, the quorum for the Meeting shall be 2 in number present in person or proxies or authorized representative. Further, in case the aforesaid quorum for the Meeting is not present within the time appointed for the meeting, then the meeting shall be adjourned for half an hour, and thereafter the secured creditors, present and voting (provided there is at least one secured creditor present), shall be deemed to constitute the quorum. For the purposes of computing the quorum, the valid proxies/authorized representatives shall also be considered.
11. In terms of Sections 230 to 232 of the Act, the Scheme shall be considered approved by the secured creditors of the Transferee Company if the resolution mentioned in the notice has been approved at the Meeting by a majority in number representing three-fourths in value of the secured creditors of the Transferee Company, voting in person or by proxy.
12. In terms of the directions contained in the Order, the advertisement of the Meeting will be published in the "**Financial Express**" (in English) and "**Jansatta**" (Hindi) indicating the day, date, place and time of the Meeting and stating that the copies of the Scheme, Explanatory Statement and the Form of Proxy can be obtained free of charge on any day (except Saturday, Sunday and public holidays) from the registered office of the Transferee Company at 9th K.M., Jansath Road, Muzaffanagar – 251001.
13. It may be noted that the ballot / polling paper will be provided at the Meeting venue.
14. The scrutinizer will submit his report to the chairperson after completion of the scrutiny of the ballot / polling paper submitted by the secured creditors. The scrutinizer's decision on the validity of the votes shall be final. The results of the voting along with the Scrutinizer's Report shall be displayed at the registered office of the Transferee Company situated at 9th K.M., Jansath Road, Muzaffanagar – 251001 and its website(www.gulshanindia.com) besides being communicated to the stock exchanges where the equity shares of the Transferee Company are listed, namely, the National Stock Exchange of India Limited and BSE Limited (collectively, the "**Stock Exchanges**").
15. Any queries/grievances in relation to notice may be addressed to the company secretary of the Transferee Company through e-mail: cs@gulshanindia.com. The company secretary of the Transferee Company can also be contacted at +91 11 49999200.

IN THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, ALLAHABAD BENCH
CA (CAA) No. 09/ALD of 2021

IN THE MATTER OF SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

AND

IN THE MATTER OF THE SCHEME OF AMALGAMATION BETWEEN GULSHAN HOLDINGS PRIVATE LIMITED, EAST
DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED WITH GULSHAN POLYOLS LIMITED

AND

Gulshan Holdings Private Limited, a company incorporated)
under the Companies Act, 1956 having Corporate Identity)
Number: U74899UP1985PTC128005 and its registered office at)
9th K.M., Jansath Road, Muzaffanagar – 251001, Uttar Pradesh,) ... Transferor Company No. 1
India.)

East Delhi Importers & Exporters Private Limited, a company)
incorporated under the Companies Act, 1956 having Corporate)
Identity Number: U60231UP1997PTC129363 and its registered)
office at 9th K.M., Jansath Road, Muzaffanagar – 251001, Uttar) ... Transferor Company No. 2
Pradesh, India.)

Gulshan Polyols Limited, a company incorporated under the)
Companies Act, 1956 having Corporate Identity Number:)
L24231UP2000PLC034918 and its registered office at 9th K.M.,)
Jansath Road, Muzaffanagar – 251001, Uttar Pradesh, India.) ... Company/Transferee Company

**STATEMENT UNDER SECTIONS 230 AND 232 READ WITH SECTION 102 AND OTHER APPLICABLE PROVISIONS OF
THE COMPANIES ACT, 2013 (“ACT”) AND RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND
AMALGAMATIONS) RULES, 2016 (“CAA RULES”) TO THE NOTICE OF THE MEETING OF SECURED CREDITORS OF
GULSHAN POLYOLS LIMITED, TRANSFEEE COMPANY, CONVENED PURSUANT TO ORDER OF THE HON'BLE
NATIONAL COMPANY LAW TRIBUNAL, ALLAHABAD BENCH (“TRIBUNAL”) DATED JULY 14, 2021 (“TRIBUNAL
ORDER”)**

I. Meeting for the Scheme

This is an Explanatory Statement accompanying the Notice convening the meeting of secured creditors of Gulshan Polyols Limited (“**Company**” or “**Transferee Company**”), for the purpose of their considering and if thought fit, approving, with or without modification(s), the proposed Scheme of Amalgamation between Gulshan Holdings Private Limited (“**Transferor Company No. 1**”) and East Delhi Importers & Exporters Private Limited (“**Transferor Company No. 2**”) (collectively referred to as the “**Transferor Companies**”) with Gulshan Polyols Limited (“**Transferee Company**” or “**Company**”) and their respective shareholders and creditors (“**Scheme**”). The Scheme provides for: (a) Amalgamation (merger by absorption) of Transferor Company No. 1 into and with the Transferee Company and consequent dissolution of the Transferor Company No. 1 without winding up; and (b) Amalgamation (merger by absorption) of Transferor Company No. 2 into and with Transferee Company and consequent dissolution of the Transferor Company No. 2 without winding up, under Sections 230 to 232 and other applicable provisions of the Act.

Capital terms not defined herein and used in the Notice and this Statement shall have the same meaning as ascribed to them in the Scheme.

II. Rationale and Benefits of the Scheme

The amalgamation of the Transferor Companies with the Transferee Company would *inter alia* have the following benefits:

- a) Help in achieving improved operational efficiency and optimum advantages and also to achieve greater efficiency and synergy in operations by combining the activities of the Transferor Companies with the Transferee Company. Accordingly, the Scheme would strengthen and complement the businesses of the Companies;
- b) The amalgamated entity will benefit from optimum utilization of manpower through improved organizational capacity and leadership, arising from the combination of people from the Transferor Companies and Transferee Company which have diverse skills, talent, management expertise, enlarged knowledge base and vast experience to compete successfully in an increased competitive industry;
- c) The amalgamated entity shall reduce fixed costs by removing duplicate departments, operations and lower the cost of the Company relative to the same revenue stream and shall thus increase the profit margins;
- d) The amalgamation will offer a simplified corporate structure to the amalgamated entity;
- e) Under a liberalised, fast changing and highly competitive environment, this amalgamation shall strengthen the business of the Transferor Companies and the Transferee Company by pooling up the resources, business expertise, business processes and assets for common purpose and hence optimum utilization;
- f) The synergies that exist between the entities in terms of services and resources can be put to the best advantage of all stakeholders;
- g) The amalgamation will result in better economic control, increased financial strength and flexibility and enhance the ability of the amalgamated entity to undertake large projects, thereby contributing to enhancement of future business potential;
- h) Cost savings are expected to flow from more focused operational efforts, rationalisation, standardisation and simplification of business processes, productivity and improvements, improved procurement and the elimination of duplication and rationalization of administrative expenses;
- i) The consolidation of the companies engaged in similar & complementary line of business in one entity, under a single centralized system of management, will result in the management being able to exercise greater control over the operations of the companies and which will help in synchronising the operations. This will also result in the management being enabled to undertake any re-structuring /re-organization of the various business undertakings of the companies for the purposes of achieving optimum efficiency /and or to attract investments in the individual business undertakings of the Companies.

III. Background of the Companies

1. Particulars of the Transferor Company No. 1

a. **Gulshan Holdings Private Limited** is a private limited Company within the meaning of the Companies Act, 2013, having its registered office at 9th K.M., Jansath Road, Muzaffarnagar - 251001, Uttar Pradesh, India and Corporate Identity Number (CIN) U74899UP1985PTC128005. The Transferor Company No. 1 was originally incorporated as a Company limited by shares on 20th November, 1985 under Companies Act, 1956 under the name of "Gulshan Marketing Private Limited". Thereafter, pursuant to Section 23 of the Companies Act, 1956 and under the order of the Central Government, the name of the Transferor Company No. 1 was changed to Gulshan Holdings Private Limited and a fresh certificate of change of name was issued to the Company on February 14, 2002. The Transferor Company No. 1 by a special resolution shifted its registered office from the State of Delhi to the State of Uttar Pradesh from the jurisdiction of Registrar of Companies, NCT of Delhi & Haryana to the Registrar of Companies, Kanpur, and the same was confirmed by the order of the Regional Director, Northern Region, Delhi dated February 25, 2020. A certificate of registration issued by Registrar of Companies for the change of state was issued to the Transferor Company No. 1 on March 19, 2020. The Permanent Account Number (PAN) of the Transferor Company No. 1 is AAACG5688F. The Equity Shares of the Transferor Company No. 1 are not listed on any of the Stock Exchanges. The Transferor Company No. 1 is the holding Company of Transferee Company and holds 56.22% equity shareholding in the Transferee Company. The email address of the Transferor Company No. 1 is cs@gulshanindia.com.

b. Main Objects of the Transferor Company No. 1 have been summarized as below for the perusal of the shareholders:

"1. To take or otherwise acquire, and hold shares in any other company having objects altogether or in part similar to those of this company or carrying on any business capable of being conducted so as to directly or indirectly benefit this company.

2. To guarantee the payment of money unsecured or secured by or payable under or in respect of promissory notes bonds, debentures, debenture stocks, contracts mortgages, charges, obligations, instants and securities of any company or of any authority, supreme, municipal local or otherwise or of any person whomsoever whether incorporated or not incorporated, and generally to guarantee or become sureties for the performance of any contracts and obligations.

3. To invest in other than investment in Company's own shares and deal with the moneys in the company, not immediately required upon, in such securities and in such manner as may from time to time be determined.

4. To buy or sell or trade in any goods on behalf of its principal or otherwise."

c. The share capital of the Transferor Company No. 1 as on date of this Notice is as follows:

Particulars	Amount in INR
Authorized Share Capital	
55,500 Equity Shares of Rs. 1000/- each.	5,55,00,000

Total	5,55,00,000
Issued, Subscribed and Paid-up Share Capital	
707 Equity Shares of Rs. 1000/- each.	7,07,000
Total	7,07,000

The latest annual financial statements of the Transferor Company No. 1 have been audited for the financial year ended on March 31, 2021. Consolidated and standalone audited financial results of the Transferor Company No. 1 for the year ended March 31, 2021 are attached collectively hereto as Annexure "XV".

- d. The details of Directors and Promoters of the Transferor Company No. 1 (as on the date of the Notice) along with their addresses are mentioned herein below:

Sr. No.	Name	Category	Address
Directors			
1.	Dr. Chandra Kumar Jain	Non-Executive Director	N-142, Panchsheel Park, Malviya Nagar, Hauz Khas, South Delhi, Delhi-110017
2.	Mrs. Mridula Jain	Non-Executive Director	N-142, Panchsheel Park, Malviya Nagar, Hauz Khas, South Delhi, Delhi-110017
3.	Mrs. Arushi Jain	Non-Executive Director	S-237, 2nd Floor, Panchsheel Park, Delhi-110017
Sr. No.	Name	Address	
Promoters			
1.	Dr. Chandra Kumar Jain	N-142, Panchsheel Park, Malviya Nagar, Hauz Khas, South Delhi, Delhi-110017	
2.	Mrs. Mridula Jain	N-142, Panchsheel Park, Malviya Nagar, Hauz Khas, South Delhi, Delhi-110017	
3.	Ms. Arushi Jain	S-237, 2nd Floor, Panchsheel Park, Delhi-110017	
4.	Ms. Aditi Pasari	S-319, Greater Kailash, Part-II, Greater Kailash S.O., South Delhi, Delhi-110048	
5.	Ms. Anubha Gupta	A-5 Block-A, Kalindi Colony, East of Kailash, South Delhi, Delhi-110065	

2. Particulars of the Transferor Company No. 2

- a. **East Delhi Importers & Exporters Private Limited** is a private limited Company within the meaning of the Companies Act, 2013, having its registered office at 9th K.M., Jansath Road, Muzaffarnagar - 251001, Uttar Pradesh, India and Corporate Identity Number (CIN) U60231UP1997PTC129363. The Transferor Company No. 2 was originally incorporated as a Company limited by shares on 23rd July, 1997 under Companies Act, 1956 under the name of "Atul Transport Private Limited". Thereafter, pursuant to Section 23 of the Companies Act, 1956 and under the order of the Central Government, the name of the Transferor Company No. 2 was changed to East Delhi Importers and Exporters Private Limited and a fresh certificate of change of name was issued to the Company on June 23, 2007. The Transferor Company No. 2 by a special resolution shifted its registered office from the State of Delhi to the State of Uttar Pradesh from

the jurisdiction of Registrar of Companies, NCT of Delhi & Haryana to the Registrar of Companies, Kanpur, and the same was confirmed by the order of the Regional Director, Northern Region, Delhi dated February 25, 2020. A certificate of registration issued by Registrar of Companies, Kanpur for the change of state was issued to the company on June 10, 2020. The Permanent Account Number (PAN) of the Transferor Company No. 2 is AABCA3294L. The Equity Shares of the Transferor Company No. 2 are not listed on any of the Stock Exchanges. The email address of the Transferor Company No. 2 is akg@gulshanindia.com.

- b. Main Objects of the Transferor Company No. 2 have been summarized as below for the perusal of the shareholders:

"1. To carry on the business as exporters, importers, buyers, sellers, distributors, agents, brokers, factors, stockiest, commission agents and dealers, of Textile, cotton, fabric, silk, jute, woolen, and synthetics, leather wear, Organic and inorganic chemicals, domestic and industrial acids, sugar, sugar products, alcohol, rubber, plastic and all kinds of plastics products, tannery products, Engineering goods, machine tools, small tools, metals, alloys, iron pipe fitting, nuts and bolts, bicycles and accessories, automobile parts and steel, stainless steel and iron products, ores and scraps, metallurgical residues hides, skins, leather goods, furs, bristles, tobacco (raw and manufactured) hemp, seeds, edible and non-edible oils bones crushed and uncrushed, industrial diamonds, coal and charcoal, glue, gums and resins, ivory, lac, shellac, manures, paper and paper products, food and food products, pulp or rags, rubber, tanning, substances, wax, quartz, crystal, chemicals and chemical preparations, plastic and linoleum articles, glass and glassware, handicrafts, handloom, toys, liquid gold, precious stones, ornaments, jewellery, pearls, drugs and medicines, soaps, paints, paper and stationery, spot goods textile such as decorative, hand and machine made, readymade garments, carpets, rugs, artificial silk fabrics, cotton, woolen cloth and apparels, dressing materials, cosmetics, wigs, belts, belting, cinematograph, films, exposed, gramophone, records, stardh, umbrellas, crown corks, batteries, surgical and musical instruments, marble and hardware items, books and manuscripts, electric and electronic products, sanitary wares and fittings, cellulosic and cellulosic products, fibre yarn, hosiery bran, fruits, dry foods, grains and pulses, flour, confectionary, alcohol, beverages, perfumed spirits, spices, tea, coffee, sugar and molasses, vegetables and its products, processed foods and packed foods, fish and sea foods/products.

2. To buy, procure, sell, import, export or otherwise deal in the computer software, programmes, packages, computer hardware and computer peripheral.

3. To carry in India or abroad business of importers and exporters, merchants, general order suppliers, commission, agents, representatives, distributors, royalty, owners, contractors, auctioneers, guarantee brokers, indent agents, mercantile agents, passage agents, principals, factors, organizers, concessionaires, sale agents, sub-agents, insurance agents, enquiry agents, patent agents, advertisement agents, transport contractors, shipping agents, surveyors, valuers, trasurers, furnishers, decorators, general representatives agents in all its branches in respect of items stated (1& 2 above).

4. To carry on business as general carriers, transporters and freight forwarders and to provide carrier freight transport, courier, taxi, truck, light or heavy haulage and delivery services by land, road, railway, sea, river, canal, water or air for and in connection with any containers, packages, parcels, mails, goods or bulk commodities.

5. To carry passengers by air, road, rail, land, sea, or water, to operate any taxi service and to construct, equip, maintain, work, purchase, sell, export, import, lease, hire, let on hire, repair, refurbish, or otherwise deal in any aircraft, ship, car, bus or any kind of vehicle or mode of transport.

6. To carry, collect, receive, load, unload, store, consign, distribute, transfer and deliver goods, wares, merchandise, parcels, packages, baggage, freight, animals, livestock, timber, coal, oil, ores and other property of every description by any mode of transportation, and generally for such purposes to acquire, manage and operate warehouses, and bounded warehouses, act as agents for shippers and consigners, and to issue warehouse warrants and receipts and bills of loading.

7. To carry on the business as manufactures in respect of various items mentioned in object Clause III (A) 1 and to develop the computer software, programmes, packages, computer hardware and computer peripheral.”

- c. The share capital of the Transferor Company No. 2 as on date of this Notice is as follows:

Particulars	Amount in INR
Authorized Share Capital	
10,000 Equity Shares of Rs. 10/- each.	1,00,000
Total	1,00,000
Issued, Subscribed and Paid-up Share Capital	
10,000 Equity Shares of Rs. 10/- each.	1,00,000
Total	1,00,000

The latest annual financial statements of the Transferor Company No. 2 have been audited for the financial year ended on March 31, 2021. The audited financial results of the Transferor Company No. 2 for the year ended March 31, 2021 is attached hereto as Annexure “XVI”.

- e. The details of Directors and Promoters of the Transferor Company No. 2 (as on the date of the Notice) along with their addresses are mentioned herein below:

Sr. No.	Name	Category	Address
Directors			
1.	Mr. Avdhesh Kumar Garg	Non-Executive Director	SF-1, Plot No. 147, Sector 4, Vaishali, Ghaziabad, Uttar Pradesh- 201010
2.	Ms. Aditi Pasari	Non-Executive Director	S-319, Greater Kailash, Part-II, Greater Kailash S.O., South Delhi, Delhi-110048, India
Sr. No.	Name	Address	
Promoters			
1.	Dr. Chandra Kumar Jain	N-142, Panchsheel Park, Malviya Nagar, Hauz Khas, South Delhi, Delhi-110017	
2.	Mrs. Mridula Jain	N-142, Panchsheel Park, Malviya Nagar, Hauz	

		Khas, South Delhi, Delhi-110017
3.	Ms. Arushi Jain	S-237, 2nd Floor, Panchsheel Park, Delhi-110017

3. Particulars of the Transferee Company

a. **Gulshan Polyols Limited** is a public limited company within the meaning of the Companies Act, 2013 having its registered office at 9th K.M., Jansath Road, Muzaffarnagar - 251001, Uttar Pradesh, India and Corporate Identity Number (CIN) L24231UP2000PLC034918. The equity shares of the Transferee Company are listed at BSE Limited (“**BSE**”) and National Stock Exchange of India Limited (“**NSE**”). The Transferee Company was originally incorporated on 20th October 2000 as a limited Company under the provisions of the Companies Act, 1956. The Permanent Account Number (PAN) of the Transferee Company is AABCG3954F. The email address of the Transferee Company is cs@gulshanindia.com.

b. Main Objects of the Transferee Company have been summarized as below for the perusal of the shareholders:

“1. To carry on the business as manufacturer, dealer, importer, exporter, and generally to deal in Starch made from all type of grains and topioca, Starch Derivatives like sorbitol, DMH, Mannitol, Maltodextrin, Dextrose, Lysine, Fructose, Liquid Glucose and all allied products and by products thereof.

2. To carry on the business as manufacturer, mining, dealer, exporter, importer in all type of inorganic chemicals and minerals such as activated and precipitated Calcium Carbonate of all grades and specifications, Chalk, Industrial chalk, Calcite, soap stones, all varieties of stones including lime, marbles, granite and all allied products and by products thereof.

3. To carry on the business as manufacturer, bottler, dealer, exporter, importer in all type of alcohol made from molasses & grains including IMFL, ENA, ATA, Country Liquor, Wine, and all allied products and by products thereof.

4. To carry on the business as manufacturer, dealer, exporter, importer in all type of paper, paper products, Sugar, Sugar beets, sugar cane, Gur, cab, Khandsari, jaggery, molasses, yeast, syrups Fertilizers, manures, medicines of all kinds including Calcium Carbide, Sodium Hydrosulphate, acids, alkaliessalts, Dyes, caustic soda, soda ash, glass etc., pharmaceuticals, petroleum and other oils andtheir byproducts, derivatives, compounds, mixtures, formulations and all kinds of commodities having chemical properties, industrial greases and lubricants, Glycerin, Distilled water, water soluble, water for injection, and / or otherwise deal in such commodities.

5. To design, invent, assemble, manufacture, generate, buy, sell, lease, import, export, conduct, research, impart training, develop, maintain, repair, hire, rent on hire, to let out the land & building, alter design, distribute, provide services including consultancy and / or otherwise deal in wind power, Hydro power, Thermal power, Solar power, power equipments, power transmission, power transformer, power infrastructure, electric cables or otherwise deal in power sector.

6. To carry on the business as manufacturers, producers, growers, exporters, buyers, sellers, agents, merchant and dealers in all kinds of Agro products including caster seed processing,

processed /canned mushrooms, fruits, vegetables, flowers, herbs and forest products, their stems, roots, leaves and seeds etc. and their various products and by products like squashes, concentrates, juices, ready to serve beverages, crushes, jams, slices pickles, chutnies, ketchups, peel oils, pomace, peel, cattle feed, seeds synthetic sweetened aerated waters, canned and dehydrated vegetables, purees, soups, pastes, chips and wafers.

7. To carry on the business in all their respective forms and branches and to grow, produce manufacture, process, prepare, refine, extract, manipulate, hydrolyze, deodorise, grind, bleach, hydrogenate, buy, sell or otherwise deal in all kind of agricultural, horticultural, milk and milk products, maltery and brewery, dairy and dairy products, poultry and farm product and products including food grains, edible oils, meat, fish, eggs, food and food products and preparations of any nature and description whatsoever.

8. To carry on the business in India or abroad of Information Technology (IT), Information Technology Enabled services (ITES), providing, taking or otherwise dealing, training, educating, imparting knowledge, consultancy in computer software, hardware including the business of data entry, programming, processing, developing, Importing/ Exporting/ initiating of software data records, information, developing the module whether technical or otherwise, to carry on the business or the services of call centers, back office processing, Embedded software business, Smart Card, ASP, Outsourcing including Business Process Outsourcing (BPO) and Knowledge Process Outsourcing (KPO), Communication & Networking, Media & Entertainment (including TV Channels) TV serial development, distribution or otherwise dealing in entertainment and media business, Web Development Services, purchase or sell of websites, website developments & designing including development, distribution or otherwise dealing in entertainment and media business, Web Development Services, purchase, or sell of websites, website developments & designing including development of dot com business, chat shows, Medical Transcription, On-site services etc. or any other related or allied business, services etc. directly or indirectly.

9. To purchase, acquire, build, construct, alter, enlarge, remove, pull down, replace, maintain, improve, develop, work control, manage and let out on hire any land, building, houses, offices, apartments, colonies, factories, go-downs, mills, sheds, ships, machinery, engines, water-works, gasworks, bridges, wharves, reservoirs, roads, tramways, railways, branches or sidings, hotels, clubs, restaurants, shopping complexes, shopping malls, multiplexes, places of worship, places of amusements, pleasure grounds, park, gardens, reading rooms, stores, shops, dairies, and other works and conveniences and infrastructures or otherwise deal in real estate sector.

10. To design, invent, assemble, manufacture, buy, sell, lease, import, export, conduct research, impart training, develop, maintain, repair, hire, let on hire, to let out the land & building, alter design, distribute, provide services including consultancy or otherwise deal in telecom hardware, telecom software, telecommunications equipments and their components including valves, transistors, micro-motors, resistors, condensers, coils magnetic, heads, with their parts, accessories and fittings.

11. To carry on the business as engineers, consultant, developers, manufacturers, importer, exporter, buy, sale, agent, distributor or otherwise deal in all kinds of electronic goods, electronic equipment and equipments operated electronically.

12. To plan, augment, establish, develop, erect, commission, set up, operate, maintain and supply all types of Plants, in India or elsewhere, to manufacture Calcium Carbonate of all grades and specifications (including Percipated Calcium Carbonate, Dry Ground Calcium Carbonate and Wet Grind/Ground Calcium Carbonate), Starch or Starch derivatives and to provide or acquire technical know-how, technical information, process engineering, design and drawings, layouts, blue prints useful for designing, erection, construction, commissioning, operation and maintenance of plant and equipment required for any of the business of the company.

13. To carry on the business as manufacturer, producer, trader, seller, buyers, exporters, distributor, commission agents, brokers, stockiest, consignment and indenting agents in all kind of cosmetics & toiletries including skin care, beauty care, health care, body care products and Ayurvedic, Herbal, Allopathic, unani, siddha, Homeopathic, Bio-chemic Medicines, Aroma therapy products, their derivatives, by-products, residue, deodorants, all kinds of perfumery & other compounds, disinfecting and cleansing compounds, aerosol and pump- spray products, baby products, skin creams and other cosmetics creams, soaps & shampoos and other bath products, pre-shave shaving and after-shave shaving preparations, oils, greases, ointments, pomades, health tonics, general medicines, and other allied goods and cosmetics.”

c. The share capital of the Transferee Company as on date of this Notice is as follows:

Particulars	Amount in INR
Authorized Share Capital	
22,50,00,000 Equity Shares of Rs. 1/- each.	22,50,00,000
2,50,000 Redeemable Preference Shares (0%) of Rs. 10/- each.	25,00,000
14,50,000 Redeemable Preference Shares (0-10%) of Rs. 100/- each.	14,50,00,000
Total	37,25,00,000
Issued, Subscribed and Paid-up Share Capital	
4,69,17,020 Equity Shares of Rs. 1/- each	4,69,17,020
9,75,000 Redeemable Preference Shares (8%) of Rs. 100/- each	9,75,00,000
Total	14,44,17,020

The latest annual financial statements of the Transferee Company have been audited for the financial year ended on March 31, 2021. The audited financial results of the Transferee Company for the year ended March 31, 2021 and unaudited financial results (limited reviewed) of the Transferee Company for the quarter ended June 30, 2021 are attached collectively hereto as Annexure XIV.

d. The details of Directors and Promoters of the Transferee Company (as on the date of the Notice) along with their addresses are mentioned herein below:

Sr. No.	Name	Category	Address
Directors			
1.	Dr. Chandra Kumar Jain	Chairman and Managing Director	N-142, Panchsheel Park, Malviya Nagar, Hauz Khas, South Delhi, Delhi-110017

2.	Mr. Jeewan Jyoti Bhagat	Non-Executive Independent Director	E-372, 3rd Floor Greater Kailash - 2 New Delhi 110048
3.	Mr. Ashwani Kumar Vats	Whole Time Director and CEO	A-10, Surajmal Vihar, Delhi - 110092
4.	Mr. Akhilesh Kumar Maheshwari	Non-Executive Independent Director	D-149, Second Floor, D-Block Preet Vihar New Delhi 110092 DL IN
5.	Ms. Aditi Pasari	Whole Time Director	S-319, Greater Kailash, Part-II, Greater Kailash S.O., South Delhi, Delhi-110048, India
6.	Ms. Arushi Jain	Whole Time Director	S-237, 2nd Floor, Panchsheel Park, Delhi-110017
7.	Mr. Rakesh Kumar Gupta	Non-Executive Independent Director	2B-358, Vasundhara Ghaziabad 201012 UP IN
8.	Ms. Archana Jain	Non-Executive Independent Director	F- 13, Kirti Nagar, Ramesh Nagar. H O West Delhi, New Delhi -110015
Sr. No.	Name	Address	
Promoters			
1.	Dr. Chandra Kumar Jain	N-142, Panchsheel Park, Malviya Nagar, Hauz Khas, South Delhi, Delhi-110017	
2.	Mrs. Mridula Jain	N-142, Panchsheel Park, Malviya Nagar, Hauz Khas, South Delhi, Delhi-110017	
3.	Ms. Arushi Jain	S-237, 2nd Floor, Panchsheel Park, Delhi-110017	
4.	Ms. Aditi Pasari	S-319, Greater Kailash, Part-II, Greater Kailash S.O., South Delhi, Delhi-110048	
5.	Ms. Anubha Gupta	A-5 Block-A, Kalindi Colony, East of Kailash, South Delhi, Delhi-110065	

IV. Salient Features of the Scheme

The salient features of the Scheme, inter alia, are as stated below. The capitalized terms used herein shall have the same meaning as ascribed to them in the Scheme:

- a. The Scheme provides for: (a) Amalgamation (merger by absorption) of Transferor Company No. 1 into and with the Transferee Company and consequent dissolution of the Transferor Company No. 1 without winding up; and (b) Amalgamation (merger by absorption) of Transferor Company No. 2 into and with Transferee Company and consequent dissolution of the Transferor Company No. 2 without winding up, under Sections 230 to 232 and other applicable provisions of the Act.
- b. In consideration for the amalgamation of the Transferor Companies and Transferee Company in terms of the Scheme and based on the Valuation Report and Fairness Opinion, Gulshan Polyols Limited will issue and allot 2,99,82,536 (Two Crore Ninety-Nine Lakh Eighty-Two Thousands Five Hundred and Thirty Six) fully paid-up equity shares of the face value of INR 1/- (Rupee One) each, in the following manner:

- i. 39,848 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.1000/- each fully paid up of Gulshan Holdings Private Limited.
 - ii. 181 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.10/- each fully paid up of East Delhi Importers and Exporters Private Limited
- c. The Scheme would not only lead to simplification of the shareholding structure and reduction of the shareholding tiers, but also demonstrate the promoter group direct commitment to and engagement with the Transferee Company. Also, it would lead to infusion of investments in forms of bank deposits, bank balance, securities, immovable properties etc. into the Transferee Company which will enhance the capability of the Transferee Company to undertake operations at an enhanced business potential.
 - d. The Appointed Date of the Scheme shall be the opening business hours of 1st April, 2020 or such other date as may be fixed or approved by the Appropriate Authority.
 - e. The Scheme shall become effective from the Appointed Date but shall be operative from the Effective Date.
 - f. The equity shares of the Transferee Company shall continue to be listed on the Stock Exchanges.

Note: The above are the salient features of the Scheme. The shareholders are requested to read the entire text of the Scheme annexed hereto to get fully acquainted with the provisions thereto.

V. Relationship subsisting between Parties to the Scheme

The Transferee Company is a subsidiary of the Transferor Company No. 1. The Transferor Company No. 2 is the entity owned and controlled by the promoter group of the Transferee Company and Transferor Company No. 1. All the companies are under the common management and control.

VI. Board approvals

1. The Board of Directors of the Transferee Company at its Board Meeting held on August 06, 2020 unanimously approved the Scheme, as detailed below:

Name of Director	Voted in favour / against / did not participate or vote
Mr. Jeewan Jyoti Bhagat	In Favour
Mr. Ashwani Kumar Vats	In Favour
Mr. Akhilesh Kumar Maheshwari	In Favour
Mr. Kailash Chandra Gupta	In Favour
Mr. Rakesh Kumar Gupta	In Favour
Mr. Ajay Jain	In Favour
Dr. Chandra Kumar Jain	Not Participated for this particular resolution

Ms. Arushi Jain	Not Participated for this particular resolution
Ms. Aditi Pasari	Not Participated for this particular resolution

2. The Board of Directors of the Transferor Company No. 1 at its Board Meeting held on August 06, 2020 unanimously approved the Scheme, as detailed below:

Name of Director	Voted in favour / against / did not participate or vote
Dr. Chandra Kumar Jain	In Favour
Mrs. Mridula Jain	In Favour
Ms. Arushi Jain	In Favour

3. The Board of Directors of the Transferor Company No. 2 at its Board Meeting held on August 06, 2020 unanimously approved the Scheme, as detailed below:

Name of Director	Voted in favour / against / did not participate or vote
Mr. Avdhesh Kumar Garg	In Favour
Ms. Aditi Pasari	In Favour

VII. Interest of Directors, Key Managerial Personnel (KMPs), their relatives and Debenture Trustee.

- None of the Directors, KMPs (as defined under the Act and rules framed thereunder) of the Transferee Company and their respective relatives (as defined under the Act and rules framed thereunder) has any interest in the Scheme except to the extent of their shareholding in the Company, if any. Save as aforesaid, none of the said Directors or the KMPs or their respective relatives has any material interest in the Scheme. The Transferee Company has not issued any debentures and hence, does not have Debenture Trustee.
- None of the Directors, KMPs (as defined under the Act and rules framed thereunder), as applicable, of the Transferor Companies and their respective relatives (as defined under the Act and rules framed thereunder), has any interest in the Scheme except to the extent of their shareholding in the Transferor Companies. Save as aforesaid, none of the said Directors or the KMPs, as applicable, or their respective relatives has any material interest in the Scheme. The Transferor Companies have not issued any debentures and hence, does not have Debenture Trustee.

Shareholding of the Directors and Key Managerial Personnel

(Based on shareholding data as on March 31, 2021)

- A. Detail of present Shareholding of the Directors and Key Managerial Personnel of the Transferee Company in the Transferor Companies, either singly or jointly or as nominee, is as under:

Sl. No.	Name of Directors & KMP and their Designation	Number of Shares held on March 31, 2021		
		Transferee	Transferor	Transferor

		Company	Company No. 1	Company No. 2
1.	Dr. Chandra Kumar Jain - Chairman & Managing Director	35,46,990	182	6,000
2.	Mr. Jeewan Jyoti Bhagat - Non-Executive Independent Director	25,000	-	-
3.	Mr. Ashwani Kumar Vats - Whole Time Director and CEO	-	-	-
4.	Mr. Akhilesh Kumar Maheshwari - Non-Executive Independent Director	2,350	-	-
5.	Ms. Aditi Pasari - Whole Time Director	72,599	124	-
6.	Ms. Arushi Jain – Whole Time Director	3,80,545	108	2,000
7.	Mr. Rakesh Kumar Gupta - Non-Executive Independent Director	-	-	-
8.	Ms. Archana Jain - Non-Executive Independent Director	-	-	-
9.	Mr. Rajiv Gupta- Chief Financial Officer	-	-	-
10.	Ms. Asha Mittal- Company Secretary	-	-	-

- B. Detail of present Shareholding of the Directors and Key Managerial Personnel of the Transferor Company No. 1 in the Transferee Company, either singly or jointly or a nominee, is as under:

Sl. No.	Name of Directors & KMP and their Designation	Number of Shares held on March 31, 2021	
		Transferor Company No. 1	Transferee Company
1.	Dr. Chandra Kumar Jain - Non-Executive Director	182	35,46,990
2.	Mrs. Mridula Jain - Non-Executive Director	173	4,60,105
3.	Ms. Arushi Jain – Non-Executive Director	108	3,80,545

- C. Detail of present Shareholding of the Directors and Key Managerial Personnel of the Transferor Company No. 2 in the Transferee Company, either singly or jointly or a nominee, is as under:

Sl. No.	Name of Directors & KMP and their Designation	Number of Shares held on March 31, 2021	
		Transferor Company No. 2	Transferee Company
1.	Mr. Avdhesh Kumar Garg- Non-Executive Director	-	-
2.	Ms. Aditi Pasari – Non-	-	72,599

	Executive Director		
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VIII. Effect of Scheme on stakeholders

(a)	Equity Shareholders (Promoters and Non-Promoters)	Upon the coming into the effect of the Scheme and in consideration of the transfer and vesting of the Transferor Companies, the Transferee Company shall issue and allot to the equity shareholders of the Transferor Companies, New Equity Shares of the Transferee Company in the ratio as enumerated in Clause 14 of Part III of the Scheme. Further, the authorized share capital of the Transferor Companies shall stand transferred to and be amalgamated / combined with the authorized share capital of the Transferee Company in the manner as stipulated in Clause 17 of Part III of the Scheme.
(b)	Preference Shareholders	No Impact.
(c)	Key Managerial Personnel (KMP)	The Transferee Company is not expecting any change in the KMPs of the Transferee Company in pursuance of the Scheme becoming effective.
(d)	Directors	<p>The Scheme will have no effect on the office of the existing Directors of the Transferee Company. It is pertinent to mention that since the Transferor Companies will be dissolved upon the Scheme becoming effective, Mr. Avdhesh Kumar Garg (Director of Transferor Company No. 2) and Mrs. Mridula Jain (Director of Transferor Company No. 1) will not hold office of directorship in the Transferee Company. All other common directors will continue to hold office of directorship in the Transferee Company.</p> <p>Further, no change in the Board of Directors of the Transferee Company is envisaged on account of the Scheme. It is clarified that, the composition of the Board of Directors of the Transferee Company may change by appointments, retirements or resignations in accordance with the provisions of the Act, SEBI Listing Regulations and Memorandum and Articles of Association of the Transferee Company.</p>
(e)	Creditors	The liability of the creditors of the Transferee Company, under the Scheme, is neither being reduced nor being extinguished. The creditors of the Transferee Company would in no way be affected by the Scheme. They shall be paid as and when their debt becomes due.

		<p>Further, the creditors of the Transferor Companies will become business creditors of the Transferee Company pursuant to the Scheme. They shall be paid as and when their debt becomes due.</p> <p>There will be no adverse impact on the rights and interest of the creditor(s) of the Transferee Company or Transferor Companies.</p>
(f)	Employees	<p>The Transferee Company is not expecting any change in the Employees of the Transferee Company in pursuance of the Scheme becoming effective. Moreover, all in-scope employees forming part of Transferor Company shall be transferred to the Transferee Company on the same terms and conditions on which they are engaged by the Transferor Companies.</p> <p>Thus, the Scheme will have no adverse effect on the employees of the Companies involved in the Scheme.</p>
(g)	Debenture holders, Bond holders, Depositors and Debenture Trustees	<p>The Transferee Company and Transferor Company have not issued debentures, bonds and doesn't have debenture trustee. Further, the Companies have not accepted deposit.</p>

IX. Amount due to Unsecured Creditors

The amount due to unsecured creditors of the Transferee Company, as on March 31, 2021 is INR 62,40,09,543/-. The amount due to unsecured creditors of the Transferor Company No. 1, as on March 31, 2021 is INR 47,000/-. The amount due to unsecured creditors of the Transferor Company No.2, as on March 31, 2021 is Nil/-.

X. Capital / Debt Restructuring

There is no debt restructuring envisaged in the Scheme. Upon the Scheme becoming effective, the existing equity share capital of the Transferee Company held by Transferor Companies shall stand cancelled and in consideration of the amalgamation of the Transferor Companies in the Transferee Company, the Transferee Company shall, without any further application, act or deed, issue and allot to the shareholders of the Transferor Companies, 2,99,82,536 (Two Crore Ninety Nine Lakh Eighty Two Thousands Five Hundred and Thirty Six) fully paid-up equity shares of the face value of INR 1/- (Rupee One) each, in the following manner:

- i. 39,848 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.1000/- each fully paid up of Gulshan Holdings Private Limited.
- ii. 181 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.10/- each fully paid up of East Delhi Importers and Exporters Private Limited.”

The Pre-Scheme and Post-Scheme Shareholding Pattern Capital Structure of the Transferee Company and Transferor Companies are given below:

PRE-SCHEME CAPITAL STRUCTURE OF THE TRANSFEREE COMPANY

(Based on shareholding data as on March 31, 2021)

Particulars	Amount (Rs.)
Authorised Share Capital	
22,50,00,000 Equity Shares of Rs. 1/- each.	Rs. 22,50,00,000
2,50,000 Redeemable Preference Shares (0%) of Rs. 10/- each.	Rs. 25,00,000
14,50,000 Redeemable Preference Shares (0-10%) of Rs. 100/- each.	Rs. 14,50,00,000
Total	Rs. 37,25,00,000
Issued, Subscribed and Paid-up Share Capital	
4,69,17,020 Equity Shares of Rs. 1/- each	Rs. 4,69,17,020
9,75,000 Redeemable Preference Shares (8%) of Rs. 100/- each	Rs. 9,75,00,000
Total	Rs. 14,44,17,020

POST-SCHEME CAPITAL STRUCTURE OF THE TRANSFEREE COMPANY

(Based on shareholding data as on March 31, 2021)

Particulars	Amount (Rs.)
Authorised Share Capital	
28,06,00,000 Equity Shares of Rs 1/- each.	Rs. 28,06,00,000
2,50,000 Redeemable Preference Shares (0%) of Rs. 10/- each.	Rs. 25,00,000
14,50,000 Redeemable Preference Shares (0-10%) of Rs. 100/- each.	Rs. 14,50,00,000
Total	Rs. 42,81,00,000
Issued, Subscribed and Paid-up Share Capital	
4,95,59,489 Equity Shares of Rs. 1/- each.	Rs. 4,95,59,489
9,75,000 Redeemable Preference Shares (8%) of Rs. 100/- each.	Rs. 9,75,00,000
Total	Rs. 14,70,59,489

PRE-SCHEME CAPITAL STRUCTURE OF THE TRANSFEROR COMPANY NO. 1

(Based on shareholding data as on March 31, 2021)

Particulars	Amount (Rs.)
Authorised Share Capital	
55,500 Equity Shares of Rs. 1000/- each.	Rs. 5,55,00,000
Total	Rs. 5,55,00,000
Issued, Subscribed and Paid-up Share Capital	
707 Equity Shares of Rs. 1000/- each.	Rs. 7,07,000
Total	Rs. 7,07,000

POST-SCHEME CAPITAL STRUCTURE OF THE TRANSFEROR COMPANY NO. 1

(Based on shareholding data as on March 31, 2021)

Upon the Scheme becoming effective, the Transferor Companies will get dissolved and the authorized capital of the Transferor Companies as on the Appointed Date shall stand merged with the authorized capital of the Transferee Company.

PRE-SCHEME CAPITAL STRUCTURE OF THE TRANSFEROR COMPANY NO. 2

(Based on shareholding data as on March 31, 2021)

Particulars	Amount (Rs.)
Authorised Share Capital	
10,000 Equity Shares of Rs. 10/- each.	Rs.1,00,000
Total	Rs. 1,00,000
Issued, Subscribed and Paid-up Share Capital	
10,000 Equity Shares of Rs. 10/- each.	Rs.1,00,000
Total	Rs. 1,00,000

POST-SCHEME CAPITAL STRUCTURE OF THE TRANSFEROR COMPANY NO. 2

(Based on shareholding data as on March 31, 2021)

Upon the Scheme becoming effective, the Transferor Companies will get dissolved and the authorized capital of the Transferor Companies as on the Appointed Date shall stand merged with the authorized capital of the Transferee Company.

PRE-SCHEME AND POST SCHEME SHAREHOLDING PATTERN OF THE TRANSFEREE COMPANY

(Based on shareholding data as on March 31, 2021)

Sr. No	Name & Category of Shareholders	Pre-Scheme		Post-Scheme	
		Total nos. shares held	Shareholding as a % of total no. of shares	Total nos. shares held	Shareholding as a % of total no. of shares
(A)	Shareholding of Promoter & Promoter Group				
1.	Indian				
	Dr. Chandra Kumar Jain	35,46,990	7.56%	1,18,85,326	23.98%
	Mrs. Mridula Jain	4,60,105	0.98%	77,15,809	15.57%
	Ms. Arushi Jain	3,80,545	0.81%	50,46,129	10.18%
	Ms. Aditi Pasari	72,599	0.15%	50,13,751	10.12%
	Mr. Anubha Gupta	1,98,132	0.42%	49,79,892	10.05%
	Gulshan Holdings Private Limited	2,63,75,047	56.22%	-	-
	East Delhi Importers & Exporters Private Limited	9,65,020	2.06%	-	-
2.	Foreign	-	-	-	-
	Total Shareholding of Promoter	3,19,98,438	68.20%	3,46,40,907	69.90%

	and Promoter Group				
(B)	Public Shareholding				
1.	Institutions	-	-	-	-
2.	Non-Institutions	1,46,29,542	31.18%	1,46,29,542	29.52%
	Total Public Shareholding	1,46,29,542	31.18%	1,46,29,542	29.52%
(C)	Non-Promoter Non-Public Shareholding				
1.	Shares held by Custodians and against which DRs have been issued	-	-	-	-
2.	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations 2014)	2,89,040	0.62%	2,89,040	0.58%
	Total Non-Promoter Non-Public Shareholding	2,89,040	0.62%	2,89,040	0.58%
	Total- (A) + (B) + (C)	4,69,17,020	100%	4,95,59,489	100%

PRE-SCHEME AND POST SCHEME SHAREHOLDING PATTERN OF THE TRANSFEROR COMPANY NO. 1
(Based on shareholding data as on March 31, 2021)

Sr. No	Name & Category of Shareholders	Pre-Scheme		Post-Scheme	
		Total nos. shares held	Shareholding as a % of total no. of shares	Total nos. shares held	Shareholding as a % of total no. of shares
(A)	Shareholding of Promoter & Promoter Group				
1.	Indian				
	Dr. Chandra Kumar Jain	182	25.74%	-	-
	Mrs. Mridula Jain	173	24.47%	-	-
	Ms. Arushi Jain	108	15.28%	-	-
	Ms. Aditi Pasari	124	17.54%	-	-
	Mr. Anubha Gupta	120	16.97%	-	-
2.	Foreign	-	-	-	-
	Total Shareholding of Promoter and Promoter Group	707	100%	-	-
(B)	Public Shareholding				

1.	Institutions	-	-	-	-
2.	Non-Institutions	-	-	-	-
	Total Public Shareholding	-	-	-	-
(C)	Non-Promoter Non-Public Shareholding				
1.	Shares held by Custodians and against which DRs have been issued	-	-	-	-
2.	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations 2014)	-	-	-	-
	Total Non-Promoter Non-Public Shareholding	-	-	-	-
	Total- (A) + (B) + (C)	707	100%	-	-

PRE-SCHEME AND POST SCHEME SHAREHOLDING PATTERN OF THE TRANSFEROR COMPANY NO. 2

(Based on shareholding data as on March 31, 2021)

Sr. No	Name & Category of Shareholders	Pre-Scheme		Post-Scheme	
		Total nos. shares held	Shareholding as a % of total no. of shares	Total nos. shares held	Shareholding as a % of total no. of shares
(A)	Shareholding of Promoter & Promoter Group				
1.	Indian				
	Dr. Chandra Kumar Jain	6,000	60%	-	-
	Mrs. Mridula Jain	2,000	20%	-	-
	Ms. Arushi Jain	2,000	20%	-	-
2.	Foreign	-	-	-	-
	Total Shareholding of Promoter and Promoter Group	10,000	100%	-	-
(B)	Public Shareholding				
1.	Institutions	-	-	-	-
2.	Non-Institutions	-	-	-	-
	Total Public Shareholding	-	-	-	-
(C)	Non-Promoter Non-Public				

	Shareholding				
1.	Shares held by Custodians and against which DRs have been issued	-	-	-	-
2.	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations 2014)	-	-	-	-
	Total Non-Promoter Non-Public Shareholding	-	-	-	-
	Total- (A) + (B) + (C)	10,000	100%	-	-

XI. Auditors' Certificate on conformity of accounting treatment in the Scheme with Accounting Standards

The Auditors of the Transferee Company and of the Transferor Companies have confirmed that the accounting treatment specified in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Act.

XII. Approvals and intimations in relation to the Scheme

- i. In terms of Regulation 37 of the SEBI Listing Regulations read with SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017, BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"), by their respective letters, dated February 01, 2021 and January 29, 2021 have issued their observations on the Scheme to the Company. Copies of the said observation letters issued by NSE and BSE to the Company are attached hereto as Annexure "VII" and Annexure "VIII" respectively. Further, in terms of the said SEBI Circular the Company has not received any complaint relating to the Scheme and "NIL" complaint reports were led by the Company with NSE and BSE, copies of which are attached hereto as Annexure "V" and Annexure "VI" respectively.
- ii. In addition to the approval of the Tribunal, the Transferee Company and / or the Transferor Companies will obtain such necessary approvals/sanctions/no objection(s) from the regulatory or other governmental authorities in respect of the Scheme in accordance with law, as may be required.
- iii. Information pertaining to the Transferor Companies involved in the Scheme in the format prescribed for abridged prospectus as specified in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 along with the compliance report issued by D & A Financial Services (P) Limited, a Category I Merchant Banker are attached hereto as Annexure "XII" and Annexure "XIII" respectively.
- iv. No investigation proceedings have been instituted and/or are pending against the Transferee Company and the Transferor Companies under the Act.
- v. The Companies have filed a copy of the Scheme with the Registrar of Companies pursuant to Section 232(2)(b) of the Act.

XIII. Valuation Report and Fairness Opinion

The Valuation Report dated 6th August, 2020 issued by Mr. Vardhman Doogar, Chartered Accountant, Registered Valuer recommended below share entitlement ratio for the Scheme:

“In consideration for the amalgamation of the Transferor Companies and Transferee Company in terms of the Scheme and based on the Valuation Report and Fairness Opinion, Gulshan Polyols Limited will issue and allot 2,99,82,536 (Two Crore Ninety-Nine Lakh Eighty-Two Thousand Five Hundred and Thirty-Six) fully paid-up equity shares of the face value of INR 1/- (Rupee One) each, in the following manner:

- i. *39,848 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.1000/- each fully paid up of Gulshan Holdings Private Limited.*
- ii. *181 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.10/- each fully paid up of East Delhi Importers and Exporters Private Limited”*

The Fairness Opinion Report dated 6th August, 2020 issued by M/s. Navigant Corporate Advisors Limited, a Category I Merchant Banker, has been issued in respect of the Valuation Report wherein it has been stated that the proposed share entitlement ratio as recommended by the valuers, which forms the basis of the proposed Scheme, is fair.

The valuation methods used by the Mr. Vardhman Doogar, Chartered Accountant (Registered Valuer) for reckoning the aforesaid share entitlement ratio and the weights assigned to each method in reckoning the value per share are given below:

[Values in INR/Rs.]

Valuation Approach	Gulshan Polyols Limited		Gulshan Holdings Private Limited		East Delhi Importers and Exporters Private Limited	
	Value per Share	Weight	Value per Share	Weight	Value per Share	Weight
Adjusted Net Asset Value Method	NA	NA	1,913,284.67	1	8,686.72	1
Discounted Cash Flow Method	57.34	0.5	NA	NA	NA	NA
Market Price Method	38.69	0.5	NA	NA	NA	NA
Fair Value per share	48.01		1,913,284.67		8,686.72	
Share Exchange Ratio (Rounded off)			39,848		181	

NA: Not Applicable

Please refer to the Valuation Reports and the Fairness Opinion that are enclosed as Annexure “III” and Annexure “IV” respectively.

XIV. Inspection of Documents

In addition to the documents annexed hereto, the electronic copy of following documents will be available for inspection in the “Investor Relations-Scheme of Amalgamation” section of the website of the Company: http://www.gulshanindia.com/scheme_of_amalgamation.html. Furthermore, copies of the following documents will be open for inspection to the secured creditors of the Transferee Company at its registered

office at 9th K.M., Jansath Road, Muzaffanagar – 251001 on all days except Saturday, Sunday and public holidays up to the date of the Meeting:

- a. Order dated July 14, 2021 passed by the Hon'ble National Company Law Tribunal, Allahabad Bench in Company Application No. (CAA) No. 09/ALD of 2021
- b. Memorandum and Articles of Association of the Transferee Company and Transferor Companies;
- c. Audited Standalone and Consolidated Financial Statements of the Transferor Company No. 1 for the financial year ended March 31, 2021;
- d. Audited Standalone Financial Statements of the Transferor Company No. 2 for the financial year ended March 31, 2021;
- e. Audited Standalone Financial Statements of the Transferee Company for the financial year ended March 31, 2021 and unaudited financial results (limited reviewed) of the Transferee Company for the quarter ended June 30, 2021;
- f. Copy of the Scheme;
- g. Certificates of the Statutory Auditors of the Transferee Company and the Transferor Companies confirming that the accounting treatment prescribed under the Scheme is in compliance with Section 133 of the Act and applicable accounting standards;
- h. The Valuation Report dated 6th August, 2020 issued by Mr. Vardhman Doogar, Chartered Accountant, Registered Valuer and the Fairness Opinion Report dated 6th August, 2020 issued by M/s. Navigant Corporate Advisors Limited, a Category I Merchant Banker;
- i. Complaint report submitted by the Transferee Company to the NSE on November 03, 2020;
- j. Complaint report submitted by the Transferee Company to BSE on September 29, 2020 and November 03, 2020;
- k. Observation letter dated January 29, 2021 issued by the NSE to the Transferee Company;
- l. Observation letter dated February 01, 2021 issued by BSE to the Transferee Company;
- m. Report of the Audit Committee of the Transferee Company recommending the Scheme;
- n. Reports adopted by the respective Boards' of each of the Companies pursuant to Section 232(2)(c) of the Act;
- o. Extracts of the resolutions dated August 06, 2020 passed by the Boards' of the Transferee Company, Transferor Company No. 1 and Transferor Company No. 2, inter alia, approving the Scheme and the filing thereof with the Tribunal;
- p. Information in the format prescribed for abridged prospectus pertaining to the unlisted entity i.e., Transferor Company No. 1 involved in the Scheme as specified in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 along with the compliance report issued by D & A Financial Services (P) Limited, a Category I Merchant Banker; and
- q. Information in the format prescribed for abridged prospectus pertaining to the unlisted entity i.e., Transferor Company No. 2 involved in the Scheme as specified in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 along with the compliance report issued by D & A Financial Services (P) Limited, a Category I Merchant Banker.

Based on the above and considering the rationale and benefits, in the opinion of the Board, the Scheme will be of advantage to, beneficial and in the interest of the Transferor Companies and the Transferee Company, their shareholders, creditors and other stakeholders and the terms thereof are fair and reasonable. The Board of Directors of the Transferee Company recommend the Scheme for approval of the shareholders.

The Directors and KMPs, as applicable, of the Transferee Company and of the Transferor Companies, and their relatives do not have any concern or interest, financially or otherwise, in the Scheme except as to the extent of their shareholding in the Companies as mentioned above in the pre-scheme and post-scheme shareholding pattern.

Sd/-
Rajeev K Goel
Chairperson appointed by
Tribunal for the Meeting

Uttar Pradesh, August 14, 2021

Registered Office:
9th K.M., Jansath Road, Muzaffanagar – 251001,
Uttar Pradesh, India.
Phone: +91 11 49999200
Fax: +91 11 49999202
E-mail: cs@gulshanindia.com
Website: www.gulshanindia.com

**SCHEME OF AMALGAMATION
UNDER SECTION 230 TO 232 AND OTHER APPLICABLE
PROVISIONS OF THE COMPANIES ACT, 2013**

**AMONGST
GULSHAN HOLDINGS PRIVATE LIMITED
(TRANSEOR COMPNAY 1)**

AND

**EAST DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED
(TRANSFEROR COMPANY 2)**

AND

**GULSHAN POLYOLS LIMITED
(TRANSFEREE COMPANY)**

AND

THEIR RESPECTIVE SHAREHOLDERS

PREAMBLE

- A. This Scheme of Amalgamation (**“Scheme”**) provides for the amalgamation of Gulshan Holdings Private Limited (**“Transferor Company 1”**) and East Delhi Importers & Exporters Private Limited (**“Transferor Company 2”**) with Gulshan Polyols Limited (**“Transferee Company”**) on a going concern basis pursuant to the provisions of Section 230 to 232 read with Companies (Compromise, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions of the Companies Act, 2013.
- B. **Gulshan Holdings Private Limited (“Transferor Company 1”)** having CIN : U74899UP1985PTC128005 and PAN : AAACG5688F was incorporated on 20th November, 1985 with Registrar of Companies, Delhi & Haryana as a Private Company, Limited by Shares, and presently having its registered office at 9th K.M., Jansath Road, Muzaffarnagar - 251001, Uttar Pradesh, India.
- C. **East Delhi Importers & Exporters Private Limited (“Transferor Company 2”)** having CIN: U60231UP1997PTC129363 and PAN AABCA3294L was incorporated on 23rd July 1997 with Registrar of Companies, Delhi & Haryana as a Private Company, Limited by Shares, and presently having its registered office at 9th K.M., Jansath Road, Muzaffarnagar - 251001, Uttar Pradesh, India.
- D. **Gulshan Polyols Limited (“Transferee Company”)** having CIN L24231UP2000PLC034918 and PAN AABCG3954F was incorporated on 20th October 2000 with Registrar of Companies, Kanpur as a Public Company, Limited by Shares, and presently having its registered office at 9th K.M., Jansath Road, Muzaffarnagar - 251001, Uttar Pradesh, India.
- E. The Scheme of Amalgamation is in the interest of the Transferor Company 1 and Transferor Company 2 and Transferee Company, their respective shareholders and creditors.

INTRODUCTION

1. This Scheme of Amalgamation (**“Scheme”**) is presented pursuant to the provisions of Sections 230-232 and other relevant provisions of the Companies Act, 2013 (**“the Act”**) as may be applicable, and in compliance with the applicable Section(s) of the Income-Tax Act, 1961 for the following:
 - 1.1 Amalgamation (merger by absorption) of Gulshan Holdings Private Limited (**“Transferor Company 1”**) into and with Gulshan Polyols Limited

(“Transferee Company”) and consequent dissolution of the Transferor Company 1 without winding up; and

1.2 Amalgamation (merger by absorption) of East Delhi Importers & Exporters Private Limited (“Transferor Company 2”) into and with Gulshan Polyols Limited (“Transferee Company”) and consequent dissolution of the Transferor Company 2 without winding up.

1.3 The Scheme of divided into the following parts:

Part	Particulars
I.	Background, Rationale, Definitions, Effective Date and Share Capital
II.	Amalgamation, transfer and vesting of Undertaking of the Transferor Company 1 and Transferor Company 2 into and with the Transferee Company and the matters incidental thereto.
III.	Consideration by the Transferee Company
IV.	Accounting Treatment
V.	Dissolution of Transferor Companies and matters incidental thereto

The Transferor Company 1 and Transferor Company 2 are collectively referred to herein as the Transferor Companies.

PART I: BACKGROUND, RATIONALE, DEFINITIONS, EFFECTIVE DATE AND SHARE CAPITAL

1. BACKGROUND AND DESCRIPTION OF THE COMPANIES

1.1 GULSHAN POLYOLS LIMITED (hereinafter referred as **“GPL”** or **“Transferee Company”**), is a public limited Company within the meaning of the Companies Act, 2013 having its registered office at 9th K.M., Jansath Road, Muzaffarnagar - 251001, Uttar Pradesh, India and Corporate Identity Number (CIN) L24231UP2000PLC034918. The equity shares of GPL are listed at BSE Limited (**“BSE”**) and National Stock Exchange of India Limited (**“NSE”**). GPL was originally incorporated on 20th October 2000 as a limited Company under the provisions of the Companies Act, 1956. The Permanent Account Number (**PAN**) of the Company is AABCG3954F. The Transferee Company is the subsidiary of the Transferor Company 1.

Transferee Company is engaged in the business of manufacturing multi-products such as starch sugar, high fructose rice syrup, brown rice syrup, rice syrup solids, calcium carbonate, agro based animal feed and alcohol. Further, the Transferee Company is engaged in installing onsite PCC plants.

1.2 GULSHAN HOLDINGS PRIVATE LIMITED (hereinafter referred to as **“GHPL”** or **“Transferor Company 1”**), is a private limited Company within the meaning of the Companies Act, 2013, having its registered office at 9th K.M., Jansath Road, Muzaffarnagar - 251001, Uttar Pradesh, India and Corporate Identity Number (CIN) U74899UP1985PTC128005. GHPL was originally incorporated as a Company limited by shares on 20th November, 1985 under Companies Act, 1956 under the name of **“Gulshan Marketing Private Limited”**. Thereafter, pursuant to Section 23 of the Companies Act, 1956 and under the order of the Central Government, the name of the Company was changed to Gulshan Holdings Private Limited and a fresh certificate of change of name was issued to the Company on February 14, 2002. The Company by a special resolution shifted its registered office from the State of Delhi to the State of Uttar Pradesh from the jurisdiction of Registrar of Companies, NCT of Delhi & Haryana to the Registrar of Companies, Kanpur, and the same was confirmed by the order of the Regional Director, Northern Region, Delhi dated February 25, 2020. A certificate of registration issued by Registrar of Companies for the change of state was issued to the Company on March 19, 2020. The Permanent Account Number (PAN) of the Company is AAACG5688F. The Equity Shares of the Transferor Company 1 are not listed on any of the Stock Exchanges. The Transferor Company 1 is the holding Company of Transferee Company.

Transferor Company 1 is engaged in the business of acquiring, investing and holding shares in companies having similar objects or companies providing value benefit, and guaranteeing the payment of money unsecured or secured by or payable under or in respect of contractual obligations. Also, The Transferor Company 1 is engaged in the business of trading goods.

1.3 EAST DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED (hereinafter referred to as **“EDIEPL”** or **“Transferor Company 2”**) is a private limited Company within the meaning of the Companies Act, 2013, having its registered office at 9th K.M., Jansath Road, Muzaffarnagar - 251001, Uttar Pradesh, India and Corporate Identity Number (CIN) U60231UP1997PTC129363. EDIEPL was originally incorporated as a Company limited by shares on 23rd July, 1997 under Companies Act, 1956 under the name of **“Atul Transport Private Limited”**. Thereafter, pursuant to Section 23 of the Companies Act, 1956 and under the order of the Central Government, the name

of the Company was changed to East Delhi Importers and Exporters Private Limited and a fresh certificate of change of name was issued to the Company on June 23, 2007. The Company by a special resolution shifted its registered office from the State of Delhi to the State of Uttar Pradesh from the jurisdiction of Registrar of Companies, NCT of Delhi & Haryana to the Registrar of Companies, Kanpur, and the same was confirmed by the order of the Regional Director, Northern Region, Delhi dated February 25, 2020. A certificate of registration issued by Registrar of Companies, Kanpur for the change of state was issued to the company on June 10, 2020. The Permanent Account Number (PAN) of the Company is AABCA3294L. The Equity Shares of the Transferor Company 2 are not listed on any of the Stock Exchanges.

Transferor Company 2 is engaged in the business of importing, exporting, dealing and trading multi-products which includes but not limited to textile products, chemicals, sugar and related products, engineering goods, molasses, grains, glassware, alcohol, oils, paper and related products, wood and timber etc. Further, the Company is engaged in the business as general carriers, transporters and freight forwarders, and exporting, importing, trading and dealing in the computer software, programmes, computer hardware and peripherals.

2. RATIONALE FOR THE SCHEME

With a view to consolidate complementary and similar businesses under a single entity and to achieve a streamlined corporate structure by way of group reorganisation, the management has envisaged to undertake the amalgamation of the Transferor Companies in the Transferee Company under this Scheme.

The amalgamation of the Transferor Companies with the Transferee Company would *inter alia* have the following benefits:

- a) Ensuring a streamlined group structure by reducing the number of legal entities;
- b) Reducing the multiplicity of legal and regulatory compliances required at present;
- c) Eliminating duplicative communication and coordination efforts across multiple entities;
- d) Rationalising cost by eliminating multiple record keeping and administrative functions;

- e) Help in achieving improved operational efficiency and optimum advantages and synergy in operations by combining the activities of the Transferor Companies with the Transferee Company. Accordingly, the Scheme would strengthen and complement the businesses of the Companies;
- f) The amalgamated entity will benefit from optimum utilization of manpower through improved organizational capacity and leadership, arising from the combination of people from the Transferor Companies and Transferee Company which have diverse skills, talent, management expertise, enlarged knowledge base and vast experience to compete successfully in an increased competitive industry;
- g) The amalgamated entity shall reduce fixed costs by removing duplicate departments, operations and lower the cost of the Company relative to the same revenue stream and shall thus increase the profit margins;
- h) Under a liberalised, fast changing and highly competitive environment, this amalgamation shall strengthen the business of the Transferor Companies and the Transferee Company by pooling up the resources, land, investment and assets for common purpose and hence optimum utilization;
- i) The amalgamation will result in better economic control, increased financial strength and flexibility and enhance the ability of the amalgamated entity to undertake large projects, thereby contributing to enhancement of future business potential;
- j) The amalgamation would not only lead to simplification of the shareholding structure and reduction of the shareholding tiers, but also demonstrate the promoter group direct commitment to and engagement with the Transferee Company;
- k) The amalgamation would lead to infusion of investments in forms of bank deposits, bank balance, securities etc. into the Transferee Company which will enhance the capability of the Transferee Company to undertake operations at an enhanced business potential.

In view of the aforesaid, the Board of Directors of the Transferor Companies as well as the Transferee Company have considered and proposed the amalgamation of the entire undertakings and businesses of the Transferor Companies with the Transferee Company in order to benefit the stakeholders of both Transferor Companies and Transferee Company. Accordingly, the Board of Directors of all the companies have formulated this Scheme of Amalgamation for the transfer and

vesting of the entire undertakings and businesses of the Transferor Companies to the Transferee Company pursuant to the provisions of Section 230 to Section 232 of the Companies Act, 2013, read with applicable Rules made thereunder and other applicable provisions of the Companies Act, 2013.

The Scheme is in the interest of the shareholders, creditors and employees of the Transferor and Transferee Companies and their stakeholders and would enable the Transferee Company to adopt a focused business approach for the maximization of benefits to the stakeholders. The Scheme shall not in any manner be prejudicial to the general public at large.

3. DEFINITIONS AND INTERPRETATIONS

DEFINITIONS

In this Scheme (as defined hereafter), unless repugnant to the meaning or context thereof, the following expressions shall have the following:

- i. **"Act" or "the Act"** means the Companies Act, 2013 (to the extent notified) and shall include any statutory modifications, re-enactment or amendments thereof for the time being in force and includes any rules, regulations, circulars or guidelines issued thereunder, as amended from time to time and shall include the Companies Act, 1956 (to the extent still in force);
- ii. **"Appointed Date"** means 1st April, 2020 or such other date as may be fixed or approved by the Appropriate Authority;
- iii. **"Appropriate Authority"** means any government, statutory, regulatory, departmental or public body or authority having jurisdiction over the Transferor Companies and the Transferee Company, including the Central Government, Regional Director, Registrar of Companies, the National Company Law Tribunal, NSE, BSE and SEBI;
- iv. **"Assets"** in relation to Transferor Companies means Fixed Assets, Loans and Advances, Investments, Current Assets, debit balance in Profit and Loss account and any other assets as per the books of the Transferor Companies as at March 31, 2020;
- v. **"Board of Directors" or "Board"** shall mean the Board of Directors of Transferor Companies and/or Transferee Company as the case may be and may include a duly constituted committee thereof for implementation of the Scheme;

- vi. **"BSE"** means BSE Limited;
- vii. **"Companies"** means collectively, the Transferor Companies and the Transferee Company;
- viii. **"Effective Date"** means the date on which the final order of the NCLT has been passed approving the Scheme either on the terms as originally approved by the Parties to the Scheme, or subject to such modifications as may be approved by the NCLT, as shall in the form and substance be acceptable to the Transferee and Transferor Companies and also read with conditions set out in Clause 5 and Clause 16.2.
References in this Scheme to "upon this Scheme becoming effective" or "effectiveness of this Scheme" or "Coming into Effect of this Scheme" shall mean the Effective Date;
- ix. **"Liabilities"** in relation to the Transferor Companies means Loan Funds, Current Liabilities, Reserves and Surpluses (including balance in Profit and Loss Account), provisions and all other liabilities of the Transferor Companies as per the books of the Transferor Companies as at March 31, 2020;
- x. **"National Company Law Tribunal" or "NCLT"** means the Hon'ble National Company Law Tribunal, Allahabad Bench;
- xi. **"NSE"** means National Stock Exchange of India Limited;
- xii. **"IT Act"** means the Income Tax Act, 1961 and shall include any statutory modifications, re-enactments or amendments thereof (including Income Tax Rules) for the time being in force;
- xiii. **"Proceedings"** include any suit, appeal or any legal proceeding of whatsoever nature in any Court of law, or tribunal or any judicial or quasi-judicial body or any assessment proceeding before any Statutory/Regulatory Authority under any law and also includes arbitration proceeding;
- xiv. **"Record Date"** means the date, after the Effective Date fixed by the Board of the Transferee Company for the purpose of determining the shareholders of the Transferor Companies to whom shares of the Transferee Company shall be issued and allotted pursuant to amalgamation under this Scheme;

- xv. **"Registrar of Companies" or "ROC"** means the relevant Registrar of Companies having territorial jurisdiction in the state(s) in which the respective registered offices of the Companies are located;
- xvi. **"SAST Regulations"** means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time;
- xvii. **"Scheme" or "this Scheme" or "the Scheme of Amalgamation"** means this Scheme of Amalgamation in its present form as submitted to the NCLT or this Scheme with any amendment(s) or modification(s) if any, made by the shareholders of the respective Companies and accepted by the Board of the respective Companies or such modification(s) as may be imposed by any Appropriate Authority and / or directed to be made by the NCLT while sanctioning the Scheme and accepted by the Boards of the respective Companies;
- xviii. **"SEBI"** means the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992;
- xix. **"SEBI Circulars"** means (i) Circular No. CFD/DIL3/CIR/2017/21 dated March 10 2017, (ii) Circular No. CFD/DIL3/CIR/2017/26 dated March 23, 2017, (iii) SEBI Circular No. CFD/DIL3/CIR/2017/105 dated September 21, 2017, (iv) SEBI Circular No CFD/DIL3/CIR/2018/2 dated January 03, 2018, (v) SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2019/192 dated September 12, 2019 issued by SEBI or any other circulars issued by SEBI applicable to scheme of arrangement from time to time;
- xx. **"Stock Exchanges"** means BSE and NSE collectively;
- xxi. **"Transferor Companies"** means Gulshan Holdings Private Limited and East Delhi Importers & Exporters Private Limited;
- xxii. **"Transferee Company"** means Gulshan Polyols Limited;
- xxiii. **"Undertaking" or "Undertaking of the Transferor Companies"** shall mean and include the whole of the assets, properties, liabilities and the undertaking(s) and entire business(es) of the Transferor Companies as a going concern and specifically include the following (without limitation):

- (a) All the assets and properties (whether movable or immovable, if any, tangible or intangible, real or personal, corporeal or incorporeal, present, future or contingent of whatsoever nature and wherever situated) of the Transferor Companies, including, without being limited to all their lands (freehold or leasehold), buildings, factory, work shop, all plant and machinery, fixed assets, godown, guest house, tenancy right, work in progress, show room, office equipment, accessories, power lines, power station, substation, railway tracks, vehicles, furniture and fixtures, deposits, assets, current assets, premises, investments of all kinds (including shares, scripts, stocks, bonds, debenture stocks, units), cash balances including with banks, loans (including working capital loan), advances, contingent rights or benefits, receivables, refunds, claims, earnest moneys, advances or deposits paid by the Transferor Companies, their goodwill, financial assets, lease and hire purchase contracts, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantee, reversions, powers, municipal permissions, authorities, allotments, approvals, consents, licences, registrations, contracts, engagements, arrangements, customer contracts, customer approvals, rights, titles, interests, benefits and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of, or enjoyed by the Transferor Companies including licenses, fixed and other assets, trade and service names liberties, patents, brand, trademarks, logo, designs, copyrights and other intellectual property rights of any nature whatsoever, import licences, quotas, permits, concessions, subsidies, approvals, authorisations, right to use and avail of telephones, telexes, facsimile connections, LAN installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets and properties and all agreements and all other interests held in trust, registrations, contracts, engagements, arrangements of all kinds, privileges and all other rights, benefits of all agreements, subsidies, grants, incentives, tax and other credits [including but not limited to credits in respect of Tax, income-tax, minimum alternate tax i.e. tax on book profits, (whether recorded or not in the financial statements), tax deducted at source, tax collected at source, advance tax, goods and service tax, value added tax, central sales tax, sales tax, CENVAT, MODVAT, excise duty, service tax, custom duty, octroy, entry tax etc.), tax losses (including unabsorbed depreciation), brought forward tax losses, book losses for minimum

alternate tax purposes, tax benefits and other claims and powers, all books of accounts, documents and records of whatsoever nature and wheresoever situated, easements, arrangements of all kind, privileges, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in the control of or vested or granted in favour of or enjoyed by the Transferor Companies or in connection with or relating to that of the Transferor Companies and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Companies

- (b) all intellectual property rights including patents designs, copyrights, trademarks, brands (whether registered or otherwise), logo, advertisement banner, goodwill, records, files, papers, computer programs, manuals, data, catalogues, sales material, lists of customers and suppliers, other customer information and all other records and documents relating to the business, activities and operations of the Transferor Companies;
- (c) all letters of intent, request for proposal, prequalification, bid acceptances (including benefit arising out of or in relation to any bank guarantees submitted to any authority in respect thereof by the Transferor Companies), tenders, contracts, deeds, memorandum of understanding, bonds, agreements, arrangements, track-record, technical know-how, technical experience (including experience in executing projects), experience, goodwill and all other rights, claims and powers and any other instrument of whatsoever nature and wheresoever situated belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Companies for all intents and purposes and specifically including but not limited to, the turnover, the profitability, performance, and market share, prequalification, net worth and reserves of the Transferor Companies;
- (d) right to any claim not preferred or made by the Transferor Companies in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Company and any interest thereon, with regard to any law, act or rule or Scheme made by the Government, and in respect of set-off, carry forward of unabsorbed losses and/or unabsorbed depreciation, deferred revenue expenditure, deduction, exemption, rebate, allowance,

amortization benefit, etc. under the Income-tax Act, 1961, or taxation laws of other countries, or any other or like benefits under the said statute(s) or under and in accordance with any law or statute, whether in India or anywhere outside India;

- (e) all debts (secured and unsecured), liabilities including contingent liabilities, duties, leases of the Transferor Companies and all other obligations of whatsoever kind, nature and description. Provided that, any reference in the security documents or arrangements entered into by the Transferor Companies and under which, the assets of the Transferor Companies stand offered as a security, for any financial assistance or obligation, the said reference shall be construed as a reference to the assets pertaining to that Undertakings of the Transferor Companies only as are vested in Transferee Company by virtue of the Scheme and the Scheme shall not operate to enlarge security for any loan, deposit or facility created by the Transferor Companies which shall vest in Transferee Company by virtue of the amalgamation and Transferee Company shall not be obliged to create any further or additional security thereof after the amalgamation has become effective;
- (f) all other obligations of whatsoever nature, including liabilities of the Transferor Companies with regard to their employees with respect to the payment of gratuity, pension benefits and the provident fund or compensation, if any, in the event of resignation, death, voluntary retirement or retrenchment;
- (g) all staff, workmen, and employees engaged in or relating to the business activities and operations of the Transferor Companies;
- (h) all balances with government, quasi-government authorities, municipal, local and other authorities and bodies, customers and any other persons, earnest moneys and/or security deposits paid or received by the Transferor Companies; and
- (i) all books, records, files, papers, product specifications and process information, records of standard operating procedures, computer programs along with their licenses, manuals and backup copies, drawings, other manuals, data catalogues, emails, presentation, correspondences /communications with third parties/authorities, quotations, sales and advertising materials, lists of present and former

customers and suppliers, customer credit information, customer pricing information, and other records whether in physical or electronic form.

It is intended that the definition of Undertakings of the Transferor Companies under this clause will enable the transfer of all property, assets, rights, duties, obligations, entitlements, benefits, employees and liabilities of Transferor Companies with Transferee Company pursuant to this Scheme becoming effective.

INTERPRETATION

In this Scheme, unless the context otherwise requires:

- (a) references to persons shall include individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships;
- (b) the headings are inserted for ease of reference only and shall not affect the construction or interpretation of this Scheme;
- (c) words in the singular shall include the plural and vice versa;
- (d) references to a clause or paragraph or schedule, as applicable, shall be deemed to be a reference to a clause or paragraph or schedule of this Scheme;
- (e) reference to the words 'hereof', 'herein' and 'hereby' and derivatives or similar words refer to this entire Scheme;
- (f) references to the words 'including', 'inter-alia' or any similar expression, shall be construed as illustrative and shall not limit the sense of the words preceding those terms; and
- (g) all the expressions which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 (including the regulations made thereunder), the Depositories Act, 1996, the IT Act or any other applicable laws, rules, regulations, bye laws, as the case may be, including any statutory modification or re-enactment thereof from time to time.
- (h) Any reference to any statute or statutory provision shall include:
 - i. all subordinate legislations made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated from time to time) and any retrospective amendment; and
 - ii. such provision as from time to time amended, modified, re-enacted or consolidated (whether before or after the filing of this Scheme) to the extent such amendment, modification, re-enactment or consolidation applies or is capable of applying to the matters contemplated under

this Scheme and (to the extent liability thereunder may exist or can arise) shall include any past statutory provision (as amended, modified, re-enacted or consolidated from time to time) which the provision referred to has directly or indirectly replaced.

4. SHARE CAPITAL OF THE COMPANIES

4.1 The Share Capital of **Transferee Company** as on 31st March, 2020 is as under:

4.1.1 Authorised Capital is Rs. 37,25,00,000 (Rupees Thirty Seven Crores and Twenty Five Lacs Only) divided into:

- i. Equity Share Capital of Rs. 22,50,00,000/- (Rupees Twenty Two Crores and Fifty Lacs Only) consisting of 22,50,00,000 (Twenty Two Crore and Fifty Lacs) Equity Shares of Rs. 1/- each;
- ii. Preference Share Capital Rs. 25, 00, 000/- (Rupees Twenty Five Lacs only) consisting of 2,50,000 (Two Lacs and Fifty Thousand) 0% (Zero Percent) Redeemable Preference Shares of Rs. 10/- each;
- iii. Preference Share Capital Rs. 14,50,00,000/- (Rupees Fourteen Crores and Fifty Lacs Only) consisting of 14,50,000 (Fourteen Lacs and Fifty Thousand) 0% -10% (Zero Percent to Ten Percent) Redeemable Preference Shares of Rs. 100/- each.

4.1.2 The issued, subscribed and paid up capital as at 31st March, 2020 was Rs. 14,44,17,020 (Rupees Fourteen Crores Forty Four Lacs Seventeen Thousand and Twenty Only) given as under:

- i. Equity Share Capital of Rs. 4,69,17,020/- (Rupees Four Crores Sixty Nine Lacs Seventeen Thousands and Twenty Only) consisting of 4,69,17,020 (Four Crores Sixty Nine Lacs Seventeen Thousands and Twenty) Equity Shares of Rs. 1/- each;
- ii. Preference Share Capital of Rs. 9,75,00,000 (Rupees Nine Crore and Seventy Five Lacs Only) consisting of 9,75,000 (Nine Lacs and Seventy Five Thousands) 8% Redeemable Preference Shares of Rs. 100/- each.

4.2 The Share Capital of **Transferor Company 1** as on 31st March, 2020 is as under:

4.2.1 Authorised Capital is Rs. 5,55,00,000 (Rupees Five Crores and Fifty Five Lacs Only) divided into 55,500 (Fifty Five Thousands and Five Hundreds) Equity Shares of Rs. 1000/- each.

4.2.2 The issued, subscribed and paid up share capital is Rs. 7,07,000 (Rupees Seven Lacs and Seven Thousands Only) divided into 707 (Seven Hundreds and Seven) Equity Shares of Rs. 1000/- each.

4.3 The Share Capital of **Transferor Company 2** as on 31st March, 2020 is as under:

4.3.1 Authorised Capital is Rs. 1,00,000 (Rupees One Lac Only) divided into 10,000 (Ten Thousands) Equity Shares of Rs. 10/- each.

4.3.2 The issued, subscribed and paid up share capital is Rs. 1,00,000 (Rupees One Lac Only) divided into 10,000 (Ten Thousands) Equity Shares of Rs. 10/- each.

5. DATE WHEN THE SCHEME COMES INTO OPERATION

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by NCLT, unless otherwise specified in the Scheme, operative from the Appointed Date as specified herein, shall become effective on the date on which certified copies of the final order of the Hon'ble NCLT sanctioning the Scheme as issued to the Transferor Companies and the Transferee Company and the same has been filed with the Registrar of Companies.

PART II

TRANSFER AND VESTING OF UNDERTAKING OF TRANSFEROR COMPANIES

6. TRANSFER OF UNDERTAKING OF TRANSFEROR COMPANIES

6.1 General

Upon coming into effect of this Scheme and with effect from the Appointed Date, the Undertakings of the Transferor Companies shall, pursuant to the sanction of this Scheme by the NCLT and pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, be and stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, as a going concern without any further act, instrument, deed, matter or thing so as to become, and as and from the Appointed Date, the properties, estates, assets, titles and interests of the Transferee Company by virtue of and in the manner provided in the Scheme subject to all charges, liens, mortgages, lis-pendens, if any, then affecting the same or any part thereof and all the creditors of the Transferor Companies shall become the creditors of the Transferee Company on the same terms and conditions.

6.2 Transfer of Assets

6.2.1 Without prejudice to the generality of Clause 6.1 above, upon coming into effect of this Scheme and with effect from the Appointed Date:

- (a) All assets and properties comprised in the Undertakings of the Transferor Companies of whatsoever nature and wheresoever situated, shall, under the provisions of Section 230 to 232 and all other applicable provisions, if any, of the Act, without any further act or deed be and stand transferred to and vested in the Transferee Company or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become, as and from the Appointed Date, the assets and properties of the Transferee Company.

Provided that Board of Directors of the Transferee Company shall be entitled, at its discretion and as may be advised or considered fit, expedient or necessary, to determine the classification/reclassification and treatment of any or all of the assets and/or employees or any other rights, interests, obligations or anything else transferred to and vested in the Transferee Company pursuant to this Scheme.

- (b) Without prejudice to the provisions of sub-clause (a) above in respect of such of the assets and properties of the Transferor Companies, as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and/or delivery, the same shall be so transferred by the Transferor Companies and shall, upon such transfer, become the assets and properties of the Transferee Company as an integral part of its Undertakings without requiring any deed or instrument or conveyance for the same.
- (c) In respect of the movables other than those dealt with in sub-clause (b) above including sundry debtors, receivables, bills, loans and advances, if any, whether recoverable in cash or in kind or for value to be recovered, bank balances, investments, earnest money and deposits with any Government, quasi-government authorities, local or other authority or body or with any company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the transferee Company without any notice or other intimation to the debtors (although the Transferee company may if it so deems appropriate, give notice in such form as it may deem fit and proper, to each person, debtors or depositors, as the case may be, that the said debt, loan, advance, balance or deposit stand transferred and vested in the Transferee Company).

- (d) The mutation of the ownership title, or interest in the immovable properties (whether freehold or leasehold of whatsoever nature and wherever so situated) related to the Transferor Companies in favour of the Transferee Company shall be made and duly recorded by the appropriate authorities pursuant to the sanction of this Scheme and it becoming effective without any other deed or act required therefor in accordance with the terms thereof.
- (e) All the licenses, permits, quotas, approvals, permissions, registrations, incentives, sales tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, customer registrations, customer approvals, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Companies and all rights and benefits that have accrued or which may accrue to the Transferor Companies, whether before or after the Appointed Date, shall under the provisions of Section 230 to 232 of the Act and all other applicable provisions, if any, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or deemed to be transferred to and vested in or be available to the Transferee Company so as to become as and from the Appointed Date, licences, permits, quotas, approvals, permissions, registrations, incentives, sales tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, customer registrations, customer approvals, liberties, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.
- (f) In so far as the various incentives, subsidies, special status and other benefits or privileges enjoyed (including minimum alternate tax, input tax credit, goods and services tax, sales tax, excise duty, custom duty, service tax, value added tax and other incentives), granted by any Government body, local authority or by any other person and availed of by the Transferor Companies is concerned, the same shall vest with and be available to the Transferee Company on the same terms and conditions as presently available to the Transferor Companies.
- (g) With effect from the Appointed Date all permits, quotas, rights, entitlements, tenancies and licenses relating to brands, trademarks, patents, copy rights, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Undertakings of

the Transferor Companies and which are subsisting or having effect immediately before the Appointed Date, shall be and remain in full force and effect in favour of the Transferee Company and may be enforced fully and effectually as if, instead of the Transferor Companies, the Transferee Company had been a beneficiary or obligee thereto.

- (h) With effect from the Appointed Date any statutory licenses, permissions, quotas, permits, approvals, consents, registrations, eligibility certificates, pre-qualification criteria, technical experience, fiscal incentives and no-objection certificates obtained and/or held by the Transferor Companies for their operations and/or to which the Transferor Companies are entitled to in terms of the various Statutes and / or Schemes of Union and State Governments, shall be available to and vest in, and/or be transferred to, the Transferee Company without any further act or deed and shall be appropriately mutated by the statutory authorities or any other person concerned therewith in favour of the Transferee Company. Since the Undertakings of the Transferor Companies will be transferred to and vested in the Transferee Company as going concerns without any break or interruption in the operations thereof, the Transferee Company shall be entitled to the benefit of all statutory and regulatory permissions, licenses, environmental approvals and consents including the statutory licenses, permissions or approvals or consents required to carry on the operations of the Transferor Companies shall vest in, and become available to, the Transferee Company upon the Scheme coming into effect.
- (i) The Transferor Companies shall, if so required, also give notice in such form as it may deem fit and proper to the debtors, that pursuant to the sanction of this Scheme by Appropriate Authority under and in accordance with Sections 230 to 232 and all other applicable provisions, if any, of the Act, the said debtors shall pay to the Transferee Company the debt, loan or advance or make payment of the same on account of the Transferor Companies and the right of the Transferor Companies to recover or realize the same stands extinguished.

6.2.2 All assets and properties of the Transferor Companies as on the Appointed Date, whether or not included in the books of the respective Transferor Companies, and all assets and properties, which are acquired by the

Transferor Companies on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of the Transferee Company and shall under the provisions of Sections 230 to 232 and all other applicable provisions if any of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme pursuant to the provisions of Section 230 to 232 of the Act, provided however that no onerous asset shall have been acquired by the Transferor Companies after the Appointed Date without the prior written consent of the Transferee Company.

6.3 From the Effective Date and till such time that the names of the bank accounts of the Transferor Companies are replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Companies, in its name, in so far as may be necessary.

6.4 In relation to the assets, properties and rights including rights arising from contracts, deeds, instruments and agreements, if any, which require separate documents of transfer including documents for attornment or endorsement, as the case may be, the Transferee Company will execute the necessary documents of transfer including documents for attornment or endorsement, as the case may be, as and when required or will enter into a novation agreement.

6.5 Transfer of Liabilities

6.5.1 Upon coming into effect of this Scheme and with effect from the Appointed Date, all Liabilities relating to and comprised in the respective Undertakings of the Transferor Companies shall, pursuant to the sanction of this Scheme by the Appropriate Authority and under the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, and the same shall be assumed by the Transferee Company to the extent they are outstanding on the Effective Date so as to become as from the Appointed Date the Liabilities of the Transferee Company on the same terms and conditions as were applicable to the respective Transferor Companies and the Transferee Company shall meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is party to any contract or arrangement by virtue of which such Liabilities have arisen in order to give effect to the provisions of this clause.

- 6.5.2 All debts, liabilities, duties and obligations of all the Transferor Companies shall, as on the Appointed Date, whether or not provided in the books of the respective Transferor Companies, and all debts and loans raised and used, and duties, liabilities and obligations incurred or which arise or accrue to the respective Transferor Companies on or after the Appointed Date till the Effective Date shall be deemed to be and shall become the debts, loans raised and used, duties, liabilities and obligations incurred by the Transferee Company by virtue of this Scheme.
- 6.5.3 Where any such debts, liabilities, duties and obligations of the respective Transferor Companies as on the Appointed Date have been discharged by the Transferor Companies after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to be for and on account of the Transferee Company.
- 6.5.4 All loans raised and utilized and all liabilities, duties and obligations incurred or undertaken by the respective Transferor Companies after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme and under the provisions of Sections 230 to 232 of the Act, without any further act, instrument or deed be and stand transferred to or vested in or deemed to have been transferred to and vested in the Transferee Company and shall become the loans and liabilities, duties and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
- 6.5.5 Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the respective Transferor Companies and the Transferee Company shall, *ipso facto*, stand discharged and come to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Transferee Company. It is hereby clarified that there will be no accrual of interest or other charges in respect of any such inter-company loans, advances and other obligations with effect from the Appointed Date.
- 6.5.6 The Transferee Company may, at any time, after the coming into effect of this Scheme in accordance hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of the creditors, or lenders, as the case may be, or in favour of any other party to the contract or arrangement to which the Transferor Companies are party or any writing, as may be necessary, in order to give formal effect to the provisions mentioned herein.

The Transferee Company shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of the Transferor Companies as well as to implement and carry out all such formalities and compliances referred to above.

6.5.7 The Scheme shall not operate to enlarge the security for any loan, deposit or facility created by or available to the Transferor Companies which shall vest in the Transferee Company by virtue of the amalgamation and the Transferee Company shall not be obliged to create any further, or additional security therefor after the amalgamation has become effective or otherwise.

6.5.8 Without prejudice to the foregoing provisions of this Clause 6.5.1:

- i. All debentures, bonds, notes or other debt securities, if any, of the Transferor Companies relating to the Liabilities comprised in their respective Undertakings (hereinafter referred to as the "**Debt Securities**") shall, under the provisions of Sections 230 to 232 and other relevant provisions of the Act, without any further act, instrument or deed, become the Debt Securities of the Transferee Company on the same terms and conditions and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in and shall be exercised by or against the Transferee Company to the same extent as if it were the respective Transferor Companies in respect of the Debt Securities so transferred and vested.
- ii. Any Debt Securities issued by the Transferor Companies and held by the Transferee Company shall, unless sold or transferred by the Transferee Company at any time prior to the Effective Date, stand cancelled as on the Effective Date and be of no effect and the Transferor Company shall have no further obligation in that behalf.

6.5.9 Any loans or other obligations, if any, due inter-se i.e. between the Transferor Companies with the Transferee Company as on the Appointed Date, and thereafter till the Effective Date, shall stand automatically extinguished.

6.6 Encumbrances

6.6.1 The transfer and vesting of the assets comprised in the respective Undertakings of the Transferor Companies to and in the Transferee Company under Clause 6.1 and Clause 6.2 of this Scheme shall be subject to the mortgage and charges, if any, affecting the same as hereinafter provided.

6.6.2 All the existing securities, charges, encumbrances or liens (**the "Encumbrances"**), if any, created by the Transferor Companies after the Appointed Date, in terms of the Scheme, over the assets comprised in their respective Undertakings or any part thereof transferred to the Transferee Company by virtue of this Scheme and in so far as such Encumbrances secure or relate to Liabilities of the Transferor Companies, the same shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company and such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company.

6.6.3 The transfer and vesting of the Undertakings of the Transferor Companies as aforesaid shall be subject to the existing securities, encumbrances, charges and mortgages, if any, subsisting, over or in respect of the property and assets or any part thereof of the Transferor Companies.

Provided however, that any reference in any security documents or arrangements (to which the Transferor Companies, is a party) pertaining to the assets of Transferor Companies offered or agreed to be offered as security for any financial assistance or obligations, shall be construed as reference only to such assets, as are offered or agreed to be offered as security, pertaining to the Transferor Companies as are vested in the Transferee Company by virtue of the aforesaid clauses, to the end and intent that such security, charge and mortgage shall not extend or be deemed to extend, to any of the other assets of the Transferor Companies or any of the assets of the Transferee Company. Further, the Transferee Company shall not be required to create any additional security over assets acquired by it under the Scheme for any loans, deposits or other financial assistance availed /to be availed by the Transferor Companies.

6.6.4 The existing Encumbrances over the assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective Date shall continue to relate to such assets and properties and shall not extend or attach to any of the assets and properties of the Transferor Companies transferred to and vested in the Transferee Company by virtue of this Scheme.

6.6.5 Any reference in any security documents or arrangements (to which a Transferor Company is a party) to the respective Transferor Company and in assets and properties, shall be construed as a reference to the Transferee

Company and the assets and properties of the Transferor Company transferred to the Transferee Company by virtue of this Scheme. Without prejudice to the foregoing provisions, the respective Transferor Company and the Transferee Company may execute any instruments or documents or do all acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge, with the Registrar of Companies to give formal effect to the above provisions, if required.

- 6.6.6 Upon the coming into effect of this Scheme, the Transferee Company alone shall be liable to perform all obligations in respect of the liabilities, which have been transferred to it in terms of the Scheme.
- 6.6.7 It is expressly provided that, save as herein provided, no other term or condition of the liabilities transferred to the Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication.
- 6.6.8 The provisions of this Clause 6.6.8 shall operate in accordance with the terms of the Scheme, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security documents; all of which instruments, deeds or writing shall stand modified and/or superseded by the foregoing provisions.
- 6.6.9 The Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute Deeds of Confirmation in favour of the secured creditors of the Transferor Companies or in favour of any other party to any contract or arrangement to which the respective Transferor Companies is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions of the Scheme, be deemed to be authorised to execute any such writings on behalf of the respective Transferor Companies and to implement or carry out all such formalities or compliance referred to above on the part of the respective Transferor Companies, required to be carried out or performed.

6.7 Taxes

All taxes (including but not limited to advance tax, self-assessment tax, regular tax, tax deducted at source, minimum alternate tax credits, dividend distribution tax, securities transaction tax, taxes withheld / paid in foreign country, value added tax, sales tax, service tax, goods and service tax etc.) paid / payable by or refunded

/ refundable to the Transferor Companies with effect from the Appointed Date, including all or any refunds or claims shall be treated as the tax liability or refunds / claims etc. as the case may be, of the Transferee Company, and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions, service tax input credits, GST input credits etc., as would have been available to the Transferor Companies, shall pursuant to this Scheme becoming effective be available to the Transferee Company. This clause is to be read along with Clause 24 of this Scheme.

6.8 Inter-Se Transactions

Without prejudice to the provisions of Clauses 6.1 to 6.4, with effect from the Appointed Date, all inter-party transactions between the Transferor Companies and the Transferee Company shall be considered as intra-party transactions for all purposes from the Appointed Date. For the removal of doubt, it is clarified that upon the Scheme coming into effect and with effect from the Appointed Date, to the extent there are inter-corporate loans, deposits, obligation, balances or other outstanding as between the Transferor Companies and/or the Transferee Company, the obligations in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of the Transferee Company for the reduction of such assets or liabilities as the case may be.

7. CONTRACTS, DEEDS ETC.

- (a) Upon the coming into effect of this Scheme and subject to the provisions hereof, all contracts, deeds, bonds, agreements, schemes, arrangements, assurances and other instruments of whatsoever nature to which any Transferor Companies is a party or to the benefit of which the respective Transferor Companies may be eligible and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect on or against or in favour of, as the case may be, and be enforced as fully and effectually as if, instead of the respective Transferor Company, the Transferee Company had been party or beneficiary or obligee thereto or thereunder.
- (b) Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (deeds of adherence), confirmations or other writings or arrangements with any party to any contract or arrangement to which any of the respective Transferor Company is a party or any writings may be necessary in order to give formal effect to the

provisions of this Scheme. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the respective Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the respective Transferor Company to be carried out or performed.

- (c) For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, statutory licences, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of any of the respective Transferor Company shall stand transferred to the Transferee Company, as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder and the rights and benefits under the same shall be available to the Transferee Company. The Transferee Company shall receive relevant approvals from the concerned Government Authorities as may be necessary in this behalf.

8. LEGAL PROCEEDINGS

On and from the Appointed Date, all suits, actions and legal proceedings by or against any of the respective Transferor Company pending and/or arising on or before the Effective Date shall be continued and/or enforced as desired by the Transferee Company and on and from the Effective Date, shall be continued and/or enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been instituted and/or pending and/or arising by or against the Transferee Company. The Transferee Company undertakes to continue to abide by any agreement/settlement, if any, entered into by the respective Transferor Company with any union/employee of the respective Transferor Company.

9. TRANSFER OF PROFITS/LOSSES AND RESERVES

With effect from the Appointed Date, all profits (including losses), reserves, income accruing to or losses and expenditure, if any (including payment of penalty, damages or costs of litigation) arising to or incurred by the Undertaking of the Transferor Companies shall for all purposes, be treated as the profits or reserves or income or losses or expenditure, as the case may be of the Transferee Company.

10. CONDUCT OF BUSINESS

- 10.1 With effect from the Appointed Date and up to and including the Effective Date:

- (a) The Transferor Companies shall carry on and shall be deemed to have carried on all their business and activities as hitherto and shall hold and stand possessed of their respective Undertakings on account of, and for the benefit of and in trust for, the Transferee Company.
- (b) All profits or incomes accruing or arising to the Transferor Companies, and all expenditure or losses arising or incurred (including all taxes, if any, paid or accruing in respect of any profit and income) by the Transferor Companies shall, for all purposes, be treated and be deemed to be and accrued as the profits or incomes or as the case may be, expenditure or losses (including taxes) of the Transferee Company.
- (c) All assets howsoever acquired by the Transferor Companies for carrying on their businesses, operations or activities and the liabilities relating thereto shall be deemed to have been acquired and are also contracted for and on behalf of the Transferee Company.
- (d) All taxes (including income tax, goods and services tax, sales tax, excise duty, customs duty, service tax, VAT etc.) paid or payable by the Transferor Companies in respect of the operations and/or the profits of their respective businesses/Undertaking before the Appointed Date, or after the Appointed Date, but before the Effective Date, shall be on account of the Transferee Company and, in so far as it relates to tax payment (including, without limitation, income tax, minimum alternate tax, sales tax, goods and services tax, excise duty, custom duty, service tax, VAT etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Companies in respect of the profits or activities or operation of their respective businesses after the Appointed Date, or during the period between the Appointed Date and Effective Date, the same shall be deemed to be the corresponding amount paid by the Transferee Company and shall, in all proceedings be dealt accordingly.
- (e) Any of the rights, powers, authorities and privileges attached or related or pertaining to and exercised by or available to the Transferor Companies shall be deemed to have been exercised by the Transferor Companies for and on behalf of and as agent for the Transferee Company. Similarly, any of the obligations, duties and commitments attached, related or pertaining to their Undertaking that has been

undertaken or discharged by the Transferor Companies shall be deemed to have been undertaken or discharged for and on behalf of and as agent of the transferee Company.

10.2 With effect from the first of the dates of filing of this Scheme with the NCLT and up to and including the Effective Date:

(a) The Transferor Companies shall preserve and carry on their businesses and activities with reasonable diligence and business prudence and shall not undertake any financial commitments of any nature whatsoever, borrow any amounts nor incur any liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments either for themselves or on behalf of its subsidiaries or group companies or any third party or sell, transfer, alienate, charge, mortgage or encumber or deal with their respective Undertakings or any part thereof save and except in each case in the following circumstances:

- i. if the same is in their ordinary course of businesses as carried on by it as on date of filing this Scheme with the NCLT; or
- ii. if the same is permitted by this Scheme; or
- iii. if written consent of the Transferee Company have been obtained.

(b) The Transferor Companies shall not take, enter into, perform or undertake, as applicable (i) any material decision in relation to their businesses and affairs and operations (ii) any agreement or transaction (other than an agreement or transaction in ordinary course of the respective Transferor Company's business); and (iii) such other matters as the Transferee Company may notify from time to time; without the prior written consent of the Transferee Company.

10.3 Without prejudice to the above, the Transferor Companies from the date of filing this Scheme with the NCLT shall not make any change in their respective capital structures whether by way of increase (by issue of equity shares on a rights basis, bonus shares or otherwise), decrease, reduction, reclassification, subdivision or consolidation, reorganization, or in any other manner which may, in any way, affect the Share Exchange Ratio except under any of the following circumstances:

- (a) By mutual consent of the respective Board of Directors of the Transferor Companies and the Transferee Company; or
- (b) By way of any obligation already subsisting as on the date of filing this Scheme with the Appropriate Authority.

10.4 The Transferee Company shall also be entitled, pending sanction of the Scheme, to apply to the Central Government, State Government, and all other agencies, departments and statutory authorities concerned, wherever necessary, for such consents, approvals and sanctions which the Transferee Company may require including the registration, approvals, exemptions, relieves, etc., as may be required / granted under any law for the time being in force for carrying on businesses of the Transferor Companies.

11. EMPLOYEES

11.1 Upon coming into effect of this Scheme:

- (a) All the employees of the Transferor Companies who are in employment as on the Effective Date shall become the employees of the Transferee Company with effect from the Effective Date without any break or interruption in service and on terms and conditions as to employment and remuneration not less favourable than those on which they are engaged or employed by the Transferor Companies. It is clarified that the employees of the Transferor Companies who become employees of the Transferee Company by virtue of this Scheme, shall not be entitled to the employment policies and shall not be entitled to avail of any schemes and benefits that may be applicable and available to any of the employees of the Transferee Company (including the benefits of or under any Employee Stock Option Schemes applicable to or covering all or any of the employees of the Transferee Company), unless otherwise determined by the Transferee Company. The Transferee Company undertakes to continue to abide by any agreement/settlement, if any, entered into by the Transferor Companies with any union/employee of the Transferor Companies.
- (b) The existing provident fund, gratuity fund and pension and/or superannuation fund or trusts or retirement funds or benefits created by the Transferor Companies or any other special funds created or existing for the benefit of the concerned employees of the Transferor Companies (collectively referred to as "**Funds**") and the investment made out of such Funds shall, at an appropriate stage, be transferred to the Transferee Company to be held for the benefit of the concerned employees. The Funds shall, subject to the necessary approvals and permission and at the discretion of the Transferee Company, either be continued as separate funds of the Transferee Company for the benefit of the employees of the Transferor Companies or be transferred to and merged with other similar funds of the Transferee Company. In the event that the Transferee Company does not have its own fund with respect to any such Funds, the

Transferee Company may, subject to necessary approvals and permissions, continue to maintain the existing Funds separately and contribute therein, until such time as the Transferee Company creates its own funds into which the Funds and the investments and contributions pertaining to the employees of the Transferor Companies shall be transferred to such funds of the Transferee Company.

11.2 With effect from the first of the dates of filing of this Scheme with the Appropriate Authority and up to and including the Effective Date the Transferor Companies shall not vary or modify the terms and conditions of employment of any of its employees, except with the written consent of the Transferee Company.

11.3 It is clarified that the services of all transferred staff, workmen and employees of the Transferor Companies to the Transferee Company will be treated as having been continuous for the purpose of the aforesaid employee benefits and / or liabilities. For the purpose of payment of any retrenchment compensation, gratuity, and / or other terminal benefits, and / or any other liability pertaining to staff, workmen and employees, the past services of such staff, workmen and employees with the Transferor Companies shall also be taken into account by the Transferee Company, who shall pay the same as and when payable.

12. SAVING OF CONCLUDED TRANSACTIONS

Subject to the terms of this Scheme, the transfer and the vesting of the Undertakings of the Transferor Companies under Clause 6 of this Scheme shall not affect any transaction or proceeding already concluded by the Transferor Companies on or before the Appointed Date or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things made, done and executed by the Transferor Companies as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.

13. OTHERS

13.1 The Scheme does not involve any compromise or composition with the creditors of the Transferor Companies or the Transferee Company and the rights of the creditors of the Transferor Companies and the Transferee Company are not affected in any manner.

13.2 The charge and/or security of the secured creditors of the Transferor Companies and the transferee Company shall remain unaffected by this Scheme.

- 13.3 On and from the Effective Date, and thereafter, the Transferee Company shall be entitled to operate all bank accounts of the Transferor Companies and realise all monies and complete and enforce all pending contracts and transactions and to issue credit notes in respect of the Transferor Companies in the name of the Transferee Company in so far as may be necessary until the transfer of rights and obligations of the Transferor Companies to the Transferee Company under this Scheme have been formally given effect to under such contracts and transactions.
- 13.4 Since each of the permissions, approvals, consents, sanctions, remissions, special reservations, holidays, incentives, concessions and other authorisations in relation to the Transferor Companies, shall stand transferred by the order of the Appropriate Authority to the Transferee Company, the Transferee Company shall file the relevant intimations, for the record of the statutory authorities who shall take them on file, pursuant to the vesting orders of the Appropriate Authority.

PART III

ISSUE OF CONSIDERATIONS BY TRANSFEE COMPANY

14. CONSIDERATION

14.1 On Merger of Transferor Company 1 with the Transferee Company (i.e. GHPL with GPL)

(a) New Shares: Upon the Scheme coming into effect, the Transferee Company shall without any further act or deed, issue and allot 39,848 (Thirty Nine Thousands Eight Hundred and Forty Eight) Equity Shares of Rs.1/- each fully paid up for every 1 (One) Equity Share of Rs.1000/- each fully paid up held by the shareholders of the Transferor Company 1 whose names appear in the register of members as on the Record Date (as defined in the Scheme) or to their respective heirs, executors, administrators, or other legal representatives or successor-in-title as the case may be.

(b) Cancellation of Shares: Upon coming into effect of this Scheme, 2,63,75,047 (Two Crores Sixty Three Lacs Seventy Five Thousands and Forty Seven) Equity Shares of the Transferee Company held by the Transferor Company 1 or such other class of shares of Transferee Company held by Transferor Company 1 as on the Effective Date shall be extinguished or shall be deemed to be extinguished and all such equity shares and preference shares held by the Transferor Company 1 in the Transferee Company shall be cancelled and shall be deemed to be cancelled without any further application, act or deed. Further, the investment in the equity shares and preference shares of the Transferee

Company, appearing in the books of Transferor Company 1 shall, without any further act or deed stand cancelled.

14.2 On Merger of Transferor Company 2 with the Transferee Company (i.e. EDIEPL with GPL)

(a) New Shares: Upon the Scheme coming into effect, the Transferee Company shall without any further act or deed, issue and allot 181 (One Hundred and Eighty One) Equity Shares of Rs.1/- each fully paid up for every 1 (One) Equity Share of Rs.10/- each fully paid up held by the shareholders of the Transferor Company 2 whose names appear in the register of members as on the Record Date (as defined in the Scheme) or to their respective heirs, executors, administrators, or other legal representatives or successor-in-title as the case may be.

(b) Cancellation of Shares: Upon coming into effect of this Scheme, 9,65,020 (Nine Lacs Sixty Five Thousands and Twenty Only) Equity Shares of the Transferee Company held by the Transferor Company 2 or such other class of shares of Transferee Company held by Transferor Company 2 as on the Effective Date shall be extinguished or shall be deemed to be extinguished and all such shares held by the Transferor Company 2 in the Transferee Company shall be cancelled and shall be deemed to be cancelled without any further application, act or deed. Further, the investment in the equity shares and preference shares of the Transferee Company, appearing in the books of Transferor Company 2 shall, without any further act or deed stand cancelled.

14.3 The new shares to be issued by Transferee Company on merger of Transferor Companies with Transferee Company shall be subject to the provisions of the Memorandum and Articles of Association of Transferee Company.

14.4 At the time of issue and allotment of the equity shares, the Board of Directors of the Transferee Company shall consolidate all fractional entitlement and allot all equity shares in lieu thereof to a corporate trustee or such other authorised representative(s) as the Board of Directors of the Transferee Company shall appoint in this behalf, who shall hold the equity shares issued in the Transferee Company in trust on behalf of the equity shareholders entitled to fractional entitlements with the express understanding that such corporate trustee or other authorised representative(s) shall sell the same in the market at such time or times and at such price or prices or to such person or persons as it/he /she /they may deem fit and pay to the Transferee Company the net sale proceeds thereof whereupon the Transferee Company shall distribute such net proceeds (after deduction of applicable taxes, if any), to the equity shareholders in proportion to

their respective fractional entitlements. The Board of Directors of the Transferee Company, if it deems necessary, in the interest of allottees, approve such other method in this behalf as it may, in its absolute discretion deem fit.

14.5 The equity shares issued and allotted by the Transferee Company in terms of the Scheme shall rank pari-passu in all respect with the existing equity shares of the Transferee Company. Further, Transferee Company, if required, take all necessary steps to increase its authorised share capital for issue of equity shares pursuant to the Scheme.

14.6 In the event that the Transferor Companies and Transferee Company restructure its equity share capital by way of share split/consolidation/ issue of bonus shares during the pendency of the Scheme, the Share Exchange ratio shall be adjusted accordingly to take into account effect of such corporate actions.

14.7 The equity shares to be issued pursuant to this Scheme shall be issued to the shareholders of the Transferor Company in dematerialised form as permitted under Applicable Law. Pursuant to the issuance of shares in dematerialised form, there will not be any requirement to pay the stamp duty on such issuance.

14.8 In the event of there being any pending share transfers, whether lodged or outstanding of any shareholders of Transferor Companies, the Board of Directors of Transferor Companies shall be empowered prior to the Record Date, to effectuate such transfers in the Transferor Companies as if such changes in registered holders were operative as on the Record Date, in order to remove any difficulties arising to the transferors of the shares in relation to the equity shares issued by the Transferee Company after the Scheme is effected. The Board of Directors of the Transferee Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new members in the Transferee Company on account of difficulties faced in the transition period.

14.9 Upon the Scheme becoming effective, the issued, subscribed and paid up share capital of the Transferee Company shall stand suitably increased/ modified consequent upon the issuance of equity shares in accordance with the Scheme. It is clarified that no special resolution under Section 42 and Section 62 of the Act read with the applicable Rules thereunder or any other applicable provisions of the Act shall be required to be passed by the Transferee Company separately in a general meeting for issue of equity shares to the members of the Transferor Companies under this Scheme and on the shareholders of the Transferee Company approving this Scheme, it shall be deemed that they have given their

consent to the issue of equity shares of the Transferee Company to the members of Transferor Companies.

14.10 It is clarified that upon the approval of this Scheme by the shareholders of the Transferor Companies and Transferee Company under Sections 230 and 232 of the Act, the shareholders shall be deemed to have approved this Scheme under Sections 13, 14, 42, 62, 186, 188 and any other applicable provisions under the Act, and that no separate approval from the shareholders or others if so applicable to that extent shall be required to be sought by the parties for the matters specified in this Scheme.

15. LISTING OF NEW EQUITY SHARES

15.1 After the Effective Date of this Scheme, the new equity shares to be issued and allotted by the Transferee Company in terms of clause 14 above shall be listed and shall be admitted for trading on the Stock Exchanges by virtue of this Scheme and in accordance with the provisions of SEBI Circulars. Transferee Company shall make all requisite applications and shall otherwise comply with the provisions of the aforesaid circulars and Applicable Laws and take all steps to get its share capital including the new equity shares issued by it in pursuance to this Scheme listed on the Stock Exchanges.

15.2 The new equity shares allotted by the Transferee Company pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated Stock Exchanges.

15.3 There shall be no change in the shareholding pattern of the Transferee Company between the Record Date and the listing which may affect the basis on which approval is received from the Stock Exchanges.

16. APPROVALS

16.1 The Transferor Companies and the Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority, if required, under any law for such consents and approvals which the Transferee Company may require to own the respective undertakings intended to be amalgamated unto it as hereinabove and to carry on the respective businesses.

16.2 This Scheme is specifically conditional upon and subject to:

- (a) The approval of and agreement to the Scheme by requisite majority of the members and Creditors of the Transferor Companies and the Transferee Company as may be directed by the National Company Law Tribunal on the applications made for directions under Section 230 of the said Act;
- (b) The sanction of the NCLT being obtained under Sections 230 to 232 of the said Act in favour of the Transferor Companies and the Transferee Company and to the necessary order or orders under Section 232 of the said Act, being obtained;
- (c) Receipt of approval of observation letter in relation to the Scheme from the relevant Stock Exchanges and SEBI in terms of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015;
- (d) The approval of the public shareholders of the Transferee Company in accordance with the provisions of the SEBI Circulars issued in this behalf. Such approval of public shareholders will be obtained through postal ballot and e-voting, after disclosure of all material facts in the explanatory statement sent to the shareholders in relation to such resolution. The scheme is conditional upon scheme being approved by the public shareholders through e-voting in terms of para 9 (a) of part I of Annexure I of SEBI circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and the scheme shall be acted upon only if vote cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it; and
- (e) Any other sanction or approval of the appropriate authorities concerned, as may be considered necessary and appropriate by the respective Boards of Directors of the Transferor Companies and the Transferee Company being obtained and granted in respect of any of the matters for which such sanction or approval is required.

17. CONSOLIDATION OF AUTHORISED CAPITAL

17.1 The Clause V of the Memorandum and Articles of Association of the Transferee Company (relating to Authorised Share Capital) shall without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purpose of effecting this amendment, and no further resolution(s) under any other applicable provisions of the Act would be required to be separately passed, as the case may be and be replaced by the following clause:

"The Authorised Share Capital of the Company is Rs. 42,81,00,000/- (Rupees Forty Two Crores and Eighty One Lacs only) divided into 28,06,00,000 (Twenty Eight Crores and Six Lacs only) Equity Shares of Rs 1/- (Rupees One only) each, 2,50,000 (Two Lacs and Fifty Thousand) 0% (Zero Percent) Redeemable Preference Shares of Rs. 10/- (Rupees Ten only) each, 14,50,000 (Fourteen Lacs and Fifty Thousand) 0%-10% (Zero Percent to Ten Percent) Redeemable Preference Shares of Rs. 100/- (Rupees One Hundred only) each, all or any part of the Share Capital shall be capable of being increased or reduced, classified or reclassified or re organized in accordance with the Company's Regulations and legislative provisions for the time being in force in that behalf, with power to divide the Shares in the Capital for the time being into Equity Share Capital and Preference Share Capital, to attach thereto respectively any preferential, qualified, deferred or special rights, privileges or conditions and to vary, modify or abrogate any such rights, privileges or conditions".

17.2 Upon the Scheme becoming effective and the Transferor Companies being dissolved, the authorized capitals of the Transferor Companies as on the Appointed Date shall stand merged with the authorized capital of the Transferee Company, and the fee, if any, paid by Transferor Companies on its authorized capital before merger shall be set-off against any fees payable by the Transferee Company on its authorized share capital subsequent to the amalgamation.

17.3 For the purpose of increase in authorized share capital of the Transferee Company, the stamp duty and fees paid on the authorised capitals of the Transferor Companies shall be utilised and applied to the increased authorised share capital of the Transferee Company.

17.4 It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent/approval also to the alteration of the Memorandum and Articles of Association of the Transferee Company, as may be required under the Act, and Clause V of the Memorandum of Association of the Transferee Company.

PART IV ACCOUNTING TREATMENT

18. ACCOUNTING TREATMENT

18.1 Notwithstanding anything to the contrary contained in any other Clause in the Scheme, upon the Scheme becoming effective, the amalgamation of Transferor Companies into Transferee Company, shall be accounted as per "Pooling of Interest Method" in accordance with Indian Accounting Standard (Ind AS 103),

Business Combinations and other accounting principles prescribed under the Companies (Indian Accounting Standards) Rules, 2015 as notified under section 133 of the Companies Act, 2013;

18.2 The pooling of interest method is considered to involve the following:

- (a) The assets and liabilities of the combining entities are reflected at their carrying amount
- (b) No adjustments are made to reflect fair values, or recognise any new asset or liabilities. The only adjustments that are made are to harmonise the accounting policies

18.3 Comparative accounting period presented in the financial statements of the Transferee Company shall be restated for the accounting impact of merger, as stated above, as if the merger had occurred from the beginning of the comparative period in the financial statements.

PART V

DISSOLUTION OF THE TRANSFEROR COMPANIES AND GENERAL TERMS AND CONDITIONS

19. DISSOLUTION OF THE TRANSFEROR COMPANIES

On the coming into effect of this Scheme, the Transferor Companies shall stand dissolved without winding up and without any further act or deed under Section 232 of the Act.

20. VALIDITY OF EXISTING RESOLUTIONS ETC.

Upon the coming into effect of this Scheme, resolutions, if any, of any of the Transferor Companies, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolution has any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

21. PROCEEDINGS BEFORE THE APPROPRIATE AUTHORITY

- (a) The Transferor Companies and the Transferee Company shall file in the Appropriate Authority a joint application for convening and holding of meetings of their respective shareholders and creditors to be called, held and conducted in such manner or for their dispensation, as the Appropriate

Authority may direct and to consider and if thought fit to approve, with or without modification, this Scheme.

- (b) On this Scheme being agreed by the requisite majority of members/creditors of the Transferor Companies and the requisite majority of members/creditors of the Transferee Company, the Transferor Companies and the Transferee Company shall apply to the Appropriate Authority for sanctioning the Scheme of Amalgamation under Sections 230 and 232 of the Companies Act, 2013 and for such other order, or orders, as the Appropriate Authority may deem fit for carrying this Scheme into effect and for dissolution of the Transferor Companies without winding up.
- (c) It is hereby clarified that submissions of the Scheme to the Appropriate Authority and to any authorities for their respective approvals is without prejudice to all rights, interest, titles and defences that the Transferor Companies and the Transferee Company has or may have under or pursuant to all applicable laws.
- (d) The Transferor Companies and the Transferee Company shall also take such other steps as may be necessary or expedient to give full and formal effect to the provisions of this Scheme.

22. MODIFICATION OR AMENDMENTS TO SCHEME

22.1 The Transferor Companies and the Transferee Company by their respective Boards of Directors or any Committee thereof or any Director/ executive authorised in that behalf (hereinafter referred to as the "**Delegate**") may assent to, or make, from time to time, any modification(s) or addition(s) to this Scheme which may deem fit or which the NCLT or Appropriate Authority or any authorities under law may deem fit to approve or which the Appropriate Authority or any authorities under law may impose/suggest and which the Transferor Companies and the Transferee Company may in their absolute discretion accept or such modification(s) or addition(s) as the Transferor Companies and the Transferee Company or as the case may be, their respective Delegate may deem fit, or required for the purpose of resolving any doubts or difficulties that may arise in carrying out this Scheme, and the Transferor Companies and the Transferee Company by their respective Boards of Directors or delegates are authorised to do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect, or review the position relating to the satisfaction of the conditions of this Scheme and if necessary, waive any of such conditions (to the extent permissible under law) for bringing this Scheme into effect, and/or give such consents as may be required in terms of this Scheme.

- 22.2 In the event that any conditions are imposed by the Appropriate Authority or any Governmental Authorities, which any of the Transferor Companies or the Transferee Company finds unacceptable for any reason, then the respective Transferor Company and the Transferee Company shall be at liberty to withdraw the Scheme.
- 22.3 It is however, clarified that any amendment or modification to this Scheme after sanction thereof shall be made in accordance with the provisions contained in Section 231 of the Act or any statutory medication thereof.
- 22.4 For the purposes of giving effect to this Scheme or to any modification(s) thereof or addition(s) thereto, the Delegates of the Transferor Companies and the Transferee Company may give and are authorised to determine and give all such directions as are necessary for settling or removing any question of doubt or difficulty that may arise under this Scheme or in regard to the meaning or interpretation of any provision of this Scheme or implementation thereof or in any manner whatsoever connected therewith or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary to waive any such conditions (to the extent permissible in law) and such determination or directions or waiver, as the case may be shall be binding on all the parties, in the same manner as if the same were specifically incorporated in this Scheme.
- 22.5 For the purpose of giving effect to this Scheme or to any modifications/ amendments thereof, the Directors of the Transferor Companies (prior to its dissolution in pursuance to Scheme) and of the Transferee Company may give and are authorised to give all such directions as are necessary including directions for resolving any question of doubt or difficulty that may arise.
- 22.6 Further, post approval of the Scheme by NCLT, if there is any confusion in interpreting any clause of this Scheme, or otherwise, the Board of Directors of the respective Companies shall jointly have complete power to take the most sensible interpretation so as to render the Scheme operational.

23. WITHDRAWAL OF THE SCHEME

The Companies shall be at liberty to withdraw this Scheme at any time as may be mutually agreed by the Board of Directors of the respective Companies prior to the Effective Date. In such a case, the Companies shall respectively bear their own cost or as may be mutually agreed.

24. COMPLIANCE WITH TAX LAWS AS APPLICABLE TO THE SCHEME

- 24.1 This Scheme is in compliance with the conditions relating to "amalgamation" as specified under Section 2(1 B) of the IT Act. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date including resulting from a retrospective amendment of law or for any other reason whatsoever, till the time the Scheme becomes effective, the provisions of the said Section of the IT Act shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1 B) of the IT Act.
- 24.2 On or after the Effective Date, the Companies shall have the right to revise their financial statements and tax returns (including withholding tax returns) along with the prescribed forms, filings and annexures under the provisions of the IT Act (including for the purpose of re-computing income tax under the normal provisions, minimum alternative tax, and claiming other tax benefits), Wealth Tax Act, 1957, customs duty law, central sales tax, applicable state value added tax, service tax laws, excise duty laws, Goods and Services tax, VAT law or other tax laws, and to claim refunds and/or credits for taxes paid (including minimum alternate tax, tax deducted at source, goods and service tax, etc), and to claim tax benefits etc. and for matters incidental thereto, if required to give effect to the provisions of the Scheme.
- 24.3 As and from the Effective Date, all tax proceedings shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Companies. Further, all tax proceedings shall not in any way be prejudicially affected by reason of the amalgamation of the Transferor Companies with the Transferee Company or anything contained in the Scheme.
- 24.4 Any tax liabilities under the IT Act, Wealth Tax Act, 1957, customs duty laws, central sales tax, applicable state value added tax, service tax laws, excise duty laws, Goods and Service tax, VAT law or other applicable laws/ regulations dealing with taxes, duties, levies allocable or related to the business of the Transferor Companies to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred or stand transferred to Transferee Company. Any surplus in the provision for taxation / duties/ levies account including advance tax and tax deducted at source and MAT credit as on the date immediately preceding the Appointed Date will also be transferred to the account of the Transferee Company.

- 24.5 Any refund under the IT Act, Wealth-tax Act, 1957, customs duty laws, central sales tax, applicable state value added tax, service tax laws, excise duty laws, goods and service tax, VAT law or other applicable laws/ regulations dealing with taxes/ duties/ levies allocable or related to the business of the Transferor Companies due to Transferor Companies consequent to the assessment made on Transferor Companies and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.
- 24.6 Any tax payment (including, without limitation, income-tax, minimum alternate tax, taxes withheld/ paid in a foreign country, dividend distribution tax, securities transaction tax, sales tax, excise duty, custom duty, service tax, value added tax, goods and service tax, etc whether by way of deduction at source, advance tax or otherwise, howsoever, by the Transferor Companies in respect of the profits or activities or operation of the business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly. Further, any tax deducted at source by Transferor Companies/ Transferee Company including on payables to Transferee Company/ Transferor Companies on account of investments (if any) held by the Transferee Company in the Transferor Companies which has been deemed not to be accrued, shall be deemed to be advance taxes paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.
- 24.7 Obligation for deduction of tax at source on any payment made by or to be made by the Transferor Companies under the IT Act, Wealth Tax Act, 1957, customs duty laws, central sales tax, applicable state value added tax, service tax laws, excise duty laws, goods and service tax, VAT law or other applicable laws / regulations dealing with taxes / duties / levies shall be made or deemed to be have been made and duly complied with by the Transferee Company.
- 24.8 All deductions otherwise admissible to the Transferor Companies including payment admissible on actual payment or on deduction of appropriate taxes or on payment or tax deducted at source (such as under Sections 40, 40A, 43B, etc of the IT Act) shall be available for deduction to the Transferee Company as it would have been available to the Transferor Companies.

25. EXEMPTION UNDER SAST REGULATIONS

For avoidance of doubt, it is clarified that pursuant to amalgamation of the Transferor Companies into and with the Transferee Company, the issuance of equity shares of the Transferee Company to the shareholders of the Transferor

Companies to the shareholders of the Transferor Companies as consideration for amalgamation of the Transferor Companies into and with the Transferee Company in terms of the Scheme, is exempt under the provisions of the Regulation 10(1)(d)(ii) of SAST Regulations, and therefore, the requirement to make an “open offer” shall not be triggered in terms of provisions of the SAST Regulations.

26. COSTS AND EXPENSES

All costs, charges and expenses including but not limited to any stamp duty or registration fees or any lease premium payable on any deed, document, instrument or the NCLT Order pertaining to this Scheme or in connection with this Scheme and incidental to the completion of the merger of the Transferor Companies with the Transferee Company in pursuance of this Scheme shall be borne and paid by the Transferor Companies and Transferee Company. The Transferee Company shall be eligible for deduction of all such expenditure incurred as per Section 35DD of the IT Act.

27. MISCELLANEOUS

- 27.1 If any part of this Scheme is found to be unworkable for any reason whatsoever, in the sole discretion of the Transferor Companies and the Transferee Company either by their respective Boards of Directors or through Committees appointed by them in this behalf, the same shall not, subject to the decision of the Transferor Companies and the Transferee Company, affect the validity or implementation of the other parts and/or provisions of this Scheme.
- 27.2 In the event that any conditions imposed by the Appropriate Authority are found unacceptable for any reason whatsoever by any Transferor Company or the Transferee Company, then the respective Transferor Company and/or Transferee Company shall be entitled to withdraw the Scheme in which event no rights and liabilities whatsoever shall accrue to or be incurred inter se to or by the parties or any of them.
- 27.3 On the approval of the Scheme by the members of the Transferor Companies and Transferee Company pursuant to Section 230 of the Act, it shall be deemed that the said members have also accorded all relevant consents under other provisions of the Act to the extent the same may be considered applicable for the purpose of this Scheme.
- 27.4 The mutation of the title to the immovable properties shall be made and duly recorded by the appropriate authorities pursuant to the sanction of the Scheme and upon the Scheme becoming effective, in accordance with the terms hereof, in

favour of the Transferee Company in respect of the immovable properties vested in it. Any inchoate title or possessory title of the Transferor Companies or its predecessor companies shall be deemed to be the title of the Transferee Company.

- 27.5 Further, the Board of Directors of the Transferor Companies and the Transferee Company shall be entitled to revoke, cancel and declare the Scheme of no effect if the Board of Directors of the Transferor Companies and the Transferee Company are of view that the coming into effect of the Scheme in terms of the provisions of this Scheme or filing of the drawn up orders with any authority could have an adverse implication(s) on all or any of the Transferor Companies or the Transferee Companies.
- 27.6 If any part of this Scheme hereof is invalid, ruled illegal by any NCLT of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Transferor Companies and the Transferee Company that such part shall be severable from the remainder of the Scheme. Further, if the deletion of such part of this Scheme may cause this Scheme to become materially adverse to the any of the Transferor Companies and /or the Transferee Company, then in such case the Transferor Companies and /or the Transferee Company shall attempt to bring about a modification in the Scheme, as will best preserve for the Transferor Companies and the Transferee Company the benefits and obligations of the Scheme, including but not limited to such part. Without prejudice to above, if the modification required is not acceptable, then the Companies can withdraw the Scheme.
- 27.7 No investigation or proceedings under the Companies Act, 1956 and the Companies Act, 2013 are proceeding against the Transferor Companies and the Transferee Company.
- 27.8 The physical copies of the following documents are available for obtaining extract from or for making or obtaining copies of or for inspection by members and creditors at the registered office of the Transferor Companies and the Transferee Company during the business hours (10:00 A.M. To 6:00 P.M.) on all working days except Saturday and Sunday up to one day prior to date of meeting(s), if any, to be convened by the NCLT:
- Audited Financial Statements including consolidated financial statements (if any) for the year ended 31st March 2020 of the Transferor Companies and the Transferee Company;
 - Copy of Scheme of Arrangement/ Amalgamation;
 - Certificate issued by Auditor of the Transferee Company to the effect that the accounting treatment proposed in the Scheme of Amalgamation is in

conformity with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013;

- Valuation Report;
- Fairness Opinion;
- Abridged Prospectus of Transferor Companies;
- Other documents/ certificates as required under SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and the Companies Act, 2013.

27.9 There is no adverse effect of Scheme on any director, key managerial personnel, promoters, non-promoter members, creditors and employees of the Transferor Companies and the Transferee Company.

27.10 It is further provided that there are no other contracts or arrangements that are material to this scheme of amalgamation.

27.11 As part of the Scheme, post approval of the Scheme by the Appropriate Authority and listing of shares issued in Consideration, the Transferee Company may transfer or convey or lease or sell or otherwise dispose off the title of the immovable properties, fixed assets, loans and advances, investments, current assets, debit balance in profit and loss account and any other assets as per the books of the Transferor Companies transferred pursuant to the Scheme, to a foundation or a trust or a society or a company incorporated under Section 8 of the Act created or promoted by the Transferee Company, for the purpose of discharging obligation towards corporate social responsibility under Section 135 of the Act, and there would not be any requirement for any further act, deed, approvals, fees/duty payment or matters for giving effect to the obligations towards corporate social responsibility. The requirement to pay stamp duty will not arise on such transfer to a foundation or a trust or a society or a company incorporated under Section 8 of the Act created or promoted by the Transferee Company, for the purpose of discharging obligation towards corporate social responsibility under Section 135 of the Act or be set off from the payment of stamp duty on the NCLT's order by which the property, movable & immovable, owned by the Transferor Companies is transferred to or vested in the Transferee Company.

28. INDEMNITY BY TRANSFEROR COMPANIES & ITS SHAREHOLDERS

The Transferor Companies and its shareholders shall indemnify and hold harmless the Transferee Company and its directors, officers, representatives, partners, employees and agents (collectively referred as the "**Indemnified Persons**") for

losses, liabilities, costs, charges, expenses (whether or not resulting from third party claims), including those paid or suffered pursuant to any actions, proceedings, claims and including interests and penalties discharged by the Indemnified Persons which may devolve on Indemnified Persons on account of amalgamation of the Transferor Companies with the Transferee Company but would not have been payable by such Indemnified Persons otherwise, the form and manner as may be agreed amongst the Transferee Company and the shareholders of the Transferor Companies.

29. NO CASUE OF ACTION

No third party claiming to have acted or changed his position in anticipation of the Scheme taking effect, shall get any cause of action against the Transferor Companies or Transferee Company or their directors or officers, if this Scheme does not take effect or is withdrawn, cancelled, revoked, amended or modified for any reason whatsoever.

**IN THE NATIONAL COMPANY LAW TRIBUNAL
ALLAHABAD BENCH, ALLAHABAD**

Company Application No. CA(CAA)No. 09/ALD of 2021
(Under Section 230 & 232 of the Companies Act, 2013)

In the Matter of:

1. **Gulshan Holdings Private Limited**, a private limited company incorporated under the Companies Act, 1956 and having its registered office at 9th K.M., Jansath Road, Muzaffarnagar – 251001, Uttar Pradesh
.....Applicant Company No. 1/Transferor Company No. 1
2. **East Delhi Importers & Exporters Private Limited**, a private limited company incorporated under the Companies Act, 1956 and having its registered office at 9th K.M., Jansath Road, Muzaffarnagar – 251001, Uttar Pradesh
..... Applicant Company No. 2/Transferor Company No. 2

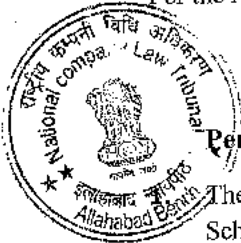
AND

3. **Gulshan Polyols Limited**, a public limited company incorporated under the Companies Act, 1956 and having its registered office at 9th K.M., Jansath Road, Muzaffarnagar – 251001, Uttar Pradesh
.....Applicant Company No. 3/Transferee Company

ORDER DELIVERED ON: 14.07.2021

CORAM: Justice(Retd) Rajesh Dayal Khare; Member(Judicial)

For the Applicant Companies : Ankit Kumar Singh, PCS

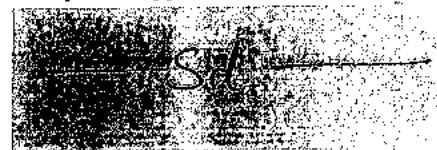


ORDER

Per se: Justice(Retd) Rajesh Dayal Khare; Member(Judicial)

The counsel for the Applicant Companies submits that that the present Scheme is a Scheme of Amalgamation of Gulshan Holdings Private Limited ("GHPL" or "the Transferor Company No. 1" or "Applicant Company No. 1") and East Delhi Importers & Exporters Private Limited ("EDIEPL" or "the Transferor Company No. 2" or "Applicant Company No. 2") with Gulshan Polyols Limited ("GPL" or "the Transferee Company" or "Applicant Company No. 3") and their respective Shareholders ("Scheme") under the provisions of Sections 230 to 232 of the Companies Act, 2013.

2. The counsel for the Applicant Companies submits that this 1st motion Application under Sections 230 & 232 of the companies Act, 2013 (herein after referred to as the "Act") read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (herein after referred to as "the Rules") is filed by the Applicants



Numbers 1 to 3 Companies seeking directions of this Tribunal to convene separate meetings of Secured Creditors, Un-secured Creditors and Equity Shareholders of the Transferee Company, to consider and, if deem fit, to approve the proposed Scheme of Amalgamation; and to dispense with the requirement of convening meetings of Equity Shareholders, Secured Creditors and Un-secured Creditors of the Transferor Companies No. 1 to 2; and Preference Shareholders of the Transferee Company. The Applicant No. 1 to 2 Companies are the Transferor Companies No. 1 to 2, whereas the Applicant No. 3 is the Transferee Company as stated in the proposed Scheme and in the Application.

3. The counsel for the Applicant Companies submits that the Transferor Company No. 1 is a private limited company registered under the provisions of the Companies Act, 1956. The Authorised Share Capital of the Transferor Company No. 1 is ₹5,55,00,000 divided into 55,500 Equity Shares of ₹1,000 each. The present Issued, Subscribed and Paid-up Share Capital of the Company is ₹7,07,000 divided into 707 Equity Shares of ₹1,000 each. The Main Objects of the Transferor Company No. 1 are set out in its Memorandum and Article of Association annexed with the Application and marked as *Annexure A-2 (Colly.)*.

Presently, the Transferor Company No. 1 is engaged in the business of acquiring, investing and holding shares in companies having similar objects or companies providing value benefit, and guaranteeing the payment of money unsecured or secured by or payable under or in respect of contractual obligations.

4. The counsel for the Applicant Companies submits that Transferor Company No. 2 is a private limited company registered under the provisions of the Companies Act, 1956. The Authorised Share Capital of the Transferor Company No. 2 is ₹1,00,000 divided into 10,000 Equity Shares of ₹10 each. The present Issued, Subscribed and Paid-up Share Capital of the Company is ₹1,00,000 divided into 10,000 Equity Shares of ₹10 each. The Main Objects of the Transferor Company No. 2 are set out in its Memorandum and Article of Association annexed with the Application and marked as *Annexure A-5 (Colly.)*.



Presently, the Transferor Company No. 2 is engaged in the business of importing, exporting, dealing and trading multi-products which includes but not limited to textile products, chemicals, sugar and related products, engineering goods, molasses, grains, glassware, alcohol, oils, paper and related products, wood and timber etc. Further, the Company is engaged in the business as general carriers, transporters and freight forwarders, and exporting, importing, trading and dealing in the computer software, programmes, computer hardware and peripherals.

5. The counsel for the Applicant Companies submits that the Transferee Company is a public limited company registered under the provisions of the Companies Act, 1956. The Authorised Share Capital of the Transferee Company is ₹37,25,00,000 divided into 22,50,00,000 Equity Shares of ₹1 each aggregating to ₹22,50,00,000; 2,50,000 Redeemable Preference Shares (0%) of ₹10 each aggregating to ₹25,00,000; and 14,50,000 Redeemable Preference Shares (0-10%) of ₹100 each aggregating to



14,50,00,000. The present Issued, Subscribed and Paid-up Share Capital of the Company is ₹14,44,17,020 divided into 4,69,17,020 Equity Shares of ₹1 each aggregating to ₹4,69,17,020; and 9,75,000 Redeemable Preference Shares (8%) of ₹100 each aggregating to 9,75,00,000. The equity shares of the Transferee are listed on National Stock Exchange of India Limited and BSE Limited. The Main Objects of the Transferee Company are set out in its Memorandum and Article of Association annexed with the Application and marked as *Annexure A-8 (Colly.)*.

Presently, the Transferee Company is engaged in the business of manufacturing multi-products such as starch sugar, high fructose rice syrup, brown rice syrup, rice syrup solids, calcium carbonate, agro based animal feed and alcohol. Further, the Transferee Company is engaged in installing onsite PCC plants.

6. The Counsel for the Applicant Companies submits that the Transferor Company No. 1 is a promoter holding company of the Transferee Company. The Transferor Company No. 2 is a promoter company of the Transferee Company. The registered office of the Applicant Companies is situated at 9th K.M., Jansath Road, Muzaffarnagar – 251001, Uttar Pradesh.
7. The Counsel for the Applicant Companies further submits that the Scheme has been approved by the board of directors of the Applicant Companies in their meetings held on 06th August, 2020 and the Appointed Date of the Scheme is fixed as 1st April, 2020.
8. The Counsel for the Applicant Companies further submits that the Applicant Companies have filed the Audited Financial Statements for the financial year ended 31st March, 2020 along with audited financial statements for the half year ended on 30th September, 2020.

The Counsel for the Applicant Companies further submits that Board of Directors and management of the Applicant Companies have proposed the Scheme for the following reasons or rationale:

- a. *Ensuring a streamlined group structure by reducing the number of legal entities;*
- b. *Reducing the multiplicity of legal and regulatory compliances required at present;*
- c. *Eliminating duplicative communication and coordination efforts across multiple entities;*
- d. *Rationalising cost by eliminating multiple record keeping and administrative functions;*
- e. *Help in achieving improved operational efficiency and optimum advantages and synergy in operations by combining the activities of the Transferor Companies*



with the Transferee Company. Accordingly, the Scheme would strengthen and complement the businesses of the Companies;

- f. The amalgamated entity will benefit from optimum utilization of manpower through improved organizational capacity and leadership, arising from the combination of people from the Transferor Companies and Transferee Company which have diverse skills, talent, management expertise, enlarged knowledge base and vast experience to compete successfully in an increased competitive industry;
- g. The amalgamated entity shall reduce fixed costs by removing duplicate departments, operations and lower the cost of the Company relative to the same revenue stream and shall thus increase the profit margins;
- h. Under a liberalised, fast changing and highly competitive environment, this amalgamation shall strengthen the business of the Transferor Companies and the Transferee Company by pooling up the resources, land, investment and assets for common purpose and hence optimum utilization;
- i. The amalgamation will result in better economic control, increased financial strength and flexibility and enhance the ability of the amalgamated entity to undertake large projects, thereby contributing to enhancement of future business potential;
- j. The amalgamation would not only lead to simplification of the shareholding structure and reduction of the shareholding tiers, but also demonstrate the promoter group direct commitment to and engagement with the Transferee Company;



The amalgamation would lead to infusion of investments in forms of bank deposits, bank balance, securities etc. into the Transferee Company which will enhance the capability of the Transferee Company to undertake operations at an enhanced business potential.

10. It is stated that no proceeding for inspection, inquiry or investigation under the provisions of the Companies Act, 2013, or under the provisions of the Companies Act, 1956 is pending against any of the Applicant Companies.
11. It is stated by the Applicant Companies that the proposed Scheme of Amalgamation does not envisage any buy back of shares.
12. The learned Counsel for the Applicant Companies filed details of Shareholders, Secured Creditors and Un-secured Creditors detailed below:

The Transferor Company No. 1



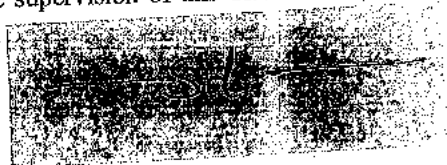
- i. The Transferor Company No. 1 has 5 (five) **Equity Shareholders** and all have given their consents by way of depositing individual affidavits.
- ii. The Transferor Company No. 1 has no **Secured Creditors as on date**. As on 30.09.2020, the Transferor Company No. 1 has 1 secured creditor. There is no outstanding liability as on date and the said loan has been fully adjusted with up-to-date mark up. The Transferor Company No.1 has fully repaid the outstanding dues of the secured creditor and the secured creditor is having no charge on any of the assets of the Transferor Company No.1. The said Secured Creditor has given its no outstanding dues confirmation by way of Affidavit.
- iii. The Transferor Company No. 1 has 1 (one) **Un-secured Creditor** and he has given his consent by way of depositing individual affidavit.

The Transferor Company No. 2

- i. The Transferor Company No. 2 has 3 (three) **Equity Shareholders** and all have given their consents by way of depositing individual affidavits.
- ii. The Transferor Company No. 2 has no **Secured Creditors**.
- iii. The Transferor Company No. 2 has no **Un-Secured Creditors**.

The Transferee Company

- i. The Transferee Company is listed public limited company and has 14,758 (fourteen thousand seven hundred and fifty-eight) **Equity Shareholders as on 30th September, 2020**. The Transferee Company is proposing to convene a physical meeting of its Equity Shareholders with e-voting facilities, under the supervision of this Tribunal to consider and approve the proposed Scheme of Amalgamation.
- ii. The Transferee Company has 1 (one) **Preference Shareholder** and he has given his consent by way of depositing individual affidavit.
- iii. The Transferee Company has 2 (two) **Secured Creditors as on date**. As on 30.09.2020, the Transferee Company had 3 (three) secured creditors. Out of those 3 (three) of the secured creditors of the Transferee Company as on 30.09.2020, 1 (one) secured creditor with name "Gulshan Mercantile Urban Co-operative Bank Limited" has been paid off all the outstanding dues. The said Secured Creditors has given its no outstanding dues confirmation by way of Affidavit. The Transferee Company is proposing to convene a physical meeting of its Secured Creditors, under the supervision of this Tribunal to consider and approve the proposed Scheme.



iv. The Transferee Company has about 634 (six hundred and thirty-four) **Un-secured Creditors as on 30th September, 2020**. The Transferee Company is proposing to convene a physical meeting of its Un-secured Creditors, under the supervision of this Tribunal to consider and approve the proposed Scheme of Amalgamation.

13. The Applicants have stated that the accounting treatment proposed in the Schemes is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013. Certificates from the respective Statutory Auditors of the Applicant Companies have been filed along with the Application.

14. Learned Counsel- CS Ankit Kumar Singh, appearing for the Applicant Companies, made the following contentions with respect to the dispensation of the requirement of convening meetings of the following persons:

- A. All the Equity Shareholders of the Transferor Companies No. 1 to 2 have given their written consents by way of affidavits. Therefore, the requirement of convening meetings of the Equity Shareholders of the Transferor Companies No. 1 to 2 may be dispensed with.
- B. All the Preference Shareholders of the Transferee Company have given their written consents by way of affidavits. Therefore, the requirement of convening meeting of the Preference Shareholders of the Transferee Company may be dispensed with.
- C. There is no Secured Creditor in the Transferor Companies No. 1 to 2. Therefore, there is no need to convene meetings of the Secured Creditor of the Transferor Companies No. 1 to 2.



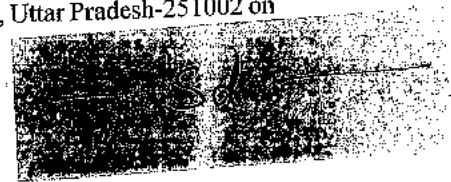
The Un-secured Creditors of the Transferor Companies No. 1 have given their written consents by way of affidavits. Further, Transferor Company No. 2 does not have any Un-secured Creditors. Therefore, the requirement of convening meeting of the Un-secured Creditors of the Transferor Companies No. 1 to 2 may be dispensed with.

15. Further, Learned Counsel- CS Ankit Kumar Singh, appearing for the Applicants, requested to convene the following meetings under the supervision of this Tribunal, for the purpose of considering and if deem fit, approving the proposed Scheme of Amalgamation:

- a. To convene a physical meeting of Secured Creditors of the Transferee Company, under the supervision of the Tribunal.
- b. To convene a physical meeting of Un-secured Creditors of the Transferee Company, under the supervision of the Tribunal.
- c. To convene a physical meeting of Equity Shareholders of the Transferee Company with facility of e-voting, under the supervision of the Tribunal.



16. This Tribunal directs that, in view of the consent affidavits given by the Equity Shareholders of the Transferor Companies No. 1 to 2, the requirement of convening meetings of the Equity Shareholders of the Transferor Companies No. 1 to 2, for the purpose of considering and if thought fit approving the proposed Scheme, is dispensed with.
17. This Tribunal directs that, in view of the consent affidavits given by the Preference Shareholders of the Transferee Company, the requirement of convening meeting of the Preference Shareholders of the Transferee Company, for the purpose of considering and if thought fit approving the proposed Scheme, is dispensed with.
18. As stated, there is no Secured Creditor in the Transferor Companies No. 1 to 2, accordingly, the requirement of convening the meetings of the Secured Creditors of the Transferor Companies No. 1 to 2, for the purpose of considering and if thought fit approving the proposed Scheme, is dispensed with.
19. This Tribunal directs that, in view of the consent affidavits given by the Un-secured Creditors of the Transferor Companies No. 1 and the fact that Transferor Company No. 2 does not have any Un-secured Creditors, the requirement of convening meetings of the Un-secured Creditors of the Transferor Companies No. 1 to 2, for the purpose of considering and if thought fit approving the proposed Scheme, is dispensed with.
20. This Tribunal directs conduct of meetings of shareholders and creditors of the Applicant Company No. 3 as follows:
- (a) A meeting of the Equity Shareholders of the Applicant Company No. 3 be convened and held at Solitaire INN Hotel, 6 Mile Stone, Meerut Road, National Highway 58, Muzaffarnagar, Uttar Pradesh-251002 on 18th September, 2021 at 12.00 p.m. for the purpose of considering and, if thought fit, approving with or without modification(s) the proposed amalgamation embodied in the Scheme.
 - (b) The Applicant Company No. 3 being a listed public limited company, is governed by the **SEBI circular no. CFD/DIL3/CIR/2017/21 dated 10th March, 2017** and is required to provide the facility of e-voting to its shareholders. Accordingly, voting by the Equity Shareholders of the Applicant Company No. 3 to the Scheme shall be carried out through e-voting, indicating the day, the date, and the time as aforesaid.
 - (c) A meeting of the Un-secured Creditors of the Applicant Company No. 3 be convened and held at Solitaire INN Hotel, 6 Mile Stone, Meerut Road, National Highway 58, Muzaffarnagar, Uttar Pradesh-251002 on



18th September, 2021 at 1.00p.m. for the purpose of considering and, if thought fit, approving with or without modification(s) the proposed amalgamation embodied in the Scheme.

- (d) A meeting of the Secured Creditors of the Applicant Company No. 3 be convened and held at Solitaire INN Hotel, 6 Mile Stone, Meerut Road, National Highway 58, Muzaffarnagar, Uttar Pradesh-251002 on 18th September, 2021 at 2.00 p.m. for the purpose of considering and, if thought fit, approving with or without modification(s) the proposed amalgamation embodied in the Scheme.

21. This Tribunal further issues directions with regard to notices as follows:

- (a) That at least 30 (thirty) days before the said Meeting of the Equity Shareholders or Secured Creditors or Unsecured Secured, as the case may be of the Applicant Company No. 3 to be held as aforesaid, a Notice convening the said Meeting at the day, date and time as aforesaid, together with a copy of the Scheme, a copy of Explanatory Statement disclosing all material facts as required under Section 230(3) of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rule, 2016 notified on 14th December, 2016 and the prescribed form of Proxy shall be sent by email to those Equity Shareholders, Secured Creditors and Unsecured Creditors subsisting as on March 31, 2021 in the books and accounts of the Company whose email addresses are duly registered with the Applicant Company No. 3, addressed to each of the shareholders or creditors, at their last known email addresses as per the records of the of the Applicant Company No.3. In case of such Equity Shareholders, Secured Creditors and Un-secured Creditors whose e-mail ids are not available with the Company, publication of notice in newspapers as mentioned below and putting the notice on the web-site of the Company, will be sufficient compliance.



- (b) That at least 30 (thirty) days before the said Meeting of the Equity Shareholders or Secured Creditors or Unsecured Secured, as may be applicable of the Applicant Company No. 3 to be held as aforesaid, a Notice convening the said Meeting at the day, date and time as aforesaid be published once each in 'Financial Express' in English and 'Jansatta' in Hindi, both having wide circulation in the State of Uttar Pradesh, and stating that copies of the Scheme and the said statement required to be furnished pursuant to section 230 (3) of the Companies Act, 2013 can be obtained free of charge at the Registered Office of the Transferee Company situated at 9th K.M., Jansath Road, Muzaffarnagar - 251001, Uttar Pradesh or by emailing the Applicant Company No. 3 at cs@gulshanindia.com.



- (c) That the aforesaid notices shall also state that Form of Proxy can be obtained free of charge at the Registered Office of the Transferee Company situated at 9th K.M., Jansath Road, Muzaffarnagar – 251001, Uttar Pradesh or by emailing the Applicant Company No. 3 at cs@gulshanindia.com.

22. This Tribunal hereby appoints Chairpersons for the meetings aforesaid is as follows:

- (a) Mr. Rajeev Goel, Advocate (Mobile No: 9311411839; Email: rajeev391@gmail.com) shall be the common Chairperson for the above said meetings or in respect of any adjournment thereof and his/her remuneration to act as the Chairperson is fixed at Rs. 1,00,000/- (Rupees One Lakh Only) on consolidated basis for all the above said meetings.
- (b) Mr. Anadi Krishna Narayan Advocate (Mobile No: 9838645884; Email : anadvocates@gmail.com) shall be the common Alternate Chairperson for the above said meetings or in respect of any adjournment thereof and his/her remuneration to act as the Alternate Chairperson is fixed at Rs. 1,00,000(Rupees One Lakh Only) on consolidated basis for all the above said meetings.
- (c) Mr. Shashi Kant Gupta, Company Secretary in practice, (Mobile No. 9415042137, E-mail: skgupta1903@gmail.com) is appointed as the common Scrutinizer for the above said meetings or in respect of any adjournment thereof and his remuneration to act as the Scrutinizer is fixed at Rs. 75,000/- (Rupees Seventy Five Thousand Only) on consolidated basis for all the above said meetings.
- (d) That the quorum of the aforesaid Meeting of the Equity Shareholders of the Applicant Company No. 3 shall be as prescribed under Section 103 of the Companies Act, 2013 present in person or proxy or Authorized representatives.
- (e) That the quorum for the aforesaid meeting of the Secured Creditors of the Transferee Company shall be 2 in number present in person or proxies or Authorized representatives.
- (f) That the quorum for the aforesaid meeting of the Un-secured Creditors of the Transferee Company shall be 5 in number as prescribed for Shareholders under Section 103 of the Companies Act, 2013 present in person or proxies or Authorized representatives.
- (g) That the value and number of the shares of each Shareholder shall be in accordance with the books / registers of the Applicant Company No. 3 or



depository records and where the entries in the books / register / depository records are disputed, the Chairperson of the meeting shall determine the value for the purpose of the aforesaid meeting and his/her decision in that behalf would be final.

- (h) The number or value of the Secured Creditors and Un-secured Creditors shall be in accordance with the records or registers of the Applicant Company and where the entries in the records or registers are disputed, the Chairperson of the meetings shall determine the number or value, as the case may be for purpose of the meetings.
- (i) The said Chairperson shall have all powers pursuant to sections 230 and 232 of the Companies Act, 2013 read with other applicable provisions of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, Companies (Management and Administration) Rules, 2014 and MCA Circulars, to the extent necessary and applicable, in relation to the conduct of the meeting including for deciding procedural questions that may arise at the meeting or at any adjournment thereof or any other matter including, an amendment to the Scheme or resolution, if any, proposed at the meeting by any person(s).
- (j) In case if the Quorum as noted above is not present at the meetings, then the meetings shall be adjourned by half an hour, and thereafter the persons present and voting shall be deemed to constitute the quorum. For the purpose of quorum valid proxies/Authorised Representatives shall also be considered.
- (k) That voting by proxy/authorized representative be permitted, provided that a proxy in the prescribed form duly signed by the person entitled to attend and vote at the meetings, are filed with the Applicant Company No. 3 at its Registered Office, not later than 48 hours before the aforesaid meeting vide Rule 10 of the Companies (CAA) Rules, 2016 read with Section 105 of the Act.



- 23.** In compliance of sub section(5) of Section 230 of the Act and Rule 8 of the Companies (CAA) Rules, 2016, the Applicant Companies shall send notice under sub section (3) of Section 230 read with Rule 6 of the Rules with a copy of the Scheme of Amalgamation, the explanatory statement and the disclosures mentioned in Rule 6 to (a) the Central Government through the office of the Regional Director, Northern Region, Ministry of Corporate Affairs, New Delhi; (b) the Registrar of Companies, Uttar Pradesh, Kanpur; and (c) The Official Liquidator, Uttar Pradesh, Allahabad; and (d) the Income Tax Authority within whose jurisdiction the respective Applicant Companies are assessed to tax, clearly indicating the PAN of the concerned company. The



said notices be sent either by Registered Post or by Speed Post or by Courier or by Hand Delivery or through e-mail at the Offices of the authorities as required by sub rule (2) of Rule 8 of the Rules. The aforesaid authorities, who desire to make any representation under sub section (5) of section 230, shall send the same to this Tribunal within a period of 30 (thirty) days from the date of receipt of such notice, failing which it shall be deemed that they have no representation to make on the proposed Scheme. As prayed in the Application, the Tribunal dispense with the requirement of service of notice under Section 230(3) read with Section 230(5) of the Companies Act, 2013 to the Securities and Exchange Board of India as well as the National Stock Exchange of India Limited and the BSE Limited, the stock exchanges on which the equity shares of the Transferee Company are listed in view of the observations of the National Stock Exchange of India Limited and the BSE Limited given in no objection/no adverse observation letter enclosed in the Application;

24. The Applicant Companies to file Affidavits not less than 7 (seven) days before the date fixed for the holding of the meetings and to report to this Tribunal that the directions regarding issuance of notices and advertisement of the meetings have been duly complied with as per Rule 12 of the Companies (CAA) Rules, 2016.
25. It is further ordered that the Chairperson shall report to this Tribunal on the result of the meetings in Form No. CAA-4, duly verified by his affidavit, as per Rule 14 of the Companies (CAA) Rules, 2016 within 7 (seven) working days from the date of conclusion of the aforesaid meetings.



26. With the above directions CA(CAA) No. 09/ALD of 2021 is disposed of accordingly.



JUSTICE RAJESH DAYAL KHARE

MEMBER (J)

Date: 14.07.2021

Swati Gupta.
(LRA)

CERTIFIED TO BE TRUE COPY
OF THE ORIGINAL

Sudama Yadav
Sudama Yadav
Assistant Registrar
National Company Law Tribunal
Allahabad Bench, Prayagraj (U.P.)

FREE OF COST

Compared by Me
Mahesh Sahai
15/7/2021

Vardhman Doogar

Annexure III

B. Com., FCA, CS, MIB
Registered Valuer (Securities or Financial Assets)
Registration No.: IBBI/RV/06/2019/10802

6th August, 2020

To,
The Board of Directors
Gulshan Polyols Limited
9th K.M., Jansat Road,
Muzaffarnagar - 251001,
Uttar Pradesh, India

To,
The Board of Directors
Gulshan Holdings Private Limited
9th K.M., Jansat Road,
Muzaffarnagar - 251001,
Uttar Pradesh, India

To,
The Board of Directors,
East Delhi Importers & Exporters Private Limited
9th K.M., Jansat Road,
Muzaffarnagar - 251001,
Uttar Pradesh, India

Subject: Recommendation of Share Exchange Ratio for the proposed amalgamation of Gulshan Holdings Private Limited and East Delhi Importers & Exporters Private Limited in consideration of issue and exchange of shares in Gulshan Polyols Limited to the Equity Shareholders of Gulshan Holdings Private Limited and East Delhi Importers & Exporters Private Limited (other than Gulshan Polyols Limited itself).

Dear Sir(s)/ Madam(s),

Referring to engagement letter dated 2nd June, 2020 whereby I, Mr. Vardhman Doogar has been appointed by the management of Gulshan Polyols Limited ("hereinafter referred to as "Company", "GPL", "Transferee Company"), Gulshan Holdings Private Limited ("hereinafter referred to as "Company", "GHPL", "Transferor Company"), East Delhi Importers & Exporters Private Limited ("hereinafter referred to as "Company", "EDIEPL", "Transferor Company") for recommendation of Fair Share Exchange Ratio for the proposed Scheme of Amalgamation of Gulshan Holdings Private Limited and East Delhi Importers & Exporters Private Limited with Gulshan Polyols Limited.

The Fair Share Exchange Ratio ("Swap Ratio") for this report refers to number of equity shares of GPL which would be issued to the equity shareholders of GHPL & EDIEPL pursuant to the proposed Scheme of Amalgamation.

GPL, GHPL and EDIEPL are hereinafter collectively referred to as the 'Companies'. Vardhman Doogar has been hereinafter referred to as 'Registered Valuer' or 'I' or 'me'.

Scope & Purpose of Valuation

Registered Valuer have been informed by the management of Companies (hereinafter referred to as the 'Management') that they are considering a proposal for amalgamation of GHPL and EDIEPL with GPL (hereinafter referred to as 'Amalgamation') pursuant to the Scheme of Amalgamation between the Companies and their respective shareholders under section 230 to 232 of the Companies Act, 2013. I have been informed that the Board of directors of both the Companies, in their respective meeting held on 6th August, 2020, have given in-principal approval for amalgamation of GHPL and EDIEPL with GPL.



In this regards, Registered Valuer have been appointed to undertake the fair valuation of the equity shares of the Companies and to recommend the share exchange ratio for the proposed scheme in accordance with Internationally accepted Valuation Standards/ ICAI Valuation Standards 2018 issued by Institute of Chartered Accountants of India.

Registered Valuer understand that the appointed date for the Proposed Amalgamation is 1st April, 2020 or such other date as approved by the National Company Law Tribunal as per the draft Scheme of Amalgamation. For the purpose of this valuation, 30th June, 2020 has been considered as the "Valuation Date".

The scope of our services is to conduct a relative valuation of the shares of the Companies and to recommend a Share Exchange Ratio.

This Report is subject to the scope limitations and disclaimers detailed hereinafter. As such, the report is to be read in totality, not in parts, in conjunction with the relevant documents referred to therein.

SOURCES OF INFORMATION

For the aforementioned purpose, we have relied on the following information about the Companies received from the management and / or gathered from public domain:

- Brief overview of the business of Companies and other relevant information;
- Salient features of the Proposed Amalgamation;
- Draft Scheme of Arrangement
- Audited Financial Statement of GPL, GHPL, and EDIEPL for the financial year 2017-18, 2018-19;
- Audited financial statements of the GPL, GHPL, and EDIEPL for the financial year 2019-20, with key financial assumptions;
- Any material financial changes in GPL, GHPL and EDIEPL from the 31st March, 2020 to the valuation date in the absence of the financials for the period ended 30th June, 2020.
- Management Certified Projected financial statements of the GPL from the 1st July, 2020 to 31st March 2025, with key financial assumptions;
- Fair Value Report of Immovable Properties by Er. Ratan Dev Garg (Registered Valuer under Companies Act, 2013) dated 18th June, 2020;
- Management Assumptions related to Risk and Growth Projections;
- We have also received necessary explanations and information, which we believed were relevant to the present valuation exercise from the executives and management of the company;
- Information (industry related as well as company specific) available on various public domains;
- Latest Shareholding pattern of the Companies.

For our analysis, we have also relied on published and secondary source of data. We have not independently verified the accuracy or timeliness of the same.



SCOPE LIMITATIONS & DISCLAIMERS

- This report is subject to the scope limitations detailed hereinafter. As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein and in the context of the purpose for which it is made. Further my report on recommendation of fair equity share exchange ratio of the Companies is in accordance with ICAI Valuation Standards (IVS) 2018.
- This Valuation Report, its contents and the results herein are specific to the purpose mentioned in this report; specific to the date of this Valuation report and based on the Audited balance sheet of the companies as at 31st March 2020. The management has represented that the business activities of GPL, GHPL, and EDIEPL have been carried out in the normal and ordinary course and we have been given to understand that there has not been any material change since 30th June, 2020 and date hereof in their respective operations and financial position.
- In accordance with the terms of our engagement, we have assumed and relied upon, without independent verification, (i) the accuracy of information made available to us by the Companies and (ii) the accuracy of the information that was publicly available, and formed substantial basis for this Report. We have not carried out a due diligence or audit of the Companies, nor have we independently investigated or otherwise verified the data provided by the Companies. We do not express any form of assurance that the financial information or other information as prepared and provided by the Companies is accurate. Also, with respect to explanations and information sought from the Companies, we have been given to understand by the Companies that they have not omitted any relevant and material factors and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. Accordingly, we do not express any opinion or offer any form of assurance regarding its accuracy and completeness.
- The Enterprise Value/ Equity Value arrived at under DCF approach is based on the working capital position as conveyed to us on zero date and any change in the same on the closing date would impact the cash flow and, hence, the valuation. Our conclusions are based on these assumptions and information given by/ on behalf of the Companies. The respective management of the Companies has indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our valuation analysis/results. Accordingly, we assume no responsibility for any errors in the information furnished by the Companies and their impact on the Valuation Report. However, nothing has come to our attention to indicate that the information provided was materially misstated / incorrect. We do not imply and it should not be construed that we have verified any of the information provided to us, or that our inquiries could have verified any matter, which a more extensive examination might disclose.
- During the course of work, we have relied upon the Financial Projections of GPL as provided to us by the management. The realizations of the projections are dependent on the continuing validity of the assumptions on which they are based. Since, the projections relate to the future, actual results may be different from the projected results because events and circumstances do not occur as expected, and differences may be material.
- Valuation work, by its very nature, cannot be regarded as an exact science and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgement. Given the same set of facts and using the same assumptions, expert opinion may differ due to number of separate judgement decisions, which have to be made. There can therefore be no standard formulae to establish an undisputable value, although certain formulae are helpful in assessing reasonableness. There is, therefore, no undisputable single exchange ratio. While we have provided our recommendation of the exchange Ratio based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion as to the exchange ratio.



- This report and its contents is prepared for the Companies and to be used only for the specific engagement and regulatory reporting purposes and must not be copied, disclosed or circulated or referred to or quoted in any correspondence, registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or discussion with any person. The report is confidential to the Companies and it is given on the express undertaking that will not be communicated, in whole or in part, to any third party without prior written consent of the Valuer. Neither this report nor its contents may be used for any other purpose other than in connection with this Proposed Amalgamation without prior written consent of the Valuer.
- Whilst all reasonable care has been taken to ensure that the facts stated in the report are accurate and the opinions given are fair and reasonable, neither I, nor my officers or employees shall in any way be responsible for the contents stated herein. Accordingly, we make no representation or warranty, express or implied, in respect of completeness, authenticity or accuracy of such statements. We expressly disclaim any and all liabilities, which may arise based upon the information used in this report. We owe responsibility only to the Board of Directors of the Companies and nobody else. We are not Liabile to any third party in relation to the issue of this report. In no event we shall be liable for any loss, damage, cost or expense arising in any way from fraudulent acts, misrepresentations or wilful default on the part of the Companies, their management, directors, employees or agents.
- A valuation of this nature is necessarily based on prevailing stock market, financial, economic and other conditions in general and industry trends in particular as in effect on, and the information made available to us as of, the date hereof. Events occurring after the date hereof, may affect this Report and the assumptions used in preparing it, and we have no obligation to update this Report.
- The Report assumes that the Companies comply fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that the Companies will be managed in a competent and responsible manner. Our conclusion of value assumes that the assets & liabilities of the Companies, reflected in their respective latest balance sheets remain intact as of the date hereof.
- In addition, we express no opinion or recommendation as to how the shareholders or creditors of Companies should vote at their respective meeting(s) to be held in connection with the Proposed Amalgamation.
- The fee for this engagement is not contingent upon the results of this report.
- Any person / party intending to provide finance / deal in the shares / business of any of the Companies shall do so after seeking their own professional advice and after carrying out their own due diligence procedures and therefore forms reliable basis for the valuation.
- In the course of valuation, we were provided with both written and verbal information, including market, technical, financial and operating data.

BACKGROUND OF COMPANIES

Gulshan Polvols Limited(GPL)

GPL was incorporated on 20th October 2000 with Registrar of Companies, Kanpur as a Public Company, Limited by Shares, having its registered office at 9th K.M., Jansat Road, Muzaffarnagar - 251001, Uttar Pradesh, India. The equity shares of GPL are listed at Bombay Stock Exchange Limited ("BSE") and National Stock Exchange of India Limited ("NSE") and Company is engaged in the business of manufacturing multi-products such as starch sugar, high fructose rice syrup, brown rice syrup, rice syrup solids, calcium carbonate, agro based animal feed, alcohol and installing onsite PCC plants.



The shareholding pattern of the Company as on 30th June, 2020 is as follows;

Category	No. of Shares	Shareholding in Percentage
Promoter and Promoter Group	3,19,98,438	68.20%
Public and Others	1,49,18,582	31.80%
Total	4,69,17,020	100%

Source: BSE

Face Value of INR 1/- each

Financial Snapshot of the Company;

(Amount, Rs. In Crores)

Particulars	2018-19	2019-20
Assets		
Property Plant & Equipments, CWIP & Intangible Assets	277.63	263.12
Non-Current Investments	0.47	0.42
Other Non-Current assets	6.20	6.92
Current Assets	197.92	186.52
Total	482.22	456.98
Equity & Liabilities		
Equity	290.55	305.29
Non-Current Liabilities	40.82	21.74
Current Liabilities	150.85	129.95
Total	482.22	456.98

Source: Audited/ Management Certified Financial Statement

Gulshan Holdings Private Limited (GHPL)

GHPL is a private limited company within the Companies Act, 2013, having its registered office at 9th K.M., Jansat Road, Muzaffarnagar - 251001, Uttar Pradesh, India and Corporate Identity Number (CIN) U74899DL1985PTC022582. GHPL was originally incorporated as a company limited by shares on 20th November, 1985 under Companies Act, 1956 under the name of "Gulshan Marketing Private Limited". Thereafter, pursuant to Section 23 of the Companies Act, 1956 and under the order of the Central Government, the name of the Company was changed to Gulshan Holdings Private Limited. GHPL engaged in the business of acquiring, investing and holding shares in companies having similar objects or companies providing value benefit, and guaranteeing the payment of money unsecured or secured by or payable under or in respect of contractual obligations.

The shareholding pattern of the Company as on 30th June, 2020 is as follows:

Category	No. of Shares	Shareholding in Percentage
Promoter and Promoter Group	707	100%
Public and Others	-	-
Total	707	100%

Source: Management Information

Face Value of INR 1000/- each



Financial Snapshot of the Company

(Amount, Rs. In Crores)

Particulars	2018-19	2019-20
Assets		
Property Plant & Equipments, CWIP & Intangible Assets	1.40	1.40
Non-Current Investments	7.15	30.11
Other Non-Current assets	19.02	1.60
Current Assets	14.84	11.06
Total	42.41	44.17
Equity & Liabilities		
Equity	41.21	43.17
Non-Current Liabilities	0.68	0.51
Current Liabilities	0.52	0.50
Total	42.41	44.17

Source: Audited/ Management Certified Financial Statement

East Delhi Importers & Exporters Private Limited (EDIEPL)

EDIEPL is a private limited company within the Companies Act, 2013, having its registered office at 9th K.M., Jansat Road, Muzaffarnagar - 251001, Uttar Pradesh, India and Corporate Identity Number (CIN) U60231DL1997PTC088674. EDIEPL was originally incorporated as a company limited by shares on 23rd July, 1997 under Companies Act, 1956 under the name of "Atul Transport Private Limited". Thereafter, pursuant to Section 23 of the Companies Act, 1956 and under the order of the Central Government, the name of the Company was changed to East Delhi Importers and Exporters Private Limited. EDIEPL engaged in the business of importing, exporting, dealing and trading multi-products which includes but not limited to textile products, chemicals, sugar and related products, engineering goods, molasses, grains, glassware, alcohol, oils, paper and related products, wood and timber etc. Currently, company is not in operation.

The shareholding pattern of the Company as on 30th June, 2020 is as follows:

Category	No. of Shares	Shareholding in Percentage
Promoter and Promoter Group	10,000	100%
Public and Others	-	-
Total	10,000	100%

Source: Management Information

Face Value of INR 10/- each

Financial Snapshot of the Company

(Amount, Rs. In Crores)

	2018-19	2019-20
Equity & Liabilities		
Shareholder's Fund	5.84	5.94
Non-Current Liabilities	0.00	0.00
Current Liabilities	0.32	0.05
Total	6.16	5.99
Assets		
Fixed Assets	1.38	1.37
Non-Current Investments	-	-
Other Non-Current assets	-	-
Current Assets	4.78	4.62
Total	6.16	5.99

Source: Audited Financial Statement



Registered valuer - Vardhman Doogar

Registered Valuer is a fellow member of The Institute of Chartered Accountants of India (ICAI) (Membership No.: 517347) practicing as a partner with Doogar & Associates, Chartered Accountants (FRN No.: 000561N).

The Registered Valuer is also registered with the Insolvency and Bankruptcy Board of India (IBBI), as a Registered Valuer for asset class - 'Securities or Financial Assets' with Registration No. IBBI/RV /06/2019/10802.

Procedure adopted for the purpose of valuation

In connection with this analysis, we have adopted the following procedures to carry out the valuation analysis:

- Requested and received financial and qualitative information relating to the Companies;
- Obtained and analyzed data available in public domain, as considered relevant by us;
- Discussed with the management and representatives of the respective Companies on understanding of the business and fundamental factors affecting the Companies;
- Undertook industry analysis:
 - Research publicly available market data including economic factors and industry trends that may impact the valuation;
 - Analysis of key trends and valuation multiples of comparable companies/comparable transactions, if any, using proprietary databases subscribed by us;
- Analysis of other publicly available information;
- Selection of valuation approach and valuation methodology/(ies), in accordance with IVS, as considered appropriate and relevant by us;
- Determination of relative values of the equity shares of the Companies;
- Further, at the request of respective Managements, we have had discussions with fairness opinion providers appointed by respective Companies on the valuation approach adopted and assumptions made.

VALUATION APPROACH

Arriving at the fair share exchange ratio for the proposed amalgamation would require determining the relative values of each company. These values are to be determined independently but on relative basis, and without considering the effect of proposed amalgamation.

The valuation methodology to be adopted varies from case to case depending upon different factors affecting valuation. The basis of valuation would depend on the purpose of valuation, nature of business, future prospects of the company & industry and other attendant circumstances.

Different methodologies are adopted for valuation of manufacturing, investment, property and trading companies. Investment and property companies are valued based on the market value or fair value of their underlying assets while manufacturing companies are valued in relation to profits from business and relative value of assets.

Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of a similar nature and our reasonable judgment, analysis of businesses, in an independent and bona fide manner based on our previous experience of assignments of a similar nature.



There are three generally accepted approaches to valuation:

- **COST APPROACH**
- **INCOME APPROACH**
- **MARKET APPROACH**

COST APPROACH:

The "cost" approach is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. This valuation approach is mainly used in case where the asset base dominates earnings capability or in case where the valuing entity is a Holding company deriving significant value from its Assets & Investments.

Under the Adjusted Net Asset Value ("NAV") Method, the assets and liabilities are considered at their realizable / market value including Intangible Assets and Contingent Liabilities if any which are not stated in the balance sheet. From the realizable value of the assets, the potential liabilities (including the preference share capital, if any) would be deducted.

For valuation of GHPL, we have considered this method, as entity has significant investments & property in their balance sheet and their historical book value and carrying value respectively reflect the intrinsic value of the business.

For valuation of EDIEPL, we have considered this method, as entity is not in operations and entity has significant investments & property in their balance sheet and their historical book value and carrying value respectively reflect the intrinsic value of the business.

For valuation of GPL which is an operating company & has a going concern scenario, the relative earning power which comes under the Income & Market approach is of great importance than the Asset Approach. Thus, the method has not been used for the valuation of GPL.

INCOME APPROACH

Discounted Cash Flow Method

The income approach is widely used for valuation under "Going Concern" basis. It focuses on the income generated by the company in the past as well as its future earning capability. The Discounted Cash Flow ("DCF") Method under the income approach seeks to arrive at a valuation based on the strength of future cash flows. Under the Discounted Cash Flow method (DCF), the projected free cash flows to the firm/ equity shareholders are discounted at the weighted average cost of capital/ cost of equity. The sum of the discounted value of such free cash flows is the value of the firm / equity. Using the DCF analysis involves determining the following:

Estimating Future free cash flows:

Free cash flows are the cash flows expected to be generated by the company that are available to the providers of the company's capital. We have taken the earnings before interest and tax, to which we have added depreciation. Further such earnings are adjusted for non-operating incomes and expenses so as to arrive at EBITDA. The perpetuity (terminal) value is calculated based on the business' potential for further growth beyond the explicit forecast period. Usually "constant growth model" is applied, which implies an expected constant level of growth for perpetuity in the cash flows over the last year of the forecast period.



Appropriate discount rate to be applied to cash flows:

The Free Cash Flows arrived at above are discounted at appropriate discount rate to arrive at the Present Value thereof. This discount rate should reflect the opportunity cost to the providers of capital. The opportunity cost equals the rate of return the capital provider expects to earn on other investments of equivalent risk. The discounting factor reflects not only the time value of money, but also risk associated with the business' future operations.

Equity Value

The Equity Value (aggregate of present value of explicit period and terminal period cash flows) so derived, is further adjusted for the cash, non-operating assets liabilities (e.g. fair value of investments in subsidiaries / associates, value of surplus assets, any contingent liabilities, etc.) and preference shareholders liability, if any, to arrive at value to the owners of the business.

For valuation of GPL which is an operating company & entity drive its value from earnings. We have assigned appropriate weight to this method. The free cash flows to the firm available in the explicit period and those in perpetuity are discounted by discounting factor based on Weighted Average Cost of Capital.

For valuation of GHPL & EDIEPL, these entities have significant investments in property in their balance sheet without any other operational source of income and their historical book value fairly reflects the intrinsic value of the business. So, therefore, this method has not been used for the valuation of GHPL & EDIEPL.

MARKET APPROACH

Under this approach, the valuation is based on the market value of the company in case of listed companies and comparable companies trading or transaction multiples for unlisted companies.

Comparable Company Quoted Multiple (CCM)/ Comparable Transaction Multiple (CTM) Method

Under CCM, value of the Company is arrived at by using multiples derived from valuations of comparable companies, as manifest through stock market valuations of listed companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation.

Under CTM, value of the company is arrived on the basis of transactions related to sale/ purchase/ investment in similar companies in the market outside of Stock Market.

Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

For valuation of GPL, GHPL & EDIEPL, in the absence of comparable company/ transaction to determine relevant multiples for estimating equity values of subject companies, we could not consider these methods for the purpose of valuation.

Minimum Pricing Guidelines (as per ICDR)

In compliance with the SEBI Circular CFD/DIL3/CIR/2017/21 dated 10th March, 2017 and Issue of Capital and Disclosure Requirements Regulations, 2018 (ICDR Regulations), issuance of shares pursuant to order under section 230 to 234 of the Companies Act, 2013 requires to follow pricing guidelines that apply to preferential issue, if any such issue is to be made to shareholders of an unlisted company.



Pricing of Equity Shares

As per regulation 164(1) of ICDR Regulations, the market price cannot be lower than the higher of following of the issuer listed company, if share is frequently traded:

- (a) Average of the weekly high and low of the volume weighted average price during the 26 weeks preceding relevant date; or
- (b) Average of weekly high and low of the volume weighted average price during the 2 weeks preceding relevant date.

Frequently traded shares means the shares of the issuer/ company, in which the traded turnover on any recognised stock exchange during the twelve calendar months preceding the relevant date, is at least ten per cent of the total number of shares of such class of shares of the issuer. Provided that where the share capital of a particular class of shares of the issuer is not identical throughout such period, the weighted average number of total shares of such class of the issuer shall represent the total number of shares.

The Relevant date for the purpose of computing pricing shall be the date of the board meeting.

In the present case, the trading volumes of the equity shares of GPL were more than 10% of the total number of shares during the twelve calendar months preceding the relevant date i.e. 6th August, 2020 on the NSE and accordingly equity shares of the company was classified as frequently traded shares under preferential issue pricing guidelines. EDIEPL & GHPL are not listed Company and hence Market Price Method is not applicable. Thus, the minimum pricing requirements of ICDR are applicable on amalgamation of EDIEPL and GHPL with GPL, since GPL is frequently traded.

CONCLUSION OF VALUATION APPROACH

Fair Value for the purpose of amalgamation have to be determined after taking into consideration all the factors and methodologies. Though, different values have been arrived at, under each of the above methodologies. For the purposes of recommending a Share exchange ratio, it is necessary to arrive at a single value for the equity shares of GPL, GHPL and EDIEPL. It is however important to note that in doing so, we are not attempting to arrive at the absolute equity values but at their relative values to facilitate the determination of fair exchange ratio. For this purpose, appropriate weights have been assigned to each method.

The relative value per share and the share exchange ratio recommended is provided as follows;

(Value per Share in INR)

Valuation Approach	GPL		GHPL		EDIEPL	
	Value per Share	Weight	Value per Share	Weight	Value per Share	Weight
Adjusted Net Asset Value Method	NA	NA	1,913,284.67	1	8,686.72	1
Discounted Cash Flow Method	57.34	0.5	NA	NA	NA	NA
Market Price Method	38.69	0.5	NA	NA	NA	NA
Fair Value per share	48.01		1,913,284.67		8,686.72	
Share Exchange Ratio (Rounded off)			39,848		181	

NA= Not Applicable



BASIS OF AMALGAMATION

The fair equity share exchange ratio has been arrived on the basis of a relative valuation of equity shares of GPL, GHPL and EDIEPL based on the approaches explained herein earlier and various qualitative factors relevant to the companies and the business dynamics and growth potential of the businesses, having regard to information base, management representation and perceptions, key underlying assumptions and limitations.

In light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined herein above, we consider that the fair exchange ratio for the amalgamation of GHPL and EDIEPL into GPL as follows.

In consideration of amalgamation of GHPL with GPL, the equity shareholders of GHPL shall receive 39,848 Equity Share(s) of Rs.1/- each in GPL as fully paid up for every 1 Equity Share of Rs.1000/- each fully paid-up held by the equity shareholders of GHPL in the capital of GHPL.

In consideration of amalgamation of EDIEPL with GPL, the equity shareholders of EDIEPL shall receive 181 Equity Share(s) of Rs.1/- each in GPL as fully paid up for every 1 Equity Share of Rs.10/- each fully paid-up held by the equity shareholders of EDIEPL in the capital of EDIEPL.

Equity shares already held by GHPL & EDIEPL in GPL as on the date of valuation shall stands cancelled.

This report is to be read in its entirety.

Yours Faithfully,


Vardhman Doogar

Registered Valuer No.: IBBI/RV/06/2019/10802

ICAI Membership No.: 517347

UDIN: 20517347AAAAJB9507

Place: Gurgaon

Date: 6th August, 2020



Annexure

Calculation of Market Price as per SEBI ICDR guidelines – Gulshan Polyols Limited

Calculation of 2 Weeks Volume Weighted Average Price

Weeks	Date	Volume Wgt	High	Low	Average
1	05-Aug-20	43.04	43.04	37.55	40.30
	04-Aug-20	42.05			
	03-Aug-20	39.96			
	31-Jul-20	39.64			
	30-Jul-20	37.55			
2	29-Jul-20	36.12	38.03	36.12	37.07
	28-Jul-20	36.70			
	27-Jul-20	36.76			
	24-Jul-20	36.59			
	23-Jul-20	38.03			
2 Weeks Volume Weighted Average Price					38.69

Calculation of 26 Weeks Volume Weighted Average Price

Weeks	Date	Volume Wgt	High	Low	Average
1	05-Aug-20	43.04	43.04	37.55	40.30
	04-Aug-20	42.05			
	03-Aug-20	39.96			
	31-Jul-20	39.64			
	30-Jul-20	37.55			
2	29-Jul-20	36.12	38.03	36.12	37.07
	28-Jul-20	36.70			
	27-Jul-20	36.76			
	24-Jul-20	36.59			
	23-Jul-20	38.03			
3	22-Jul-20	39.39	39.39	37.58	38.49
	21-Jul-20	38.81			
	20-Jul-20	37.58			
	17-Jul-20	38.25			
	16-Jul-20	38.00			
4	15-Jul-20	38.24	39.34	35.69	37.51
	14-Jul-20	39.34			
	13-Jul-20	39.04			
	10-Jul-20	36.78			
	09-Jul-20	35.69			
5	08-Jul-20	35.03	35.11	34.88	35.00
	07-Jul-20	34.88			
	06-Jul-20	35.04			
	03-Jul-20	34.93			
	02-Jul-20	35.11			
6	01-Jul-20	34.74	35.16	34.32	34.74
	30-Jun-20	34.32			
	29-Jun-20	34.33			
	26-Jun-20	35.16			
	25-Jun-20	35.16			



7	24-Jun-20	35.27	35.53	34.65	35.09
	23-Jun-20	35.53			
	22-Jun-20	34.77			
	19-Jun-20	35.29			
	18-Jun-20	34.65			
8	17-Jun-20	33.85	37.56	33.85	35.70
	16-Jun-20	35.86			
	15-Jun-20	35.86			
	12-Jun-20	34.20			
	11-Jun-20	37.56			
9	10-Jun-20	35.99	35.99	28.74	32.37
	09-Jun-20	34.55			
	08-Jun-20	32.94			
	05-Jun-20	31.40			
	04-Jun-20	28.74			
10	03-Jun-20	28.66	28.66	26.51	27.58
	02-Jun-20	28.20			
	01-Jun-20	27.05			
	29-May-20	26.51			
	28-May-20	26.55			
11	27-May-20	25.62	26.97	25.49	26.23
	26-May-20	26.97			
	22-May-20	26.03			
	21-May-20	25.49			
12	20-May-20	25.56	26.44	25.37	25.90
	19-May-20	25.46			
	18-May-20	25.37			
	15-May-20	26.04			
	14-May-20	26.44			
13	13-May-20	26.62	27.58	26.33	26.96
	12-May-20	26.33			
	11-May-20	26.69			
	08-May-20	27.09			
	07-May-20	27.58			
14	06-May-20	28.33	29.46	27.87	28.66
	05-May-20	28.84			
	04-May-20	27.87			
	30-Apr-20	29.46			
15	29-Apr-20	30.42	30.42	27.72	29.07
	28-Apr-20	29.17			
	27-Apr-20	27.93			
	24-Apr-20	27.72			
	23-Apr-20	28.41			
16	22-Apr-20	27.63	29.76	27.63	28.69
	21-Apr-20	28.49			
	20-Apr-20	29.76			
	17-Apr-20	29.28			
	16-Apr-20	29.29			
17	15-Apr-20	29.12	29.12	26.64	27.88
	13-Apr-20	27.71			
	09-Apr-20	26.64			
18	08-Apr-20	25.79	25.79	23.31	24.55
	07-Apr-20	24.59			
	03-Apr-20	23.31			



19	01-Apr-20	22.05	22.21	20.66	21.43
	31-Mar-20	21.04			
	30-Mar-20	20.66			
	27-Mar-20	22.21			
	26-Mar-20	21.98			
20	25-Mar-20	22.30	26.75	22.30	24.53
	24-Mar-20	23.45			
	23-Mar-20	24.67			
	20-Mar-20	25.63			
	19-Mar-20	26.75			
21	18-Mar-20	28.52	32.99	28.52	30.75
	17-Mar-20	29.53			
	16-Mar-20	30.62			
	13-Mar-20	30.97			
	12-Mar-20	32.99			
22	11-Mar-20	35.21	40.45	35.21	37.83
	09-Mar-20	38.07			
	06-Mar-20	40.45			
	05-Mar-20	39.07			
23	04-Mar-20	39.93	44.06	39.65	41.86
	03-Mar-20	39.65			
	02-Mar-20	41.76			
	28-Feb-20	42.79			
	27-Feb-20	44.06			
24	26-Feb-20	45.36	46.46	43.03	44.75
	25-Feb-20	46.46			
	24-Feb-20	46.11			
	20-Feb-20	43.03			
25	19-Feb-20	44.56	45.71	43.04	44.37
	18-Feb-20	43.11			
	17-Feb-20	43.04			
	14-Feb-20	43.68			
	13-Feb-20	45.71			
26	12-Feb-20	46.49	46.49	43.17	44.83
	11-Feb-20	44.01			
	10-Feb-20	43.28			
	07-Feb-20	43.17			
	06-Feb-20	45.41			
26 Weeks Volume Weighted Average Price					33.16



**FAIRNESS OPINION REPORT ON VALUATION FOR THE PROPOSED SCHEME OF
AMALGAMATION**

amongst

Gulshan Holdings Private Limited and East Delhi Importers & Exporters Private Limited

and

Gulshan Polyols Limited

By



Navigant

Navigant Corporate Advisors Limited
423, A Wing, Bonanza, Sahar Plaza Complex,
J.B. Nagar, Andheri Kurla Road,
Andheri East,
Mumbai-400 059

Email Id- navigant@navigantcorp.com

Web: www.navigantcorp.com

06th August, 2020

SEBI Registered Category I Merchant Banker

SEBI Registration No. INM000012243



Notice to Reader

Navigant Corporate Advisors Limited (“Navigant” / “NCAL” or “Authors of the Report”) is a SEBI registered ‘Category I’ Merchant banker in India and was engaged by Board of Directors of Gulshan Polyols Limited (“GPL” or “Transferee Company”) to prepare an Independent Fairness Opinion Report (“Report”) with respect to providing an independent opinion and assessment as to fairness of Valuation Report and Swap ratio determined by Mr. Vardhman Doogar, Registered Valuer (“Valuer”) an Independent Valuer for the purpose of intended proposed amalgamation of Gulshan Holdings Private Limited (“GHPL”, “Transferor Company”), East Delhi Importers & Exporters Private Limited (“EDIEPL”, “Transferor Company”) with Gulshan Polyols Limited (“GPL” or “Transferee Company”) pursuant to a Scheme of Amalgamation under section 230 to 232 and other applicable clauses of the companies Act, 2013 (“Scheme”).

GPL, GHPL and EDIEPL are collectively referred as “Companies”.

The Fairness Opinion Report (“Report”) has been prepared on the basis of the review of information provided to Navigant and specifically the Report on Swap ratio (hereinafter referred as Valuation Report) prepared by Valuer as an independent valuer. The report does not give any valuation or suggest any swap ratio; however, this report is limited to provide its fairness opinion on the Valuation Report.

The information contained in this Report is selective and is subject to updations, expansions, revisions and amendment. It does not purport to contain all the information recipients may require. No obligation is accepted to provide recipients with access to any additional information or to correct any inaccuracies which might become apparent.

This Report is based on data and explanations provided by the management and certain other data culled out from various websites believed to be reliable. Navigant has not independently verified any of the information contained herein. Neither the Company nor Navigant, nor affiliated bodies corporate, nor the directors, shareholders, managers, employees or agents of any of them, makes any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information contained in the Report. All such parties and entities expressly disclaim any and all liability for or based on or relating to any such information contained in, or errors in or omissions from, this Report or based on or relating to the Recipients’ use of this Report.



Date: 06th August, 2020

To,
The Board of Directors
Gulshan Polyols Limited
9th K.M., Jansat Road,
Muzaffarnagar - 251001,
Uttar Pradesh, India

To
The Board of Directors
Gulshan Holdings Private Limited
9th K.M., Jansat Road,
Muzaffarnagar - 251001,
Uttar Pradesh, India

To
The Board of Directors
East Delhi Importers & Exporters Private Limited
9th K.M., Jansat Road,
Muzaffarnagar - 251001,
Uttar Pradesh, India

Dear Members of the board,

Engagement Background

We Understand that the Board of Directors of Gulshan Holdings Private Limited (“GHPL”, “Transferor Company”), East Delhi Importers & Exporters Private Limited (“EDIEPL”, “Transferor Company”) and Gulshan Polyols Limited (“GPL” or “Transferee Company”) are considering a Scheme of Amalgamation between GHPL, EDIEPL and GPL and their respective Shareholders (“the Scheme”) for amalgamation of GHPL, and EDIEPL with GPL under the provisions of sections 230 to 232 and other relevant provisions of the Companies Act, 2013, as may be applicable for amalgamation of GHPL, EDIEPL with GPL.

We understand that the Valuation as well as the swap ratio thereof is based on the Valuation Certificate dated 6th August, 2020 issued by Mr. Vardhman Doogar, Registered Valuer (“Valuer”) (Membership. No. 517347).

We, Navigant Corporate Advisors Limited, a SEBI registered Category-I Merchant Banker, have been engaged by GPL to give a fairness opinion (“Opinion”) on Valuation Certificate dated 6th August, 2020 issued by Mr. Vardhman Doogar, Registered Valuer (“Valuer”) (Membership. No. 517347).



Background of the Companies

Gulshan Holdings Private Limited

(a) Gulshan Holdings Private Limited was incorporated on 20th November, 1985 as a private limited company with Registrar of Companies, Delhi & Haryana as a Private Company, Limited by Shares, having its registered office at 9th K.M., Jansat Road, Muzaffarnagar - 251001, Uttar Pradesh, India.

(b) GHPL was originally incorporated as a company limited by shares on 20th November, 1985 under Companies Act, 1956 under the name of “Gulshan Marketing Private Limited”. Thereafter, pursuant to Section 23 of the Companies Act, 1956 and under the order of the Central Government, the name of the Company was changed to Gulshan Holdings Private Limited and a fresh certificate of change of name was issued to the company.

(c) GHPL is engaged in the business of acquiring, investing and holding shares in companies having similar objects or companies providing value benefit, and guaranteeing the payment of money unsecured or secured by or payable under or in respect of contractual obligations. Also, The GHPL is engaged in the business of trading goods. Currently, company is not in operations.

The shareholding pattern of the Gulshan Holdings Private Limited as on June 30, 2020

Shareholders	Number of Shares	% Shareholding
Promoters Group	707	100%
Others	-	-
Total	707	100%

East Delhi Importers & Exporters Private Limited (EDIEPL)

(a) East Delhi Importers & Exporters Private Limited is a private limited company within the Companies Act, 2013, having its registered office at 9th K.M., Jansat Road, Muzaffarnagar - 251001, Uttar Pradesh, India and Corporate Identity Number (CIN) U60231DL1997PTC088674. EDIEPL was originally incorporated as a company limited by shares on 23rd July, 1997 under Companies Act, 1956 under the name of “Atul Transport Private Limited”. Thereafter, pursuant to Section 23 of the Companies Act, 1956 and under the order of the Central Government, the name of the Company was changed to East Delhi Importers and Exporters Private Limited and a fresh certificate of change of name was issued to the company

(b) EDIEPL is engaged in the business of importing, exporting, dealing and trading multi-products which includes but not limited to textile products, chemicals, sugar and related products, engineering goods, molasses, grains, glassware, alcohol, oils, paper and related products, wood and timber etc. Further, the company is engaged in the business as general carriers, transporters and freight forwarders, and exporting, importing, trading and dealing in the computer software, programmes, computer hardware and peripherals. Currently, company is not in operations



The Shareholding pattern of East Delhi Importers and Exporters Private Limited as on June 30, 2020

Shareholders	Number of Shares	% Shareholding
Promoters Group	10,000	100%
Others	-	-
Total	10,000	100%

Gulshan Polyols Limited

(a) Gulshan Polyols Limited was incorporated as a Public Limited Company under the provisions of the Companies Act, 1956 on GPL was incorporated on 20th October 2000 with Registrar of Companies, Kanpur as a Public Company, Limited by Shares, having its registered office at 9th K.M., Jansat Road, Muzaffarnagar - 251001, Uttar Pradesh, India. The equity shares of GPL are listed at Bombay Stock Exchange Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”).

(b) Transferee Company is engaged in the business of manufacturing multi-products such as starch sugar, high fructose rice syrup, brown rice syrup, rice syrup solids, calcium carbonate, agro based animal feed and alcohol. Further, the Transferee Company is engaged in installing onsite PCC plants.

The shareholding pattern of the Company as on 30th June, 2020 is as follows

Shareholders	Number of Shares	% Shareholding
Promoters Group	3,19,98,438	68.20%
Others	1,49,18,582	31.80%
Total	4,69,17,020	100%

Transaction Overview and Rational

GHPL is engaged in the business of “Trading of Goods and Holding Investments & Guarantees” while the EDIEPL is engaged in the business of “Transportation Services and Trading of Multi-Products” and GPL is engaged in the business of “Manufacturing & Dealing with Multi-Products”.

All the entities are engaged in complementary, similar and ancillary businesses pertaining to manufacturing, dealing and trading of multi-products.

Hence, with a view to consolidating complementary and similar businesses under a single entity and to achieve simplified corporate structure by way of group reorganisation, the management has envisaged to undertake the amalgamation of the Transferor Companies in the Transferee Company under this Scheme.



The amalgamation of the Transferor Companies with the Transferee Company would inter alia have the following benefits:

- Help in achieving improved operational efficiency and optimum advantages and also to achieve greater efficiency and synergy in operations by combining the activities of the Transferor Companies with the Transferee Company. Accordingly, the Scheme would strengthen and complement the businesses of the Companies ;
- The amalgamated entity will benefit from optimum utilization of manpower through improved organizational capacity and leadership, arising from the combination of people from the Transferor Companies and Transferee Company which have diverse skills, talent, management expertise, enlarged knowledge base and vast experience to compete successfully in an increased competitive industry;
- The amalgamated entity shall reduce fixed costs by removing duplicate departments, operations and lower the cost of the Company relative to the same revenue stream and shall thus increase the profit margins.
- Under a liberalised, fast changing and highly competitive environment, this amalgamation shall strengthen the business of the Transferor Companies and the Transferee Company by pooling up the resources, business expertise, business processes and assets for common purpose and hence optimum utilization;
- The synergies that exist between the entities in terms of services and resources can be put to the best advantage of all stakeholders;
- The amalgamation will result in better economic control, increased financial strength and flexibility and enhance the ability of the amalgamated entity to undertake large projects, thereby contributing to enhancement of future business potential;
- Cost savings are expected to flow from more focused operational efforts, rationalisation, standardisation and simplification of business processes, productivity and improvements, improved procurement and the elimination of duplication and rationalization of administrative expenses;
- The consolidation of the companies engaged in similar & complementary line of business in one entity, under a single centralized system of management, will result in the management being able to exercise greater control over the operations of the Companies and which will help in synchronising the operations. This will also result in the management being enabled to undertake any re-structuring /re-organization of the various business undertakings of the companies for the purposes of achieving optimum efficiency /and or to attract investments in the individual business undertakings of the Companies.



In view of the aforesaid, the Board of Directors of the Transferor Companies as well as the Transferee Company have considered and proposed the amalgamation of the entire undertakings and businesses of the Transferor Companies with the Transferee Company in order to benefit the stakeholders of both Transferor Companies and Transferee Company. Accordingly, the Board of Directors of all the companies have formulated this Scheme of Amalgamation for the transfer and vesting of the entire undertakings and businesses of the Transferor Companies to the Transferee Company pursuant to the provisions of Section 230 to Section 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013.

Information relied upon:

We have prepared the fairness opinion report on the basis of the information provided to us and inter alia the following:

- Share Exchange ratio report by CA Vardhman Doogar, Registered Valuer dated 6th August, 2020;
- Other information and explanations as provided by the management/Valuer.

Further, we had discussions on such matters which we believe are necessary or appropriate for the purpose of issuing the Report.

We assume no responsibility for the legal, tax, accounting or structuring matters including, but not limited to, legal or title concerns. Title to all subject business assets is assumed to be good and marketable and we would urge the company to carry out the independent assessment of the same prior to entering into any transaction, after giving due weightage to the results of such assessment.

We have been informed that all information relevant for the purpose of issuing the Fairness Opinion report has been disclosed to us and we are not aware of any material information that has been omitted or that remains undisclosed.

Valuation Summary:

Some of the methods considered by the valuer for arriving at fair value of shares of a company are as under:

"SEBI Guidelines for pricing of equity shares

The valuation of GPL has been conducted in compliance with the SEBI circular CFD/DIL3/CIR/2017/21 dated 10th March 2017 and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations (ICDR Regulations), which prescribe guidelines for pricing of shares of a listed entity:



Valuation Methodologies

The three main valuation approaches are the asset approach, income approach and market approach. There are several commonly used and accepted methods including those set out in the Valuation Standards, 2018 issued by Institute of Chartered Accountants of India, within the asset approach, income approach and market approach, for determining the relative fair value, which can be considered in the present case, to the extent relevant and applicable, to arrive at the Share Exchange Ratio for the purpose of proposed merger, such as:

1. Cost Approach
2. Income Approach
3. Market Approach

1. Cost Approach - Net Asset Value (NAV) Methodology

The “cost” approach is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. This valuation approach is mainly used in case where the asset base dominates earnings capability or in case where the valuing entity is a Holding company deriving significant value from its Assets & Investments.

Under the Adjusted Net Asset Value (“NAV”) Method, the assets and liabilities are considered at their realizable / market value including Intangible Assets and Contingent Liabilities if any which are not stated in the balance sheet. From the realizable value of the assets, the potential liabilities (including the preference share capital, if any) would be deducted.

For valuation of GHPL we have considered this method, as entity has significant investments & property in their balance sheet and their historical book value and fair value respectively reflect the intrinsic value of the business.

For valuation of EDIEPL we have considered this method, as entity is not in operations and entity has significant investments & property in their balance sheet their historical book value and fair value respectively reflect the intrinsic value of the business.

For valuation of GPL which is an operating company & has a going concern scenario, the relative earning power which comes under the Income & Market approach is of great importance than the Asset Approach. So, therefore, this method has not been used for the valuation exercise.

2. Income Approach - Discounted Cash Flows method (‘DCF’)

Discounted Cash Flow Method

The income approach is widely used for valuation under “Going Concern” basis. It focuses on the income generated by the company in the past as well as its future earning capability. The Discounted Cash Flow (“DCF”) Method under the income approach seeks to arrive at a valuation based on the strength of future cash flows.



Under the Discounted Cash Flow method (DCF), the projected free cash flows to the firm/ equity shareholders are discounted at the weighted average cost of capital/ cost of equity. The sum of the discounted value of such free cash flows is the value of the firm / equity. Using the DCF analysis involves determining the following:

Estimating future free cash flows:

Free cash flows are the cash flows expected to be generated by the company that are available to the providers of the company's capital. We have taken the earnings before interest and tax, to which we have added depreciation. Further such earnings are adjusted for non-operating incomes and expenses so as to arrive at EBITDA. The perpetuity (terminal) value is calculated based on the business' potential for further growth beyond the explicit forecast period. Usually "constant growth model" is applied, which implies an expected constant level of growth for perpetuity in the cash flows over the last year of the forecast period.

Appropriate discount rate to be applied to cash flows i.e. the cost of capital:

The Free Cash Flows arrived at above are discounted at appropriate discount rate to arrive at the Present Value thereof. This discount rate should reflect the opportunity cost to the providers of capital. The opportunity cost equals the rate of return the capital provider expects to earn on other investments of equivalent risk. The discounting factor reflects not only the time value of money, but also risk associated with the business' future operations.

Equity Value:

The Equity Value (aggregate of present value of explicit period and terminal period cash flows) so derived, is further adjusted for the cash, non-operating assets liabilities (e.g. fair value of investments in subsidiaries / associates, value of surplus assets, any contingent liabilities, etc.) and preference shareholders liability, if any, to arrive at value to the owners of the business.

For valuation of GPL which is an operating company & entity drive its value from earnings. We have assigned appropriate weight to this method. The free cash flows to the firm available in the explicit period and those in perpetuity are discounted by discounting factor based on Weighted Average Cost of Capital.

For valuation of GHPL & EDIEPL, these entities have significant investments in property in their balance sheet without any other operational business and their historical book value fairly reflects the intrinsic value of the business. So, therefore, this method has not been used for the valuation exercise.



3. Market Approach

Under this approach, the valuation is based on the market value of the company in case of listed companies and comparable companies trading or transaction multiples for unlisted companies.

Comparable Company Quoted Multiple (CCM)/ Comparable Transaction Multiple (CTM) Method

Under CCM, value of the Company is arrived at by using multiples derived from valuations of comparable companies, as manifest through stock market valuations of listed companies.

This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Under CTM, value of the company is arrived on the basis of transactions related to sale/ purchase/ investment in similar companies in the market outside of Stock Market.

Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

For valuation of GPL, GHPL & EDIEPL, in the absence of comparable company/ transaction to determine relevant multiples for estimating equity values of subject companies, we could not consider these methods for the purpose of valuation.

Pricing of Equity Shares

As per regulation 164(1) of ICDR Regulations, the market price cannot be lower than the higher of following of the issuer listed company, if share is frequently traded:

(a) Average of the weekly high and low of the volume weighted average price during the 26 weeks preceding relevant date; or

(b) Average of weekly high and low of the volume weighted average price during the 2 weeks preceding relevant date.

Frequently traded shares means the shares of the issuer, in which the traded turnover on any recognised stock exchange during the twelve calendar months preceding the relevant date, is at least ten per cent of the total number of shares of such class of shares of the issuer. Provided that where the share capital of a particular class of shares of the issuer is not identical throughout such period, the weighted average number of total shares of such class of the issuer shall represent the total number of shares.

The Relevant date for the purpose of computing pricing shall be the last working day immediately prior to the date of the board meeting.

In the present case, the trading volumes of the equity shares of GPL were more than 10% of the total number of shares during the twelve calendar months preceding the relevant date i.e. 6th August, 2020 on the NSE and accordingly equity shares of the company was classified as frequently traded shares under preferential issue pricing guidelines.



EDIEPL & GHPL not a listed Company and hence Market Price Method is not applicable. Thus, the minimum pricing requirements of ICDR are applicable on amalgamation of EDIEPL and GHPL with GPL, since GPL is frequently traded.

Share exchange ratio recommendation

Fair Value for the purpose of amalgamation have to be determined after taking into consideration all the factors and methodologies. Though, different values have been arrived at, under each of the above methodologies. For the purposes of recommending a Share exchange ratio, it is necessary to arrive at a single value for the equity shares of GPL, GHPL and EDIEPL. It is however important to note that in doing so, we are not attempting to arrive at the absolute equity values but at their relative values to facilitate the determination of fair exchange ratio. For this purpose, appropriate weights have been assigned to each method.



The relative value per share and the share exchange ratio recommended is provided as follows:

Share exchange ratio for the proposed amalgamation of GHPL and EDIEPL with GPL

Valuation Approach	GPL		GHPL		EDIEPL	
	Value per share	Weight	Value per share	Weight	Value per share	Weight
Adjusted Net Asset Value Method	N.A.	N.A.	19,13,284.67	1	8,686.72	1
Discounted Cash Flow Method	57.34	0.5	N.A.	N.A.	N.A.	N.A.
Market Price Method	38.69	0.5	N.A.	N.A.	N.A.	N.A.
Fair Value per share	48.01		19,13,284.67		8,686.72	
Share Exchange Ratio (Rounded off)			39,848		181	

Conclusion Ratio:

Valuer has recommend that:

In consideration of amalgamation of GHPL with GPL, the equity shareholders of GHPL shall receive 39,848 Equity Share(s) of Rs.1/- each in GPL as fully paid up for every 1 Equity Share of Rs.1000/- each fully paid-up held by the equity shareholders of GHPL in the capital of GHPL.

In consideration of amalgamation of EDIEPL with GPL, the equity shareholders of EDIEPL shall receive 181 Equity Share(s) of Rs.1/- each in GPL as fully paid up for every 1 Equity Share of Rs.10/- each fully paid-up held by the equity shareholders of EDIEPL in the capital of EDIEPL.

Equity shares already held by GHPL & EDIEPL in GPL as on the date of valuation shall stands cancelled.

N.A. = Not Applicable



Exclusions and Limitations

Our opinion and analysis is limited to the extent of review of the valuation report by the valuer and the Draft scheme document. In connection with the opinion, we have relied on the following information about the Companies received from the management and / or gathered from public domain:

- A) Brief overview of the business of Companies and other relevant information;
- B) Salient features of the Proposed Amalgamation;
- C) Draft Scheme of Arrangement
- D) Audited Financial Statement of GPL, GHPL, and EDIEPL for the financial year 2017-18, 2018-19;
- E) Audited financial statements of the GPL, GHPL, and EDIEPL for the financial year 2019-20, with key financial assumptions;
- F) Any material financial changes in GPL, GHPL and EDIEPL from the 31st March, 2020 to the valuation date in the absence of the financials for the period ended 30th June, 2020.
- G) Management Certified Projected financial statements of the GPL from the 1st July, 2020 to 31st March 2025, with key financial assumptions;
- H) Fair Value Report of Immovable Properties by Er. Ratan Dev Garg as on 18th June, 2020;
- I) Management Assumptions related to Risk and Growth Projections;
- J) We have also received necessary explanations and information, which we believed were relevant to the present valuation exercise from the executives and management of the company;
- K) Information (industry related as well as company specific) available on various public domains;
- L) Latest Shareholding pattern of the Companies.

For our analysis, we have also relied on published and secondary source of data. We have not independently verified the accuracy or timeliness of the same.

This opinion is intended only for the sole use and information of GPL, GHPL, & EDIEPL and in connection with the Scheme, including for the purpose of obtaining judicial and regulatory approvals for the Scheme or the purpose of complying with the SEBI regulations and requirement of stock exchanges on which the company is listed, and for no other purpose. We are not responsible in any way to any person/party/statutory authority for any decision of such person or party or authority based on this opinion. Any person/party intending to provide finance or invest in the shares/business of GHPL, EDIEPL and/or GPL or their subsidiaries /joint ventures/associates shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision.



For the purpose of this assignment, Navigant has relied on the Valuation Report for the proposed “Scheme of Amalgamation” of GHPL, EDIEPL and GPL and their respective shareholders and information and explanation provided to it, the accuracy whereof has not been evaluated by Navigant. Navigant’s work does not constitute certification or due diligence of any past working results and Navigant has relied upon the information provided to it as set out in working results of the aforesaid reports.

Navigant has not carried out any physical verification of the assets and liabilities of the companies and takes no responsibility on the identification and availability of such assets and liabilities.

We hereby give our consent to present and disclose the Fairness Opinion in the general meetings of the shareholders of GHPL, EDIEPL and GPL and to the Stock Exchanges and to the Registrar of Companies. Our opinion is not, nor should it be construed as our opining or certifying the compliance of the proposed Scheme of Amalgamation with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising thereon.

The information contained in this report is selective and is subject to updating, expansions, revisions and amendment, if any. It does not purport to contain all the information recipients may require. No obligation is accepted to provide recipients with access to any additional information or to correct any inaccuracies which might become apparent. Recipients are advised to independently conduct their own investigation and analysis of the business of the Companies. The report has been prepared solely for the purpose of giving a fairness opinion on Valuation Report issued for the proposed Scheme of Amalgamation between GHPL, EDIEPL and GPL and their respective shareholders, and may not be applicable or referred to or quoted in any other context.

Our opinion is dependent on the information provided to us being complete and accurate in all material respects. Our scope of work does not enable us to accept responsibility for the accuracy and completeness of the information provided to us. The scope of our assignment does not involve performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information used during the course of our work. As such we have not performed any audit, review or examinations of any of the historical or prospective information used and, therefore, do not express any opinion with regard to the same. In addition, we do not take any responsibility for any changes in the information used for any reason, which may occur subsequent to this date.

One should note that valuation is not an exact science and that estimating values necessarily involves selecting a method or approach that is suitable for the purpose. Moreover in this case where the shares of the company are being issued as consideration to the shareholders of GHPL, and EDIEPL, it is not the absolute valuation that is important for framing an opinion but the relative valuation of the company vis-a-vis shares of GHPL, and EDIEPL.



We have assumed that the Final Scheme will not differ in any material respect from the Draft Scheme Document shared with us.

We do not express any opinion as to any tax or other consequences that might arise from the Scheme on GHPL, EDIEPL and GPL and their respective shareholders, nor does our opinion address any legal, tax, regulatory or accounting matters, as to which we understand that the respective companies have obtained such advice as they deemed necessary from qualified professionals. We have undertaken no independent analysis of any potential or actual litigation, regulatory action, possible unasserted claims, government investigation or other contingent liabilities to which GHPL, EDIEPL and GPL and/or their associates/ subsidiaries, are or may be party.

The company has been provided with an opportunity to review the Draft Opinion as part of our standard practice to make sure that factual inaccuracy/omissions are avoided in our Final Opinion.

Our Opinion is not intended to and does not constitute a recommendation to any shareholder as to how such holder should vote or act in connection with the Scheme or any matter thereto.

Our Fairness Opinion:

On the basis of and subject to the foregoing, to the best of our knowledge and belief, it is our view that, as on the date thereof, the share exchange ratio as recommended by the valuer in relation to the proposed Amalgamation of GHPL and EDIEPL to GPL are fair, from a financial point of view, to the shareholders of the Company.

This being of our best of professional understanding, we hereby sign the Fairness Opinion report on valuation.

For Navigant Corporate Advisors Limited



Sarthak Vijlani
Managing Director

Date: 6th August, 2020

Place: Mumbai

Date: November 03, 2020

Annexure V

To,

National Stock Exchange of India Limited

Exchange Plaza,

Plot No. C/1, G Block, Bandra – Kurla

Complex,

Bandra (East),

Mumbai 400 051

Trading Symbol: **GULPOLY**

Dear Sir/Ma'am,

Sub: Report on Complaints

Ref: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (“**LODR Regulations**”) for the proposed Scheme of Amalgamation of Gulshan Holdings Private Limited (“**Transferor Company 1**”) and East Delhi Importers & Exporters Private Limited (“**Transferor Company 2**”) (collectively referred as the “**Transferor Companies**”) with Gulshan Polyols Limited (“**Transferee Company**”) (“**Scheme**”)

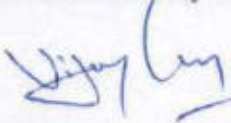
This has reference to the captioned subject application filed by the Company with National Stock Exchange of India Limited (“**NSE**”) on September 11, 2020. The Scheme and other relevant documents were hosted by NSE on its website on October 09, 2020.

No complaints relating to the Scheme have been received during the period from **September 11, 2020 to October 30, 2020**. As required by Para I(A)(6) of Annexure I to the SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017, the “**Report on Complaints**” is enclosed.

Thanking You,

Yours faithfully,

For Gulshan Polyols Limited



Vijay Kumar Garg
(Company Secretary)

Encl.: As Above.

REPORT ON COMPLAINTS
(for the period from September 11, 2020 to October 30, 2020)

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	NIL
2.	Number of complaints forwarded by Stock Exchanges / SEBI	NIL
3.	Total number of complaints / comments received (1+2)	NIL
4.	Number of complaints resolved	NOT APPLICABLE
5.	Number of complaints pending	NOT APPLICABLE

Part B

Sr. No.	Name of the complainant	Date of complaint	Status (Resolved/Pending)
NOT APPLICABLE			

For Gulshan Polyols Limited



Vijay Kumar Garg
(Company Secretary)

Complaints Report:

Part A

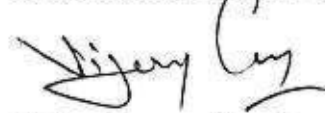
Annexure VI

Sr. No.	Particulars	Number
1.	Number of complaints received directly	0
2.	Number of complaints forwarded by Stock Exchange	0
3.	Total Number of complaints/comments received (1+2)	0
4.	Number of complaints resolved	0
5.	Number of complaints pending	0

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	NA	NA	NA
2.	NA	NA	NA
3.	NA	NA	NA

For, Gulshan Polyols Limited



(Vijay Kumar Garg)
Company Secretary

Place: New Delhi

Date: September 29, 2020



Date: November 03, 2020

To,

BSE Limited,
P.J. Towers, Dalal Street,
Mumbai – 400 001.
Scrip Code: **532457**
SYMBOL: **GULPOLY**

Sub: Report on Complaints

Ref: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (“**LODR Regulations**”) for the proposed Scheme of Amalgamation of Gulshan Holdings Private Limited (“**Transferor Company 1**”) and East Delhi Importers & Exporters Private Limited (“**Transferor Company 2**”) (collectively referred as the “**Transferor Companies**”) with Gulshan Polyols Limited (“**Transferee Company**”) (“**Scheme**”)

This has reference to the captioned subject application filed by the Company with BSE Limited (“**BSE**”) on September 11, 2020. The Scheme and other relevant documents were hosted by BSE on its website on September 21, 2020.

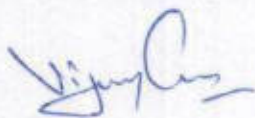
A ‘Report on Complaint’ dated September 29, 2020 has already been uploaded on the BSE’s listing portal and the same has been hosted on the BSE’s website.

No complaints relating to the Scheme have been received during the period from **September 11, 2020 to October 30, 2020**. As required by Para I(A)(6) of Annexure I to the SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017, the “**Report on Complaints**” is enclosed.

The aforesaid compliance is being made again in abundant caution.

Thanking You,

Yours faithfully,
For Gulshan Polyols Limited



Vijay Kumar Garg
(Company Secretary)

Encl.: As Above.

REPORT ON COMPLAINTS
(for the period from September 11, 2020 to October 30, 2020)

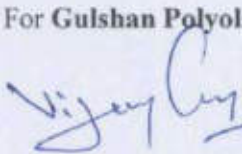

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	NIL
2.	Number of complaints forwarded by Stock Exchanges / SEBI	NIL
3.	Total number of complaints / comments received (1+2)	NIL
4.	Number of complaints resolved	NOT APPLICABLE
5.	Number of complaints pending	NOT APPLICABLE

Part B

Sr. No.	Name of the complainant	Date of complaint	Status (Resolved/Pending)
NOT APPLICABLE			

For Gulshan Polyols Limited

Vijay Kumar Garg
(Company Secretary)

National Stock Exchange Of India Limited

Annexure VII

Ref: NSE/LIST/24671_III

January 29, 2021

The Company Secretary
Gulshan Polyols Limited
9th K.M., Jansath Road,
Muzaffarnagar,
Uttar Pradesh – 251001

Kind Attn.: Mr. Vijay Kumar Garg

Dear Sir,

Sub: Observation Letter for Draft Scheme of Amalgamation between Gulshan Holdings Private Limited, East Delhi Importers & Exporters Private Limited, Gulshan Polyols Limited and their respective shareholders

We are in receipt of the Draft Scheme of Amalgamation between Gulshan Holdings Private Limited, East Delhi Importers & Exporters Private Limited, Gulshan Polyols Limited and their respective shareholders vide application dated September 11, 2020.

Based on our letter reference no Ref: NSE/LIST/24671 submitted to SEBI and pursuant to SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ('Circular'), kindly find following comments on the draft scheme:

- a. *The Company shall duly comply with various provisions of the Circular.*
- b. *The Company shall ensure that the financials of the companies involved in the Scheme is updated and are not more than 6 months old before filing the same with the Hon'ble National Company Law Tribunal (NCLT).*
- c. *The Company shall ensure that the proposed scheme is acted upon only if approved by the NCLT and if the majority votes cast by the public shareholders are in favour of the proposal.*
- d. *The Company shall ensure that additional information and undertakings, if any, submitted by the Company, after filing the scheme with the stock exchange, and from the date of receipt of this letter is displayed on the websites of the listed company.*
- e. *The Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before NCLT and the company is obliged to bring the observations to the notice of NCLT.*
- j. *It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/ observation/ representations.*

It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/representations.

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our “No-objection” in terms of Regulation 94 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines / Regulations issued by statutory authorities.

The validity of this “Observation Letter” shall be six months from January 29, 2021 within which the scheme shall be submitted to NCLT.

Yours faithfully,
For National Stock Exchange of India Limited

Jiten Patel
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL http://www.nseindia.com/corporates/content/further_issues.htm

DCS/AMAL/SD/R37/1889/2020-21

“E-Letter”

February 1, 2021

The Company Secretary,
GULSHAN POLYOLS LTD.
9th K M Jansath Road, Muzaffarnagar,
Uttar Pradesh, 251001

Annexure VIII

Sir/Madam,

Sub: Observation letter regarding the Draft Scheme of Amalgamation between Gulshan Holdings Pvt Ltd, East Delhi Importers & Exporters Pvt Ltd, Gulshan Polyols Ltd and their respective shareholders.

We are in receipt of the Draft Scheme of Amalgamation between Gulshan Holdings Pvt Ltd, East Delhi Importers & Exporters Pvt Ltd, Gulshan Polyols Ltd and their respective shareholders by Gulshan Polyols Ltd filed as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated January 29, 2021 has inter alia given the following comment(s) on the draft scheme of arrangement:

- **“The Company shall ensure that the financials of the companies involved in the Scheme is updated and are not more than 6 months old majority before filing the same with the Hon’ble National Company Law Tribunal”.**
- **“Company shall ensure that additional information and undertakings, if any, submitted by the Company, after filing the Scheme with the Stock Exchange, and from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges.”**
- **“Company shall duly comply with various provisions of the Circular.”**
- **“The Company shall ensure that the proposed scheme is acted upon only if approved by the NCLT and if the majority votes cast by the public shareholders are in favour of the proposal.”**
- **“Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT.”**
- **“It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations.”**

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.

- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted company involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the Listing Centre only and no physical filings would be accepted.** You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,

sd/-

Nitinkumar Pujari
Senior Manager

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF GULSHAN POLYOLS LIMITED AT ITS MEETING HELD ON AUGUST 06, 2020 AT G- 81, PREET VIHAR, DELHI- 110092 EXPLAINING EFFECT OF THE SCHEME ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS, LAYING OUT IN PARTICULAR THE SHARE ENTITLEMENT AS PER THE PROVISIONS OF SECTION 232(2)(C) OF THE COMPANIES ACT, 2013.

1. Background:

- 1.1 The Board of Directors (**"Board"**) of Gulshan Polyols Limited (**"the Transferee Company" or "GPL"**) at its meeting held on 6th August 2020 approved the scheme of amalgamation amongst the Gulshan Holdings Private Limited (**"GHPL" or "Transferor Company 1"**) and East Delhi Importers & Exporters Private Limited (**"EDIEPL" or "Transferor Company 2"**) (hereinafter together referred as the **"Transferor Companies"**) with the Transferee Company and their respective shareholders and creditors (**"the Scheme"**) to be implemented as per the terms specified in the Scheme.
- 1.2 As per the provisions of Section 232(2)(c) of Companies Act, 2013, the Board of Directors is required to prepare and adopt a report explaining the effect of the Scheme on each class of Shareholders, Key Managerial Personnel, Promoters and non-promoter Shareholders and the same is required to be appended with the Notice of the Meeting of Shareholders. This report of the Board is made in order to comply with the requirements of Section 232(2)(c) of Companies Act, 2013.
- 1.3 The following necessary documents were placed before the Board:
- (a) Draft Scheme of Amalgamation initialled by the Company Secretary for the purposes of identification;
 - (b) Valuation Report dated 6th August, 2020 prepared by Mr. Vardhman Doogar, Chartered Accountant (Registered Valuer) describing the methodology adopted by them in arriving at and recommending the Share Exchange Entitlement Ratio (**"Valuation Report"**);
 - (c) Fairness Opinion dated 6th August, 2020 prepared by M/s. Navigant Corporate Advisors Limited, a Category I Merchant Banker providing the Fairness Opinion on the Share Entitlement Ratio recommended by the Valuer (**"Fairness Opinion"**);
 - (d) Audit Committee Report dated 6th August, 2020 recommending the Scheme of Amalgamation.

2. Effect of Scheme of Amalgamation:

- 2.1 The Scheme contemplates amalgamation of Transferor Companies into the Transferee Company pursuant to the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and dissolution without winding up of the Transferor Companies pursuant thereto. It does not contemplate any compromise or arrangement with any other class of persons, apart from the shareholders of the respective companies.

2.2 Upon the Scheme becoming effective, the existing equity share capital of the Transferee Company held by Transferor Companies shall stand cancelled and in consideration of the amalgamation of the Transferor Companies in the Transferee Company, the Transferee Company shall, without any further application, act or deed, issue and allot to the shareholders of the Transferor Companies, 2,99,82,536 (Two Crore Ninety Nine Lakh Eighty Two Thousands Five Hundred and Thirty Six) full paid-up equity shares of the face value of INR 1/- (Rupee One) each, in the following manner:

- i. 39,848 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.1000/- each fully paid up of Gulshan Holdings Private Limited.
- ii. 181 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.10/- each fully paid up of East Delhi Importers and Exporters Private Limited.”

2.3 The amalgamation of the Transferor Companies with the Transferee Company would *inter alia* have the following benefits:

- a) Ensuring a streamlined group structure by reducing the number of legal entities;
- b) Reducing the multiplicity of legal and regulatory compliances required at present;
- c) Eliminating duplicative communication and coordination efforts across multiple entities;
- d) Rationalising cost by eliminating multiple record keeping and administrative functions;
- e) The amalgamation would not only lead to simplification of the shareholding structure and reduction of the shareholding tiers, but also demonstrate the promoter group direct commitment to and engagement with GPL;
- f) Strengthen the business of the Transferee Company by pooling up the resources, land, investment and assets for common purpose and hence optimum utilization.

2.4 The effect of the proposed Scheme of Amalgamation on the stakeholders of GPL would be as follows:


Effect of the Scheme on:

(a)	Equity Shareholders (Promoters and Non Promoters)	Upon the coming into the effect of the Scheme and in consideration of the transfer and vesting of the Transferor Companies, the Transferee Company shall issue and allot to the equity shareholders of the Transferor Companies, New Equity Shares of the Transferee Company in the ratio as enumerated in Clause 14 of Part III of the Scheme. Further, the authorized share capital of the Transferor Companies shall stand transferred to and be amalgamated / combined with the authorized share capital of the Transferee Company in the manner as stipulated in Clause 17 of Part III of the Scheme.
(b)	Preference Shareholders	No Impact.
(c)	Key Managerial Personnel (KMP)	The Transferee Company is not expecting any change in the KMPs of the Transferee Company in pursuance of the Scheme becoming effective.
(d)	Directors	No Impact. The Scheme will have no effect on the office of the existing Directors of the Transferee

		Company.
(e)	Creditors	No Impact. They shall be paid as and when their debt becomes due. The liability of the creditors of the Transferee Company, under the Scheme, is neither being reduced nor being extinguished. The creditors of the Transferee Company would in no way be affected by the Scheme.
(f)	Employees	The Transferee Company is not expecting any change in the Employees of the Transferee Company in pursuance of the Scheme becoming effective. Moreover, all in-scope employees forming part of Transferor Company shall be transferred to the Transferee Companies on the same terms and conditions on which they are engaged by the Transferor Companies.
(g)	Debenture holders, Bond holders, Depositors and Debenture Trustees	The Transferee Company has not issued debentures, bonds and doesn't have debenture trustee. Further, the Transferee Company has not accepted deposit.

2.5 In the opinion of the Board, the said scheme will be of advantage and beneficial to the Company, its Shareholders, Creditors and other Stakeholders and the terms thereof are fair and reasonable.

**BY THE ORDER OF THE BOARD
 FOR AND ON BEHALF OF
 GULSHAN POLYOLS LIMITED**



Ashwani Kumar Vats
CEO and Whole Time Director
DIN: 00062645
Place: Delhi
Date: August 05, 2021

GULSHAN HOLDINGS PRIVATE LIMITED

CIN No. U74899UP1985PTC128005

Regd. Office 9TH KM, Jansath Road,
Muzaffarnagar-251001, Uttar Pradesh

E-mail cs@gulshanindia.com

Phone No. 0131-32958800

Annexure X

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF GULSHAN HOLDINGS PRIVATE LIMITED AT ITS MEETING HELD ON AUGUST 06, 2020 AT G- 81, PREET VIHAR, DELHI- 110092 EXPLAINING EFFECT OF THE SCHEME ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS, LAYING OUT IN PARTICULAR THE SHARE ENTITLEMENT AS PER THE PROVISIONS OF SECTION 232(2)(C) OF THE COMPANIES ACT, 2013.

1. Background:

- 1.1 The Board of Directors (**"Board"**) of Gulshan Holdings Private Limited (**"the Transferor Company 1"** or **"GHPL"**) at its meeting held on 6th August 2020 approved the scheme of amalgamation amongst the Transferor Company 1 and East Delhi Importers & Exporters Private Limited (**"EDIEPL"** or **"Transferor Company 2"**) (hereinafter together referred as the **"Transferor Companies"**) with Gulshan Polyols Limited (**"Transferee Company"** or **"GPL"**) and their respective shareholders and creditors (**"the Scheme"**) to be implemented as per the terms specified in the Scheme.
- 1.2 As per the provisions of Section 232(2)(c) of Companies Act, 2013, the Board of Directors is required to prepare and adopt a report explaining the effect of the Scheme on each class of Shareholders, Key Managerial Personnel, Promoters and non-promoter Shareholders and the same is required to be appended with the Notice of the Meeting of Shareholders. This report of the Board is made in order to comply with the requirements of Section 232(2)(c) of Companies Act, 2013.
- 1.3 The following necessary documents were placed before the Board:
 - (a) Draft Scheme of Amalgamation initialled by the Company Secretary for the purposes of identification;
 - (b) Valuation Report dated 6th August, 2020 prepared by Mr. Vardhman Doogar, Chartered Accountant (Registered Valuer) describing the methodology adopted by them in arriving at and recommending the Share Exchange Entitlement Ratio (**"Valuation Report"**);
 - (c) Fairness Opinion dated 6th August, 2020 prepared by M/s. Navigant Corporate Advisors Limited, a Category I Merchant Banker providing the Fairness Opinion on the Share Entitlement Ratio recommended by the Valuer (**"Fairness Opinion"**);

2. Effect of Scheme of Amalgamation:

- 2.1 The Scheme contemplates amalgamation of Transferor Companies into the Transferee Company pursuant to the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and dissolution without winding up of the Transferor Companies pursuant thereto. It does not contemplate any compromise or arrangement with any other class of persons, apart from the shareholders of the respective companies.
- 2.2 Upon the Scheme becoming effective, the existing equity share capital of the Transferee Company held by Transferor Companies shall stand cancelled and in consideration of the amalgamation of the Transferor Companies in the Transferee Company, the Transferee Company shall, without any further

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application, act or deed, issue and allot to the shareholders of the Transferor Companies, 2,99,82,536 (Two Crore Ninety Nine Lakh Eighty Two Thousands Five Hundred and Thirty Six) full paid-up equity shares of the face value of INR 1/- (Rupee One) each, in the following manner:

- i. 39,848 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.1000/- each fully paid up of Gulshan Holdings Private Limited.
- ii. 181 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.10/- each fully paid up of East Delhi Importers and Exporters Private Limited.”

2.3 The amalgamation of the Transferor Companies with the Transferee Company would *inter alia* have the following benefits:

- a) Ensuring a streamlined group structure by reducing the number of legal entities;
- b) Reducing the multiplicity of legal and regulatory compliances required at present;
- c) Eliminating duplicative communication and coordination efforts across multiple entities;
- d) Rationalising cost by eliminating multiple record keeping and administrative functions;
- e) The amalgamation would not only lead to simplification of the shareholding structure and reduction of the shareholding tiers, but also demonstrate the promoter group direct commitment to and engagement with GPL;
- f) Strengthen the business of the Transferee Company by pooling up the resources, land, investment and assets for common purpose and hence optimum utilization.

2.4 The effect of the proposed Scheme of Amalgamation on the stakeholders of Transferor Company 1 would be as follows:

Effect of the Scheme on:

(a)	Equity Shareholders (Promoters and Non-Promoters)	Upon the coming into the effect of the Scheme and in consideration of the transfer and vesting of the Transferor Companies, the Transferee Company shall issue and allot to the equity shareholders of the Transferor Companies, New Equity Shares of the Transferee Company in the ratio as enumerated in Clause 14 of Part III of the Scheme. Further, the authorized share capital of the Transferor Companies shall stand transferred to and be amalgamated / combined with the authorized share capital of the Transferee Company in the manner as stipulated in Clause 17 of Part III of the Scheme.
(b)	Preference Shareholders	The Transferor Company 1 has not issued preference shares.
(c)	Key Managerial Personnel (KMP)	It is expected to be no adverse effect of the said Scheme on the KMPs of the Transferor Company 1.
(d)	Directors	It is expected to be no adverse effect of the said Scheme on the directors of the Transferor Company

GULSHAN HOLDINGS PRIVATE LIMITED

CIN No. U74899UP1985PTC128005

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Phone No. 0131-32958800

		1. Mrs. Mridula Jain (Director of Transferor Company 1) will not hold office of directorship in the Transferee Company. All other common directors will continue to hold office of directorship in the Transferee Company.
(e)	Creditors	<p>The creditors of the Transferor Company 1 will become business creditors of the Transferee Company pursuant to the Scheme. They shall be paid as and when their debt becomes due.</p> <p>There will be no adverse impact on the rights and interest of the creditor(s) of the Transferee Company 1.</p>
(f)	Employees	<p>All in-scope employees forming part of Transferor Company 1 shall be transferred to the Transferee Company on the same terms and conditions on which they are engaged by the Transferor Company 1.</p> <p>Thus, the Scheme will have no adverse effect on the employees of the Transferor Company 1.</p>
(g)	Debenture holders, Bond holders, Depositors and Debenture Trustees	The Transferor Company 1 has not issued debentures, bonds and doesn't have debenture trustee. Further, the Transferor Company 1 has not accepted deposit.

2.5 In the opinion of the Board, the said scheme will be of advantage and beneficial to the Company, its Shareholders, Creditors and other Stakeholders and the terms thereof are fair and reasonable.

BY THE ORDER OF THE BOARD
FOR AND ON BEHALF OF
GULSHAN HOLDINGS PRIVATE LIMITED



Dr. Chandra Kumar Jain

Director

DIN: 00062221

Place: Delhi

Date: August 05, 2021

EAST DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED

CIN No. U60231UP1997PTC129363

Regd. Office 9TH KM, Jansath Road,
Muzaffarnagar-251001, Uttar Pradesh

E-mail cs@gulshanindia.com

Phone No. 0131-32958800

Annexure XI

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF EAST DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED AT ITS MEETING HELD ON AUGUST 06, 2020 AT G-81, PREET VIHAR, DELHI- 110092 EXPLAINING EFFECT OF THE SCHEME ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS, LAYING OUT IN PARTICULAR THE SHARE ENTITLEMENT AS PER THE PROVISIONS OF SECTION 232(2)(C) OF THE COMPANIES ACT, 2013.

1. Background:

- 1.1 The Board of Directors (**"Board"**) of East Delhi Importers & Exporters Private Limited (**"EDIEPL"** or **"Transferor Company 2"**) at its meeting held on 6th August 2020 approved the scheme of amalgamation amongst Gulshan Holdings Private Limited (**"the Transferor Company 1"** or **"GHPL"**) and Transferor Company 2 (hereinafter together referred as the **"Transferor Companies"**) with Gulshan Polyols Limited (**"Transferee Company"** or **"GPL"**) and their respective shareholders and creditors (**"the Scheme"**) to be implemented as per the terms specified in the Scheme.
- 1.2 As per the provisions of Section 232(2)(c) of Companies Act, 2013, the Board of Directors is required to prepare and adopt a report explaining the effect of the Scheme on each class of Shareholders, Key Managerial Personnel, Promoters and non-promoter Shareholders and the same is required to be appended with the Notice of the Meeting of Shareholders. This report of the Board is made in order to comply with the requirements of Section 232(2)(c) of Companies Act, 2013.
- 1.3 The following necessary documents were placed before the Board:
 - (a) Draft Scheme of Amalgamation initialled by the Company Secretary for the purposes of identification;
 - (b) Valuation Report dated 6th August, 2020 prepared by Mr. Vardhman Doogar, Chartered Accountant (Registered Valuer) describing the methodology adopted by them in arriving at and recommending the Share Exchange Entitlement Ratio (**"Valuation Report"**);
 - (c) Fairness Opinion dated 6th August, 2020 prepared by M/s. Navigant Corporate Advisors Limited, a Category I Merchant Banker providing the Fairness Opinion on the Share Entitlement Ratio recommended by the Valuer (**"Fairness Opinion"**);

2. Effect of Scheme of Amalgamation:

- 2.1 The Scheme contemplates amalgamation of Transferor Companies into the Transferee Company pursuant to the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and dissolution without winding up of the Transferor Companies pursuant thereto. It does not contemplate any compromise or arrangement with any other class of persons, apart from the shareholders of the respective companies.
- 2.2 Upon the Scheme becoming effective, the existing equity share capital of the Transferee Company held by Transferor Companies shall stand cancelled and in consideration of the amalgamation of the Transferor Companies in the Transferee Company, the Transferee Company shall, without any further

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CIN No. U60231UP1997PTC129363

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Phone No. 0131-32958800

application, act or deed, issue and allot to the shareholders of the Transferor Companies, 2,99,82,536 (Two Crore Ninety Nine Lakh Eighty Two Thousands Five Hundred and Thirty Six) full paid-up equity shares of the face value of INR 1/- (Rupee One) each, in the following manner:

- i. 39,848 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.1000/- each fully paid up of Gulshan Holdings Private Limited.
- ii. 181 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.10/- each fully paid up of East Delhi Importers and Exporters Private Limited.”

2.3 The amalgamation of the Transferor Companies with the Transferee Company would *inter alia* have the following benefits:

- a) Ensuring a streamlined group structure by reducing the number of legal entities;
- b) Reducing the multiplicity of legal and regulatory compliances required at present;
- c) Eliminating duplicative communication and coordination efforts across multiple entities;
- d) Rationalising cost by eliminating multiple record keeping and administrative functions;
- e) The amalgamation would not only lead to simplification of the shareholding structure and reduction of the shareholding tiers, but also demonstrate the promoter group direct commitment to and engagement with GPL;
- f) Strengthen the business of the Transferee Company by pooling up the resources, land, investment and assets for common purpose and hence optimum utilization.

2.4 The effect of the proposed Scheme of Amalgamation on the stakeholders of Transferor Company 2 would be as follows:

Effect of the Scheme on:

(a)	Equity Shareholders (Promoters and Non-Promoters)	Upon the coming into the effect of the Scheme and in consideration of the transfer and vesting of the Transferor Companies, the Transferee Company shall issue and allot to the equity shareholders of the Transferor Companies, New Equity Shares of the Transferee Company in the ratio as enumerated in Clause 14 of Part III of the Scheme. Further, the authorized share capital of the Transferor Companies shall stand transferred to and be amalgamated / combined with the authorized share capital of the Transferee Company in the manner as stipulated in Clause 17 of Part III of the Scheme.
(b)	Preference Shareholders	The Transferor Company 2 has not issued preference shares.
(c)	Key Managerial Personnel (KMP)	It is expected to be no adverse effect of the said Scheme on the KMPs of the Transferor Company 2.
(d)	Directors	It is expected to be no adverse effect of the said Scheme on the directors of the Transferor Company

EAST DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED

CIN No. U60231UP1997PTC129363

**Regd. Office 9TH KM, Jansath Road,
Muzaffarnagar-251001, Uttar Pradesh**

E-mail cs@gulshanindia.com

Phone No. 0131-32958800

		2. Mr. Avdhesh Kumar Garg (Director of Transferor Company 2) will not hold office of directorship in the Transferee Company. All other common directors will continue to hold office of directorship in the Transferee Company.
(e)	Creditors	<p>The creditors of the Transferor Company 2 will become business creditors of the Transferee Company pursuant to the Scheme. They shall be paid as and when their debt becomes due.</p> <p>There will be no adverse impact on the rights and interest of the creditor(s) of the Transferor Company 2.</p>
(f)	Employees	<p>All in-scope employees forming part of Transferor Company 2 shall be transferred to the Transferee Company on the same terms and conditions on which they are engaged by the Transferor Company 2.</p> <p>Thus, the Scheme will have no adverse effect on the employees of the Transferor Company 2.</p>
(g)	Debenture holders, Bond holders, Depositors and Debenture Trustees	<p>The Transferor Company 2 has not issued debentures, bonds and doesn't have debenture trustee. Further, the Transferor Company 2 has not accepted deposit.</p>

2.5 In the opinion of the Board, the said scheme will be of advantage and beneficial to the Company, its Shareholders, Creditors and other Stakeholders and the terms thereof are fair and reasonable.

BY THE ORDER OF THE BOARD

FOR AND ON BEHALF OF

EAST DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED

Aditi Pasari

Aditi Pasari

Director

DIN: 00120753

Place: Delhi

Date: August 05, 2021

**D & A FINANCIAL SERVICES (P) LIMITED**

Merchant Banking & Corporate Advisory Services

Date: 5th August, 2021

Gulshan Holdings (P) Limited
9th KM, Jansath Road
Muzaffarnagar-251001
Uttar Pradesh

Subject: Compliance Report with respect to Abridged Prospectus in Compliance with requirement of Regulation 37 of the SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 read with SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated 22nd December, 2020 in terms of Scheme of Amalgamation of Gulshan Holdings (P) Limited ("Transferor Company No. 1") and East Delhi Importers & Exporters (P) Limited ("Transferor Company No. 2") and Gulshan Polyols Limited ("Transferee Company") and their respective shareholders and creditors under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder ("Scheme")

Dear Sir/s,

We, M/s D & A Financial Services (P) Limited, SEBI registered Merchant Banker, having SEBI Registration No. INM000011484 have been appointed by Gulshan Polyols Limited to provide a compliance report with respect to adequacy and accuracy of disclosure(s) made in the Abridged Prospectus with respect to Gulshan Holdings (P) Limited, under the Scheme as stated above.

Scope and Purpose of the Compliance Report

Pursuant to the requirements of SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated 22nd December, 2020, a compliance report has to be obtained from an independent Merchant Banker on the information disclosed in Abridged Prospectus in line with information required to be disclosed as per Part E of Schedule VI of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations").

The purpose of the report is to inform the shareholders and/or Creditors (Secured and Unsecured) about the details of the unlisted company to the extent applicable, involved in the scheme in line with the information required to be disclosed in line with Part E of Schedule VI of ICDR Regulations.



1



D & A FINANCIAL SERVICES (P) LIMITED

Merchant Banking & Corporate Advisory Services

Sources of the Information

We have received the following information from the management and other related parties of the Company:

1. Proposed Scheme of Amalgamation.
2. Abridged Prospectus dated 5th August, 2021 prepared in accordance with SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated 22nd December, 2020.
3. Information/documents/undertakings etc. provided by management and other related parties of company pertaining to disclosures made in Abridged Prospectus dated 5th August, 2021.

Disclaimer: This Report is intended solely for the limited purpose mentioned earlier and should not be regarded as a recommendation to the investors to invest in the Company or deal in any form in the securities of the Company.

We have assumed that the documents/information provided to us in this respect, wherever required for the purpose of disclosures in Abridged Prospectus is complete in all respects.

This report is not meant for meeting any other regulatory or disclosure requirements, save and except as specified above, under any Indian or foreign law, statute, act guideline or similar instruction. The Management or related parties of Company are prohibited from using this report other than for its sole limited purpose and not to make a copy of this report available to any party other than those required by statute for carrying out the limited purpose of this report.

In no circumstances whatsoever, will D & A Financial Services (P) Limited, its Directors and Employees accept any responsibility of liability towards any third party for consequences arising out of the use of this report.



Compliance Report

We in the capacity of SEBI registered Merchant Banker do hereby certify that the information as disclosed in the Abridged Prospectus dated 5th August, 2021, is in line with disclosures required to be made as per Part E of Schedule VI of ICDR Regulations, to the extent applicable with respect to unlisted company i.e Gulshan Holdings (P) Limited and the disclosures made with respect to Gulshan Holdings (P) Limited, are accurate and adequate to the extent applicable.

Thanking You
For D & A Financial Services (P) Limited


(Priyaranjan)
Vice President/Authorized Signatory



SEBI Registration No. INM000011484

Place: New Delhi

DISCLOSURE DOCUMENT COMPRISING OF APPLICABLE INFORMATION IN THE FORMAT SPECIFIED FOR ABRIDGED PROSPECTUS

This disclosure document ("**Document**") contains applicable information pertaining to the unlisted company, Gulshan Holdings Private Limited, holding company of Gulshan Polyols Limited, and the proposed Scheme of Amalgamation amongst Gulshan Holdings Private Limited and East Delhi Importers and Exporters Private Limited with Gulshan Polyols Limited and their respective shareholders and creditors ("**Scheme**").

This Document has been prepared in connection with the above Scheme, pursuant to the Securities and Exchange Board of India ("**SEBI**") circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 and SEBI circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ("**SEBI Circulars**"). This Document should be read together with the Scheme.

THIS DOCUMENT CONTAINS 10 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES

NO EQUITY SHARES ARE PROPOSED TO BE OFFERED PURSUANT TO THIS DOCUMENT

You may download the Scheme from the website of Gulshan Polyols Limited i.e., www.gulshanindia.com or the website of the stock exchanges where the equity shares of Gulshan Polyols Limited are listed i.e., BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**") (BSE and NSE together hereinafter referred to as the "**Stock Exchanges**")

(Capitalised terms not defined herein shall have their meaning ascribed to them under the Scheme)

GULSHAN HOLDINGS PRIVATE LIMITED

Registered Office: at 9th K.M., Jansath Road, Muzaffarnagar - 251001, Uttar Pradesh, India

Telephone: +91 11 49999200, Website: Email: cs@gulshanindia.com

Corporate Identification Number (CIN): U74899UP1985PTC128005

Contact Person: Ms. Asha Mittal

NAME OF PROMOTER OF GULSHAN HOLDINGS PRIVATE LIMITED

Dr. Chandra Kumar Jain

Mrs. Mridula Jain

Ms. Arushi Jain

Ms. Aditi Pasari

Ms. Anubha Gupta

DETAILS OF THE SCHEME, LISTING AND PROCEDURE

The Scheme of Amalgamation amongst Gulshan Holdings Private Limited ("**Transferor Company No. 1**" or "**GHPL**") and East Delhi Importers and Exporters Private Limited ("**Transferor Company No. 2**" or "**EDIEPL**") (collectively referred to as the "**Transferor Companies**") with Gulshan Polyols Limited ("**Transferee Company**") and their respective shareholders and creditors ("**Scheme**") provides for (a) Amalgamation (merger by absorption) of Transferor Company No. 1 into and with the Transferee Company and consequent dissolution of the Transferor Company No. 1 without winding up; and (b) Amalgamation (merger by absorption) of Transferor Company No. 2 into and with Transferee Company and consequent dissolution of the Transferor Company No. 2 without winding up, under

Sections 230 to 232 and other applicable provisions of the Act. The Scheme also provides for various other matters consequent and incidental thereto.

Consideration under the Scheme: Upon the Scheme becoming effective, the existing equity share capital of the Transferee Company held by Transferor Companies shall stand cancelled and in consideration of the amalgamation of the Transferor Companies in the Transferee Company, the Transferee Company shall, without any further application, act or deed, issue and allot to the shareholders of the Transferor Companies, 2,99,82,536 (Two Crore Ninety Nine Lakh Eighty Two Thousands Five Hundred and Thirty Six) fully paid-up equity shares of the face value of INR 1/- (Rupee One) each, in the following manner:

- i. 39,848 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.1000/- each fully paid up of Gulshan Holdings Private Limited; and
- ii. 181 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.10/- each fully paid up of East Delhi Importers and Exporters Private Limited.

Rationale for the Scheme, as provided in the Scheme, is given below:

- a) Help in achieving improved operational efficiency and optimum advantages and also to achieve greater efficiency and synergy in operations by combining the activities of the Transferor Companies with the Transferee Company. Accordingly, the Scheme would strengthen and complement the businesses of the Companies;
- b) The amalgamated entity will benefit from optimum utilization of manpower through improved organizational capacity and leadership, arising from the combination of people from the Transferor Companies and Transferee Company which have diverse skills, talent, management expertise, enlarged knowledge base and vast experience to compete successfully in an increased competitive industry;
- c) The amalgamated entity shall reduce fixed costs by removing duplicate departments, operations and lower the cost of the Company relative to the same revenue stream and shall thus increase the profit margins;
- d) The amalgamation will offer a simplified corporate structure to the amalgamated entity;
- e) Under a liberalised, fast changing and highly competitive environment, this amalgamation shall strengthen the business of the Transferor Companies and the Transferee Company by pooling up the resources, business expertise, business processes and assets for common purpose and hence optimum utilization;
- f) The synergies that exist between the entities in terms of services and resources can be put to the best advantage of all stakeholders;
- g) The amalgamation will result in better economic control, increased financial strength and flexibility and enhance the ability of the amalgamated entity to undertake large projects, thereby contributing to enhancement of future business potential;
- h) Cost savings are expected to flow from more focused operational efforts, rationalisation, standardisation and simplification of business processes, productivity and improvements, improved procurement and the elimination of duplication and rationalization of administrative expenses;
- i) The consolidation of the companies engaged in similar & complementary line of business in one entity, under a single centralized system of management, will result in the management

being able to exercise greater control over the operations of the companies and which will help in synchronising the operations. This will also result in the management being enabled to undertake any re-structuring /re-organization of the various business undertakings of the companies for the purposes of achieving optimum efficiency /and or to attract investments in the individual business undertakings of the Companies.

Appointed Date: Appointed Date for the Scheme means the opening business hours of 1st April, 2020 or such other date as may be fixed or approved by the Appropriate Authority.

** The above details of the Scheme have been suitably extracted from the Scheme.*

LISTING AND PROCEDURE

After the Effective Date of this Scheme, the new equity shares to be issued and allotted by the Transferee Company in terms of the Scheme as mentioned above in Consideration shall be listed and shall be admitted for trading on the Stock Exchanges by virtue of this Scheme and in accordance with the provisions of SEBI Circulars. Transferee Company shall make all requisite applications and shall otherwise comply with the provisions of the SEBI Circulars and Applicable Laws and take all steps to get the new equity shares issued by it in pursuance to this Scheme listed on the Stock Exchanges.

The new equity shares allotted by the Transferee Company pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated Stock Exchanges.

It is pertinent to mention here that the procedure with respect to public issue/offer would not be applicable as these issues are only to the shareholders of the Transferor Companies, pursuant to the Scheme of Amalgamation without cash consideration.

ELIGIBILITY FOR THE ISSUE

- Whether the company is compulsorily required to allot at least 75% of the net offer to public, to qualified institutional buyers- **NOT APPLICABLE**
- The Equity Shares sought to be listed are proposed to be allotted by the Transferee Company to the shareholders of the Transferor Companies pursuant to the Scheme to be sanctioned by National Company Law Tribunal, Allahabad Bench under Section 230 to 232 of the Companies Act, 2013; and
- The percentage of shareholding of pre-scheme public shareholders of the Transferee Company in the post-scheme shareholding pattern of the Transferee Company (Resulting Company) shall not be less than 25%.

INDICATIVE TIMELINE

This Document should not be deemed to be an offer to the public. Shares would be issued as above upon the Scheme coming into effect after requisite statutory approvals are accorded thereto. The Scheme requires approval of the National Company Law Tribunal, Allahabad Bench (“**NCLT**”) and no exact time frame can be given when the Scheme will become effective. However, the Appointed Date for the Scheme is opening business hours of April 01, 2020 or such other date as may be approved by the Appropriate Authority.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in relation to this Scheme. For taking an investment decision, investors must rely on their own examination of the Scheme, including the risks involved. The Equity Shares have not been recommended or approved by Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Information Document. Specific attention of the investors is invited to the section titled “Risk Factors” of this Information Document.

PRICE INFORMATION OF LEAD MANAGER

Not Applicable.

PROMOTERS OF GULSHAN HOLDINGS PRIVATE LIMITED

The promoters of Gulshan Holdings Private Limited owns and controls 100% shareholding. The shareholding pattern of the promoters are given below:

Sl. No.	Name of Promoter	No. of Shares Held	Percentage of Shareholding
1.	Dr. Chandra Kumar Jain	182	25.74%
2.	Mrs. Mridula Jain	173	24.47%
3.	Ms. Arushi Jain	108	15.28%
4.	Ms. Aditi Pasari	124	17.54%
5.	Ms. Anubha Gupta	120	16.97%
	Total	707	100%

The brief profiles of the promoters of Gulshan Holdings Private Limited are as follows:

- Dr. Chandra Kumar Jain:** Dr. C.K. Jain is a Sugar Technologist and has been awarded a Doctorate Degree in Chemistry. He is an industrialist of repute with more than 4 decades of rich business experience and has been the guiding force behind the growth of Gulshan Group since its inception.. Apart from business activities, Dr. Jain is an active philanthropist.
- Mrs. Mridula Jain:** Mrs. Mridula Jain has been associated with Gulshan Group for the past 15 years as the Director. She is actively involved in the management and decision making of the Gulshan Holdings Private Limited. She contributes to the Company from her years of experience with day-to-day management, strategic decision making and development policies for the Company.
- Ms. Arushi Jain:** Ms. Arushi Jain is MS in marketing from City University of New York, USA. She is also a Baking Technologist from American Institute of Baking, USA. She has been associated with Gulshan Group since 1996 and currently involved in operations and overall management of the Gulshan Group. She manages business policies, strategic decisions, business development and day-to-day affairs of the Starch derivatives plant of Gulshan

Gulshan Group. She also has experience in market research and baking industry. She has hosted culinary series on CNBC.

4. **Ms. Aditi Pasari:** Ms. Aditi Pasari is MBA from Cardiff University, UK. She has the experience of having conceived and set-up a packaging unit in Haridwar, under the umbrella of Gulshan Group. She has been associated with Gulshan Group since 2009 and is currently designated as Whole Time Director in Gulshan Group. She has supervisory responsibility for Finance and Human Resources functions and leads various strategic initiatives in the smooth operation of Gulshan Group.

5. **Ms. Anubha Gupta:** Ms. Anubha Gupta completed her B.A. (Hons) English Literature from Jesus and Mary College, Delhi University in 2010, after which she went to the Courtauld Institute of Art, University of London to pursue her Post Graduation in History of Art. Currently she is heading, Artsome.co, a not-for-profit first of its kind online portal which attempts to fill the lack of education and exposure to art in South Asia. Along with her passion for Arts, contributes to the Gulshan Group with an extensive understanding of the contemporary business world.

BUSINESS MODEL/ BUSINESS OVERVIEW AND STRATEGY

Gulshan Holdings Private Limited having CIN: U74899UP1985PTC128005 and PAN: AAACG5688F was incorporated on 20th November, 1985 with Registrar of Companies, Delhi & Haryana as a Private Company, Limited by Shares, and presently having its registered office at 9th K.M., Jansath Road, Muzaffarnagar - 251001, Uttar Pradesh, India. The Transferor Company No. 1 is the holding Company of the Transferee Company. The company is engaged in the business of acquiring, investing and holding shares in companies having similar objects or companies providing value benefit, and guaranteeing the payment of money unsecured or secured by or payable under or in respect of contractual obligations.

BOARD OF DIRECTORS

Sr. No.	Name	Designation	Experience
1.	Dr. Chandra Kumar Jain	Non-Executive Director	<p>He is currently heading Gulshan Polyols Limited in the capacity of Chairman and Managing Director. He is an industrialist of repute with more than 4 decades of rich business experience and has been the guiding force behind the growth of Gulshan Group since its inception. He is also promoter of Gulshan Mercantile Urban Co-operative Bank Ltd (GMUCB). He is associated with Gulshan Holdings Private Limited from its incorporation year- 1985.</p> <p>Other current directorships:</p>

			<p>a. Gulshan Polyols Limited</p> <p>b. Gulshan Sugar and Chemicals Limited</p>
2.	Mrs. Mridula Jain	Non-Executive Director	<p>She has been associated with Gulshan Group for the past 15 years as the Director. She is actively involved in the management and decision making of the Gulshan Holdings Private Limited. She contributes to the Company from her years of experience with day-to-day management, strategic decision making and development policies for the Company.</p> <p>Other current directorships: Nil</p>
3.	Ms. Arushi Jain	Non-Executive Director	<p>She has been associated with Gulshan Group since 1996 and currently involved in operations and overall management of the Gulshan Group. She manages business policies, strategic decisions, business development and day-to-day affairs of the Starch derivatives plant of Gulshan Group.</p> <p>Other current directorships:</p> <p>a. Gulshan Polyols Limited</p> <p>b. Gulshan Sugar and Chemicals Limited</p> <p>c. Houzilla Interiors Private Limited</p> <p>d. Gulshan Care Foundation</p>

OBJECTS OF THE PROPOSED SCHEME

Brief objects of the proposed Scheme are as follows:

- (a) Amalgamation (merger by absorption) of Transferor Company No. 1 into and with the Transferee Company and consequent dissolution of the Transferor Company No. 1 without winding up; and
- (b) Amalgamation (merger by absorption) of Transferor Company No. 2 into and with Transferee Company and consequent dissolution of the Transferor Company No. 2 without winding up, under Sections 230 to 232 and other applicable provisions of the Act. The Scheme also provides for various other matters consequent and incidental thereto.

The Scheme also provides for various other matters consequent and incidental thereto. The Rationale for the Scheme is set out under the heading “Details of the Scheme, Listing and Procedure” at page 1 of this Document.

Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilisation of issue proceeds of past public issues/ rights issues, if any, of Gulshan Holdings Private Limited in the preceding 10 years: Not Applicable.

Name of monitoring agency, if any: Not Applicable.

Terms of issuance of Convertible Security, if any: Not Applicable.

Pre-Scheme Shareholding Pattern of Gulshan Holdings Private Limited

Sr. No.	Particulars	Pre-Scheme Number of Shares	Pre-Scheme % Shareholding
1.	Promoter & Promoter Group	707	100%
2.	Public	-	-
	Total	707	100%

Note: Upon the Scheme becoming effective, Gulshan Holdings Private Limited will get dissolved.

RESTATED AUDITED FINANCIALS

Standalone Financials

(Rs. in Lakhs)

Particulars	Year ended March 31, 2021 (Audited)	Year ended March 31, 2020 (Audited)	Year ended March 31, 2019 (Audited)	Year ended March 31, 2018 (Audited)	Year ended March 31, 2017 (Audited)
Total income from operations (net)	226.25	458.91	360.04	410.42	365.55
Net Profit / (Loss) before tax and extraordinary items	178.74	399.95	313.88	317.68	321.57
Net Profit / (Loss) after tax and extraordinary items	127.73	352.62	262.02	277.67	305.66
Equity Share Capital	7.07	7.07	7.07	7.07	7.07
Reserves and Surplus	4,502.62	4,374.89	4,113.94	3,928.25	3,664.50
Net worth	4,509.69	4,381.96	4,121.01	3,935.32	3,671.57
Basic Earnings Per Share (Rs.)	18,066.35	49,876.22	37,060.99	39,274.23	43,232.98
Diluted Earnings Per Shares (Rs.)	18,066.35	49,876.22	37,060.99	39,274.23	43,232.98
Return on net worth (%)	2.83%	8.05%	6.36%	7.06%	8.32%
Net Asset Value Per Equity Share (Rs.)	6,37,863.21	6,19,796.87	5,82,887.02	5,56,622.04	5,19,316.87

Consolidated Financials

(Rs. in Lakhs)

Particulars	Year ended March 31, 2021 (Audited)	Year ended March 31, 2020 (Audited)	Year ended March 31, 2019 (Audited)	Year ended March 31, 2018 (Audited)	Year ended March 31, 2017 (Audited)
Total income from operations (net)	76,672.95	62,292.49	360.04	410.42	365.55
Net Profit / (Loss) before tax and extraordinary items	9,370.31	2,906.33	313.87	317.68	321.57
Net Profit / (Loss) after tax and extraordinary items	3,515.42	1,162.82	1,121.73	2,101.88	3,096.66
Equity Share Capital	7.07	7.07	7.07	7.07	7.07
Reserves and Surplus	22,377.33	18,046.36	13,874.67	12,752.94	11,831.46
Net worth	22,384.40	18,053.43	13,881.74	12,760.01	11,838.53
Basic Earnings Per Share (Rs.)	4,97,230.55	1,64,472.88	1,58,661.56	2,97,295.09	4,38,000.20
Diluted Earnings Per Shares (Rs.)	4,97,230.55	1,64,472.88	1,58,661.56	2,97,295.09	4,38,000.20
Return on net worth (%)	15.70%	6.44%	8.08%	16.47%	26.16%
Net Asset Value Per Equity Share (Rs.)	31,66,111	25,53,527	19,63,471	18,04,810	16,73,474

Notes:

- a. *Gulshan Holdings Private Limited became holding company of Gulshan Polyols in February, 2020. Prior to that, Gulshan Polyols Limited was associate company of Gulshan Holdings Private Limited. Thus, from FY 2016-17 to FY 2018-19, the consolidated accounts mentioned above were prepared on equity method as applicable for consolidation of accounts of associate company as per then applicable AS and beginning from FY 2019-20, the consolidated accounts are prepared based on IND-AS which are applicable now. For Consolidated Financials for FY 2020-21 and 2019-20, Net Profit / (Loss) after tax and extraordinary items refers to Net profit after comprehensive income attributable to parents and reserves & surplus contains reserves & surplus which is attributable to the parents. For Consolidated Financials for from FY 2016-17 to FY 2018-19, Net Profit / (Loss) before tax and extraordinary items are being reported on standalone basis due to applicability of AS and Net Profit / (Loss) after tax and extraordinary items refers to Net profit after total comprehensive income. For Consolidated Financial Statements (particularly for FY 2016-17 to 2018 to 19), previous year figures have not been regrouped and rearranged to make them comparable with the current year figures as Gulshan Polyols Limited was associate company of Gulshan Holdings Private Limited and the figures have been stated as it is given in the audited balance sheet.*
- b. *Reserves and Surplus comprises of Other Equity.*

- c. *Net worth comprises of Equity Share Capital and Reserves and Surplus.*
- d. *Basic and Diluted earnings per share has been calculated by applying the following formula: Net Profit/ (Loss) after tax and extraordinary items divided by number of shares outstanding.*
- e. *Return on net worth % has been calculated by applying the following formula: Net Profit/ (Loss) after tax and extraordinary items divided by Net worth and multiplied by 100.*
- f. *Net asset value per share has been calculated by adding the balance of Equity Share Capital and Reserves and Surplus and dividing the same by number of shares outstanding.*

RISK FACTORS FOR GULSHAN HOLDINGS PRIVATE LIMITED
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- The proposed Scheme is subject to the approval of NCLT. If the proposed Scheme does not receive the requisite approvals, the objects and benefits mentioned in the proposed Scheme will not be achieved.
- The company is primarily engaged into investing activity and the only source of income is dividend/interest from the entities in which it has investment. Any default on the operations of these investee companies shall affect the profitability/growth of the Company.
- Pandemic like Covid-19 can adversely affect the operations and results of the company as investee companies will curtail dividend payments.
- The business of the company depends heavily upon Key Managerial Personnel (KMP) and loss of service of such KMP shall affect the performance of the company.
- The company is presently an unlisted company and its equity shares are presently not available for trading on any Stock Exchanges.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTIONS
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- A. **Total number of outstanding litigations against Gulshan Holdings Private Limited and amount involved:** Nil.
- B. **Brief details of top 5 material outstanding litigations against Gulshan Holdings Private Limited and amount involved:** Nil.
- C. **Regulatory Action, if any – disciplinary action taken by SEBI or stock exchanges against the Promoters in last 5 financial years including outstanding action, if any:** Nil
- D. **Brief Details of outstanding criminal proceedings against the Promoters of Gulshan Holdings Private Limited:** Nil.

ANY OTHER IMPORTANT INFORMATION- NIL

DECLARATION BY GULSHAN HOLDINGS PRIVATE LIMITED

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/issued by SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Document is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued there under, as the case may be. We hereby certify that all the statements in the Document are true and correct.

For and on behalf of **GULSHAN HOLDINGS PRIVATE LIMITED**

**Chandra
Kumar Jain** Digitally signed by
Chandra Kumar Jain
Date: 2021.08.05
16:21:24 +05'30'

Name: Dr. Chandra Kumar Jain

Designation: Non-Executive Director

Date: August 05, 2021

Place: New Delhi



D & A FINANCIAL SERVICES (P) LIMITED
Merchant Banking & Corporate Advisory Services

Date: 5th August, 2021

East Delhi Importers & Exporters (P) Limited
9th KM, Jansath Road
Muzaffarnagar-251001
Uttar Pradesh

Subject: Compliance Report with respect to Abridged Prospectus in Compliance with requirement of Regulation 37 of the SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 read with SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated 22nd December, 2020 in terms of Scheme of Amalgamation of Gulshan Holdings (P) Limited (“Transferor Company No. 1”) and East Delhi Importers & Exporters (P) Limited (“Transferor Company No. 2”) and Gulshan Polyols Limited (“Transferee Company”) and their respective shareholders and creditors under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (“Scheme”)

Dear Sir/s,

We, M/s D & A Financial Services (P) Limited, SEBI registered Merchant Banker, having SEBI Registration No. INM000011484 have been appointed by Gulshan Polyols Limited to provide a compliance report with respect to adequacy and accuracy of disclosure(s) made in the Abridged Prospectus with respect to East Delhi Importers & Exporters (P) Limited, under the Scheme as stated above.

Scope and Purpose of the Compliance Report

Pursuant to the requirements of SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated 22nd December, 2020, a compliance report has to be obtained from an independent Merchant Banker on the information disclosed in Abridged Prospectus in line with information required to be disclosed as per Part E of Schedule VI of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“ICDR Regulations”).

The purpose of the report is to inform the shareholders and/or Creditors (Secured and Unsecured) about the details of the unlisted company to the extent applicable, involved in the scheme in line with the information required to be disclosed in line with Part E of Schedule VI of ICDR Regulations.



1

Sources of the Information

We have received the following information from the management and other related parties of the Company:

1. Proposed Scheme of Amalgamation.
2. Abridged Prospectus dated 5th August, 2021 prepared in accordance with SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated 22nd December, 2020.
3. Information/documents/undertakings etc. provided by management and other related parties of company pertaining to disclosures made in Abridged Prospectus dated 5th August, 2021.

Disclaimer: This Report is intended solely for the limited purpose mentioned earlier and should not be regarded as a recommendation to the investors to invest in the Company or deal in any form in the securities of the Company.

We have assumed that the documents/information provided to us in this respect, wherever required for the purpose of disclosures in Abridged Prospectus is complete in all respects.

This report is not meant for meeting any other regulatory or disclosure requirements, save and except as specified above, under any Indian or foreign law, statute, act guideline or similar instruction. The Management or related parties of Company are prohibited from using this report other than for its sole limited purpose and not to make a copy of this report available to any party other than those required by statute for carrying out the limited purpose of this report.

In no circumstances whatsoever, will D & A Financial Services (P) Limited, its Directors and Employees accept any responsibility of liability towards any third party for consequences arising out of the use of this report.



Compliance Report

We in the capacity of SEBI registered Merchant Banker do hereby certify that the information as disclosed in the Abridged Prospectus dated 5th August, 2021, is in line with disclosures required to be made as per Part E of Schedule VI of ICDR Regulations, to the extent applicable with respect to unlisted company i.e East Delhi Importers & Exporters (P) Limited and the disclosures made with respect to East Delhi Importers & Exporters (P) Limited, are accurate and adequate to the extent applicable.

Thanking You
For **D & A Financial Services (P) Limited**


(Priyaranjan)

Vice President/Authorized Signatory



SEBI Registration No. INM000011484

Place: New Delhi

DISCLOSURE DOCUMENT COMPRISING OF APPLICABLE INFORMATION IN THE FORMAT SPECIFIED FOR ABRIDGED PROSPECTUS

This disclosure document ("**Document**") contains applicable information pertaining to the unlisted company, East Delhi Importers & Exporters Private Limited, and the proposed Scheme of Amalgamation amongst Gulshan Holdings Private Limited and East Delhi Importers and Exporters Private Limited with Gulshan Polyols Limited and their respective shareholders and creditors ("**Scheme**").

This Document has been prepared in connection with the above Scheme, pursuant to the Securities and Exchange Board of India ("**SEBI**") circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 and SEBI circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ("**SEBI Circulars**"). This Document should be read together with the Scheme.

THIS DOCUMENT CONTAINS 9 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES

NO EQUITY SHARES ARE PROPOSED TO BE OFFERED PURSUANT TO THIS DOCUMENT

You may download the Scheme from the website of Gulshan Polyols Limited i.e., www.gulshanindia.com or the website of the stock exchanges where the equity shares of Gulshan Polyols Limited are listed i.e., BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**") (BSE and NSE together hereinafter referred to as the "**Stock Exchanges**")

(Capitalised terms not defined herein shall have their meaning ascribed to them under the Scheme)

EAST DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED

Registered Office: at 9th K.M., Jansath Road, Muzaffarnagar - 251001, Uttar Pradesh, India

Telephone: +91 11 49999208, Website: Email: akg@gulshanindia.com

Corporate Identification Number (CIN): U60231UP1997PTC129363

Contact Person: Mr. Avdhesh Garg

NAME OF PROMOTER OF EAST DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED

Dr. Chandra Kumar Jain

Mrs. Mridula Jain

Ms. Arushi Jain

DETAILS OF THE SCHEME, LISTING AND PROCEDURE

The Scheme of Amalgamation amongst Gulshan Holdings Private Limited ("**Transferor Company No. 1**" or "**GHPL**") and East Delhi Importers and Exporters Private Limited ("**Transferor Company No. 2**" or "**EDIEPL**") (collectively referred to as the "**Transferor Companies**") with Gulshan Polyols Limited ("**Transferee Company**") and their respective shareholders and creditors ("**Scheme**") provides for (a) Amalgamation (merger by absorption) of Transferor Company No. 1 into and with the Transferee Company and consequent dissolution of the Transferor Company No. 1 without winding up; and (b) Amalgamation (merger by absorption) of Transferor Company No. 2 into and with Transferee Company and consequent dissolution of the Transferor Company No. 2 without winding up, under Sections 230 to 232 and other applicable provisions of the Act. The Scheme also provides for various other matters consequent and incidental thereto.

Consideration under the Scheme: Upon the Scheme becoming effective, the existing equity share capital of the Transferee Company held by Transferor Companies shall stand cancelled and in consideration of the amalgamation of the Transferor Companies in the Transferee Company, the Transferee Company shall, without any further application, act or deed, issue and allot to the shareholders of the Transferor Companies, 2,99,82,536 (Two Crore Ninety Nine Lakh Eighty Two Thousands Five Hundred and Thirty Six) fully paid-up equity shares of the face value of INR 1/- (Rupee One) each, in the following manner:

- i. 39,848 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.1000/- each fully paid up of Gulshan Holdings Private Limited; and
- ii. 181 Equity Shares of Rs.1/- each fully paid up of Gulshan Polyols Limited for every 1 Equity Share of Rs.10/- each fully paid up of East Delhi Importers and Exporters Private Limited.

Rationale for the Scheme, as provided in the Scheme, is given below:

- a) Help in achieving improved operational efficiency and optimum advantages and also to achieve greater efficiency and synergy in operations by combining the activities of the Transferor Companies with the Transferee Company. Accordingly, the Scheme would strengthen and complement the businesses of the Companies;
- b) The amalgamated entity will benefit from optimum utilization of manpower through improved organizational capacity and leadership, arising from the combination of people from the Transferor Companies and Transferee Company which have diverse skills, talent, management expertise, enlarged knowledge base and vast experience to compete successfully in an increased competitive industry;
- c) The amalgamated entity shall reduce fixed costs by removing duplicate departments, operations and lower the cost of the Company relative to the same revenue stream and shall thus increase the profit margins;
- d) The amalgamation will offer a simplified corporate structure to the amalgamated entity;
- e) Under a liberalised, fast changing and highly competitive environment, this amalgamation shall strengthen the business of the Transferor Companies and the Transferee Company by pooling up the resources, business expertise, business processes and assets for common purpose and hence optimum utilization;
- f) The synergies that exist between the entities in terms of services and resources can be put to the best advantage of all stakeholders;
- g) The amalgamation will result in better economic control, increased financial strength and flexibility and enhance the ability of the amalgamated entity to undertake large projects, thereby contributing to enhancement of future business potential;
- h) Cost savings are expected to flow from more focused operational efforts, rationalisation, standardisation and simplification of business processes, productivity and improvements, improved procurement and the elimination of duplication and rationalization of administrative expenses;
- i) The consolidation of the companies engaged in similar & complementary line of business in one entity, under a single centralized system of management, will result in the management being able to exercise greater control over the operations of the companies and which will help in synchronising the operations. This will also result in the management being enabled to undertake any re-structuring /re-organization of the various business undertakings of the

companies for the purposes of achieving optimum efficiency /and or to attract investments in the individual business undertakings of the Companies.

Appointed Date: Appointed Date for the Scheme means the opening business hours of 1st April, 2020 or such other date as may be fixed or approved by the Appropriate Authority.

** The above details of the Scheme have been suitably extracted from the Scheme.*

LISTING AND PROCEDURE

After the Effective Date of this Scheme, the new equity shares to be issued and allotted by the Transferee Company in terms of the Scheme as mentioned above in Consideration shall be listed and shall be admitted for trading on the Stock Exchanges by virtue of this Scheme and in accordance with the provisions of SEBI Circulars. Transferee Company shall make all requisite applications and shall otherwise comply with the provisions of the SEBI Circulars and Applicable Laws and take all steps to get the new equity shares issued by it in pursuance to this Scheme listed on the Stock Exchanges.

The new equity shares allotted by the Transferee Company pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated Stock Exchanges.

It is pertinent to mention here that the procedure with respect to public issue/offer would not be applicable as these issues are only to the shareholders of the Transferor Companies, pursuant to the Scheme of Amalgamation without cash consideration.

ELIGIBILITY FOR THE ISSUE

- Whether the company is compulsorily required to allot at least 75% of the net offer to public, to qualified institutional buyers- **NOT APPLICABLE**
- The Equity Shares sought to be listed are proposed to be allotted by the Transferee Company to the shareholders of the Transferor Companies pursuant to the Scheme to be sanctioned by National Company Law Tribunal, Allahabad Bench under Section 230 to 232 of the Companies Act, 2013; and
- The percentage of shareholding of pre-scheme public shareholders of the Transferee Company in the post-scheme shareholding pattern of the Transferee Company (Resulting Company) shall not be less than 25%.

INDICATIVE TIMELINE

This Document should not be deemed to be an offer to the public. Shares would be issued as above upon the Scheme coming into effect after requisite statutory approvals are accorded thereto. The Scheme requires approval of the National Company Law Tribunal, Allahabad Bench (“**NCLT**”) and no exact time frame can be given when the Scheme will become effective. However, the Appointed Date for the Scheme is opening business hours of April 01, 2020 or such other date as may be approved by the Appropriate Authority.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in relation to this Scheme. For taking an investment decision, investors must rely on their own examination of the

Scheme, including the risks involved. The Equity Shares have not been recommended or approved by Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Information Document. Specific attention of the investors is invited to the section titled “Risk Factors” of this Information Document.

PRICE INFORMATION OF LEAD MANAGER

Not Applicable.

PROMOTERS OF EAST DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED

The promoters of East Delhi Importers and Exporters Private Limited owns and controls 100% shareholding. The shareholding pattern of the promoters are given below:

Sl. No.	Name of Promoter	No. of Shares Held	Percentage of Shareholding
1.	Dr. Chandra Kumar Jain	6,000	60%
2.	Mrs. Mridula Jain	2,000	20%
3.	Ms. Arushi Jain	2,000	20%
	Total	10,000	100%

The brief profiles of the promoters of East Delhi Importers & Exporters Private Limited are as follows:

- Dr. Chandra Kumar Jain:** Dr. C.K. Jain is a Sugar Technologist and has been awarded a Doctorate Degree in Chemistry. He is an industrialist of repute with more than 4 decades of rich business experience and has been the guiding force behind the growth of Gulshan Group since its inception. Apart from business activities, Dr. Jain is an active philanthropist.
- Mrs. Mridula Jain:** Mrs. Mridula Jain has been associated with Gulshan Group for the past 15 years as the Director. She is actively involved in the management and decision making of Gulshan Group. She contributes to the Company from her years of experience with day-to-day management, strategic decision making and development policies for the Company.
- Ms. Arushi Jain:** Ms. Arushi Jain is MS in marketing from City University of New York, USA. She is also a Baking Technologist from American Institute of Baking, USA. She has been associated with Gulshan Group since 1996 and currently involved in operations and overall management of the Gulshan Group. She manages business policies, strategic decisions, business development and day-to-day affairs of the Starch derivatives plant of Gulshan Group. She also has experience in market research and baking industry. She has hosted culinary series on CNBC.

BUSINESS MODEL/ BUSINESS OVERVIEW AND STRATEGY

East Delhi Importers & Exporters Private Limited having CIN: U60231UP1997PTC129363 and PAN AABCA3294L was incorporated on 23rd July 1997 with Registrar of Companies, Delhi & Haryana as a Private Company, Limited by Shares, and presently having its registered office at 9th K.M., Jansath Road, Muzaffarnagar - 251001, Uttar Pradesh, India. The company is engaged in the business of importing, exporting, dealing and trading multi-products which includes but not limited to textile

products, chemicals, sugar and related products, engineering goods, molasses, grains, glassware, alcohol, oils, paper and related products, wood and timber etc. Further, the Company is engaged in the business as general carriers, transporters and freight forwarders, and exporting, importing, trading and dealing in the computer software, programmes, computer hardware and peripherals.

BOARD OF DIRECTORS

Sr. No.	Name	Designation	Experience
1.	Ms. Aditi Pasari	Non-Executive Director	<p>She has the experience of having conceived and set-up a packaging unit in Haridwar, under the umbrella of Gulshan Group. She has been associated with Gulshan Group since 2009 and is currently designated as Whole Time Director in Gulshan Polyols Limited. She has supervisory responsibility for Finance and Human Resources functions and leads various strategic initiatives in the smooth operation of Gulshan Group.</p> <p>Other current directorships:</p> <ol style="list-style-type: none"> a. Gulshan Polyols Limited b. Gulshan Lamee Pack Private Limited c. Reliance Expovision Private Limited d. PHD Chamber of Commerce and Industry e. ARP Developers Private Limited f. Gulshan Sugar and Chemicals Limited g. Gulshan Care Foundation
2.	Mr. Avdhesh Kumar Garg	Non-Executive Director	<p>He manages strategic decision making, development plans and daily affairs of the company. Apart from contributing to the Company with his experience in problem solving, he leads numerous initiatives and programmes at the company and has a supervisory responsibility, ensuring smooth operation of the Company.</p> <p>Other current directorships: Nil</p>

OBJECTS OF THE PROPOSED SCHEME

Brief objects of the proposed Scheme are as follows:

- (a) Amalgamation (merger by absorption) of Transferor Company No. 1 into and with the Transferee Company and consequent dissolution of the Transferor Company No. 1 without winding up; and
- (b) Amalgamation (merger by absorption) of Transferor Company No. 2 into and with the Transferee Company and consequent dissolution of the Transferor Company No. 2 without winding up, under Sections 230 to 232 and other applicable provisions of the Act. The Scheme also provides for various other matters consequent and incidental thereto.

The Scheme also provides for various other matters consequent and incidental thereto. The Rationale for the Scheme is set out under the heading "Details of the Scheme, Listing and Procedure" at page 1 of this Document.

Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilisation of issue proceeds of past public issues/ rights issues, if any, of East Delhi Importers & Exporters Private Limited in the preceding 10 years: Not Applicable.

Name of monitoring agency, if any: Not Applicable.

Terms of issuance of Convertible Security, if any: Not Applicable.

Pre-Scheme Shareholding Pattern of East Delhi Importers and Exporters Private Limited

Sr. No.	Particulars	Pre-Scheme Number of Shares	Pre-Scheme % Shareholding
1.	Promoter & Promoter Group	10,000	100%
2.	Public	-	-
	Total	10,000	100%

Note: Upon the Scheme becoming effective, East Delhi Importers and Exporters Private Limited will get dissolved.

RESTATED AUDITED FINANCIALS

Standalone Financials

(Value in Rs.)

Particulars	Year ended March 31, 2021 (Audited)	Year ended March 31, 2020 (Audited)	Year ended March 31, 2019 (Audited)	Year ended March 31, 2018 (Audited)	Year ended March 31, 2017 (Audited)
Total income from operations (net)	11,35,388	23,78,781	33,78,097	33,42,734	38,74,523
Net Profit / (Loss) before tax and extraordinary items	3,31,207	12,35,156	22,67,146	20,56,304	28,83,910
Net Profit / (Loss) after tax and	2,43,129	9,14,016	16,77,510	15,28,621	20,23,227

extraordinary items					
Equity Share Capital	1,00,000	1,00,000	1,00,000	1,00,000	1,00,000
Reserves and Surplus	5,94,94,988	5,92,51,859	5,83,37,842	5,66,60,332	5,51,31,711
Net worth	5,95,94,988	5,93,51,859	5,84,37,842	5,67,60,332	5,52,31,711
Basic Earnings Per Share (Rs.)	24.31	91.40	167.75	152.86	202.32
Diluted Earnings Per Shares (Rs.)	24.31	91.40	167.75	152.86	202.32
Return on net worth (%)	0.41%	1.54%	2.87%	2.69%	3.66%
Net Asset Value Per Equity Share (Rs.)	5,959.50	5,935.19	5,843.78	5,676.03	5,523.17

Notes:

- a. *East Delhi Importers & Exporters Private Limited is not required to prepare consolidated financial statements.*
- b. *Reserves and Surplus comprises of Other Equity.*
- c. *Net worth comprises of Equity Share Capital and Reserves and Surplus.*
- d. *Basic and Diluted earnings per share has been calculated by applying the following formula: Net Profit/ (Loss) after tax and extraordinary items divided by number of shares outstanding.*
- e. *Return on net worth % has been calculated by applying the following formula: Net Profit/ (Loss) after tax and extraordinary items divided by Net worth and multiplied by 100.*
- f. *Net asset value per share has been calculated by adding the balance of Equity Share Capital and Reserves and Surplus and dividing the same by number of shares outstanding.*

RISK FACTORS FOR EAST DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED

- The proposed Scheme is subject to the approval of NCLT. If the proposed Scheme does not receive the requisite approvals, the objects and benefits mentioned in the proposed Scheme will not be achieved.
- Pandemic like Covid-19 can adversely affect the operations and results of the company.
- Engaging in international business inherently involves a number of other difficulties and risks, including: changes in foreign currency exchange rates, changes in a specific country's or region's political or economic conditions, particularly in emerging markets, burdens of complying with a wide variety of foreign customs, laws and regulations, increased financial accounting and reporting burdens and complexities, changes in diplomatic and trade relationships, and difficulties in enforcing agreements and collecting receivables
- The business of the company depends heavily upon Key Managerial Personnel (KMP) and loss of service of such KMP shall affect the performance of the company.
- The company is presently an unlisted company and its equity shares are presently not available for trading on any Stock Exchanges.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTIONS

- A. **Total number of outstanding litigations against East Delhi Importers & Exporters Private Limited and amount involved: Nil.**

- B. **Brief details of top 5 material outstanding litigations against East Delhi Importers & Exporters Private Limited and amount involved: Nil.**
- C. **Regulatory Action, if any – disciplinary action taken by SEBI or stock exchanges against the Promoters in last 5 financial years including outstanding action, if any: Nil**
- D. **Brief Details of outstanding criminal proceedings against the Promoters of East Delhi Importers & Exporters Private Limited: Nil.**

ANY OTHER IMPORTANT INFORMATION- NIL

DECLARATION BY EAST DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/issued by SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Document is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued there under, as the case may be. We hereby certify that all the statements in the Document are true and correct.

For and on behalf of **EAST DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED**

ADITI PASARI Digitally signed by ADITI
PASARI
Date: 2021.08.05 15:28:38
+05'30'

Name: Aditi Pasari

Designation: Non-Executive Director

Date: August 05, 2021

Place: New Delhi

RAJEEV SINGAL & CO.
CHARTERED ACCOUNTANTS

Reg. No. - 008692C
PAN- AAPFR2931N



175, Dwarkapuri, Main Road
Opp. Shiv Mandir First Floor
Muzaffarnagar (U.P.)-251001
www.carajeevsingal.com
singhalrk2012@gmail.com
Office Mob- +91-9568000525
Phone 131-2970118

INDEPENDENT AUDITOR'S REPORT

**To the Members of ,
Gulshan Polyols Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Gulshan Polyols Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2021, and the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the 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 accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and 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 in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

"We have determined that there are no key audit matters to communicate in our report."



Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditors' 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.

Management's Responsibility for the Standalone Financial Statements

The 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 standalone financial statements that give a true and fair view of the state of affairs, profit / loss (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 (Ind AS) 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, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors is 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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.



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

- Identify and assess the risks of material misstatement of the 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements 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 auditors' 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 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, to the extent applicable.
2. As required by section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 Statement of Cash Flows 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 Ind AS specified under Section 133 of the Act.
 - e. On the basis of written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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, in our opinion and to the best of our information and according to the explanations given to us:
 - (1) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements.
 - (2) 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 .
 - (3) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - (4) The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these standalone financial statements since they do not pertain to the financial year ended 31 March 2021.



3. With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For and on behalf of
For Rajeev Singal & Co
Chartered Accountants
(Firm Registration no. 008692C)

Date : 22-05-2021
Place : Delhi

UDIN: 21077834AAAAPX8081



(Rajeev Kumar Singhal)
Partner
Membership No. 077834

Annexure A” to the Independent Auditors’ Report

With reference to the Annexure A referred to in the Independent Auditors’ Report to the members of the Company on the standalone financial statements for the year ended 31 March 2021, we report the following:

- (i)
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
 - (b) The Company has a regular programme of physical verification of its fixed assets, by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain fixed assets were physically verified during the year and no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties included in fixed assets are held in the name of the Company.
- (ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The Company has maintained proper records of inventory. The discrepancies noticed on verification between the physical stock and the book records were not material.
- (iii) According to information and explanations given to us, the company has not granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans given, investments made, guarantees and securities given.
- (v) The Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of Section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed there under.
- (vi) We have broadly reviewed the cost records maintained by the company pursuant to the Companies (Cost Records and Audit) Rules 2014, as amended and prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been made and maintained. We have however, not made a detailed examination of the Cost Records with a view to determine whether they are accurate and complete.
- (vii)
 - (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident fund, Employees’ State Insurance, Income-tax, Goods and Services tax, duty of Customs, Cess and other



material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income-tax, Goods and Services tax, duty of Customs, Cess and other material statutory dues were in arrears as at 31 March 2021, for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of Income-tax or Sales tax or Service tax or Goods and Services tax or duty of Customs or duty of Excise or Value added tax which have not been deposited by the Company on account of disputes, except for the following:

	Nature of the Dues	Amount (Rs. in Lakhs)	Period to which the amount relates	Forum where pending	REMARKS
Central Excise Act 1944	Excise Duty	44.92	2011-2012	CESTAT ALLAHABAD	4.49/- Lakh Deposit.

- (viii) The company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- (ix) In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and no fresh term loan raised by the company during the year under audit.
- (x) To the best of our knowledge 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 course of our audit.
- (xi) In our opinion and according to the information and explanations given to us and based on examination of the records of the Company, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) According to the information and explanations given to us, in our opinion, the Company is not a Nidhi Company as prescribed under Section 406 of the Act.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or



private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.

- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- (xvi) According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

Date : 22-05-2021
Place : Delhi



For and on behalf of
For Rajeev Singal & Co
Chartered Accountants
(Firm Registration no. 008692C)

A handwritten signature in blue ink, appearing to read "R. Singhal".

(Rajeev Kumar Singhal)
Partner
Membership No. 077834

UDIN! 21077834AAAACX6081

“ANNEXURE - B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

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

We have audited the internal financial controls with reference to standalone financial statements of **GULSHAN POLYOLS LIMITED** (“the Company”) as of 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control 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 the 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.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. 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 control 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 judgement, 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 financial statements.



Meaning of Internal Financial Controls over Financial Reporting

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 over Financial Reporting

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 financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31 March 2021, 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 issued by the ICAI.

Date : 22-05-2021
Place : Delhi



UDIN: 21077834AAAACX8081

For and on behalf of
For Rajeev Singal & Co
Chartered Accountants
(Firm Registration no. 008692C)

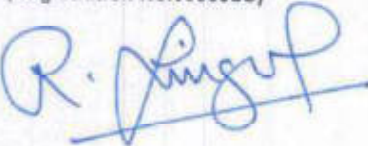
(Rajeev Kumar Singhal)
Partner
Membership No. 077834

GULSHAN POLYOLS LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2021

(Rs. in Lakhs)

Particulars	Note No.	As at 31st March, 2021	As at 31st March, 2020
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	2	24,083.87	25,978.79
(b) Capital Work-in-Progress	3	303.11	321.56
(c) Intangible Assets	4	8.81	11.88
(d) Financial Assets			
(i) Investments	5	41.95	41.95
(ii) Loans	6	506.93	459.66
(iii) Other Financial Assets	7	192.30	83.69
(e) Other Non-Current Assets	8	180.08	148.35
Total Non-Current Assets		25,317.05	27,045.88
Current Assets			
(a) Inventories	9	9,045.07	8,650.06
(b) Financial Assets			
(i) Trade Receivables	10	9,838.15	8,236.90
(ii) Cash and Cash equivalents	11	1,787.89	242.51
(iii) Other Financial Assets	12	66.95	73.41
(c) Other Current Assets	13	3,593.48	1,449.50
Total Current Assets		24,331.54	18,652.38
Total Assets		49,648.59	45,698.26
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	14	469.17	469.17
(b) Other Equity	15	36,096.07	30,059.90
Total Equity		36,565.24	30,529.07
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	1,053.00	2,108.94
(ii) Other Financial Liabilities	17	133.48	41.01
(b) Deferred Tax Liabilities (Net)	18	1,475.91	23.71
Total Non-Current Liabilities		2,662.39	2,173.66
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	-	5,960.93
(ii) Trade payables	20		
- Outstanding dues of micro, small and medium enterprises		231.74	229.60
- Outstanding dues of creditors other than above		5,399.04	2,658.10
(iii) Other Financial Liabilities	21	752.32	2,654.57
(b) Other Current Liabilities	22	1,707.55	820.02
(c) Provisions	23	512.20	180.56
(d) Liabilities for current Tax (Net)		1,828.11	491.74
Total Current Liabilities		10,430.96	12,995.53
Total Equity and Liabilities		49,648.59	45,698.26
The accompanying notes form an integral part of the financial statements	1		

As per our report of even date
For RAJEEV SINGAL & CO.
Chartered Accountants
(Registration No.008692C)




(RAJEEV KUMAR SINGHAL)
Partner
Membership no: 077834
UDIN: 21077834AAAACX6081



For and on behalf of the Board of Directors


DR. CHANDRA KUMAR JAIN
Chairman & Managing Director
DIN: 00062221


ASHWANI KUMAR VATS
Whole Time Director and CEO
DIN : 00062413


ASHA MITTAL
Company Secretary


RAJIV GUPTA
Chief Financial Officer

Date: May 22, 2021
Place : Delhi

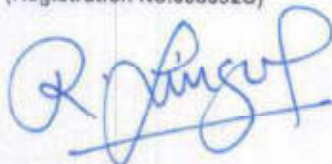
GULSHAN POLYOLS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2021

(Rs. in Lakhs)

Particulars	Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
REVENUE			
Revenue from Operations	24	76,603.44	62,079.77
Other Income	25	187.42	94.72
Total Income (I)		76,790.86	62,174.49
EXPENSES			
Cost of Materials Consumed	26	36,055.47	35,486.96
Purchase of Stock in Trade	27	471.74	704.73
Changes in Inventories of Finished goods, Work in progress and Stock in Trade	28	664.69	(848.39)
Employee Benefits Expenses	29	2,860.58	2,168.43
Finance Cost	30	654.67	1,138.08
Depreciation & amortisation Expenses	31	3,255.37	3,101.96
Other Expenses	32	23,478.51	17,670.49
Total Expenses (II)		67,441.03	59,432.27
Profit Before Tax (III) (I-II)		9,349.83	2,742.22
Tax Expense:	34		
Current Tax Expense		1,813.17	495.94
Add: Mat Credit (Utilised)		1,285.05	47.95
Deferred Tax Expense		6.06	139.93
Total Tax Expenses (IV)		3,104.28	683.82
Profit/(Loss) for the year (V) (III-IV)		6,245.55	2,058.40
Other Comprehensive Income			
Item that will not be reclassified to Profit and Loss: (Gain)/Loss of defined benefit obligation		(77.07)	23.21
Income Tax relating to item that will not be reclassified to profit or loss		14.95	(4.20)
Total Other Comprehensive (Income)/Loss (VI)		(62.12)	19.01
Total Comprehensive Income for the year (VII) (V - VI)		6,307.67	2,039.39
Earning per equity share of face value of Rs. 1 each Basic and diluted (in Rs.)			
Basic	43	13.31	4.39
Diluted		13.31	4.39
The accompanying notes form an integral part of the financial statements	1		

As per our report of even date
For RAJEEV SINGAL & CO.
Chartered Accountants
(Registration No.008692C)



(RAJEEV KUMAR SINGHAL)
Partner

Membership no: 077834
UDIN: 21077834AAAACX5081

Date: May 22, 2021
Place : Delhi



For and on behalf of the Board of Directors



DR. CHANDRA KUMAR JAIN
Chairman & Managing Director
DIN: 00062221



ASHWANI KUMAR VATS
Whole Time Director & CEO
DIN : 00062413



ASHA MITTAL
Company Secretary



RAJIV GUPTA
Chief Financial Officer

GULSHAN POLYOLS LIMITED
Statement of Cash Flow for the period ended 31st March, 2021

		(Rs. in Lakhs)	
Particulars		Year ended 31/03/2021	Year ended 31/03/2020
A.	Cash flow from operating activities		
	Profit before Tax	9,349.84	2,742.22
	Adjustment for :		
	Depreciation and Amortization Expenses	3,255.37	3,101.96
	Dividend income	(0.24)	(0.99)
	Provision/(write back) for doubtful debts and advances (net)	98.32	-
	(Gain) / Loss on disposal of property, plant and equipment	(82.02)	(0.18)
	(Gain) / Loss on disposal of Investment	(13.04)	-
	Interest income	(65.61)	(93.55)
	Interest expenses	654.67	1,138.08
	Cash generated from operations before working capital changes	13,197.27	6,887.53
	Adjustment for :		
	Decrease/(increase) in other assets	(690.12)	182.95
	Decrease/(increase) in trade receivables	(1,699.57)	1,767.03
	Decrease/(increase) in inventories	(395.01)	(3,317.07)
	(Decrease)/increase in other current liabilities	633.94	(117.55)
	(Decrease)/increase in provisions	331.63	16.33
	(Decrease)/increase in trade and other payables	840.82	(390.04)
	Cash generated from operating activities	(978.29)	(1,858.36)
	Direct taxes paid (net of refunds)	(1,635.00)	(616.70)
	Cash flows before exceptional items	10,583.97	4,412.47
	Exceptional items	-	-
	Net Cash flow generated from operating activities (A)	10,583.97	4,412.47
B.	Cash Flow from Investing activities		
	Sale proceeds from property, plant and equipment	208.40	93.52
	Purchase of property, plant and equipment	(1,465.30)	(1,743.62)
	Purchase of intangibles	-	(1.01)
	Net Sale/ Purchase proceeds of from non-current investments and current investments	13.04	4.78
	Interest income	65.61	93.55
	Dividend income	0.24	0.99
	Net Cash Flow Generated from investing activities (B)	(1,178.01)	(1,551.79)
C.	Cash flow from Financing activities		
	Interest expenses	(654.67)	(1,138.08)
	Repayment of long-term borrowings	(963.47)	(1,931.82)
	Repayment of short-term borrowings	(5,960.93)	(1,498.34)
	Dividend paid	(281.50)	(469.17)
	Dividend distribution tax paid	-	(96.44)
	Net Cash flow Generated from financing activities (C)	(7,860.57)	(5,133.85)
	Net increase in cash and cash equivalents (A+B+C)	1,545.39	(2,273.17)
	Cash and cash equivalents at the beginning of the year	242.50	2,515.67
	Cash and cash equivalents at year end	1,787.89	242.50

Note:

1. The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) Statement of Cash Flows.

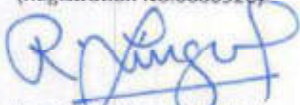
The Accompanying notes form an integral part of the financial statements

As per our report of even date attached

For **RAJEEV SINGAL & CO.**

Chartered Accountants

(Registration No. 008692C)



(**RAJEEV KUMAR SINGHAL**)

Partner

Membership no: 077834

UDIN: 21077834AAAACX6014

Date: May 22, 2021

Place : Delhi





DR. CHANDRA KUMAR JAIN

Chairman & Managing Director

DIN: 00062221



ASHA MITTAL

Company Secretary

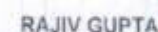
For and on behalf of the Board of Directors



ASHWANI KUMAR VATS

Whole Time Director and CEO

DIN : 00062413



RAJIV GUPTA

Chief Financial Officer

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2021

A. Equity Share Capital

	(Rs. in Lakhs)
Opening Balance as at April 01, 2019	469.17
Changes during the year	-
Closing balance as at March 31, 2020	469.17
Change during the year	-
Closing balance as at March 31, 2021	469.17

B. Other Equity attributable to the Equity Holders of the Company

Particulars	RESERVES AND SURPLUS					Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Capital Redemption Reserve	Retained Earnings	
Balance as at 1st April 2019	132.35	3,701.57	4,986.24	-	19,765.95	28,586.11
Profit for the year	-	-	-	-	2,058.40	2,058.40
Amount Transfer to General Reserve	-	-	-	-	-	-
Amount Transfer to Capital Redemption Reserve	-	-	-	50.00	(50.00)	-
Dividend on equity shares	-	-	-	-	(469.17)	(469.17)
Dividend Distribution Tax	-	-	-	-	(96.44)	(96.44)
Other Comprehensive income for the year, net of income tax	-	-	-	-	(19.01)	(19.01)
As at 31st March 2020	132.35	3,701.57	4,986.24	50.00	21,189.74	30,059.90
Balance as at 1st April 2020	132.35	3,701.57	4,986.24	50.00	21,189.74	30,059.90
Profit for the year	-	-	-	-	6,245.55	6,245.55
Amount Transfer to General Reserve	-	-	-	-	-	-
Dividend on equity shares	-	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	(281.50)	(281.50)
Other comprehensive income for the year, net of income tax	-	-	-	-	62.12	62.12
As at 31st March, 2021	132.35	3,701.57	4,986.24	50.00	27,215.91	36,086.07

The accompanying notes from 1 to 39 form an integral part of the financial statements.

As per our report of even date
For RAJEEV SINGAL & CO.
Chartered Accountants
(Registration No.008692C)



Rajeev Singal
(RAJEEV KUMAR SINGHAL)
Partner

Membership no: 077834
UDIN: 21077834AAAAACX6081

Date: May 22, 2021
Place : Delhi

For and on behalf of the Board of Directors

Ashwani Kumar Vats

ASHWANI KUMAR VATS
Whole Time Director & CEO
DIN : 00052413

Dr. Chandra Kumar Jain
DR. CHANDRA KUMAR JAIN
Chairman & Managing Director
DIN: 00062221

Asha Mittal

ASHA MITTAL
Company Secretary

Rajiv Gupta
RAJIV GUPTA
Chief Financial Officer

2. PROPERTY, PLANT AND EQUIPMENT

Particulars	(Rs. in Lakhs)						
	Free hold Land	ROU (Right of Use of Assets)	Building	Plant and Equipment	Office Furniture and Equipment	Vehicle	Total
Gross Block							
Balance as at 1st April 2019	258.72	634.07	4,009.60	32,601.11	187.94	437.57	38,129.01
Additions	-	334.80	114.52	1,295.46	21.93	111.89	1,878.60
Disposals	-	-	25.03	65.49	-	21.81	112.13
Balance as at 1st April 2020	258.72	968.87	4,099.09	33,831.09	209.87	527.65	39,895.49
Additions	-	232.27	-	933.48	11.53	306.46	1,483.75
Disposals	-	114.06	-	-	-	59.14	173.20
Balance as at 31st March 2021	258.72	1,087.09	4,099.09	34,764.57	221.40	775.18	41,206.04
Accumulated Depreciation							
Balance as at 1st April 2019	-	23.94	732.81	9,796.91	77.25	206.54	10,837.45
Additions	-	22.41	309.82	2,649.81	32.57	83.42	3,098.04
Disposals	-	-	-	0.43	-	18.36	18.79
Balance as at 1st April 2020	-	46.35	1,042.63	12,446.30	109.82	271.60	13,916.70
Additions	-	28.68	290.36	2,816.16	28.91	88.18	3,252.29
Disposals	-	-	-	-	-	46.82	46.82
Balance as at 31st March 2021	-	75.03	1,332.99	15,262.46	138.73	312.95	17,122.17
Net Block							
Balance as at 31st March 2021	258.72	1,012.06	2,766.09	19,502.11	82.67	462.22	24,083.87
Balance as at 31st March 2020	258.72	922.52	3,056.46	21,384.79	100.04	256.26	25,978.79
Balance as at 31st March 2019	258.72	610.13	3,276.79	22,804.20	110.69	231.03	27,291.57

3. CAPITAL WORK IN PROGRESS	(Rs. in Lakhs)	
	As at 31st March, 2021	As at 31st March, 2020
Capital Work in Progress consist of the following:		
Work in progress	303.11	321.56
Total	303.11	321.56

4. INTANGIBLE ASSETS	(Rs. in Lakhs)	
	As at 31st March, 2021	As at 31st March, 2020
Gross Block (Software)		
Balance as at 1st April 2019	21.98	
Additions	1.01	
Disposals	-	
Balance as at 31st March 2020	23.00	
Additions		
Disposals		
Balance as at 31st March 2021	23.00	
Accumulated Depreciation		
Balance as at 1st April 2019	7.20	
Additions	3.82	
Disposals	-	
Balance as at 31st March 2020	11.11	
Additions	3.06	
Disposals		
Balance as at 31st March 2021	14.19	
Net Block		
Balance as at 31st March 2021	8.81	
Balance as at 31st March 2020	11.88	
Balance as at 31st March 2019	14.79	



5. INVESTMENTS

(Rs.in Lakhs)

NON-CURRENT INVESTMENTS	As at 31st March, 2021	As at 31st March, 2020
(a) Investment at fair Value through OCI Equity Shares Unquoted (Fully paid up)		
(i) 10,500 equity shares of Rs. 10 each -BEIL Infrastructure Ltd.	1.05	1.05
(ii) 4,09,025 equity shares of Rs. 10 each - Narmada Clean Tech Ltd.(formerly named as Bharuch Eco-Aqua Infrastructure Ltd.)	40.90	40.90
Total	41.95	41.95

6. Loans

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
NON-CURRENT (Unsecured, Considered good)		
Security Deposits	506.93	459.66
Total	506.93	459.66

7. Other Financial Assets (Non Current)

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
NON-CURRENT		
Bank Deposits with maturity of more than 12 months as Margin Money	192.30	83.69
Total	192.30	83.69

Bank Deposits in form of FDR having maturity period of more than 12 months is kept as margin money against Bank guarantees

8. OTHER NON-CURRENT ASSETS

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Capital Advances	-	15.85
Other Loans & Advances	136.00	127.80
Balance with Government Authorities	-	3.20
Balance with Gratuity fund	44.08	1.50
Total	180.08	148.35

9. INVENTORIES

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
(i) Raw Materials	4,648.21	3,617.19
(ii) Work in Progress	749.80	695.18
(iii) Finished Goods	1,898.08	2,557.71
(iv) Stock in Traded Goods	35.08	94.77
(v) Stores, Spares & Packing	523.24	435.91
(vi) Coal, Fuel & Chemicals	1,190.65	1,249.29
Total	9,045.07	8,650.06

10. TRADE RECEIVABLES

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Un-secured and Considered Good	9,838.15	8,168.58
Considered Doubtful	-	68.32
Total	9,838.15	8,236.90

Note: A provision of Rs.98.31 Lakh on doubtful trade receivable has been made during the year.



11. CASH AND CASH EQUIVALENTS

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Cash in hand	5.73	6.38
Balance with Banks -In Current accounts	1,782.16	236.13
Total	1,787.89	242.51

12. Other Financial Assets

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unpaid dividend account	66.95	73.41
Total	66.95	73.41

13. OTHER CURRENT ASSETS

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured and Considered Good		
Advance to Employees	11.19	9.88
Advance to suppliers and service providers	1,350.97	323.63
Advance/Current Taxes	1,761.36	370.66
Balance with Govt. Authorities	304.03	276.21
Other Advances	165.92	469.12
Total	3,593.48	1,449.50

14. EQUITY SHARE CAPITAL

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Authorised Equity Share Capital:		
22,50,00,000 Equity shares of Rs.1 each	2,250.00	2,250.00
Authorised Preference Share Capital:		
2,50,000 Preference shares of Rs.10 each	25.00	25.00
14,50,000 Preference shares of Rs.100 each	1,450.00	1,450.00
Total	3,725.00	3,725.00
Issued, Subscribed and Paid up:		
4,69,17,020 Equity shares of Rs.1 each (Previous year 4,69,17,020 Equity shares of Rs.1 each)	469.17	469.17
9,75,000 Preference shares of Rs.100 each (Previous year 9,75,000 Equity shares of Rs.100 each)	975.00	975.00
Total	1,444.17	1,444.17



Particulars	As at 31st March, 2021		As at 31st March, 2020	
	No. of shares	Amount (1 Rs Each)	No. of shares	Amount (1 Rs Each)
Equity Shares				
Shares outstanding at the beginning of the year	4,69,17,020	469.17	4,69,17,020	469.17
Add: Issued during the year	-	-	-	-
Closing balance	4,69,17,020	469.17	4,69,17,020	469.17

Terms/rights attached to the Equity Shares

The Company has one class of Equity shares having a par value of Rs.1 each. Each shareholder is eligible for one vote per share held. The Company had Paid an interim dividend during the financial year 2020-2021 of Rs.0.60/- per equity share at face value of Rs. 1/- each (60%) in their meeting held on November 2, 2020. The Company declares and pays dividend in Indian Rupees.

(b) Details of shares held by Equity Shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholder	As at 31st March, 2021		As at 31st March, 2020	
	No. of shares held	% of holding	No. of shares held	% of holding
(i) Gulshan Holdings Pvt. Ltd.	2,63,75,047	56.22%	2,40,64,760	51.29%
(ii) Dr. C. K. Jain	35,46,990	7.56%	35,46,990	7.56%

(C) Reconciliation of Number of Preference shares outstanding at the beginning and at the end of the reporting period

Particulars	As at (Rs 100 Each)		As at (Rs 100 Each)	
	No. of shares	Amount (100 Rs Each)	No. of shares	Amount (100 Rs Each)
Preference Shares				
Shares outstanding at the beginning of the year	9,75,000	975.00	9,75,000	975.00
Add: Issued during the year	-	-	-	-
Closing balance	9,75,000	975.00	9,75,000	975.00

Terms/rights attached to the Preference Shares

The Company has two class of Preference Shares having a par value of Rs.10 and Rs 100 each. Shareholder is not eligible for vote .

(d) Details of Preference shares held by Preference Shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholder	As at (Rs 100 Each)		As at (Rs 100 Each)	
	No. of shares held	% of holding	No. of shares held	% of holding
Dr. Chandra Kumar Jain	9,75,000	100.00%	9,75,000	100.00%



15. OTHER EQUITY (Rs. in Lakhs)

Particulars	Capital Reserve	Securities Premium Reserve	General Reserve	Capital Redemption Reserve	Retained Earning	Total
Balance as at 1st April 2020	132.35	3701.57	4986.24	50.00	21189.74	30,059.90
Profit for the year	-	-	-	-	6,245.55	6,245.55
Amount Transfer to Capital Redemption Reserve	-	-	-	-	-	-
Dividend on equity shares for the year	-	-	-	-	(281.50)	(281.50)
Dividend Distribution Tax	-	-	-	-	-	-
Other Comprehensive income for the year net of tax	-	-	-	-	62.12	62.12
Balance as at 31st March 2021	132.35	3701.57	4986.24	50.00	27215.91	36086.07

Particulars	Capital Reserve	Securities Premium Reserve	General Reserve	Capital Redemption Reserve	Retained Earning	Total
Balance as at 31st March, 2019	132.35	3,701.57	4,986.24	-	19,765.96	28,586.11
Profit for the year	-	-	-	-	2,058.40	2,058.40
Amount Transfer to General Reserve	-	-	-	50.00	(50.00)	-
Dividend on equity shares for the year	-	-	-	-	(469.17)	(469.17)
Dividend Distribution Tax	-	-	-	-	(96.44)	(96.44)
Other comprehensive income for the year, net of income tax	-	-	-	-	(19.01)	(19.01)
Balance as at 31st March, 2020	132.35	3,701.57	4,986.24	50.00	21,189.74	30,059.90

16. FINANCIAL LIABILITIES –NON CURRENT BORROWINGS (Rs. in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Secured Loans		
(i) Term Loan from bank measured at Amortised Cost	-	1,000.00
(ii) Long term maturities of Finance Lease obligations/ hire purchase finance	-	133.94
	-	1,133.94
Unsecured		
9,75,000, 6% Redeemable Preference shares of Rs. 100 each (refer note xxx below)	1,053.00	975.00
	1,053.00	975.00
Total	1,053.00	2,108.94
(a) Nature of security for secured borrowings are given below:		
(i) Term Loans from Banks	-	2,949.75
The Immovable and Movable Assets of the Unit Located at Boregoan Industrial Area, Distt.Chhindawara (M.P.) and Abu Road, Sirohi, Rajasthan are charged to Citi Bank by way of First charge for External Commercial Borrowings(ECB) of USD 11.60 million.		
The Immovable Assets of the Unit Located at the Jhagadia Industrial Estate, Dist Bharuch (Gujarat) and movable assets of Units located at Muzaffarnagar (UP) are charged to The Hongkong & Shanghai Banking Corporation Ltd. by way of First charge on pan-passu with Citi Bank for Term Loan of Rs.40 crores.		
(ii) Long term maturities of Finance Lease obligations		133.94
Above loans are secured against vehicles purchased through Banks under hire purchase agreements.		
(b) The aggregate amount of loans under each head guaranteed by Directors or others are given below:		
Term Loans from Banks	-	2,949.75
Above term loans are secured by personal guarantee of the Promoter Director.		
Redeemable Preference Share capital includes interest of Rs.78 Lacs.		



17. Other Financial Liabilities

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Lease Liabilities	133.48	41.01
Total	133.48	41.01

18. DEFERRED TAX LIABILITIES (NET)

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Depreciation and amortisation	1,475.91	1,469.85
Mat Receivables	-	(1,446.14)
Total	1,475.91	23.71

19. SHORT TERM BORROWINGS

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Secured loans		
Working Capital Loan	-	5,960.93
Total	-	5,960.93

(a) The Working Capital Loans are secured by the Hypothecation of Present and Future stock of Raw Materials, Stores, Stock in Process, Chemicals and Consumables, Fuels, Packing, Finished Goods etc. and Book Debts of the Company.

(b) The Loan is further secured by way of a Second Charge on Fixed Assets of the Company and personal guarantee of Promoter Director of the Company.

20. TRADE PAYABLES

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Trade Payables consist of the following:		
- micro, small and medium enterprises (refer note 37)	231.74	229.60
- others	5,399.04	2,658.10
Total	5,630.78	2,887.70

21. OTHER FINANCIAL LIABILITIES

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
(a) Interest accrued but not due on borrowings	-	7.00
(b) Current maturities of long term debt	-	2,003.59
(c) Unclaimed dividends	66.95	73.41
(d) Capital liabilities	5.00	43.96
(e) Expenses payable	666.99	525.93
(f) Lease Liability	13.37	0.68
Total	752.32	2,654.57

22. OTHER CURRENT LIABILITIES

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
(a) Advance from Customers	324.15	221.50
(b) Other liabilities	1,383.39	598.52
Total	1,707.55	820.02

23. PROVISIONS

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Employee Benefits	512.20	180.56
Total	512.20	180.56



24. REVENUE FROM OPERATIONS

(Rs.in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Revenue		
(a) Sale of Product (including excise duty)	74,438.99	59,705.59
(b) Freight and Handling Charges recovered	606.59	403.05
(I)	75,045.58	60,108.64
Other Operating Revenues		
(i) Export and Other Incentives	204.14	429.63
(ii) Miscellaneous Receipts & claims	60.85	116.35
(iii) Sales- Scrap & Waste Material	153.13	139.78
(iv) Foreign Exchange Fluctuations	83.93	129.97
(v) Lease Rent, Operation & Maintenance Charges	1,055.81	1,155.39
(II)	1,557.86	1,971.12
REVENUE FROM OPERATIONS (I+II)	76,603.44	62,079.77

(A) Revenue from contracts with customers disaggregated based on nature of products or services.		
Revenue from sale of products		
i) Mineral Processing	8,118.46	11,741.33
ii) Grain Processing	53,657.52	47,862.81
iii) Distillery	13,269.61	504.50
Other Operating Revenues		
(i) Export and Other Incentives	204.14	429.63
(ii) Miscellaneous Receipts & claims	60.85	116.35
(iii) Sales- Scrap & Waste Material	153.13	139.78
(iv) Foreign Exchange Fluctuations	83.93	129.97
(v) Lease Rent, Operation & Maintenance Charges	1,055.81	1,155.39
Total	76,603.44	62,079.77

(B) Revenue from contracts with customers disaggregated based on geography		
Domestic	68,758.38	50,407.21
Export	5,680.61	9,298.38
Total	74,438.99	59,705.59

(C) Reconciliation of gross revenue with the revenue from contracts with customers		
Gross revenue #	74,482.81	59,753.60
Less: discounts	(43.82)	(48.01)
Total	74,438.99	59,705.59

Revenues are recorded at a point in time. The Company has no remaining performance obligations once the goods are delivered to the customer as per terms of the contract.

(D) Receivables, contract assets and contract liabilities from contracts with customers		
Trade receivables*	9,838.15	8,236.90
Contract balances		
– Advances from customers **	(324.15)	(221.50)
Total	9,514.00	8,015.40

* Trade receivables are non-interest bearing and are generally due within 0 to 90 days. There is no significant financing component in any transaction with the customers.

** The adjustments of advances during the year are not considered to be significant.



25. OTHER INCOME

(Rs.in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Interest Income On Bank Deposits & Others	65.61	93.55
(b) Dividend Income On Investments	0.24	0.99
(c) Gain / (Loss) on sale of investments (Net) On Investments	13.04	-
(d) Profit/ (Loss) on property, plant and equipment sold / discarded (Net)	82.02	0.18
(e) Other Non-Operating income	26.50	-
Total	187.42	94.72

26. COST OF MATERIALS CONSUMED

(Rs.in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Raw Material	36,055.47	35,496.96
Total	36,055.47	35,496.96

27. PURCHASE OF GOODS TRADED

(Rs.in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Purchase of Stock in Trade	471.74	704.73
Total	471.74	704.73

28. CHANGE IN INVENTORIES

(Rs.in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Opening inventories		
(a) Traded Goods	94.77	46.64
(b) Work in progress	695.18	640.19
(c) Finished Goods	2,557.71	1,812.45
	3,347.66	2,499.27
(b) Less: Closing Inventories		
(a) Traded Goods	35.08	94.77
(b) Work in progress	749.80	695.18
(c) Finished Goods	1,898.08	2,557.71
	2,682.97	3,347.66
Total	664.69	(848.39)

29. EMPLOYEE BENEFITS EXPENSES

(Rs.in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Salaries and Wages	2,579.95	1,963.67
(b) Contribution to Provident and Other Funds	122.76	78.98
(c) Employee Welfare	157.87	125.78
Total	2,860.58	2,168.43

30. FINANCE COST

(Rs.in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Interest & Charges on Bank borrowing for working Capital	408.36	647.27
(b) Interest on Term and Other Loans	168.31	393.58
(c) Gain on foreign currency transactions and translation	-	-
(d) Interest Expenses recognised on Redeemable Preference Shares	78.00	97.24
Total	654.67	1,138.08

31. DEPRECIATION AND AMORTIZATION EXPENSES

(Rs.in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Depreciation on Property, Plant and Equipment	3,252.29	3,098.04
(b) Amortisation on Intangible Assets	3.08	3.92
Total	3,255.37	3,101.96



32. OTHER EXPENSES

(Rs.in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Process Chemicals & Consumables	5,393.81	3,697.47
(b) Stores, Spare Parts & Packing	2,864.37	2,127.64
(c) Power and Fuel	8,310.81	6,627.94
(d) Repair & Maintenance:		
-Building	4.51	4.50
-Plant & Machinery	1,263.21	647.05
(e) Rates and Taxes	335.99	127.00
(f) Rent	109.55	79.32
(g) Printing and Stationary	26.51	24.26
(h) Advertisement and Publicity	4.83	4.07
(i) Subscription and Membership fees	9.62	10.72
(j) Travelling Expenses	114.06	177.18
(k) Legal and Professional Expenses	216.54	218.60
(l) Payment to Auditors*	8.00	6.25
(m) Communication Charges	46.73	56.01
(n) Repair and Maintenance	50.18	47.31
(o) Insurance	92.28	82.33
(p) Donation	0.63	1.67
(q) Corporate Social Responsibility expenses**	218.09	37.46
(r) Miscellaneous Expenses	17.95	9.19
(s) Allowance for Doubtful trade receivables	98.32	-
(t) Commission & Discount	125.38	133.92
(u) Freight and Forwarding Expenses	4,099.14	3,489.27
(v) Others	68.00	61.34
Total	23,478.51	17,670.49
(*) (c) Details of Auditors Remuneration are as follows:		
(i) Statutory Audit Fees	6.25	5.00
(ii) Limited Review Fee	1.25	1.00
(iii) Reimbursement of expenses		
(iv) Other Management Services, Consultancy and certification Charges	0.50	0.25
	8.00	6.25

() Details of Corporate Social Responsibility expenditure in accordance with section 135 of the Companies Act, 2013:**

Particulars	2020-21	2019-20
Gross amount required to be spent by the Company during the year	51.99	53.93
Amount Spent during the year	218.09	37.46
Amount Unspent during the year	-	16.47

The company made excess expenditure on CSR amounting Rs. 166.11 Lakhs (includes expenditure of Rs. 16.47 Lakhs which is unspent carry forward from last year.



33. Disclosure in respect of employee benefits under Indian Accounting Standard (Ind AS) – 19 "Employee Benefits" are given below:

i) **Defined Contribution Plan**

Employers' contribution towards provident fund amounting to INR 36.73 Lakhs (Previous year INR 39.13 Lakhs) is recognized as an expense and included in Employee Benefit expenses Note No 29.

ii) **Defined Benefit Plan**

Gratuity

The company provides for gratuity, a defined benefit retirement plan, covering eligible employees. The gratuity plan provides lump sum payments to vested employees at retirement, death, incapacitation or termination of employment, of an amount equivalent to 15 days salary for each completed year of service. Vesting occurs on completion of 5 continuous years of service as per Indian law. However, no vesting condition applies in case of death.

The company makes contributions to LIC through a trust which is funded defined benefit plan for qualifying employees.

Expected contributions to gratuity plans for the year 2021-22 are INR 32.47 Lakhs

Reconciliation of present value of defined benefit obligation

(Rs in Lakhs)

Particulars	Gratuity (Funded)	
	31 st March 2021	31 st March 2020
Change in the Present value of obligation		
Balance at the beginning of the year	330.85	268.42
Benefits paid	-	(15.18)
Current service cost	33.44	33.70
Interest cost	22.66	20.71
Past Service cost	-	-
Actuarial (gains) losses recognised in profit and loss:		
-Changes in demographic assumptions	-	-
Actuarial (gains) losses recognised in OCI:		
-Changes in demographic assumptions	-	(0.02)
-Changes in financial assumptions	1.72	24.30
-Experience adjustments	(80.29)	(1.06)
Balance at the end of the year	308.39	330.85

Particulars	Gratuity (Funded)	
	31 st March 2021	31 st March 2020
Change in the fair value of plan asset		
Balance at the beginning of the year	332.02	298.95
Contributions paid into the plan	1.32	10.00
Benefits paid	-	-
Expected Return on Plan Asset	24.46	23.07
Opening Adjustment	(2.39)	-
Mortality Charges	(3.38)	-
Actuarial Gain/(Loss) on Planned Assets	-	-
Balance at the end of the year	352.04	332.02
Net Defined Benefit Asset/(Liability)	43.65	1.17

Particulars	Gratuity (Funded)	
	31 st March 2021	31 st March 2020
Expense recognized in profit or loss		
Current service cost	33.45	33.70
Interest cost	0.08	(2.36)
Actuarial (Gain)/Loss	-	-
TOTAL	33.53	31.34



D Particulars	Gratuity (Funded)	
	31 st March 2021	31 st March 2020
Expense recognized in OCI		
Actuarial (gains) / losses		
- change in demographic assumptions	-	(0.02)
- change in financial assumptions	1.72	24.30
- experience variance (i.e. Actual experience vs assumptions)	(80.29)	(1.06)
- return on plan assets, excluding amount recognized in net interest expense	1.50	-
TOTAL	77.07	23.21

E Plan Assets

Plan Assets comprise of the following:

(Rs in lakhs)

Particulars	31 st March 2021	31 st March 2020
Equities	0%	0%
Bonds	0%	0%
Gilts	0%	0%
Pooled assets with an insurance company*	100%	100%
Others	0%	0%
TOTAL	100%	100%

* The company's assets are managed by the Life Insurance Corporation of India, the total assets held as on 31st March 2020 is INR 332.02 Lakhs.

F Actuarial Assumptions	Gratuity (Funded)	
	31 st March 2021	31 st March 2020
Economic assumptions:		
Discount Rate (Per annum)	6.79%	6.85%
Future Salary increase	6.50%	6.50%
Demographic assumptions:		
Retirement Age (Years)	58	58
Mortality rates inclusive of provision for disability**	IALM (2012-14)	IALM (2012-14)
Withdrawal Rate (%)	1.00%	1.00%

** The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 13.42 years (31st March 2020: 9 years).

G Sensitivity Analysis

Particulars	Gratuity (Funded)	
	31 st March 2021	31 st March 2020
Present Value of Obligation at the end of the period	308.39	330.85
a) Discount rate-100 basis points	29.96	363.74
b) Discount rate+100 basis points	(27.78)	302.61
c) Salary Growth Rate -100 basis points	(27.97)	302.27
d) Salary Growth Rate+100 basis points	29.90	363.52

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.



H Risk Exposure

Investment Risk-The funds are invested by LIC and they provide returns on the basis of the prevalent bond yields. LIC on an annual basis requests for contributions to the fund, while the contribution requested may not be on the same interest rate as the prevalent bond yields, based on the past experience it is a low risk.

Interest Risk-LIC does not provide market value of assets, rather maintains a running statement with interest rates declared annually. The fall in interest rate is not therefore offset by increase in value of bonds, hence may pose a risk.

Longevity Risk-Since the gratuity payment happens at the retirement age of 58, longevity impact is very low at this age, hence this is a non-risk.

Salary Risk-The liability is calculated taking into account the salary increases, basis our past experience of salary increases with the assumptions used, they are in line, hence this risk is low.

I Maturity profile of defined benefit obligation

(Rs in lakhs)

Actuarial Assumptions	Gratuity (Funded)	
	31 st March 2021	31 st March 2020
Year 1		
Years 2-5	24.47	39.89
Years 6-10	67.34	90.07
Beyond 10	81.86	150.65
	134.74	441.29

34. INCOME TAX

A. Amounts recognised in profit or loss

(Rs in lakhs)

Particulars	31 st March 2021		31 st March 2020	
	Current tax expense			
Current year	1813.17		495.94	
Add: MAT Credit utilised	1285.05		47.95	
		3,098.22		543.89
Deferred Tax Expense		3,098.22		543.89
Property, plant and equipment		6.06		
				139.93
Total Tax Expense		3,104.28		683.82

As per Indian tax laws, companies are liable for a Minimum Alternate Tax ("MAT" tax) when current tax, as computed under the provisions of the Income Tax Act, 1961 ("Tax Act"), is determined to be below the MAT tax computed under section 115JB of the Tax Act. The excess of MAT tax over current tax is eligible to be carried forward and set-off in the future against the current tax liabilities over a period of 15 years

B. Movement in deferred tax balances

(Rs in lakhs)

Particulars	As at	Recognized in P&L	Recognized in OCI	As at
	31 st March 2020			31 st March 2021
Deferred Tax Assets				
MAT Receivable	1,446.14	(1,446.14)	-	-
Total Deferred Tax Assets	1,446.14	(1,446.14)	-	-

Particulars	As at	Recognized in P&L	Recognized in OCI	As at
	31 st March 2020			31 st March 2021
Deferred Tax Liabilities				
Property, plant and equipment	1469.85	6.06	-	1,475.91
Total Deferred Tax Liabilities	1,469.85	6.06	-	1,475.91
Net Deferred Tax Assets (Liability)	(23.71)	(1,440.08)	-	(1,475.91)



35. Financial instruments and risk management

I. Financial instruments by category

(Rs in Lakhs)

	As at 31.03.2021				As at 31.03.2020			
	FV TPL	FVTOC I	Amortised Cost	Total Carrying Value	FVTP L	FVTOCI	Amortised Cost	Total Carrying Value
Financial Assets								
Investments								
- in equity instruments	-	41.95	-	41.95	-	41.95	-	41.95
Trade Receivable	-	-	9,838.15	9,838.15	-	-	8,236.90	8,236.90
Security deposits	-	-	506.93	506.93	-	-	459.66	459.66
Term deposit with banks	-	-	192.30	192.30	-	-	83.69	83.69
Cash and cash equivalents	-	-	1,787.89	1,787.89	-	-	242.51	242.51
Bank balances other than above	-	-	66.95	66.95	-	-	73.41	73.41
Total Financial Assets	-	41.95	12,392.22	12,434.17	-	41.95	9,096.17	9,138.12
Financial Liabilities								
Term loans from bank	-	-	-	-	-	-	1,000.00	1,000.00
Obligations under finance leases and hire purchase contracts	-	-	-	-	-	-	133.94	133.94
Redeemable preference shares	-	-	1,053.00	1,053.00	-	-	975.00	975.00
Lease liability	-	-	146.86	146.86	-	-	41.69	41.69
Working capital loans	-	-	-	-	-	-	5,960.93	5,960.93
Trade payables	-	-	5,630.78	5,630.78	-	-	2,887.70	2,887.70
Interest accrued but not due on borrowings	-	-	-	-	-	-	7.00	7.00
Current maturities of long-term debt	-	-	-	-	-	-	2,003.59	2,003.59
Unclaimed dividends	-	-	66.95	66.95	-	-	73.41	73.41
Capital liabilities	-	-	5.00	5.00	-	-	43.96	43.96
Expenses payable	-	-	666.99	666.99	-	-	525.93	525.93
Total Financial Liabilities	-	-	7,569.58	7,569.58	-	-	13,653.15	13,653.15

II. Fair value hierarchy

The following table provides an analysis of financial instruments that are measured at fair value and have been grouped into Level 1, Level 2 and Level 3 below:

As at 31 March 2021	Note No	Level 1	Level 2	Level 3	Total
Financial Assets					
Financial Instruments at FVTOCI					
Unquoted equity instruments	5	-	-	41.95	41.95
Total financial assets		-	-	41.95	41.95



As at 31 March 2020	Note No	Level 1	Level 2	Level 3	Total
Financial Assets					
Financial Instruments at FVTOCI					
Unquoted equity instruments	5	-	-	41.95	41.95
Total financial assets		-	-	41.95	41.95

Level 1: Quoted prices in the active market. This level of hierarchy includes financial assets that are measured by reference to quoted prices in the active market. This category consists of debt based open ended mutual funds.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. The company does not have any investments which are categorized as Level 2.

Level 3: Valuation techniques with unobservable inputs. This level of hierarchy includes items measured using inputs that are not based on observable market data (unobservable inputs). Fair value determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instruments nor based on available market data. This is the case for investment in unlisted equity securities.

Note:

- There are no transfers between level 1 and level 2 during the year.
- The fair value of financial assets and liabilities approximate their carrying amount measured under Level III hierarchy.

The fair value of the financial assets are determined at the amount that would be received to sell an asset in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:

Investments in debt mutual funds: Fair value is determined by reference to quotes from the financial institutions, i.e. net asset value (NAV) for investments in mutual funds declared by mutual fund house.

Unquoted equity investments: Fair value is derived on the basis of income approach; in this approach the discounted cash flow method is used to capture the present value of the expected future economic benefits to be derived from the ownership of these investments.

Reconciliation of Level 3 fair value measurement

(Rs in Lakhs)

	Unlisted equity instruments
As at 01 April 2019	46.73
Acquisition/(Dispose of)	(4.78)
Gains/(losses) recognized	-
- in other comprehensive income	-
As at 31 March 2020	41.95
Acquisition/(Dispose of)	-
Gains/(losses) recognized	-
- in other comprehensive income	-
As at 31 March 2021	41.95

III. Financial risk management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.



This note explains the sources of risk which the entity is exposed to and how the entity manages the risk in the financial statements: -

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables and financial assets measured at amortized cost	Ageing analysis	Diversification of bank deposits and credit limits
Liquidity risk	Business commitment and other liabilities	Credit rating	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Future commercial transactions Recognized financial assets and liabilities not denominated in Indian rupee	Rolling cash flow forecasts Cash flow forecasting	Forward foreign exchange contracts
Market risk - security prices	Investments in equity instruments and debt mutual funds	Sensitivity analysis	Portfolio diversification

i. Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations. To manage trade receivable, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, economic trends, analysis of historical bad debts and ageing of such receivables. The Company computes an allowance for impairment of trade receivables for unrelated parties based on a simplified approach, that represents its expected credit losses. The Company uses an allowance matrix to measure the expected credit loss of trade receivables. Loss rates are based on actual credit loss experienced over the past 3 years. These loss rates are adjusted with scalar factors to reflect differences between current and historical economic conditions and the management's view of economic conditions over the expected lives of the receivables.

Financial instruments that are subject to such risk, principally consist of investments, trade receivables and other loans and advances. None of the financial instruments of the Company results in material concentration of credit risks.

Expected credit loss for trade receivables under simplified approach

The Company recognizes lifetime expected credit losses on trade receivables using a simplified approach, wherein the Company has defined percentage of provision by analyzing historical trend of default relevant to each category of customer based on the criteria defined above and such provision percentage determined have been considered to recognize life time expected credit losses on trade receivables (other than those where default criteria are met).

As at March 31, 2021

(Rs in Lakhs)

Particulars/ days post due	<=90 days	91-180 days	181-365 days	366-730 days	731-1095 days	More than 1095 days	Total
Gross carrying amount	8,921.58	364.09	80.92	395.54	170.91	3.42	9,936.46
Expected loss rate	0.19%	0.19%	0.19%	9.25%	25.00%	50.00%	
Expected credit loss (Loss allowance provision)	16.46	0.67	0.15	36.59	42.73	1.71	98.31
Carrying amount of trade receivables (net of impairment)	8,905.12	363.42	80.77	358.95	128.18	1.71	9,838.15



Reconciliation of loss allowance provision – Trade and other receivables (Rs in Lakhs)

Particulars	31 st March 2021	31 st March 2020
Opening balance	0.00	48.69
Provision made during the year	98.31	-
Trade receivables written off during the year	-	(48.69)
Provision reversed during the year / collection	-	-
Closing balance	98.31	0.00

Other than financial assets mentioned above, none of the financial assets were impaired and there were no indications that defaults in payment obligations would occur.

Concentration of significant credit risk

There is no concentration of customer risk so far transactions with non-related parties are concerned.

ii. Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and to ensure funds are available for use as per the requirements. The company mitigates liquidity risk by way of formulation of cash budget and comparison of actual cash flows with budget on a continuous basis.

(Rs in Lakhs)

	Contractual cash flows			
	31 st March 2021	< 1 year	2 to 5 Years	5 years <
Non-derivative financial liabilities				
Borrowings (Long Term)	1,053.00	78.00	975.00	-
Trade Payables	5,630.78	5,630.78	-	-
Other financial liabilities	885.80	752.32	36.81	96.67
Total non-derivative liabilities	7,569.58	6,461.10	1,011.81	96.67

	Contractual cash flows			
	31 st March 2020	< 1 year	2 to 5 Years	5 years <
Non-derivative financial liabilities				
Borrowings (Long Term)	2,149.95	-	2,149.95	-
Borrowings (Short Term)	5,960.93	5,960.93	-	-
Trade Payables	2,887.70	2,887.70	-	-
Other financial liabilities	2,654.57	2,654.57	-	-
Total non-derivative liabilities	13,653.15	11,503.20	2,149.95	-

iii. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, debt and equity investments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.



a. **Foreign Currency risk**

Currency risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in the foreign exchange rate. The Company has exposure to foreign currency risk on account of its payables and receivables in foreign currency which are mitigated through the guidelines under the approved foreign currency risk management policy. The Company enters into forward foreign exchange contracts to mitigate the foreign currency risk. The carrying amounts of the company's foreign exchange monetary items as at the end of reporting period are as follows:

	As at 31 st March 2021	Conversi on rates	As at 31 st March 2020	Conversi on rates
Transaction currency	USD (in Lakhs)	INR	USD (in Lakhs)	INR
--> Financial assets				
Trade receivables	12.00	73.50	13.06	75.39
Financial liabilities				
Borrowings	0.00	0.00	14.50	65.50
Net statement of financial position Exposure	12.00		(1.44)	

Note: The company has no foreign currency loan at the year end. It had foreign currency exposure only on account of Trade Receivables which is unhedged.

Sensitivity analysis

The Company's currency exposures in respect of foreign currency monetary items at each period end presented that result in net currency gains and losses in the income statement and equity arise principally from movement in INR exchange rates. At each period end, if INR had weakened by 10% against the USD, with all other variables held constant, the changes in profit or loss will be as summarized in the following table. 10% is the sensitivity rate used when reporting to foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis has been carried out without considering the hedged items. A positive number below indicates an increase in profit or equity and vice-versa.

(Rs in Lakhs)

	Profit or loss	
	Strong	Weak
31st March 2021		
USD (10% movement)	88.20	(88.20)
31st March 2020		
USD (10% movement)	98.46	(98.46)

b. **Interest rate risk**

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. Any rise in market rate of interest effective effecting valuation of financial instruments, financial assets and financial liabilities have been regularly analyzed for mitigation measure.



Exposure to interest rate risk

The interest rate profile of the company's interest-bearing financial instruments as reported to the management is as follows.

Particulars	Nominal Amount	
	31 st March 2021	31 st March 2020
Financial Assets/Liabilities		
Variable-rate instruments		
Long term borrowings	-	1,133.94
Short Term Borrowings	-	5,960.93
Fixed-rate instruments		
Long Term Borrowings	1,053.00	975.00

(Profit) or loss

Particulars	50 bp increase	50 bp decrease
31st March 2021		
Variable-rate instruments	-	-
31st March 2020		
Variable-rate instruments	44.03	(44.03)

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

c Fiscal Risk

The company does not foresee any material fiscal risk pertaining to its overseas transactions with related parties in respect of which its application for advance pricing agreement is pending before fiscal authorities for years even though authorities make any upward revision of prices. Though overseas transactions with related parties for many years are conducted as per application made for advance pricing agreement, impact of any upward revision of prices of any of the items of out-put is unlikely to give rise to any additional financial liability considering huge carry forward loss and unabsorbed depreciation as per company's income tax return.

36 Capital Management

For the purpose of the Company's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders of the parent. The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and short-term deposits.



Particulars	(Rs in Lakhs)	
	31 st March 2021	31 st March 2020
Interest-bearing loans and borrowings (Note No 16, 19)	1,053.00	8,069.87
Trade and other payables (Note 17, 20, 21 & 22)	8,224.12	6,403.31
Less: cash and short-term deposits (Note 11)	1,787.89	242.51
Net debt	7,489.23	14,230.67
Reserve & Surplus (Note 15)	36,086.07	30,059.90
Equity (Note 14)	469.17	469.17
Total Capital	36,555.24	30,529.07
Capital and net debt	44,044.47	44,759.74
Gearing ratio	17.00%	31.79%

In order to achieve this overall objective, the Company's capital management, among other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches of the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2021 and 2020.

37. Details of dues to micro, small and medium enterprises as defined under the Micro Small and Medium Enterprises Development Act, 2006 ["MSMED Act"]:

SNO	Particulars	31 st March 2021		31 st March 2020	
1	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	231.74	-	229.60	-
2	The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-	-
3	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act	-	-	-	-
4	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-	-	-
5	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act	-	-	-	-



38. Leases

Company as a lessee

The Company has adopted Ind AS 116 "Leases" effective April 1, 2019 as notified by the Ministry of Corporate Affairs ("MCA") and applied the Standard to its leases using the simplified approach. This has resulted in recognising right-of-use assets and corresponding lease liabilities.

Recognition and Carrying value of right-of-use assets for the period ended March 31, 2021: (Rs. in lakhs)

Particulars	
Balance as at beginning of the period	922.52
Right of use asset recognised during the period	118.21
Depreciation charged during the period	28.68
Total	1,012.05

The following is the break-up of current and non-current lease liabilities as at March 31, 2021

Particulars	
Current lease liabilities	13.37
Non-current lease liabilities	133.48
Total	146.85

The following is the movement in lease liabilities during the period ended March 31, 2021:

Particulars	
Balance as at beginning of the period	41.69
Lease liability recognised during the period	103.12
Finance cost accrued during the period	15.42
Lease rent paid/payable during the period	13.37
Lease liability at the end of the period	146.86

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2021 on an undiscounted basis:

Particulars	
Not later than one year	13.37
Later than one year and not later than five years	53.50
Later than five years	400.82

The Company has incurred Rs. NIL for the period ended March 31, 2021 towards expense relating to short-term leases which has not been considered to be recorded as lease liability.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising, is accounted for on a straight-line basis over the lease terms.



39. DETAIL OF SALES, RAW MATERIAL CONSUMPTION, INVENTORIES, ETC. UNDER BROAD HEADS ARE GIVEN BELOW:

A. Raw Materials Consumed:

(Rs.in Lakhs)

Products	2020-21	2019-20
Rice	14,451.40	4,670.12
Corn/Starch	19,580.02	27,083.61
Lime & Lime Stone	2,024.05	2,238.14
Capital Goods	0.00	1,505.10
TOTAL	36,055.47	35,496.97

B. Traded Goods

(Rs.in Lakhs)

Products	Purchases		Sales		Opening Stock		Closing Stock	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Calcium Carbonate	471.74	704.73	1,022.63	1,112.89	94.77	46.64	35.08	94.77
TOTAL	471.74	704.73	1,022.63	1,112.89	94.77	46.64	35.08	94.77

C. Manufactured Goods

(Rs.in Lakhs)

Products	Sales		Opening Stock		Closing Stock	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
1. Sorbitol & Sweetner	21,287.26	20,967.86	535.00	362.47	498.70	535.00
2. Fructose	13,289.36	7,551.74	310.65	240.05	335.19	310.65
3. Starch	8,895.79	10,710.13	810.01	277.57	97.57	810.01
4. Calcium Carbonate	7,095.89	7,976.40	275.14	449.71	273.02	275.14
5. By Products	11,820.22	8,685.87	388.47	136.96	285.74	388.47
6. Liquor/CL and HS	2,718.57	451.71	238.44	345.69	201.90	238.44
7. Ethanol	8,915.87	0.00	0.00	0.00	205.96	0.00
8. Capital Goods	0.00	2,652.05	0.00	0.00	0.00	0.00
TOTAL	74,022.96	58,995.76	2,557.71	1,812.45	1,898.08	2,557.71

40 A. C.I.F. value of imports by the Company (Excluding imported items purchased locally): (Rs.in Lakhs)

Particulars	2020-21	2019-20
Raw Materials, Stores and Components	1,615.65	2,193.22
Capital Goods	107.62	435.49

B. Expenditure in foreign currency during the year:

(Rs.in Lakhs)

Particulars	2020-21	2019-20
Interest	19.67	159.34
Commission	36.87	27.43
Travelling	19.67	31.02
Technical Service Expenses	66.59	77.09
Legal & Professional Fee	5.39	5.82

C. Earnings in Foreign Exchange:

(Rs.in Lakhs)

Particulars	2020-21	2019-20
Export of Goods on F.O.B. basis	5,680.61	9,298.38

D. Value of Raw Materials, Coal and Fuel and Stores and Spares consumed during the year ended:

Particulars	Value (Rs.in Lakhs)			
	2020-21	2019-20	2020-21	2019-20
Raw Materials:				
Imported	0.00	1,302.46	0.00	0.00
Indigenous	36,055.47	34,194.51	100.00%	100.00%
	36,055.47	35,496.97	100.00%	100.00%
Coal and Fuel:				
Imported	0.00	0.00	0.00	0.00
Indigenous	5,449.53	3,729.64	100.00%	100.00%
	5,449.53	3,729.64	100.00%	100.00%
Stores and Spares:				
Imported	60.82	112.88	20.73%	56.17%
Indigenous	232.56	88.08	79.27%	43.83%
	293.38	200.96	100.00%	100.00%



41. Contingent Liabilities in respect of:

- i) Corporate guarantee (in the form of counter guarantee) extended to Gujarat Industrial Development Corporation (GIDC) for Rs.7.39 Lakhs (Previous year Rs.7.39 Lakhs) on account of Bharuch Eco Infrastructure Limited, for proportionate share of financial assistance pertaining to the Company extended to GIDC by Industrial Development Finance Corporation (IDFC) for laying the common pipe line for treated water from industrial units.
- ii) Bank guarantees of Rs. 715.38 Lakhs (Previous Year 884.95 Lakhs) includes Financial and Performance guarantees issued in favour of Statutory Authorities, PSU, Government bodies and Corporates.
- iii) Estimated amounts of contracts remaining to be executed on capital account and not provided for Rs. 6252.25 Lakhs (Previous year Rs. 71.04 Lakhs).

42. Related Party Transactions as per Indian Accounting Standard 24:

The disclosure in pursuance to Indian Accounting Standard-24 on "Related Party disclosures" is as under:

- (a) Name of related party and nature of related party relationship where control exist:
 - (i) Holding Company : Gulshan Holding Pvt. Ltd.
 - (ii) Subsidiary Company : Nil
- (b) Name of related party and nature of related party relationship other than those referred to in (a) above having transaction with the company:
 - (i) Joint Ventures etc. : Nil
 - (ii) Key Management Personnel : Dr. Chandra Kumar Jain, Managing Director
Mrs. Aditi Pasari, Whole Time Director
Mrs. Arushi Jain, Whole Time Director
Mr. Ashwani Kumar Vats, CEO & Whole Time Director
Mr. Rajiv Gupta, CFO
Ms. Asha Mittal, CS
 - (iii) Relative of KMP : Mrs. Mridula Jain
 - (iv) Corporate entities over which key Management personnel are able to exercise significant influence:
Gulshan Lamee Pack Pvt. Ltd, Gulshan Specialty Minerals Private Limited, Gulshan Sugar & Chemicals Ltd., Reliance Expovision Pvt Ltd., East Delhi Importers & Exporters Pvt Ltd., ARP Developers Pvt Ltd., Oye Oye.com Online Services India LLP., Houzilla Interiors Pvt Ltd.

(v) Transactions with related parties of the period 01.04.2020 to 31.03.2021 (Rs.in Lakhs)

(a) Key Managerial Personnel	2020-21	2019-20
Remuneration to Key Personnel:		
- Salaries & Perks	352.18	387.70
- Commission on Profits	400.00	-
Rent Paid - Dr. C.K Jain	114.70	64.80
- Mrs. Mridula Jain, Relative	9.60	9.60
(b) Others		-
Gulshan Holding Private Ltd. - Interest paid	0.00	3.37
Gulshan Lamee Pack Pvt. Ltd.- Product Sales	37.22	50.64
(c) Gulshan Lamee Pack Pvt. Ltd- Outstanding balance as on 31.03.2021 (Dr.)	2.58	12.18



43. Earning Per Share

(Rs.in Lakhs)

Particulars	2020-21	2019-20
1 Net Profit After Tax	6,245.55	2,058.40
2 Weighted Average of number of Equity Share outstanding during the year	469.17	469.17
3 Basic Earning Per Share of Rs.1/- each	13.31	4.39
4 Diluted Earning Per Share of Rs.1/- each	13.31	4.39

44. Information on segment reporting pursuant to Ind AS 108 – Operating Segments Operating segments:

Segments Operating segments:

- Mineral Processing
- Grain Processing
- Distillery

Identification of Segments:

The chief operational decision maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss of the segment and is measured consistently with profit or loss in the financial statements. Operating segments have been identified on the basis of the nature of products.

Segment revenue and results:

The expenses and income which are not directly attributable to any business segment are shown as Un-allocable expenditure (net of un-allocable income).

Segment assets and liabilities:

Assets used by the operating segment mainly consist of Property, Plant and Equipment, Trade Receivables, Cash and Cash Equivalents and Inventories. Segment Liabilities include Trade Payables and Other Liabilities. Common Assets and Liabilities which cannot be allocated to any of the segments are shown as a part of Un-allocable Assets/ Liabilities.

(Rs. in Lakhs)

Particulars	Mineral Processing		Grain Processing		Distillery		Total	
	31 st March 2021	31 st March 2020	31 st March 2021	31 st March 2020	31 st March 2021	31 st March 2020	31 st March 2021	31 st March 2020
Revenue								
External sales	9,237.46	13,144.68	54,080.63	48,430.59	13,269.60	504.49	76,587.69	62,079.77
Unallocated							15.75	0.00
Total Revenue	9,237.46	13,144.68	54,080.63	48,430.59	13,269.60	504.49	76,603.44	62,079.77
Results								
Segment results before interest and Finance cost	1,729.13	3,291.26	6,631.03	1,091.82	1,579.25	(473.20)	9,939.41	3,909.88
Un-allocable Income	-	-	-	-	-	-	65.09	(29.57)
Operating Profit	1,729.13	3,291.26	6,631.03	1,091.82	1,579.25	(473.20)	10,004.50	3,880.31
Interest Expenses							654.67	1,138.08
Current Tax (Net of MAT)							3,098.21	543.89
Deferred Tax Charge							6.06	139.93
Net Profit							6,245.55	2,058.40



Other Information

	Mineral Processing		Grain Processing		Distillery		Others		Total	
	31 st March 2021	31 st March 2020	31 st March 2021	31 st March 2020	31 st March 2021	31 st March 2020	31 st March 2021	31 st March 2020	31 st March 2021	31 st March 2020
Segment Assets	6,553.61	6,261.31	28,242.84	27,667.77	12,810.90	10,838.44	-	-	47,607.35	44,767.52
Unallocated Assets	-	-	-	-	-	-	2,041.24	930.74	2,041.24	930.74
TOTAL ASSETS	6,553.61	6,261.31	28,242.84	27,667.77	12,810.90	10,838.44	2,041.24	930.74	49,648.59	45,698.26
Segment Liabilities	1,486.72	941.93	5,214.88	13,417.96	1,447.27	1,264.22	-	-	8,150.88	15,624.11
Unallocated Liabilities & Provisions	-	-	-	-	-	-	4,942.48	(454.93)	4,942.48	(454.93)
TOTAL LIABILITIES	1,486.72	941.93	5,214.88	13,417.96	1,447.27	1,264.22	4,942.48	(454.93)	13,093.35	15,169.19

45. The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its valuation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.
46. **Standards issued but not yet effective**
Since there were no standard issued but not yet effective at the time of preparing the financial statements, hence the disclosure is not applicable.
47. The outbreak of COVID-19 pandemic globally and in India is causing significant disturbance and slowdown of economic activity. Company's operations were also severely affected due to interruption in production, supply chain disruption, unavailability of personnel, etc. The management of the Company has exercised due care in concluding significant accounting judgements and estimates in preparation of the financial results. In assessing the recoverability of Trade receivables, the Company has considered subsequent recoveries, past trends, credit risk profiles of the customers and internal and external information available up to the date of issuance of these financial results. In assessing the recoverability of inventories, the Company has considered the latest selling prices, customer orders on hand and margins. Based on the above assessment, the Company is of the view that the carrying amounts of Trade receivables and inventories are expected to be realizable to the extent shown in the financial results. The impact of COVID-19 may be different from the estimates as at the date of approval of these financial results and the Company will continue to closely monitor the development.

As per our report of even date attached

For RAJEEV SINGAL & CO.

Chartered Accountants

(Firm Registration No.008692C)



(RAJEEV KUMAR SINGHAL)

Partner

Membership no: 077834

UDIN: 21077834AAAACX6081

Dated: 22nd May, 2021
Place: Delhi



FOR AND ON BEHALF OF THE BOARD OF DIRECTORS



DR. CHANDRA KUMAR JAIN

Chairman & Managing
Director DIN: 0006222



ASHA MITTAL
Company Secretary



ASHWANI KUMAR VATS

Whole Time Director and
CEO DIN: 00052413



RAJIV GUPTA
Chief Financial Officer

RAJEEV SINGAL & CO.
CHARTERED ACCOUNTANTS

Reg. No. - 008692C
PAN- AAPFR2931N



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Muzaffarnagar (U.P.)-251001

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**INDEPENDENT AUDITORS' LIMITED REVIEW REPORT ON UNAUDITED
FINANCIAL RESULTS**

To,
The Board of Directors
Gulshan Polyols Limited

We have reviewed the accompanying statement of Unaudited Financial Results of Gulshan Polyols Limited for the quarter ended June 30, 2021. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

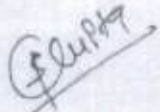
We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Rajeev Singal & Co.
Chartered Accountants
(Firm Registration No.: 008692C)



Place: Delhi
Date: July 21, 2021
UDIN: 21408730AAAAEL7187


(C.A. Sunil Kumar)
Partner
Membership No.408730

GULSHAN POLYOLS LIMITED
CIN: L24231UP2000PLC034918

Regd. Off.: 9th K.M., Jansath Road, MuzaffarNagar, U.P. - 251001

Tel. No.:011-49999200, Fax No.: 011-49999202

Website: www.gulshanindia.com Email: cs@gulshanindia.com

Statement of Un-Audited Financial Results for the Quarter Ended June 30, 2021

(Rs. in Lakhs)

Sr. No.	Particulars	Quarter ended		Year ended	
		30.06.2021 (Unaudited)	31.03.2021 (Audited)	30.06.2020 (Unaudited)	31.03.2021 (Audited)
1	Income from Operations				
	a. Revenue from Operations	23,855.51	22,734.54	12,095.22	76,603.44
	b. Other Income	41.42	130.82	8.34	187.42
	Total Income	23,896.93	22,865.36	12,103.56	76,790.86
2	Expenses :				
	(a) Cost of materials consumed	11,939.46	10,339.73	5,537.69	36,055.47
	(b) Purchases of Stock-in-Trade	107.89	(10.64)	40.54	471.74
	(c) Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	(213.90)	488.41	916.27	664.69
	(d) Employee benefits expenses	821.62	1,206.20	429.96	2,860.58
	(e) Finance Cost	81.99	171.83	218.59	654.67
	(f) Depreciation and amortization expenses	756.50	861.92	755.37	3,255.37
	(g) Other Expenses	6,886.77	6,421.84	3,486.35	23,478.51
	Total expenses	20,380.33	19,479.29	11,384.78	67,441.03
3	Profit from ordinary activities before tax	3,516.60	3,386.07	718.78	9,349.83
4	Tax Expense:				
	Current Tax	931.09	771.18	125.59	1,813.17
	Add: MAT Credit Available	-	451.18	65.19	1,285.05
	Deferred Tax	(33.52)	9.34	9.83	6.06
	Total Tax Expenses	897.57	1,231.68	200.61	3,104.28
5	Net Profit from ordinary activities after tax from continuing operations (3-4)	2,619.03	2,154.39	518.17	6,245.55
6	Profit/(Loss) from discontinued operations	-	-	-	-
7	Tax expense of discontinued operations	-	-	-	-
8	Profit/(Loss) from Discontinued operations (after tax) (6-7)	-	-	-	-
9	Other Comprehensive (income)/expenses (net of tax)				
	Item that will not to be reclassified to Profit and Loss:				
	(Gain)/loss of defined benefit obligation	-	(77.07)	-	(77.07)
	Income tax relating to items that will not be reclassified to profit or loss	-	14.95	-	14.95
	Other Comprehensive income/(expenses) (net of tax)	-	(62.12)	-	(62.12)
10	Total Comprehensive income for the period, Net of Tax (5+8-9)	2,619.03	2,216.51	518.17	6,307.67
11	Paid-up equity share capital	469.17	469.17	469.17	469.17
	Face value of the share (Rs.)				
12	Earning per equity share (face value Rs. 1/-each) (in rupees)				
	Basic	5.58	4.59	1.10	13.31
	Diluted	5.58	4.59	1.10	13.31


S.No	Notes:
1	The above Unaudited financial results have been reviewed and recommended by the Audit committee and approved by the Board of Directors in their respective meetings held on July 21, 2021. These Results have been subjected to Limited Review by the Statutory Auditors as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and they have expressed an unmodified opinion on the aforesaid Results.
2	The above Financial Results has been prepared in accordance with Indian Accounting Standards ('IND AS') prescribed under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other recognised accounting practices and policies to the extent applicable.
3	Figures for the previous period have been regrouped/ rearranged wherever necessary to make them comparable with current figure.
4	The Nomination, Remuneration and Compensation Committee, has granted Options under GPL Employees Stock Option Schemes - 2018 to eligible employees, which will be due for vesting from 1st April 2024 to 31st May 2024 at the exercise rate of Rs. 137/- per share (based on the Average Buying cost of the Company from the BSE/NSE market).
5	Results of Gulshan Polyols Limited for the above mentioned period are available on our website, www.gulshanindia.com and on the Stock Exchange website www.nseindia.com and www.bseindia.com.
6	The Hon'ble National Company Law Tribunal (NCLT), Allahabad Bench has issued an order dated July 14, 2021 (received on July 15, 2021) ordering meetings of shareholders and creditors of Gulshan Polyols Limited to be convened for the Scheme of Amalgamation executed between the Company, Gulshan Holdings Private Limited (Holding Company), East Delhi Importers & Exporters Private Limited (Group Company) and their respective Shareholders.

SEGMENT WISE REVENUE AND CAPITAL EMPLOYED FOR THE QUARTER ENDED JUNE 30, 2021

		(Rs in Lakhs)			
	Particulars	Unaudited Results for the Quarter ended	Audited Results for the Quarter ended	Unaudited Results for the Quarter ended	Audited Results for the Year ended
		30.06.2021	31.03.2021	30.06.2020	31.03.2021
1	Segment Revenue (Sales and Other Operating Income)				
	a) Ethanol (Bio-Fuel)/Distillery	4,398.96	4,625.12	1,199.96	13,269.60
	b) Mineral Processing	1,860.39	2,457.76	1,607.84	9,237.46
	c) Grain Processing	17,577.78	15,651.66	9,271.68	54,080.63
	d) Unallocated	18.38	-	15.75	15.75
	Total Segment Revenue	23855.51	22734.54	12095.22	76603.44
2	Segment Results (Profit from ordinary activities before tax and Interest)				
	a) Ethanol (Bio-Fuel)/Distillery	830.45	676.50	21.40	1,579.25
	b) Mineral Processing	247.91	380.80	351.05	1729.13
	c) Grain Processing	2467.02	2459.46	557.23	6631.03
	d) Unallocated	53.21	41.14	7.70	65.09
	Total Segment Results	3598.59	3557.90	937.38	10004.50
	Less: Finance Cost	81.99	171.83	218.59	654.67
	Total Profit before Tax from ordinary activities	3516.60	3386.07	718.78	9349.83
3	Segment Assets				
	a) Ethanol (Bio-Fuel)/Distillery	12938.23	12810.90	12228.94	12810.90
	b) Mineral Processing	6133.54	6553.61	6679.46	6553.61
	c) Grain Processing	31176.89	28242.84	26646.58	28242.84
	d) Unallocated	4026.44	2041.24	1279.29	2041.24
	Total	54275.10	49648.59	46834.26	49648.59
4	Segment Liabilities				
	a) Ethanol (Bio-Fuel)/Distillery	1198.58	1447.27	2907.43	1447.27
	b) Mineral Processing	1131.09	1488.72	2409.61	1488.72
	c) Grain Processing	9040.37	5214.88	9635.99	5214.88
	d) Unallocated	3730.78	4942.48	833.98	4,942.48
	Total	15100.82	13093.35	15787.02	13093.35

Date : July 21, 2021
Place : Delhi

For and on behalf of the Board



(Dr. Chandra Kumar Jain)
Chairman and Managing Director





Annexure XV

Independent Auditor's Report

To,
The Members of **Gulshan Holdings Pvt. Ltd.**
Report on the Audit of the Standalone financial statements

Opinion

We have audited the standalone financial statements of **Gulshan Holdings Pvt. Ltd.** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit, changes in equity and its cash flows for the year ended on that date.

Basis for opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs 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 (ICAI) 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key audit matters

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

"We have determined that there are no Key Audit Matters to communicate in our Report."

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual 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 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.

Management's Responsibility for the Financial Statements

The Company's management and Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, cash flows and Statement of changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Ind AS 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 financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Board of Directors is also responsible for overseeing the Company's financial reporting Process.

Auditor's Responsibility for the Audit of the 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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statement 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 the 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 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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 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, 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 standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended.
 - e) On the basis of the written representations received from the directors of the Company as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, 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" to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the matters to be included in the Auditors' Reports in accordance with the requirements of section 197(16) of the Act as amended:

No Managerial Remuneration is paid during the period ended on 31.03.2021

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has no pending litigations that would materially affect the financial position of the Company.
 - ii. The Company did not have any long-term contracts including derivative contracts; for which there were any material foreseeable losses.



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

For Aashish Bathla & Co.
Chartered Accountants
(Firm Registration No. 028043C)


Aashish Bathla
Proprietor



Place : Muzaffarnagar
Date: 06-07-2021

(Membership No. 446095)
UDIN:-21446095AAAACB6704



ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

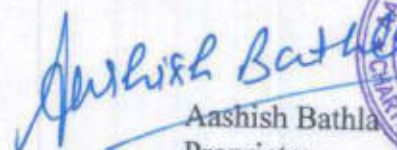
(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Gulshan Holdings Pvt. Ltd. of even date)

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets were physically verified by the Management during the Period in accordance with a regular program of verification, which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. As explained to us, no discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties included in Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
- ii. The Company did not have inventory during the Period under audit, in view of which Clause (ii) of paragraph 3 of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- iii. In our opinion and as per information and explanations given the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Proprietorships or other parties covered in the register maintained under section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. The Company has not accepted deposits within the meaning of section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as mentioned) during the Period and does not have any unclaimed deposits as at March 31, 2021 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi. As maintenance of Cost records has not been prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act 2013, the requirement to maintain cost records is not applicable to the company.
- vii. According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has been regular in depositing undisputed statutory dues including other material statutory dues applicable to it with the appropriate authorities.



- (b) According to the records of the Company and the information and explanations given to us, there were no disputed demands outstanding as at 31st March 2021 for a period of more than six months from the date they became payable.
- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and dues to Government.
- ix. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loans during the Period and hence reporting under clause (ix) of the Order is not applicable.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the Period.
- xi. In our opinion and according to the information and explanations given to us, the Company has not paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company has no transactions with its related parties during the period.
- xiv. During the Period, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) 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 Period the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For AASHISH BATHLA & CO.
Chartered Accountants
(Firm Registration No. 1283430)


Aashish Bathla

Proprietor
(Membership No. 446095)
UDIN:-21446095AAAACB6704



Place: Muzaffarnagar
Date: 06-07-2021



ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Gulshan Holdings Pvt. Ltd. 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 controls over financial reporting of Gulshan Holdings Pvt. Ltd. ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the Period ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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.

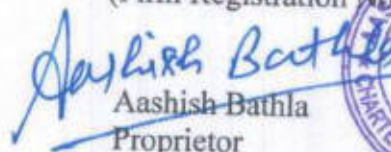
Opinion

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, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **AASHISH BATHLA & CO.**

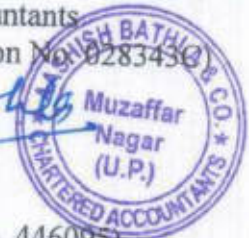
Chartered Accountants

(Firm Registration No. 0283430)


Aashish Bathla
Proprietor

(Membership No. 446095)

UDIN:-21446095AAAACB6704



Place: Muzaffarnagar

Date: 06-07-2021

GULSHAN HOLDINGS PRIVATE LIMITED

G-81 Preet Vihar, Vikash Marg, Delhi- 110092
BALANCE SHEET AS AT 31st March, 2021

PARTICULARS	Note No.	As at 31st March, 2021	Amount in lakhs As at 31st March, 2020
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	2		
(b) Financial Assets		138.80	139.52
(i) Investments	3		
(ii) Other Financial Assets	4	3,673.56	3,011.09
(c) Deferred Tax Assets	5	604.48	95.32
(d) Other Non-Current Assets	6	43.95	44.49
Total Non-Current Assets		<u>27.99</u>	<u>7.80</u>
(2) Current Assets			
(a) Financial Assets		4,488.75	3,298.22
(i) Cash and Cash Equivalents	7		
(ii) Other Bank Balances	8	6.56	75.32
(iii) Loans & Advances	9	53.36	1,004.28
Total Current Assets		<u>11.94</u>	<u>4.14</u>
Total Assets		<u>4,560.62</u>	<u>4,381.96</u>
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	10		
(b) Other Equity	11	7.07	7.07
Total Equity		<u>4,502.62</u>	<u>4,374.89</u>
LIABILITIES			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	12	-	-
(b) Deferred tax Liabilities	13	-	-
Total Non-Current Liabilities		<u>-</u>	<u>-</u>
(2) Current Liabilities			
(a) Financial Liabilities	14	0.00	-
(b) Other Current Liabilities	15	0.47	-
(c) Current Tax Liabilities		50.46	-
Total Current Liabilities		<u>50.93</u>	<u>-</u>
Total Equity and Liabilities		<u>4,560.62</u>	<u>4,381.96</u>

Significant accounting policies 1

Notes to the financial statements 2-24

The accompanying notes 1 to 21 are an integral part of the financial statements

As per our report of even date attached

For Aashish Bathia & Co.

Chartered Accountants

Registration No.: 089342C

Aashish Bathia
Aashish Bathia
(Proprietor)
Membership No.: 446095



For and on behalf of the Board of Directors

Chandra Kumar Jain
CHANDRA KUMAR JAIN
(DIRECTOR)

Arushi Jain
ARUSHI JAIN
(DIRECTOR)

Place : Muzaffarnagar

Date : 06-07-2021

UDIN:-21446095AAAACB6704

GULSHAN HOLDINGS PRIVATE LIMITED
G-81 Preet Vihar, Vikash Marg, Delhi- 110092
STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED 31st March, 2021

PARTICULARS	Note No.	Amount in lakhs	
		Period ended 31st March, 2021	Year ended 31st March, 2020
I Revenue from Operations	16	226.25	458.91
Total Income (I+II)		<u>226.25</u>	<u>458.91</u>
III EXPENSES			
Employee Benefits Expense	17	5.60	43.20
Finance Costs	18	24.39	8.65
Depreciation and Amortization Expense	19	0.73	0.39
Other Expenses	20	16.81	6.72
Total Expenses (III)		<u>47.52</u>	<u>58.96</u>
IV Profit before tax (I + II - III)		178.74	399.95
V Tax Expense:			
(1) Current Tax	29.83		
(2) MAT credit utilized	20.63	50.46	47.27
(3) Deferred Tax		0.54	0.06
(4) Tax Adjustment of earlier years		-	-
VI Profit for the year		<u>51.01</u>	<u>47.33</u>
Other Comprehensive Income		<u>127.73</u>	<u>352.62</u>
Items that will be reclassified to Profit or Loss:			
VII Effective portion of gain/(loss) on hedging instruments in cash flow hedge		-	-
VIII Income tax relating to items that will be reclassified to Profit or Loss		-	-
IX Other Comprehensive Income for the year (VII - VIII)		-	-
X Total Comprehensive Income for the year (VI + IX)		127.73	352.62
XI Earning per Equity Share in of Face Value of Rs. 1000/- each	21		
(i) Basic		18,066.35	49,876.22
(ii) Diluted		18,066.35	49,876.22

Significant accounting policies 1
Notes to the financial statements 2-24
The accompanying notes 1 to 23 are an integral part of the financial statements

As per our report of even date attached

For Aashish Bathia & Co

Chartered Accountants

Registration No. 028343C

Aashish Bathia

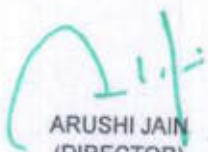
(Proprietor)

Membership No.: 446098



For and on behalf of the Board of Directors


CHANDRA KUMAR JAIN
(DIRECTOR)


ARUSHI JAIN
(DIRECTOR)

Place : Muzaffarnagar
Date : 06-07-2021
UDIN:-21446095AAAACB6704

GULSHAN HOLDING PRIVATE LIMITED
Statement of Cash Flow for the year ended 31st March, 2021

Particulars	(Rs.in Lakhs) Year ended 31/03/2021	(Rs.in Lakhs) Year ended 31/03/2020
A. Cash Flow from Operating Activities		
Profit before Tax		
Adjustment for :	178.74	399.96
Depreciation and Amortization Expenses		
Dividend income	0.73	0.39
(Gain) / Loss on disposal of Booking	(159.23)	(236.32)
(Gain) / Loss on disposal of shares	0.00	(6.50)
Interest income	2.49	0.00
Interest expenses	(69.51)	(216.09)
	24.39	8.65
Cash generated from operations before working capital changes	(22.40)	(49.92)
Adjustment for :		
Decrease/(Increase) in Non & Other current assets	413.77	1,806.46
(Decrease)/Increase in other current liabilities	0.47	(52.25)
(Decrease)/Increase in Deferred Tax & MAT	0.00	31.23
Cash generated from operating activities	391.84	1,735.52
Direct taxes paid for the year	0.00	(47.27)
Cash flows before exceptional items	391.84	1,688.25
Exceptional items	0.00	0.00
Net Cash flow generated from operating activities (A)	391.84	1,688.25
B. Cash Flow from Investing Activities (A)		
Purchase of proceeds of from purchase/maturity of non-current investments	(664.96)	(2,295.92)
Interest income	69.51	216.09
Gain / (Loss) on disposal of Booking	0.00	6.50
Dividend income	159.23	236.32
Net Cash Flow Generated from investing activities (B)	(436.21)	(1,837.01)
C. Cash Flow from Financing Activities		
Interest expenses	(24.39)	(8.65)
Repayment of short-term borrowings	0.00	(4.42)
Dividend Paid	0.00	(168.00)
Net Cash flow Generated from financing activities (C)	(24.39)	(181.07)
Net increase in cash and cash equivalents (A+B+C)	(68.76)	(329.82)
Cash and cash equivalents at the beginning of the year	75.32	405.14
Cash and cash equivalents at year end	6.56	75.32
Note:	(0.00)	(0.00)

The cash flow statement has been prepared under the indirect method as set out in Indina Accounting Standard (Ind AS 7) Statement of Cash Flows.

As per our report of even date

For Aashish Bathia & Co.

Chartered Accountants

Registration No. 128343C

Muzaffarnagar

Nagar (U.P.)

Chartered Accountants

Aashish Bathia

(Proprietor)

Membership No.: 416199

Date : 06-07-2021

Place : Muzaffarnagar

UDIN:-21446095AAAACB6704

For and on behalf of the Board of Directors


CHANDRA KUMAR JAIN
(DIRECTOR)


ARUSHI JAIN
(DIRECTOR)

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

NOTE : 1

CORPORATE INFORMATION :

The Company was incorporated on 20.11.1985 under the name Gulshan Marketing Private Limited in which it carried on marketing activities. Out of its accumulated earnings it had acquired securities of its group companies. Subsequently the company's name was changed to Gulshan Holdings Private Limited. The company does not accept or hold any public deposit.

SIGNIFICANT ACCOUNTING POLICIES

- i. Accounting Policies not specifically referred to otherwise, are in consonance with generally accepted accounting principles.
- ii. Expenses considered payable are accounted for on accrual basis.
- iii. The depreciation is provided on written down value method based on the useful lives as prescribed under Schedule II of the Act.
- iv. The financial statements have been prepared in accordance with the generally accepted accounting principles. Revenues and expenses are accounted on accrual basis with necessary provisions for all known liabilities and losses except certain items as per notes elsewhere.
- v. All income and expenditure items having a material bearing on financial statements are recognised on accrual basis.
- vi. In the opinion of the Board of directors, the current assets, loans and advances have a value of realisation in the ordinary course of business at least equal to the amount at which they have been stated in the Balance Sheet.
- vii. There are no dues over thirty days outstanding towards any small or micro unit as per MSME Act.
- viii. Previous year figures have been regrouped whenever considered necessary to make the current year presentation comparable with current year figures.
- ix. **INVENTORIES**
The Company did not have inventory during the year.
- x. **RETIREMENT BENEFITS :**
No provision for gratuity or other retirement benefits has been made since Payment of Gratuity Act, Employees' Provident Fund Act, Employees' State Insurance Act etc. are not applicable to the company.
- xi. **REVENUE RECOGNITION :**
All Revenues are accounted for on accrual basis in accordance with the IND AS issued by the Institute of Chartered Accountants of India. Accordingly, wherever there are uncertainties in the ascertainment/realization of income, the same is not accounted for.



xii. INTANGIBLE ASSETS:

The Company does not have any intangible assets.

xiii. PROPERTY, PLANT AND EQUIPMENTS :

Property, Plant and Equipments are stated at cost, less accumulated depreciation. All costs including freight and incidental expenses attributable to the Fixed Assets are capitalised.

xiv. BORROWING COST:

Interest and other costs are charged to the Statement of Profit & Loss.

xv. INVESTMENTS:

Long term investments are carried at cost. No provision for diminution in value of long term investments is recognized, as the diminution is considered to be of temporary nature.



STATEMENT OF CHANGES IN EQUITY

Note No.- 11

A. EQUITY SHARE CAPITAL

Particulars	Amount in ₹
Balance at the beginning of the period i.e. 1st April 2019	7.07
Changes in Equity Share Capital during the year	-
Balance as at 31st March 2020	7.07
Balance at the beginning of the period i.e. 1st April 2020	7.07
Changes in Equity Share Capital during the year	-
Balance as at 31st March 2021	7.07

B. OTHER EQUITY

Particulars	Reserves and Surplus		Other Comprehensive Income	Total
	General Reserve	Retained Earnings	Effective portion of gain/(loss) in cash flow hedge	
Balance as at 1st April 2019				
Transfer to/from General Reserve	278.36	3,835.58	-	4,113.94
Profit for the year	35.26	(35.26)	-	-
Adjustment of MAT of earlier year's	-	352.62	-	352.62
Dividend on Equity Shares during the year	-	76.33	-	76.33
Balance as at 31st March 2020		(168.00)		(168.00)
Balance as at 1st April 2020	313.62	4,061.27	-	4,374.89
Transfer to/from General Reserve	313.62	4,061.27	-	4,374.89
Profit for the year	-	-	-	-
Adjustment of MAT of earlier year's	-	127.73	-	127.73
Dividend on Equity Shares during the year	-	-	-	-
Balance as at 31st March 2021	313.61	4,188.99	-	4,502.62

As per our report of even date attached

For Aashish Bathla & Co.

Chartered Accountants

Registration No.: 028343C



Aashish Bathla
(Proprietor)

Membership No.: 446095

Place : Muzaffarnagar

Date : 06-07-2021

For and on behalf of the Board of Directors

CHANDRA KUMAR JAIN
Director

ARUSHI JAIN
Director

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021
 2. Property, Plant & Equipment

Assets	Gross Block			Total Cost as at		Depreciation and Amortisation		Amount in lakhs		
	As at 01.04.20	Additions during the year	Deduction During the year	31-03-2021	Upto 31.03.2020	For the period	Adjustment	Total Upto 31.03.2021	As At 31.03.2021	As At 31.03.2020
LAND	131.86	-	-	131.86	-	-	-	-	131.86	131.86
BUILDING	10.94	-	-	10.94	3.27	0.73	-	4.00	6.94	7.66
TOTAL	142.80	-	-	142.80	3.27	0.73	-	4.00	138.80	139.52
PREVIOUS YEAR TOTAL	142.80	-	-	142.80	2.88	0.39	-	3.27	139.52	139.92



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

PARTICULARS	Period ended 31st March, 2021	Amount in lakhs	
		AS AT 31st March, 2021	AS AT 31st March, 2020
3 NON-CURRENT INVESTMENTS			
INVESTMENT IN EQUITY INSTRUMENTS			
In Subsidiary (at cost unless stated otherwise)			
26375047 equity shares of Rs. 1/- each fully paid-up in Gulshan Polyols Ltd.		3,630.65	2,965.70
In Others			
Quoted (at cost unless stated otherwise)			
In companies not under the same Management			
50000 equity shares in Genus Power Infrastructures Ltd. of Re. 1/- each		0.25	0.25
50000 Equity Shares in Genus Paper & Boards Ltd. of Re. 1/- each		0.25	0.25
(Previous year 50000 equity shares in Genus Power Infrastructures Ltd. of Re. 1/- each)			
1500 equity shares of Rs.2/- each fully paid-up in J.P. Associates Ltd. (Previous year 1500 equity shares)		2.06	2.06
25000 equity shares of Rs.10/- each in Rashtriya Chemicals & Fertilizers Ltd. (Previous year 25000 equity shares)		20.69	20.69
25000 equity shares of Rs.2/- each in Suzlon Energy Ltd. (Previous year 25000 equity shares)		19.65	19.65
Un-Quoted (at cost unless stated otherwise)			
Nil Preference Equity Shares of Rs. 100/- each in Gulshan Polyols Ltd. (Previous year 50000 Preference equity shares of Rs. 100 each)		0.00	0.00
In companies not under the same Management			
249300 equity shares in Dhawana Sugar Industries Ltd. of Rs. 10/- each Paid up Re. 1/- per share (Previous year 249300 equity Shares of Re. 10/- each paid up Re. 1/- per share)		0.00	2.49
TOTAL		3,673.56	3,011.09
4 OTHER FINANCIAL ASSETS			
Non-Current			
Bank deposits with more than 12 months maturity		604.48	95.32
TOTAL		604.48	95.32
5 DEFERRED TAX ASSETS			
MAT Credit Receivable		44.49	45.09
Add Transfer from Deferred Tax Asset (Liability)		(0.54)	(0.60)
TOTAL		43.95	44.49
6 OTHER NON-CURRENT ASSETS			
Advance Income-tax and tax deducted at source		27.99	7.80
TOTAL		27.99	7.80
7 CASH AND CASH EQUIVALENTS			
Cash and Cash Equivalents			
Balance with Banks			
Bank Accounts			
Cash on hand		5.87	69.74
Fixed Deposits with GMUC Bank*		0.69	5.58
TOTAL		6.56	75.32
*Cash and cash equivalents include cash on hand, cash at bank.			
8 OTHER BANK BALANCE			
Term Deposits (maturity of more than three months but less than twelve months)		53.36	1,004.28
Term deposits with original maturity of more than 3 months having remaining maturity of less than 12 months from the Balance Sheet date.		53.36	1,004.28



9 LOANS & ADVANCES

Other loans and advances**

**Other Advances with statutory authorities

	11.94	4.14
TOTAL	11.94	4.14

10 EQUITY SHARE CAPITAL

Authorised Equity Share Capital :

55,500 Equity Shares of Rs. 1000 each
(Previous year 55,500 Equity Shares of Rs. 1000 each)

	555.00	555.00
--	--------	--------

Issued, Subscribed and Paid up:

707 Equity Shares of Rs. 1000/- each
(Previous Year 707 shares of Rs. 1000/- each)

	7.07	7.07
TOTAL	7.07	7.07

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

B. The details of shareholders holding more than 5 percent shares:

S.No.	Name of Shareholders	As on 31/03/2021		As on 31/03/2020		Amount in lakhs	
		Number of Share held	%age of Holding	Number of Share held	%age of Holding		
1.	Dr. Chandra Kumar Jain	182	25.74	182	25.74		
2.	Mrs. Mridula Jain	173	24.47	173	24.47		
3.	Mrs. Aditi Pasari	124	17.54	124	17.54		
4.	Mrs. Arushi Jain	108	15.28	108	15.28		
5.	Mrs. Anubha Gupta	120	16.97	120	16.97		

C. Reconciliation of Shares outstanding at the beginning and at the end of year are given below :

Particulars	2020-2021		2019-2020	
	Number	Amount (in lakhs)	Number	Amount (in lakhs)
Equity Shares outstanding at the beginning of the year	707	7.07	707	7.07
Add : Equity Shares issued during the year	-	-	-	-
Less : Equity Shares bought back/ redeemed during the year	-	-	-	-
Equity Shares outstanding at the end of the year	707	7.07	707	7.07

11 OTHER EQUITY

Particulars	RESERVE AND SURPLUS		
	General Reserve	Retained Earnings	Total
Balance as at 1st April 2019			
Transfer to/from General Reserve	278.36	3,835.58	4,113.94
Profit for the year	35.26	(35.26)	0.00
Adjustment of MAT of earlier year's	-	352.62	352.62
Dividend on Equity Shares during the year	-	76.33	76.33
Balance as at 31st March 2020	-	(168.00)	(168.00)
Balance as at 1st April 2020	313.62	4,061.27	4,374.89
Transfer to/from General Reserve	313.62	4,061.27	4,374.89
Profit for the year	-	-	-
Adjustment of MAT of earlier year's	-	127.73	127.73
Dividend on Equity Shares during the year	-	0.00	0.00
Balance as at 31st March 2021	313.62	4,189.00	4,502.62

12 NON-CURRENT BORROWINGS

Secured:

Loan from Bank
Overdraft Account

	-	-
	-	-

13 DEFERRED TAX LIABILITIES (NET)

At the beginning of the year

Charge / Credit to Statement of Profit and Loss

	0.00	0.54
	0.54	0.06

Deferred Tax on account of MAT Credit Entitlement

Add Transfer to Deferred Tax Assets

At the end of the year

	0.54	0.60
	(0.54)	-
	0.00	(0.60)
	0.00	0.00



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

PARTICULARS	Period ended	AS AT	
		31st March, 2021	31st March, 2020
Amount in lakhs			
14 Trade Payable Sundry Creditors		0.00	0.00
	TOTAL	-	-
15 OTHER CURRENT LIABILITIES			
Expenses Payable		0.47	-
	TOTAL	0.47	-
16 REVENUE FROM OPERATIONS			
Interest on deposits and others		69.51	216.09
Dividend Income		159.23	236.32
Profit on Transfer of Booking		0.00	6.50
Loss on write off of Shares		-2.49	0.00
	TOTAL	226.25	458.91
*Profit during the year realised on transfer/cancelling booking of property, which was completed during the year against advance given in preceding years.			
17 EMPLOYEE BENEFITS EXPENSE			
Salaries & Wages		5.60	43.20
	TOTAL	5.60	43.20
18 FINANCE COSTS			
Interest & Charges on Bank borrowing for working capital		24.39	8.65
	TOTAL	24.39	8.65
19 DEPRECIATION AND AMORTISATION EXPENSE			
Depreciation and Amortization Expense		0.73	0.39
	TOTAL	0.73	0.39
20 OTHER EXPENSES			
Establishment Expenses			
Office & General Exp.		5.47	0.13
Legal and Professional Charges		10.93	6.29
Auditors Remuneration*		0.42	0.30
		16.82	6.73
<u>Auditor's Remuneration</u>		<u>16.81</u>	<u>6.72</u>
Audit Fees		0.42	0.30
21 EARNINGS PER SHARE (EPS)			
i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (Rs. in lakhs)		127.73	352.62
ii) Number of equity shares used as denominator for calculating EPS		707.00	707.00
iii) Number of Diluted Equity Share		707.00	707.00
iv) Basic Earning per share (Amount in Rs.)		18,066.35	49,876.22
v) Diluted Earning per share (Amount in Rs.)		18,066.35	49,876.22
vi) Face value per equity share (Amount in Rs.)		1,000	1,000



NOTES TO THE FINANCIAL STATEMENTS

22. DEFERRED TAXATION :

In compliance with IND AS-12 on "Accounting for Taxes on Income" Deferred Tax Liability for the current year of Rs. 54424.65 /- has been provided as at 31st March 2021 and the same has been charged to the Statement of Profit & Loss of the Company. This pertains to the timing difference in Depreciation on Assets as per books of accounts. The Deferred Tax Liability has been calculated by applying tax rate that have been enacted and applicable as on the Balance Sheet date. No deferred tax liability/asset has been created for the Long Term capital Loss or any liability in respect of difference considered to be of permanent nature and not adjustable in future. The credit for MAT available for future set off has been added to the Deferred Tax Assets. Thus the total MAT credit available for future set off of Rs. 23.86 lakhs net of the Deferred Tax liability on account of Timing Difference of Depreciation of Rs. 0.54 lakhs has been shown as Deferred Tax Liability as on 31.03.2021. The impact of MAT for earlier years has been taken into account during the year through Retained earnings.

23. There are no separate reportable segments as per Indian Accounting Standard (Ind AS) 108.

24. Disclosures of Related Party transactions as per Ind AS -24

(a) Name of related party and nature of related party relationship where control exist:

- i. Holding Company : NIL
- ii. Subsidiary Company : Gulshan Polyols Ltd.

(b) Name of related party and nature of related party relationship other than those referred to in (a) above in transaction with the Company:

- | | | |
|-------|--|---|
| (i) | Joint Venture etc. : | NIL |
| (ii) | Key Management personnel: | Dr. C. K. Jain, Director
Mrs. Arushi Jain, Director |
| (iii) | Relatives of Key Managerial Personnel: | Mrs. Mridula Jain
Mrs. Aditi Pasari
Mrs. Anubha Gupta |

As per our report of even date attached
For Aashish Bathla & Co.
Chartered Accountants
Registration No. 028343C



Date:- 06-07-2021
Place :- Muzaffarnagar
UDIN:-21446095AAAACB6704

For and on behalf of the Board of Directors


CHANDRA KUMAR JAIN
(DIRECTOR)


ARUSHI JAIN
(DIRECTOR)



Independent Auditor's Report

To,

The Members of **Gulshan Holdings Pvt. Ltd.**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of **Gulshan Holdings Pvt. Ltd.** ("the Parent"), and its subsidiary, (the Parent and its subsidiary together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31st, 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flows Statement for the year ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

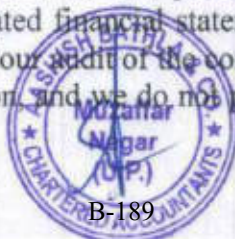
In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of the other auditors on separate financial statements of subsidiary referred to in the Other Matters section below, the aforesaid consolidated financial statements 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 ('IndAS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31st, 2021, and their consolidated profit, their consolidated total comprehensive income, their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) 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 there under, 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 obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters section below, is sufficient and appropriate to provide as basis for our audit opinion on the consolidated financial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and 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.

Key Audit Matter	Auditor's Response
<p>Valuation and verification of Investments- We have focused on the valuation and verification of the investments in Shares because these represent a principal element on the net assets in the Financial Statements. Refer Note 5 to the Financial Statement</p>	<p>We obtained independent confirmation of the number of shares held and net asset value per share for each of the underlying investments as at the year end date. We verified the valuation of these investments as per the accounting records and accounting standards. We have also obtained the most recent set of audited financial statements for each underlying investments.</p> <p>We have verified all the necessary documents and are satisfied with the same.</p> <p>We have accepted the Audit Report of the subsidiary by their Auditors and have not verified the contents therein and accepted the same.</p> <p>In view of the report on Holding company and also by the Auditors of the subsidiary further, no impact of COVID-19 pandemic is required to be made in the financial statements.</p>

Information Other than the Financial Statements and Auditor's Report Thereon

The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Report on Corporate Governance, Shareholder information and Report of the Board of Directors & Management Discussion and Analysis, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiary, audited by the other auditors, to the extent it relate so these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiary, is traced from their financial statements audited by the other auditors

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.



Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is 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 in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate or cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

The Company's management and 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 consolidated financial statements that give a true and fair view of the financial position, financial performance, cash flows and Statement of changes in equity of the Company in accordance with the Indian Accounting Standards (IndAS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

Auditor's Responsibility for the Audit of the 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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



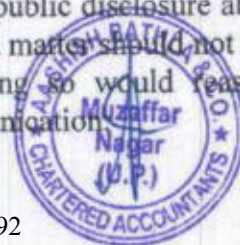
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls with reference to financial statement 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 the 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 Group'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 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 to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances; we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Other Matters

We did not audit the financial statements of the subsidiary whose financial statements reflect total assets of Rs.49,648.59 lakhs as at 31st March, 2021, total revenues from operations of Rs.76,603.44 lakhs and net cash inflows amounting to Rs.1787.89 lakhs for the year ended on that date, and considered the same as it is in the consolidated financial statements. Another auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of subsidiary, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditor.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiary referred to in the Other Matters section above we report, to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, return and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement and dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Parent as on March 31, 2021 taken on record by the Board of Directors of the Parent and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies, is disqualified as on March 31, 2021, 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 Group and the operating effectiveness of such controls, refer to our separate



Report in "Annexure A" which is based on the auditors' reports of the Parent, subsidiary company. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of the Group.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:



In our opinion and to best of our information and according to the explanations given to us, the remuneration paid by directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the matters to be included in the Auditors' 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 the consolidated financial position of the Group, in accordance with the generally accepted accounting practice – also refer Notes 1.16 to the consolidated financial statements.
- ii) The Group, did not have any material foreseeable losses 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 Parent and its subsidiary company.

Place : Muzaffarnagar
Dated : 06-07-2021
UDIN:- 21446095AAAACC9911

For AASHISH BATHLA & Co.
Chartered Accountants
(Firm Registration No. 028343C)

AASHISH BATHLA
Proprietor
(Membership No. 446095)



ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Gulshan Holdings Pvt. Ltd. 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")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2021, we have audited the internal financial controls over financial reporting of Gulshan Holding Pvt Ltd (hereinafter referred to as "the Parent") and its subsidiary company, which are companies incorporated in India, as on that date.

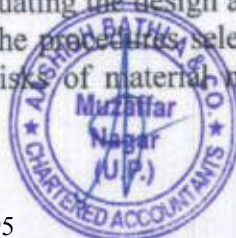
Management's Responsibility for Internal Financial Controls

The respective Boards of Directors of the Parent, its subsidiary company which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent and its subsidiary company, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, 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 financial statements, whether due to fraud or error.



We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary company, which is company incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent, its subsidiary company, which are companies incorporated in India.

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 consolidated 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 consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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 control 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 and based on the consideration of the other auditors referred to in the Other Matters paragraph below, the Parent, its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2021, based on the criteria for internal financial control over financial reporting 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.



Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to subsidiary company, which is company incorporated in India, is based solely on the corresponding reports of the auditors of such company incorporated therein.

Our opinion is not modified in respect of the above matters

Place :Muzaffarnagar
Dated :06-07-2021
UDIN:-21446095AAAACC9911

For AASHISH BATHLA & CO.
Chartered Accountants
(Firm Registration No. 028311C)




AASHISH BATHLA
Proprietor
(Membership No. 446095)

GULSHAN HOLDING PRIVATE LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2021

Particulars		Note No.	As at 31st March, 2021	As at 31st March, 2020
(Rs. in Lakhs)				
A	ASSETS			
1	Non-Current Assets			
	(a) Property, Plant and Equipment			
	(b) Capital Work-in-Progress	2	24,222.68	26,118.32
	(c) Intangible Assets	3	303.11	321.56
	(d) Financial Assets	4	8.81	11.88
	(i) Investments			
	(ii) Loans	5	84.85	87.35
	(iii) Other Financial Assets	6	506.93	459.66
	(e) Deferred Tax Assets	7	796.78	179.01
	(f) Other Non-Current Assets	8	-	20.78
	Total Non-Current Assets	9	180.08	156.15
2	Current Assets			
	(a) Inventories		25,103.24	27,354.71
	(b) Financial Assets	10	9,045.07	8,650.06
	(i) Trade Receivables			
	(ii) Cash and Cash equivalents	11	9,838.15	8,236.90
	(iii) Other Financial Assets	12	1,794.44	317.83
	(c) Other Current Assets	13	120.31	1,077.69
	Total Current Assets	14	5,604.95	3,425.18
	Total Assets		26,402.92	21,707.66
			52,506.16	49,062.37
B	EQUITY AND LIABILITIES			
1	Equity			
	(a) Equity Share Capital			
	(b) Other Equity	15	7.07	7.07
	Attributable to owners of the parent	16	22,377.33	18,046.36
	Non-controlling Interests		22,384.40	18,053.43
	Total Equity		17,021.44	15,863.45
2	Non-Current Liabilities			
	(a) Financial Liabilities		39,405.84	33,916.88
	(i) Borrowings			
	(ii) Other Financial Liabilities	17	1,053.00	2,108.94
	(b) Deferred Tax Liabilities (Net)	18	133.48	41.01
		19	1,431.96	-
	Total Non-Current Liabilities			
3	Current Liabilities			
	(a) Financial Liabilities		2,618.44	2,149.95
	(i) Borrowings			
	(ii) Trade payables	20	-	5,960.93
	- Outstanding dues of micro, small and medium enterprises	21	231.74	229.60
	- Outstanding dues of creditors other than above		5,399.04	2,658.10
	(iii) Other Financial Liabilities	22	752.79	2,854.57
	(b) Other Current Liabilities	23	1,707.55	820.02
	(c) Provisions	24	512.20	180.56
	(d) Liabilities for current Tax (Net)		1,878.57	491.75
	Total Current Liabilities		10,481.88	12,995.54
	Total Equity and Liabilities		52,506.16	49,062.37
	The accompanying notes from 1 to 41 form an integral part of the financial statements	1		

Significant accounting policies

Notes to the financial statements

The accompanying notes 1 to 41 are an integral part of the financial statements

As per our report of even date

For Aashish Bathla & Co

Chartered Accountants

(Registration No.0283/2019)

(Aashish Bathla)

Proprietor

Membership no: 446095



For and on behalf of the Board of Directors

SD/-
CHANDRA KUMAR JAIN
(DIRECTOR)

SD/-
ARUSHI JAIN
(DIRECTOR)

Date: 06-07-2021

Place : Muzaffarnagar

UDIN :-21446095AAAACC9911

GULSHAN HOLDING PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2021

Particulars	Note No.	(Rs. in Lakhs)	
		For the year ended 31st March, 2021	For the year ended 31st March, 2020
REVENUE			
Revenue from Operations			
Other Income	25	76,672.96	62,292.49
Total Income (I)	26	185.91	101.70
EXPENSES		76,858.86	62,394.19
Cost of Materials Consumed	27		
Purchase of Stock in Trade	28	36,055.47	35,496.06
Changes in Inventories of Finished goods, Work in progress and Stock in Trade		471.74	704.73
Employee Benefits Expenses	29	664.69	(848.39)
Finance Cost	30	2,866.18	2,211.63
Depreciation & amortisation Expenses	31	679.05	1,143.48
Other Expenses	32	3,256.09	3,102.35
Total Expenses (II)	33	23,495.32	17,677.09
Profit Before Tax (III) (I-II)		67,488.55	59,487.86
Tax Expense:		9,370.31	2,906.33
Current Tax Expense			
Add: Mat Credit (Utilised)		1,843.00	525.24
Deferred Tax Expense		1,305.67	65.92
Total Tax Expenses (IV)		6.60	139.99
Profit/(Loss) for the year (V) (III-IV)		3,155.27	731.15
Other Comprehensive Income		6,215.04	2,175.18
Item that will not to be reclassified to Profit and Loss:			
(Gain)/Loss of defined benefit obligation		(77.07)	23.21
Income Tax relating to item that will not be reclassified to profit or loss		14.95	(4.20)
Total Other Comprehensive (Income)/Loss (VI)		(62.12)	19.01
Total Comprehensive Income for the year (VII) (V - VI)		6,277.16	2,156.17
Net Profit before comprehensive income attributable to :			
Owners of the Parent			
Non-Controlling Interest		3,480.50	1,172.57
		2,734.54	1,002.61
Net Profit after Comprehensive income attributable to :			
Owners of the Parent			
Non-Controlling Interest		3,515.42	1,162.82
		2,761.74	993.35
Earning per equity share of face value of Rs. 1 each Basic and diluted (In Rs.)			
Basic	34		
Diluted		497,230.55	164,472.88
The accompanying notes from 1 to 41 form an integral part of the financial statements		497,230.55	164,472.88
	1		

Significant accounting policies
Notes to the financial statements
The accompanying notes 1 to 41 are an integral part of the financial statements

As per our report of even date
For Aashish Bathla & Co.
Chartered Accountants
(Registration No.028343)

Aashish Bathla
(Aashish Bathla)
Proprietor
Membership no: 446095



For and on behalf of the Board of Directors

SD/-
CHANDRA KUMAR JAIN
(DIRECTOR)

SD/-
ARUSHI JAIN
(DIRECTOR)

Date: 06-07-2021
Place : Muzaffarnagar
UDIN :-21446095AAAACC9911

GULSHAN HOLDING PRIVATE LIMITED
Consolidated Statement of Cash Flow for the year ended 31st March, 2021

Particulars	Year ended 31/03/2021	(Rs.in Lakhs) Year ended 31/03/2020
A. Cash flow from operating activities		
Profit before Tax		
Adjustment for :	9,370.31	2,906.33
Depreciation and Amortization Expenses		
Dividend income	3,256.09	3,102.35
Dividend Paid & Dividend Distribution Tax	(1.22)	(1.47)
Allowance for Doubtful trade receivables	123.25	497.78
(Gain) / Loss on disposal of property, plant and equipment	98.32	-
(Gain) / Loss on disposal of investment	(82.02)	(6.68)
Comprehensive Income/(Loss)	(10.55)	-
Interest income	82.12	(19.01)
Interest expenses	(135.12)	(306.27)
Cash generated from operations before working capital changes	<u>679.05</u>	<u>1,143.48</u>
Adjustment for :	13,360.23	7,316.51
Decrease/(increase) in other Non Current and Current assets	(265.48)	(2,400.48)
Decrease/(increase) in Trade receivables	(1,699.57)	(8,236.90)
Decrease/(increase) in Inventories	(395.01)	(8,650.06)
(Decrease)/increase in Trade and Other payables	1,821.28	6,310.04
(Decrease)/increase in Provisions	15.93	180.02
Cash generated from operating activities	<u>(522.83)</u>	<u>(12,797.38)</u>
Direct taxes paid (net of refunds)	(1,645.90)	(239.39)
Cash flows before exceptional items	<u>11,191.50</u>	<u>(5,720.26)</u>
Exceptional items	-	-
Net Cash flow generated from operating activities (A)	<u>11,191.50</u>	<u>(5,720.26)</u>
B. Cash Flow from Investing activities		
Sale (Takeover) of Property, Plant and Equipment, vehicle	208.40	(29,414.19)
Purchase of Property, Plant and Equipment	(1,465.30)	-
(Purchase) / Sale of investment	13.05	-
Share Capital & Reserves in Subsidiary Taken over	(788.20)	17,878.97
(Increase)/Decrease in Investment including Cancellation of Investment in Subsidiary	-	10,388.55
Interest income	135.12	306.27
Gain/(Loss) on disposal of Assets & Property, Plant and Equipment	-	6.68
Dividend income	1.22	1.47
Net Cash Flow Generated from investing activities (B)	<u>(1,895.70)</u>	<u>(832.25)</u>
C. Cash flow from Financing activities		
Interest expenses	(679.05)	(1,143.48)
Receipt/(Repayment) of long-term borrowings	(1,055.94)	2,145.53
Receipt/(Repayment) of short-term borrowings	(5,960.93)	5,960.93
Dividend paid	(123.25)	(401.34)
Dividend distribution tax paid	-	(98.44)
Net Cash flow Generated from financing activities (C)	<u>(7,819.17)</u>	<u>6,465.20</u>
Net increase in cash and cash equivalents (A+B+C)	<u>1,476.62</u>	<u>(87.31)</u>
Cash and cash equivalents at the beginning of the year	<u>317.83</u>	<u>405.14</u>
Cash and cash equivalents at the half year end	<u>1,794.45</u>	<u>317.83</u>
	0.01	

Note:

1. The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) Statement of Cash Flows.

The Accompanying notes form an integral part of the financial statements

As per our report of even date

For Aashish Bathia & Co.

Chartered Accountants

(Registration No. 026241C)

Muzaffar

Nagar

(U.P.)

Proprietor

Membership no: 446095

Date: 06-07-2021

Place : Muzaffarnagar

UDIN :-21446095AAAACC8911

For and on behalf of the Board of Directors

SD/-

CHANDRA KUMAR JAIN
(DIRECTOR)

SD/-

ARUSHI JAIN
(DIRECTOR)

GULSHAN HOLDINGS PRIVATE LIMITED

Year Ended 31.3.2021

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of Preparation of Consolidated Financial Statements

(i) Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013. The Group adopted Ind AS from 1st April, 2017.

(ii) Basis of Preparation

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 – Share-based Payment, leasing transactions that are within the scope of Ind AS 116 – Leases, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period; they are recognized in the period of the revision and future periods if the revision affects both current and future periods.

(iii) Basis of Consolidation

The Consolidated Financial Statements (CFS) include the financial statements of the Company and its subsidiary. The Consolidated financial statements have been prepared on the following basis:

The consolidation is done on line-by-line basis as has been done in last Financial year.

The Assets, Liabilities, Income and Expenses of subsidiary are aggregated and consolidated, line by line. The profit for the period along with the profit of the holding company has been reflected in the retained earnings for the year. Profit or loss and each component of other comprehensive income are attributed to the Group as owners and to the non-controlling interests. The Group presents the non-controlling interests in the Balance Sheet within equity, separately from the equity of the Group as owners.

All intra group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

As far as possible, the consolidated financial statements are prepared using accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the company's separate financial statements.



(iv) Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

1.2 Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note No.1.5. Accounting estimates could change from period to period. Revision to accounting estimates are recognized in the period in which the estimates are revised and in any future period affected. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of the changes in circumstances surrounding the estimates.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

1.3 Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- ▶ Expected to be realized or intended to be sold or consumed in normal operating cycle
- ▶ Held primarily for the purpose of trading
- ▶ Expected to be realized within twelve months after the reporting period, or
- ▶ Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- ▶ It is expected to be settled in normal operating cycle
- ▶ It is held primarily for the purpose of trading
- ▶ It is due to be settled within twelve months after the reporting period, or
- ▶ There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

All assets and liabilities have been classified as current or noncurrent according to the Group's operating cycle and other criteria set out in the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of current non-current classification of assets and liabilities.



1.4 Foreign currencies

These financial statements are presented in INR, which is also the functional currency of the Group. All financial information presented in INR has been rounded to the nearest lakhs.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognized in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

1.5 Critical estimates and judgments

The preparation of financial statements requires the use of accounting estimates which by definition will seldom equal the actual results. Management also needs to exercise judgment in applying the Group's accounting policies.

This note provides an over view of the areas that involved a higher degree of judgment or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgment are:

- Estimation of Defined benefit obligation - refer Note No.1.17
- Estimation of current tax expenses - refer Note No.1.8
- Useful life of Property, plant and equipment - refer Note No.1.10
- Valuation of Inventory - refer Note No.1.14
- Provisions and Accruals - refer Note No.1.16
- Contingencies - refer Note No.1.16

1.6 Fair value measurement

The Group measures financial instruments at fair value as per Ind AS 113 at each balance sheet date.

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.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.



The fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

Level 1- Quoted prices (unadjusted) 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 (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3- Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

For assets and liabilities that are recognized in the financial statement on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

1.7 Revenue from contracts with customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

(i) Sale of goods

Revenue from the sale of goods is recognized at the point in time when control of the asset is transferred to the customer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, sales tax and applicable trade discounts and volume rebates. Revenue includes shipping and handling costs billed to the customer.

(ii) Interest income

Interest income primarily comprises of interest from term deposits. Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss.

(iii) Dividend

Dividend income from investment is accounted for when the right to receive is established, which is generally when shareholders approve the dividend.

(iv) Other Income

Other income is recognized when no significant uncertainty as to its determination or realization exists.

(v) Export Incentives

Export incentives are recognized when the incentives are received from the government authorities.

Export entitlements from government authorities under the Merchandise Exports from India Scheme (MEIS) and Service Exports from India Scheme (SEIS), Duty Draw Back scheme is recognized in the statement of profit and loss based on receipt of the scrip from the government authorities.

1.8 Taxes

Tax expenses comprise of current and deferred tax:

Current income tax

- a. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.
- b. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.



Deferred tax

- a. Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.
- b. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.
- c. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.
- d. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.
- e. The Group recognizes tax credits in the nature of MAT credit as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period, i.e., the period for which tax credit is allowed to be carried forward. In the year in which the Group recognizes tax credits as an asset, the said asset is created by way of tax credit to the Statement of Profit and Loss. The Group reviews such tax credit asset at each reporting date and writes down the asset to the extent, the Group does not have convincing evidence that it will pay normal tax during the specified period.
- f. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.
- g. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

1.9 Earnings per share

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

1.10 Property, Plant and Equipment Recognition and measurement

Construction in progress is stated at cost, net of accumulated impairment losses, if any. Property, plant and equipment are initially recognized at cost after deducting refundable purchase taxes and including the cost directly attributable to bring the asset to the location and conditions necessary for it to be capable of operating in the manner intended by the management, borrowing cost in accordance with the established accounting policy, cost of restoring and dismantling, if any, initially estimated by the management.

After the initial recognition the property, plant and equipment are carried at cost less accumulated depreciation and impairment losses. Cost of Self-constructed asset is determined using the same principles as for acquired assets after eliminating the component of internal profits.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

Depreciation has been provided on written down value method in terms of expected life span of assets specified in Schedule – II of the Companies Act, 2013 or as determined by management. The Group, based on technical assessment made by technical expert and management estimate, depreciates certain items of building, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The residual value and useful life are reviewed annually, and any deviation is accounted for as a change in estimate.

Cost of lease hold land are written off over the primary lease period of the land except of the leasehold land, held by the company on the date of transition, which is amortized over the remaining useful lives of the assets. Freehold land is not depreciated.

The estimated useful lives, residual values and depreciation methods are reviewed at each financial year end and the effect of any change is accounted for on prospective basis.



The carrying amount of the all property, plant and equipment are derecognized on its disposal or when no future economic benefits are expected from its use or disposal and the gain or loss on de-recognition is recognized in the statement of profit & loss.

1.11 Intangible Assets

Acquired intangible assets are initially recognized at cost after deducting refundable purchase taxes and including the transaction cost, if any. After initial recognition, intangibles are carried at cost less accumulated amortization and impairment losses.

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. Computer software development costs for in-house developed software is recognized as assets are amortized on a written down value basis over their estimated useful life.

The estimated useful lives, residual values and amortization method are reviewed at each financial year end and the effect of any change is accounted for on prospective basis.

1.12 Borrowing costs

Borrowing costs 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 or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

1.13 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

Lease Liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments), or a change in the assessment of an option to purchase the underlying asset. The Company's lease liabilities are included in Interest-bearing loans and borrowings



Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

1.14 Inventories

Inventories consist of raw materials, packing materials, stores and spares, work-in-progress and finished goods and stock of traded goods, which are measured at the lower of cost and net realizable value.

Cost includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of finished goods and work-in-progress, cost includes and appropriate share of overheads based on normal operating capacity. Stores and spares, that do not qualify to be recognized as property, plant and equipment, consist of packing materials, engineering spares (such as machinery spare parts) and consumables, which are used in operating machines or consumed as indirect materials in the manufacturing process. The basis of measurement of cost is as follows:

- (i) **Raw Materials, Packing Materials and Stores & Spares:** FIFO basis
- (ii) **Finished Goods:** Cost of input plus appropriate overhead.
- (iii) **Work-in-Progress:** Cost of input plus overhead up-to the stage of completion.
- (iv) **By- Products:** At net realizable value
- (v) **Stock-In-Trade:** FIFO Basis

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

1.15 Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognized in the statement of profit and loss if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount.

Impairment losses, other than those recognized on goodwill, that have been recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.



1.16 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent Liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Disputes, liabilities and claims against the company including claims raised by fiscal authorities (e.g. GST, Income Tax etc.) pending in appeal / court for which no reliable estimate can be made and or involves uncertainty of the outcome of the amount of the obligation or which are remotely poised for crystallization are not provided for in accounts but disclosed in notes to accounts.

According to the information and explanations given to us, there are no dues of Income-tax or Goods and Service tax or duty of Customs or duty of Excise or Value added tax which have not been deposited by the group on account of disputes, except for the following:

Name of the Statute	Nature of Dues	Amount (Rs. In Lakhs)	Period to which the amount relates	Forum where pending	REMARKS
Central Excise Act 1944	Excise Duty	44.92	2011-12	CESTAT ALLAHABAD	Rs. 4.49 Lakh Deposit. Pertains to Subsidiary

Contingent Assets

Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

1.17 Employee benefits

a. Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, short term compensated absences etc., and the expected cost of bonus, ex-gratia are recognized in schemes is recognized during the period in which the employees render the related services.

b. Post-Employment Benefits:

i) Defined Contribution Plans:

State governed Provident Fund Scheme and Employees State Insurance Scheme are defined contribution plans. The contribution paid / payable under the schemes is recognized during the period in which the employees render the related services.

ii) Defined Benefit Plans:

The Company has Defined Benefit Plan for post-employment benefit in the form of Gratuity for eligible Employees, which is administered through a Gratuity Policy with Life Insurance Corporation of India (L.I.C). Gratuity Liability based on actuarial valuation as per Ind AS 19. Liability recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the end of each reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuary using the projected unit credit method. The present value of defined benefit is determined by discounting the estimated future cash outflows by reference to market yield at the end of each reporting period on government bonds that have terms approximate to the terms of the related obligation. The interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The cost is included in employee benefit expense in the statement of profit and loss. Actuarial gain / loss arising from experience adjustments and changes in actuarial assumptions are credited / debited to "other comprehensive income" forming part of other equity.



1.18 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial Recognition and Measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial assets.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

Subsequent Measurement

For purpose of subsequent measurement financial assets are classified in two broad categories:

- Financial Assets at fair value
- Financial assets at amortized cost

Where assets that measured at fair value, gains and losses are either recognized entirely in the statement of profit and loss or recognized in other comprehensive income.

A financial asset that meets the following two conditions is measured at amortized cost:

- Business Model Test: The objective of the company's business model is to hold the financial asset to collect the contractual cash flows.
- Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through OCI:

- Business Model Test: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

- All other financial asset is measured at fair value through profit and loss.

All equity investments are measured at fair value in the balance sheet, with value changes recognized in the statement of profit and loss, except for those equity investments for which the entity has elected irrevocable option to present value changes in OCI.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company's balance sheet) when:

The rights to receive cash flows from the asset have expired, or

- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred to control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.



Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

For this purpose, the Company follows 'simplified approach' for recognition of impairment loss allowance on the trade receivable balances. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based in lifetime ECLs at each reporting date, right from its initial recognition.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

Financial Liabilities:

All financial liabilities are initially recognized at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities are classified as measured at amortized cost or fair value through profit and loss (FVTPL). A financial liability is classified as FVTPL if it is classified as held for trading, or it is derivative or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gain or losses, including any interest expense, are recognized in statement of profit and loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit and loss.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Derecognition

A financial liability is derecognized when the obligation under liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the financial statements if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

1.19 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

1.20 Impact of Covid-19 Pandemic:

The outbreak of COVID-19 pandemic globally and in India is causing significant disturbance and slowdown of economic activity. COVID-19 has caused interruption in production, supply chain disruption, etc. during last week of March, 2020 and thereafter. The management of the Company has exercised due care in concluding significant accounting judgments and estimates in preparation of the financial results. In view of there being no comments of the impact of COVID-19 in the accounts of the subsidiary and impact of COVID-19 is visible on the sudden decline in the temporary market valuation of investments held by the company. The Company considers the impact as a temporary aberration, having no major impact of Covid-19. Thus, no effect of COVID-19 has been made in the financial statements during the year.



STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2021

A. Equity Share Capital		(Rs. In Lakhs)
Opening Balance as at April 01, 2019	7.07	
Change during the year	-	
Closing balance as at March 31, 2020	7.07	
Change during the year	-	
Closing balance as at March 31, 2021	7.07	

Particulars	Capital Reserve on Consolidation	RESERVES AND SURPLUS				Attributable to owners of the parent	Non-controlling Interests	Total
		General Reserve	Retained Earnings					
Balance as at 1st April 2019	-	278.36	3,535.58	4,113.94	15,863.45	14,870.10	4,113.94	
Profit for the year	911.56	-	261.01	1,172.57	1,172.57	-	2,175.18	
Amount Transfer to General Reserve	-	36.39	(30.39)	(9.75)	-	(9.26)	-	
Other Comprehensive Income (net of tax)	(8.44)	-	(1.31)	(2,965.69)	76.32	-	(2,965.69)	
Investment made in GPIL	(2,965.69)	-	-	76.32	-	-	76.32	
Adjustment of MAT of earlier year's	-	-	76.32	-	-	-	-	
Share of Parent with respect to addition during the year	15,658.97	-	-	15,658.97	-	-	30,529.07	
As at 31st March 2020	13,596.40	316.75	4,133.21	18,045.36	15,863.45	14,870.10	33,909.81	
Balance as at 1st April 2020	13,596.40	316.75	3,480.50	18,046.36	15,863.45	2,794.54	33,909.81	
Profit for the year	-	-	34.92	34.92	34.92	27.20	62.12	
Other Comprehensive Income (net of tax)	-	-	(123.25)	(123.25)	(123.25)	-	(123.25)	
Dividend Distributed	-	-	938.80	938.80	938.80	(1,603.74)	(664.95)	
NCI Transferred to retained Earnings due to Further acquisition of Shares	-	-	-	-	-	-	-	
As at 31st March, 2021	13,596.40	316.75	8,464.18	22,377.33	17,021.44	-	39,398.77	

The accompanying notes from 1 to 41 form an integral part of the financial statements

Significant accounting policies

Notes to the financial statements
The accompanying notes 1 to 41 are an integral part of the financial statements

For and on behalf of the Board of Directors



CHANDRABHA BATHLA
(DIRECTOR)

ARUSHI JAIN
(DIRECTOR)

Date: 06-07-2021
Place: Muzaffarnagar
UDIN :-21446955AAAAACC9911

2. PROPERTY, PLANT AND EQUIPMENT

	Free hold Land	ROU (Right of Use of Asset)	Building	Plant and Equipment	Office Furniture and Equipment	Vehicle	Total
Gross Block	131.86	-	10.94	32,601.11	167.94	437.57	142.80
Balance as at 1st April 2019	236.72	634.07	4,009.60	1,295.46	21.93	111.86	36,129.02
Addition on account of Consolidation	-	334.80	114.52	48.49	-	21.01	1,676.90
Additions	-	-	23.03	33,831.09	209.87	306.46	40,038.29
Disposals	390.68	232.27	4,119.03	533.48	11.53	59.14	1,483.75
Balance as at 1st April 2020	-	114.06	-	-	-	-	173.20
Disposals	390.99	1,087.09	4,119.03	34,764.57	221.40	775.16	41,348.84
Balance as at 31st March 2021	-	-	2.98	9,796.91	77.25	206.54	2.80
Accumulated Depreciation	-	23.94	732.80	2,049.01	32.57	63.42	3,099.43
Balance as at 1st April 2019	-	22.41	310.22	0.43	-	18.20	18.79
Addition on account of Consolidation	-	-	-	12,446.19	109.62	271.80	13,813.97
Additions	-	46.35	1,046.90	2,816.16	28.91	68.19	3,283.02
Disposals	-	28.68	281.09	15,282.46	138.73	46.62	46.62
Balance as at 1st April 2020	-	75.03	1,326.59	15,282.46	138.73	312.95	17,126.16
Disposals	-	-	-	19,602.11	82.67	462.22	24,222.68
Net Block	390.68	1,012.05	2,773.04	27,384.79	160.04	256.26	26,118.32
Balance as at 31st March 2021	390.68	922.52	3,064.13	-	-	-	159.92
Balance as at 31st March 2020	131.86	-	8.06	-	-	-	-

(Rs. in Lakhs)

1. CAPITAL WORK IN PROGRESS	As at 31st March, 2021	As at 31st March, 2020
Capital Work in Progress consist of the following:	303.11	321.92
Work in progress	303.11	321.92
Total	303.11	321.92

(Rs. in Lakhs)

4. INTANGIBLE ASSETS	As at 31st March, 2021	(Rs. in Lakhs)
Gross Block (Software)	21.96	
Balance as at 1st April 2019	1.01	
Additions	-	
Disposals	23.00	
Balance as at 31st March 2020	-	
Additions	23.00	
Disposals	-	
Balance as at 31st March 2021	7.20	
Accumulated Depreciation	3.92	
Balance as at 1st April 2019	-	
Additions	11.11	
Disposals	3.08	
Balance as at 31st March 2020	14.19	
Additions	-	
Disposals	8.81	
Net Block	11.88	
Balance as at 31st March 2021	14.79	
Balance as at 31st March 2020	-	



(Rs.in Lakhs)

5. INVESTMENTS	As at	As at
NON-CURRENT INVESTMENTS	31st March, 2021	31st March, 2020
Long Term Investment		
In Others (at cost unless stated otherwise)		
(a) Quoted		
(i) 50,000 equity shares in Genus Power Infrastructures Ltd of Re 1/- each	0.25	0.25
(ii) 50,000 equity shares in Genus Paper & Boards Ltd.	0.25	0.25
(Previous year 50,000 equity Shares in Genus Power Infrastructured Ltd, of Re 1/- each)		
(iii) 1500 equity shares of Rs. 2/- each fully paid-up in J.P. Associates Ltd.	2.06	2.06
(iv) 25,000 equity shares of Rs. 10/- each in Rashtriya Chemicals & Fertilizers Ltd.	20.69	20.69
(v) 25,000 equity shares of Rs. 2/- each in Suzion Energy Ltd.	19.65	19.65
(b) Unquoted (at cost unless stated otherwise)		
(i) 2,49,300 equity shares in Dhaulana Sugar Industries Ltd. Of Rs.10 each paid up Re. 1/- per share	-	2.49
Investment in Others		
(ii) 10,500 equity shares of Rs. 10 each -BEIL Infrastructure Ltd.	1.05	1.05
(iii) 4,09,025 equity shares of Rs. 10 each - Narmada Clean Tech Ltd.(formerly named as Bharuch Eco-Aqua Infrastructure Ltd.)	40.90	40.90
Total	84.85	87.35

(Rs.in Lakhs)

6. Loans	As at	As at
Particulars	31st March, 2021	31st March, 2020
NON-CURRENT		
(Unsecured, Considered good)		
Security Deposits	506.93	459.66
Total	506.93	459.66

(Rs.in Lakhs)

7. Other Financial Assets (Non Current)	As at	As at
Particulars	31st March, 2021	31st March, 2020
NON-CURRENT		
Bank Deposits with maturity of more than 12 months as Margin Money	796.78	179.01
Total	796.78	179.01

Bank Deposits in form of FDR having maturity period of more than 12 months is kept as margin money against Bank guarantees

8. DEFERRED TAX ASSETS (NET)	(Rs.in Lakhs)	(Rs.in Lakhs)
Particulars	As at	As at
	31st March, 2021	31st March, 2019
Depreciation and amortisation	-	(1,469.85)
Mat Credit Available	-	1,490.63
Total	-	20.78

9. OTHER NON-CURRENT ASSETS	(Rs.in Lakhs)	(Rs.in Lakhs)
Particulars	As at	As at
	31st March, 2021	31st March, 2020
Capital Advances	-	15.85
Other Loans & Advances	136.00	127.80
Balance with Government Authorities	-	11.00
Balance with Gratuity fund	44.08	1.50
Total	180.08	156.15

10. INVENTORIES	(Rs.in Lakhs)	(Rs.in Lakhs)
Particulars	As at	As at
	31st March, 2021	31st March, 2020
(i) Raw Materials	4,648.21	3,617.19
(ii) Work in Progress	749.80	695.18
(iii) Finished Goods	1,898.08	2,557.71
(iv) Stock in Traded Goods	35.08	94.77
(v) Stores, Spares & Packing	523.24	435.91
(vi) Coal, Fuel & Chemicals	1,190.65	1,249.29
Total	9,845.07	8,650.06



(Rs.in Lakhs)

11. TRADE RECEIVABLES

Particulars	As at 31st March, 2021	As at 31st March, 2020
Un-secured and Considered Good	9,838.15	8,168.58
Considered Doubtful		68.32
Total	9,838.15	8,236.90

Note: A provision of Rs.98.31 Lakh on doubtful trade receivable has been made during the year.

(Rs.in Lakhs)

12. CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2021	As at 31st March, 2020
Cash in hand	6.41	11.96
Balance with Banks -In Current accounts	1,788.03	305.87
Total	1,794.44	317.83

(Rs.in Lakhs)

13. Other Financial Assets

Particulars	As at 31st March, 2021	As at 31st March, 2020
Other Bank Balances (Term Deposits with original maturity more than 3 months and less than 12 months)	53.36	1,004.28
Unpaid dividend account	66.95	73.41
Total	120.31	1,077.69

(Rs.in Lakhs)

14. OTHER CURRENT ASSETS

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured and Considered Good	11.19	9.88
Advance to Employees	1,350.97	323.63
Advance to suppliers and service providers	1,789.35	370.66
Advance/Current Taxes	304.03	276.21
Balance with Govt. Authorities	2,149.40	2,444.80
Other Advances		
Total	5,604.95	3,425.18



15. EQUITY SHARE CAPITAL

(Rs. in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Authorized Equity Share Capital: 55,500 Equity shares of Rs. 1000 each	555.00	555.00
Issued, Subscribed and Paid up: 707 Equity shares of Rs. 1000 each (Previous year 707 Equity shares of Rs. 1000 each)	7.07	7.07
Total	7.07	7.07

(a) Reconciliation of Number of Equity Shares outstanding at the beginning and at the end of the reporting period

(Rs. in Lakhs)

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	No. of shares	Amount (1 Rs Each)	No. of shares	Amount (1 Rs Each)
Equity Shares Shares outstanding at the beginning of the year	707	7.07	707	7.07
Add: Issued during the year	-	-	-	-
Closing balance	707	7.07	707	7.07

(b) Details of shares held by Equity Shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholder	As at 31st March, 2021		As at 31st March, 2020	
	No. of shares held	% of holding	No. of shares held	% of holding
(i) Dr. C. K. Jain	182	25.74%	182	25.74%
(ii) Mrs. Mindula Jain	173	24.47%	173	24.47%
(iii) Mrs. Aditi Passari	124	17.54%	124	17.54%
(iv) Mrs. Anurati Jain	106	15.20%	106	15.20%
(v) Mrs. Anubha Gupta	120	16.97%	120	16.97%

16. OTHER EQUITY

(Rs. in Lakhs)

Particulars	RESERVES AND SURPLUS		Attributable to owners of the parent		Non-controlling interests	Total
	Capital Reserve on Consolidation	General Reserve	Retained Earnings	Non-controlling interests		
Balance as at 1st April 2020	13,596.40	316.75	4,133.21	15,863.45	33,906.81	
Profit for the year	-	-	3,480.50	2,734.54	6,215.04	
Other Comprehensive Income (net of tax)	-	-	34.92	27.20	62.12	
Dividend Distributed	-	-	(123.25)	(123.25)	(123.25)	
NCI Transferred to retained Earnings due to Further acquisition of Shares	-	-	938.80	(1,803.74)	(864.95)	
Balance as at 31st March 2021	13,596.40	316.75	8484.18	22,377.23	39,398.77	

Particulars	RESERVES AND SURPLUS		Attributable to owners of the parent		Non-controlling interests	Total
	Capital Reserve on Consolidation	General Reserve	Retained Earnings	Non-controlling interests		
Balance as at 31st March, 2019	-	278.36	3,835.56	4,113.94	-	4,113.94
Profit for the year	911.56	-	261.01	1,172.57	1,002.61	2,175.18
Amount Transfer to General Reserve	-	36.29	(38.30)	-	-	-
Other Comprehensive Income for the year, net of income tax	-	(8.44)	(1.31)	(9.15)	(9.28)	(19.01)
Investment made in GPI	(2,965.69)	-	76.32	(2,965.69)	-	(2,965.69)
Adjustment of MAT of earlier year's	-	-	-	76.32	-	76.32
Share of Parent with respect to addition during the year	15,658.97	-	-	15,658.97	14,870.10	30,529.07
Balance as at 31st March, 2020	13,596.40	316.75	4,133.21	16,946.36	16,863.45	33,906.81



17. FINANCIAL LIABILITIES –NON CURRENT BORROWINGS

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Secured Loans		
(i) Term Loan from bank measured at Amortised Cost	-	1,000.00
(ii) Long term maturities of Finance Lease obligations/ hire purchase finance	-	133.94
		1,133.94
Unsecured		
9,75,000, 8% Redeemable Preference shares of Rs. 100 each (refer note xxx below)	1,053.00	975.00
	1,053.00	975.00
Total	1,053.00	2,108.94
(a) Nature of security for secured borrowings are given below:		
(i) Term Loans from Banks	-	2,949.75
The Immovable and Movable Assets of the Unit Located at Boregoan Industrial Area, Distt.Chhindawara (M.P.) and Abu Road, Sirohi, Rajasthan are charged to Citi Bank by way of First charge for External Commercial Borrowings(ECB) of USD 11.60 million.		
The Immovable Assets of the Unit Located at the Jhagadia Industrial Estate, Dist Bharuch (Gujarat) and movable assets of Units located at Muzaffarnagar (UP) are charged to The Hongkong & Shanghai Banking Corporation Ltd. by way of First charge on pari-passu with Citi Bank for Term Loan of Rs 40 crores.		
(ii) Long term maturities of Finance Lease obligations	-	133.94
Above loans are secured against vehicles purchased through Banks under hire purchase agreements.		
(b) The aggregate amount of loans under each head guaranteed by Directors or others are given below:		
Term Loans from Banks	-	2,949.75
Above term loans are secured by personal guarantee of the Promoter Director.		
Redeemable Preference Share capital includes interest of Rs.78 Lacs.		

18. Other Financial Liabilities

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Lease Liabilities	133.48	41.01
Total	133.48	41.01

19. DEFERRED TAX LIABILITIES (NET)

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Depreciation and amortisation	1,476.45	-
Mat Receivables	(44.49)	-
Total	1,431.96	-

20. SHORT TERM BORROWINGS

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Secured loans		
Working Capital Loan	-	5,960.93
Total	-	5,960.93
(a) The Working Capital Loans are secured by the Hypothecation of Present and Future stock of Raw Materials, Stores, Stock in Process, Chemicals and Consumables, Fuels, Packing, Finished Goods etc. and Book Debts of the Company.		
(b) The Loan is further secured by way of a Second Charge on Fixed Assets of the Company and personal guarantee of Promoter Director of the Company.		

21. TRADE PAYABLES

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Trade Payables consist of the following:		
- micro, small and medium enterprises	231.74	229.60
- others	5,399.04	2,658.10
Total	5,630.78	2,887.70

22. OTHER FINANCIAL LIABILITIES

(Rs.in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
(a) Interest accrued but not due on borrowings	-	7.00
(b) Current maturities of long term debt	-	2,003.59
(c) Unclaimed dividends	66.95	73.41
(d) Capital liabilities	5.00	43.96
(e) Expenses payable	667.48	525.93
(f) Lease Liability	13.37	0.68
Total	752.79	2,654.57



23. OTHER CURRENT LIABILITIES

(Rs. in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
(a) Advance from Customers	324.15	221.50
(b) Other liabilities	1,383.39	598.52
Total	1,707.55	820.02

24. PROVISIONS

(Rs. in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Employee Benefits	512.20	180.56
Total	512.20	180.56

25. REVENUE FROM OPERATIONS

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Revenue		
(a) Sale of Product (including excise duty)	74,438.99	59,705.59
(b) Freight and Handling Charges recovered	606.59	403.05
(c) Income from Interest	69.51	212.72
(i)	75,116.10	60,321.36
Other Operating Revenues		
(i) Export and Other Incentives	204.14	429.63
(ii) Miscellaneous Receipts & claims	60.85	116.35
(iii) Sales- Scrap & Waste Material	153.13	139.78
(iv) Foreign Exchange Fluctuations	83.93	129.97
(v) Lease Rent, Operation & Maintenance Charges	1,055.81	1,155.39
(ii)	1,557.86	1,971.12
REVENUE FROM OPERATIONS (I+II)	76,672.95	62,292.49

(A) Revenue from contracts with customers disaggregated based on nature of products or services.

Revenue from sale of products		
i) Mineral Processing	8,118.46	11,741.33
ii) Grain Processing	53,657.52	47,862.81
iii) Distillery	13,269.61	504.50
iv) Unallocated	69.51	212.72
Other Operating Revenues		
(i) Export and Other Incentives	204.14	429.63
(ii) Miscellaneous Receipts & claims	60.85	116.35
(iii) Sales- Scrap & Waste Material	153.13	139.78
(iv) Foreign Exchange Fluctuations	83.93	129.97
(v) Lease Rent, Operation & Maintenance Charges	1,055.81	1,155.39
Total	76,672.95	62,292.49

(B) Revenue from contracts with customers disaggregated based on geography

Domestic	68,756.38	60,407.21
Export	5,680.61	9,298.38
Total	74,438.99	59,705.59

(C) Reconciliation of gross revenue with the revenue from contracts with customers

Gross revenue #	74,482.81	59,753.60
Less: discounts	(43.82)	(48.01)
Total	74,438.99	59,705.59

Revenues are recorded at a point in time. The Company has no remaining performance obligations once the goods are delivered to the customer as per terms of the contract.

(D) Receivables, contract assets and contract liabilities from contracts with customers

Trade receivables*	9,838.15	8,236.90
Contract balances		
- Advances from customers**	(324.15)	(221.50)
Total	9,514.00	8,015.40

* Trade receivables are non-interest bearing and are generally due within 0 to 90 days. There is no significant financing component in any transaction with the customers.

** The adjustments of advances during the year are not considered to be significant.

26. OTHER INCOME

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Interest Income		
On Bank Deposits & Others	65.61	93.55
(b) Dividend Income		
On Investments	1.22	1.47
(c) Gain / (Loss) on sale of investments (Net)		
On Investments	10.55	-
(d) Profit/ (Loss) on property, plant and equipment sold / discarded (Net)	82.02	0.18
(e) Other Non-Operating Income	26.50	6.50
Total	185.91	101.70



(Rs.in Lakhs)

27. COST OF MATERIALS CONSUMED

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Raw Material	36,055.47	35,496.96
Total	36,055.47	35,496.96

(Rs.in Lakhs)

28. PURCHASE OF GOODS TRADED

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Purchase of Stock in Trade	471.74	704.73
Total	471.74	704.73

(Rs.in Lakhs)

29. CHANGE IN INVENTORIES

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Opening inventories		
(a) Traded Goods	94.77	46.64
(b) Work in progress	695.18	640.19
(c) Finished Goods	2,557.71	1,812.45
	3,347.66	2,499.27
(b) Less: Closing Inventories		
(a) Traded Goods	35.08	94.77
(b) Work in progress	749.80	695.18
(c) Finished Goods	1,898.08	2,557.71
	2,682.97	3,347.66
Total	664.69	(848.39)

(Rs.in Lakhs)

30. EMPLOYEE BENEFITS EXPENSES

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Salaries and Wages	2,585.55	2,006.87
(b) Contribution to Provident and Other Funds	122.76	78.96
(c) Employee Welfare	157.87	125.78
Total	2,866.18	2,211.63

(Rs.in Lakhs)

31. FINANCE COST

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Interest & Charges on Bank borrowing for working Capital	432.74	656.03
(b) Interest on Term and Other Loans	168.31	393.58
(c) Gain on foreign currency transactions and translation	78.00	93.87
(d) Interest Expenses recognised on Redeemable Preference Shares	-	-
Total	679.05	1,143.48

(Rs.in Lakhs)

32. DEPRECIATION AND AMORTIZATION EXPENSES

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Depreciation on Property, Plant and Equipment	3,253.02	3,098.43
(b) Amortisation on Intangible Assets	3.08	3.92
Total	3,256.09	3,102.35



33. OTHER EXPENSES

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Process Chemicals & Consumables	5,393.81	3,697.47
(b) Stores, Spare Parts & Packing	2,864.37	2,127.64
(c) Power and Fuel	8,310.81	6,627.94
(d) Repair & Maintenance:		
-Building	4.51	4.50
-Plant & Machinery	1,263.21	647.05
(e) Rates and Taxes	335.99	127.00
(f) Rent	109.55	79.32
(g) Printing and Stationary	26.51	24.26
(h) Advertisement and Publicity	4.83	4.07
(i) Subscription and Membership fees	9.62	10.72
(j) Travelling Expenses	114.06	177.18
(k) Legal and Professional Expenses	227.47	224.92
(l) Payment to Auditors*	8.42	6.47
(m) Communication Charges	46.73	56.01
(n) Repair and Maintenance	50.16	47.31
(o) Insurance	92.28	82.33
(p) Donation	0.63	1.67
(q) Corporate Social Responsibility expenses**	218.09	37.46
(r) Miscellaneous Expenses	23.41	9.25
(s) Allowance for Doubtful trade receivables	98.32	-
(t) Commission & Discount	125.38	133.92
(u) Freight and Forwarding Expenses	4,099.14	3,489.27
(v) Others	68.00	61.34
Total	23,495.32	17,677.09
(*) (c) Details of Auditors Remuneration are as follows:		
(i) Statutory Audit Fees	6.67	5.22
(ii) Limited Review Fee	1.25	1.00
(iii) Reimbursement of expenses		
(iv) Other Management Services, Consultancy and certification Charges	0.50	0.25
	8.42	6.47

34. EARNINGS PER SHARE (EPS)

i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (Rs. in lakhs)	3,515.42	1,162.82
ii) Number of equity shares used as denominator for calculating EPS	707	707
iii) Number of Diluted Equity Share (Amount in Rs.)	707	707
iv) Basic Earning per share (Amount in Rs.)	497,230.55	164,472.88
v) Diluted Earning per share (Amount in Rs.)	497,230.55	164,472.88
vi) Face value per equity share (Amount in Rs.)	1,000	1,000



35. Additional Information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

Name of the entity	31 st March 2021			
	Net Assets		Share in Profit or (Loss)	
	As % of consolidated net assets	Amount (Rs. in Lakhs)	As % of consolidated	Amount (Rs. in Lakhs)
PARENT Gulshan Holdings Pvt. Ltd.	2.23	879.04	-0.49	-30.51
SUBSIDIARY Gulshan Polyols Ltd.	97.77	38,526.80	100.49	6,245.55
Grand Total	100.00	39,405.84	100.00	6,215.04

Name of the entity	Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated other Comprehensive Income	Amount (Rs. in Lakhs)	As % of consolidated Total Comprehensive Income	Amount (Rs. in Lakhs)
PARENT Gulshan Holdings Pvt Ltd	-	-	-0.49	-30.51
SUBSIDIARY Gulshan Polyols Ltd.	100.00	62.12	100.49	6,307.67
Grand Total	100.00	62.12	100.00	6,277.16

36. INCOME TAX

a. Amounts recognized in profit or loss

(Rs in lakhs)

Particulars	31 st March 2021	
Current tax expense		
Current year	1,843.00	
MAT Credit Available	1,305.67	3,148.67
Deferred Tax Expense		6.60
Total Tax Expense		3,155.27

As per Indian tax laws, companies are liable for a Minimum Alternate Tax ("MAT" tax) when current tax, as computed under the provisions of the Income Tax Act, 1961 ("Tax Act"), is determined to be below the MAT tax computed under section 115JB of the Tax Act. The excess of MAT over current tax together with any brought forward MAT credit is eligible to be carried forward and set-off in the future against the current tax liabilities over a period of 15 years.



b. Movement in deferred tax balances

(Rs in lakhs)

Particulars	As at 31 st March 2021
Deferred Tax Assets	
MAT Receivable	44.49
Total Deferred Tax Assets	44.49

Particulars	As at 31 st March 2021
Deferred Tax Liabilities	(1476.45)
Total Deferred Tax Liabilities	(1476.45)
Net Deferred Tax Assets/ (Liability)	(1431.96)

37. The Company has one subsidiary viz Gulshan Polyols Limited. Consolidated Financial Statements have been prepared with its subsidiary in view of Explanation to Section 129(3) of the Companies Act, 2013.

38. Effective 1st April, 2014, the estimated useful lives of fixed assets were revised in keeping with the provisions of Schedule II to the Companies Act, 2013.

39. Disclosures of Related Party transactions as per Ind AS -24

a. Name of related party and nature of related party relationship where control exist:

- i. Holding Company: NIL
- ii. Subsidiary Company: Gulshan Polyols Ltd.

b. Name of related party and nature of related party relationship other than those referred to in (a) above in transaction with the Company:

- (i) Joint Venture etc.: NIL
- (ii) Key Management personnel: Dr. C. K. Jain, Director
Mrs. Arushi Jain, Director
- (iii) Relatives of Key Managerial Personnel: Mrs. Mridula Jain
Mrs. Aditi Pasari
Mrs. Anubha Gupta

(c) Transactions with related parties during the period 01.04.2020 to 31.03.2021 other than the transactions between the Holding and subsidiary company:

(Rs. in Lakhs)

PARTICULARS	Transaction during the year	Outstanding Balance as on 31.03.2021
Remuneration to Key Management Personnel & Relatives	-	-



40. Information on segment reporting pursuant to Ind AS 108

(Rs. in Lakhs)

Particulars	Mineral Processing	Grain Processing	Distillery	Corporate & Others	Total
	31.03.21	31.03.21	31.03.21	31.03.21	31.03.21
Revenue External sales	9237.46	54080.63	13269.60	69.51	76657.20
Un-allocated Sales				15.75	15.75
Total Revenue Results	9237.46	54080.63	13269.60	85.26	76672.95
Segment results before interest and Finance cost	1729.13	6631.03	1579.25	44.86	9984.27
Un-allocable Income					65.09
Operating Profit	1729.13	6631.03	1579.25	44.86	10049.36
Interest Expenses					679.05
Current Tax (Net of Mat Credit/Debit)					3148.67
Deferred Tax Charge / (Credit)					6.60
Net Profit					6215.04

Particulars	Mineral Processing	Grain Processing	Distillery
	31.03.21	31.03.21	31.03.21
Segment Assets	6553.61	28242.84	12810.90
Unallocated Assets	-	-	-
TOTAL ASSETS	6553.61	28242.84	12810.90
Segment Liabilities	1488.72	5214.88	1447.27
Unallocated Liabilities & Provisions	-	-	-
TOTAL LIABILITIES	1488.72	5214.88	1447.27

Particulars	Corporate	Others	Total
	31.03.21	31.03.21	31.03.21
Segment Assets	929.97	1927.60	50464.92
Unallocated Assets	-	2041.24	2041.24
TOTAL ASSETS	929.97	3968.84	52506.16
Segment Liabilities	6.98	-	8157.85
Unallocated Liabilities & Provisions	-	4942.48	4942.48
TOTAL LIABILITIES	6.98	4942.48	13100.33



(1) The Group's corporate strategy aims at creating multiple drivers of growth anchored on its core competencies. The Group is currently focused on four business groups: Mineral Processing, Grain Processing, Distillery and Corporate. The Group's organizational structure and governance processes are designed to support effective management of multiple businesses while retaining focus on each one of them.
The Operating Segments have been reported in a manner consistent with the internal reporting provided to the Corporate Management Committee, which is the Chief Operating Decision Maker.

(2) The business groups comprise the following:

Segment	:	Group Company
• Mineral Processing	:	Subsidiary: Gulshan Polyols Ltd.
• Grain Processing	:	Subsidiary: Gulshan Polyols Ltd.
• Distillery	:	Subsidiary: Gulshan Polyols Ltd.
• Corporate	:	Parent : Gulshan Holding Pvt. Ltd.

(3) The Group is not reliant on revenues from transactions with any single external customer and did not receive 10% or more of its revenues from transactions with any single external customer.

41. Previous year figures have been regrouped/reclassified to make them comparable to current year figures.

As per our report of even date attached.


For Aashish Bathla & Co.
Chartered Accountants
Registration No. 0283430

For and on behalf of the Board of Directors


Aashish Bathla
(Proprietor)
Membership No. 446095




Chandra Kumar Jain
(Director)


Arushi Jain
(Director)

Date: 06-07-2021

Place: New Delhi

UDIN:- 21446095AAAACC9911

INDEPENDENT AUDITORS' REPORT

To The Members of,
East Delhi Importers and Exporters Pvt. Limited
Delhi

Annexure XVI

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **East Delhi Importers and Exporters Pvt. Limited.** ("The Company") which comprise the Balance Sheet as at **March 31, 2021**, and the Statement of Profit and Loss, for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

- In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2021
- In the case of the Statement of Profit and Loss, of the Profit for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility of Management for 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 financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the Accounting principles generally accepted in India, including the accounting standards specified under section 133 of the act. This responsibility also includes the 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 judgment and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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



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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") as amended, 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.
2. As required by Section 143(3) of the Act, we report that:

We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

 - a. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - b. The Balance Sheet, and the Statement of Profit and Loss, dealt with by this Report are in agreement with the books of account.
 - c. In our opinion, the Balance Sheet, and the Statement of Profit and Loss account comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the of the Companies (Accounts) Rules, 2014.;
 - d. On the basis of the written representations received from the directors as on March 31, 2021 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of section 164(2) of the Act.



- e. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of Companies (Audit and Auditors), 2016, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company does not have any pending litigations which would impact its financial position.
 - (ii) The Company did not have any Long Term Contract including Derivative contracts for which there were any material foreseeable Losses.
 - (iii) There were no amounts which were required to be transferred to the investor Education and Protection Fund by the company.

Date : 08-06-2021
Place : MUZAFFARNAGAR
UDIN: 21070408AAAABT3387

For **SHAHID & ASSOCIATES**
Chartered Accountants
(Registration No. 002140C)



(Signature)
(MOHD. SHAHID)
Proprietor
Membership No. : 70408
UDIN:

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirement" of our Report of even date to the financial statements of the company for the year ended March 31st 2021:

- (i) In Respect of its Fixed Assets:
 - (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
 - (b) These fixed assets have been physically verified by the management at reasonable intervals in accordance with regular programme of verification. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - (c) The title deeds of immovable properties are held in the name of the company.
- (ii) In Respect of its inventory:

According to the information and explanations given to us, there is no inventory during the year hence this clause is not applicable to the company.
- (iii) According to information and explanations given to us, the company has not granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act 2013.
- (iv) According to information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.
- (v) According to information and explanations given to us the company has not accepted any deposits during the year.
- (vi) Central Government has not prescribed the maintenance of cost records under Sub-section (1) of Section 148 of the Companies Act 2013
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales -tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.
 - (b) According to the information and explanations given to us, no undisputed amount is payable in respect of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess as at March 31, 2021.
- (viii) The company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- (ix) The company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and Also Company has not raised money by term loans during the year.
- (x) According to the information and explanations given to us, we have not noticed or reported any fraud by the company or any fraud on the Company by its officers or employees during the year.
- (xi) According to information and explanations given to us, the company has not paid any managerial remuneration during the year under review hence this clause is also not applicable to the company.
- (xii) This clause of the CARO 2016 is not applicable to the Company as the Company is not a Nidhi Company.



- (xiii) There is no related party transaction during the year with the company hence this point is not applicable to the company.
- (xiv) 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 under review.
- (xv) According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him and the provisions of section 192 of Companies Act, 2013 have been complied with;
- (xvi) This clause of the CARO 2016 is not applicable to the Company as the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Date : 08-06-2021
Place : MUZAFFARNAGAR
UDIN: 21070408AAAABT3387

For **SHAHID & ASSOCIATES**
Chartered Accountants
(Registration No. 002140C)



MOHD. SHAHID)
Proprietor
Membership No. : 70408
UDIN:

“ANNEXURE - B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF “EAST DELHI IMPORTERS AND EXPORTERS PRIVATE LIMITED”

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

We have audited the internal financial controls over financial reporting of **EAST DELHI IMPORTERS AND EXPORTERS PRIVATE LIMITED** (“the Company”) as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. These 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 and understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for my /our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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



Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Date : 08-06-2021

Place : Muzaffarnagar

UDIN:21070408AAAABT3387

For **SHAHID & ASSOCIATES**
Chartered Accountants
(Registration No. 002140C)



(MOHD. SHAHID)

Proprietor

Membership No. : 70408

UDIN:

East Delhi Importers and Exporters Pvt. Limited
Balance Sheet as at 31st March 2021

	Note No.	As at 31/03/2021	As at 31/03/2020
<u>EQUITY AND LIABILITIES</u>			
Shareholders' Funds			
Share Capital	2	100000.00	100000.00
Reserves and Surplus	3	59494987.52	59251858.88
		<u>59594987.52</u>	<u>59351858.88</u>
Non-Current Liabilities			
Deferred Tax Liabilities (Net)	4	17203.00	17734.00
		<u>17203.00</u>	<u>17734.00</u>
Current Liabilities			
Short-term Borrowings	5	0.00	254655.22
Short-term Provisions	6	102089.00	321586.00
		<u>102089.00</u>	<u>576241.22</u>
		<u>59714279.52</u>	<u>59945834.10</u>
<u>ASSETS</u>			
Non-Current Assets			
Fixed Assets	7	13582298.00	13673067.00
		<u>13582298.00</u>	<u>13673067.00</u>
Current Assets			
Current Investments	8	37828020.42	37828020.42
Cash and Bank Balances	9	7829759.10	7656025.68
Short-term Loans and Advances	10	474202.00	788721.00
		<u>46131981.52</u>	<u>46272767.10</u>
		<u>59714279.52</u>	<u>59945834.10</u>

Significant Accounting Policies & Notes to Financial Statements

As per our report of even date attached
For SHAHID & ASSOCIATES

Chartered Accountants
(Registration NO.-002140C)

(MOHD. SHAHID)

Proprietor

M.NO.-070408

UDIN: 21070408AAAABT3387

Dated:-08-06-2021

Place: Muzaffarnagar



AVDESH KUMAR
DIRECTOR

Aditi Pasari

ADITI PASARI
DIRECTOR

East Delhi Importers and Exporters Pvt. Limited
Statement of Profit and Loss for the period ended 31st March 2021

	Note No.	As at 31/03/2021	As at 31/03/2020
REVENUES			
Other Income			
Total Revenues	11	1135388.44	2378781.00
		<u>1135388.44</u>	<u>2378781.00</u>
EXPENSES			
Employee Benefits Expenses	12	450000.00	828000.00
Finance Costs	13	25095.80	95934.60
Depreciation and Amortization	14	90769.00	100297.00
Other Expenses	15	238317.00	119393.00
Total Expenses		<u>804181.80</u>	<u>1143624.60</u>
Profit/ (Loss) before Exceptional and Extraordinary items and Tax		331206.64	1235156.40
Exceptional Items		0.00	0.00
Profit/ (Loss) before Extraordinary items and Tax		331206.64	1235156.40
Extraordinary Items		0.00	0.00
Profit before Tax		331206.64	1235156.40
Tax Expenses:			
Current Tax		88609.00	321586.00
Deferred Tax		(531.00)	(446.00)
Profit/ (Loss) for the period from continuing Operations		243128.64	914016.40
Profit/ (Loss) from Discontinuing Operations		0.00	0.00
Tax Expenses of Discontinuing Operations		0.00	0.00
Profit/ (Loss) for the period		243128.64	914016.40

Significant Accounting Policies &
Notes to Financial Statements

As per our report of even date attached
For SHAHID & ASSOCIATES

Chartered Accountants
(Registration NO.-002140C)

(MOHD. SHAHID)
Proprietor

M.NO.-070408

UDIN: 21070408AAAABT3387

Dated:-08-06-2021

Place: Muzaffarnagar



AVDESH KUMAR
DIRECTOR.

ADITI PASARI
ADITI PASARI
DIRECTOR.

Note: 1

ACCOUNTING POLICIES & NOTES ON ACCOUNTS

A. Significant Accounting Policies

1. Basis of Preparation

The Financial Statements have been prepared in accordance with the applicable Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant disclosure requirements of the Companies Act, 2013 under historical cost convention and on the basis of going concern.

Accounting policies not specifically referred to otherwise are consistent and are in consonance with generally accepted accounting principles followed by the company.

2. Fixed Assets & Depreciation:

Fixed Assets are valued at acquisition cost including directly attributable cost of bringing them to their respective working conditions for the intended use.

Depreciation on fixed Assets is provided to the extent of depreciable amount on Written Down Value Method as specified in Part C of Schedule II of Companies Act 2013.

3. Inventory Valuation

There is no Stock in trade in the Company at the end of the financial year hence no valuation of Stock has been made.

The Company has not made any production during the financial year hence no Raw Material, Stores & Spares, Chemicals has been consumed.

4. Revenue Recognition

The Company follows mercantile system of Accounting where all the Income & Expenditure items having material bearing on the financial statements are recognized on accrual basis.

5. Retirement Benefits

Provident Fund and Gratuity Act is not applicable to the Company at present.

6. Cash Flow Statement:

Cash Flow Statement are not required to be prepared because the company is a small company within the meaning of section 2(85) of the Companies Act 2013.

7. Provisions for Current & Deferred Tax:

Provision for Current Tax is made on Normal basis during the year.

Deferred tax resulting from timing difference between book and taxable profit is accounted for using the Tax Rates and laws that have been enacted or substantively enacted as on the Balance Sheet date.

NOTES FORMING PART OF THE ACCOUNTS

1. Previous year figures have been re-grouped, re-casted and re-arranged wherever considered necessary.
2. In the opinion of the Board of Directors, Current Assets and Loans and Advances have a value of realization in the ordinary course of business at least equal to the amount at which they have been stated in the Balance sheet and appropriate provision have been made in respect of all known liabilities.
3. Figures have been rounded off to nearest rupees.
4. The Additional information as required under Schedule III of the Companies Act, 2013 are not applicable as the Company is not engaged in any of the activities referred therein.



East Delhi Importers and Exporters Pvt. Limited

Notes to the Financial Statements

	As at 31/03/2021	As at 31/03/2020
2. Share Capital:		
A. Authorized, Issued, Subscribed and Paid-up Share Capital		
Authorized:		
10,000 Equity Share of Rs. 10/- each	100000.00	100000.00
	100000.00	100000.00
Issued, Subscribed and Paid-up:		
10,000 (Previous year 10,000) Equity Shares of Rs. 10 each fully paid-up	100000.00	100000.00
Total	100000.00	100000.00

B. Reconciliation of Shares outstanding at the beginning and at the end of year are given below:

	2020-21		2019-20	
	Numbers	Amount	Numbers	Amount
Equity Shares outstanding at the beginning of the year	10000	100000	10000	100000
Add: Equity Shares Issued during the year - (a)	0	0	0	0
Less: Equity Shares bought back/ redeemed during the year	0	0	0	0
Equity Shares outstanding at the end of the year	10000	100000	10000	100000

C. Detail of shareholder holding more than 5 percent shares of the Company as on reporting date are given below:

S.no.	Name of shareholder	As at 31/03/2021		As at 31/03/2020	
		Numbers of Shares held	Percentage of Holding	Numbers of Shares held	Percentage of Holding
1	Dr. C.K.Jain	6000	60%	6000	60%
2	Mrs. Mridula Jain	2000	20%	2000	20%
3	Mrs Arushi Jain	2000	20%	2000	20%

3. Reserves and Surplus:

General Reserve	7200000.00	7000000.00
Surplus i.e. balance in Statement of Profit and Loss - (b)	52294987.52	52251858.88
Total	59494987.52	59251858.88

(a) Additions and deductions since the last Balance Sheet under each head of Reserve are as under:

	As at 31/03/2019			As at 31/03/2020			As at 31/03/2021		
	Additions	Deductions	Total	Additions	Deductions	Total	Additions	Deductions	Total
General Reserve	6800000	200000	7000000	200000.00	-	200000.00	-	-	7200000.00
	6800000	200000	7000000	200000.00	-	200000.00	-	-	7200000.00

(b) Allocations and appropriations in Surplus i.e. balance in Statement of Profit and Loss are as under:

Opening Balance	52251858.88	51537842.48
Add: Profit for the period	243128.64	914016.40
	52494987.52	52451858.88
Less: Transfer to General Reserve	200000.00	200000.00
Closing Balance	52294987.52	52251858.88



4 Deferred Tax Liabilities (Net)

Deferred Tax Liabilities on account of
Depreciation and Amortization Expenses
Deferred Tax Liabilities (Net)

17203.00	17734.00
<u>17203.00</u>	<u>17734.00</u>

5 Short-term Borrowings

Secured

From Banks

-	254655.22
<u>0.00</u>	<u>254,655.22</u>

Above Loan is secured by way of first charge against Fixed Deposit held in Gulshan Mercantile Urban Co-operative Bank Ltd.

6 Short-term Provisions

Provision for Current Tax
Expenses Payables

88609.00	321586.00
13480.00	0.00
<u>102089.00</u>	<u>321586.00</u>

7 Tangible Assets

Summary of cost and net carrying amount of each class of tangible assets are given below:

	Gross Block		Accumulated Depreciation		Net Carrying Amount	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020	31/03/2021	31/03/2020
Land	12,717,605	12,717,605	-	-	12,717,605	12,717,605
Building	1,757,395	1,757,395	892,702	801,933.00	864,693	955,462.00
	<u>14,475,000</u>	<u>14,475,000</u>	<u>892,702</u>	<u>801,933.00</u>	<u>13,582,298</u>	<u>13,673,067.00</u>

(a). Reconciliation of the gross and net carrying amounts of assets at the beginning and period ending 30/09/2020 are as under:

Cost	As at			As at
	31/03/2020	Additions	Disposals	31/03/2021
Land	12,717,605	-	-	12,717,605
Building	1,757,395	-	-	1,757,395
	<u>14,475,000</u>	<u>-</u>	<u>-</u>	<u>14,475,000</u>
Previous Year	14,475,000	-	-	14,475,000

Accumulated Depreciation	As at			As at
	31/03/2020	Additions	Deductions	31/03/2021
Land	-	-	-	-
Building	801,933	90769	-	892,702.00
	<u>801,933</u>	<u>90769</u>	<u>-</u>	<u>892,702.00</u>
Previous Year	701,636	100297	-	801,933.00

8 Current Investments:

965020 Equity Shares of Gulshan Polyols Limited

37828020.42	37828020.42
<u>37828020.42</u>	<u>37828020.42</u>

9 Cash and Bank Balances:

Cash and Bank Balances consist of the following:

Cash and Cash Equivalents

Cash on hand

240,278.60	576120.60
------------	-----------

Balance with Banks:

-Current Accounts

663264.50	634463.52
<u>903543.10</u>	<u>1210584.12</u>

Other Balances

Balance with Banks:

Fixed Deposits maturing within 12 months

6926216.00	6445441.56
<u>6926216.00</u>	<u>6445441.56</u>
<u>7829759.10</u>	<u>7656025.68</u>

10 Short-term Loans and Advances

(Secured, Considered Good)

Advance Current Tax & T.D.S

A.Y. 2021-22

211081.00	-
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A.Y. 2020-21

240,580.00

A.Y. 2019-20

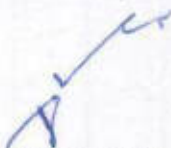
285020.00


A.Y. 2011-12

263,121.00	263121.00
<u>474202.00</u>	<u>788721.00</u>



11 Other Income:		
Interest Income		
On Others		
Dividend	537855.44	2378781.00
On Income Tax Refund	579012.00	
	18521.00	0.00
	<u>1135388.44</u>	<u>2378781.00</u>
12 Employee Benefits Expenses:		
Salaries		
	450000.00	828000.00
	<u>450000.00</u>	<u>828000.00</u>
13 Finance Costs:		
Interest & Bank Charges		
	25095.80	95934.60
	<u>25095.80</u>	<u>95934.60</u>
14 Depreciation and Amortization Expenses:		
Depreciation and Amortization Expenses:		
	90769.00	100297.00
	<u>90769.00</u>	<u>100297.00</u>
15 Other Expenses:		
Administrative Expenses		
Rates & Taxes	25256.00	
Advertisement Expenses	4200.00	0.00
Communication Expenses	19980.00	0.00
Legal and Professional Charges	51040.00	27913.00
Office Expenses	70881.00	78000.00
Travelling Exp.	53480.00	0.00
Auditors' Remuneration - (a)	13480.00	13480.00
TOTAL	<u>238317.00</u>	<u>119393.00</u>
 (a). Details of Auditors' Remuneration are as follows:		
Statutory Auditors:		
Audit Fees	11800.00	11800.00
Reimbursement of expenses	1680.00	1680.00
	<u>13480.00</u>	<u>13480.00</u>


AVDESH KUMAR
Director


ADITI PASARI
Director

Dated:-08-06-2021
Place: Muzaffarnagar
UDIN: 21070408AAAABT3387

As per separate report of even date
For SHAHID & ASSOCIATES
Chartered Accountants
(Registration NO.-902140C)




(MOHD. SHAHID)
Proprietor

PRE-SCHEME CAPITAL STRUCTURE OF THE TRANSFEREE COMPANY

(Based on shareholding data as on March 31, 2021)

Particulars	Amount (Rs.)
Authorised Share Capital	
22,50,00,000 Equity Shares of Rs. 1/- each.	Rs. 22,50,00,000
2,50,000 Redeemable Preference Shares (0%) of Rs. 10/- each.	Rs. 25,00,000
14,50,000 Redeemable Preference Shares (0-10%) of Rs. 100/- each.	Rs. 14,50,00,000
Total	Rs. 37,25,00,000
Issued, Subscribed and Paid-up Share Capital	
4,69,17,020 Equity Shares of Rs. 1/- each	Rs. 4,69,17,020
9,75,000 Redeemable Preference Shares (8%) of Rs. 100/- each	Rs. 9,75,00,000
Total	Rs. 14,44,17,020

POST-SCHEME CAPITAL STRUCTURE OF THE TRANSFEREE COMPANY

(Based on shareholding data as on March 31, 2021)

Particulars	Amount (Rs.)
Authorised Share Capital	
28,06,00,000 Equity Shares of Rs 1/- each.	Rs. 28,06,00,000
2,50,000 Redeemable Preference Shares (0%) of Rs. 10/- each.	Rs. 25,00,000
14,50,000 Redeemable Preference Shares (0-10%) of Rs. 100/- each.	Rs. 14,50,00,000
Total	Rs. 42,81,00,000
Issued, Subscribed and Paid-up Share Capital	
4,95,59,489 Equity Shares of Rs. 1/- each.	Rs. 4,95,59,489
9,75,000 Redeemable Preference Shares (8%) of Rs. 100/- each.	Rs. 9,75,00,000
Total	Rs. 14,70,59,489

PRE-SCHEME AND POST SCHEME SHAREHOLDING PATTERN OF THE TRANSFEREE COMPANY

(Based on shareholding data as on March 31, 2021)

Sr. No.	Name & Category of Shareholders	Pre-Scheme		Post-Scheme	
		Total nos. shares held	Shareholding as a % of total no. of shares	Total nos. shares held	Shareholding as a % of total no. of shares
(A)	Shareholding of Promoter & Promoter Group				
1.	Indian				
	(a) Individuals/Hindu Undivided Family				
	Dr. Chandra Kumar Jain	35,46,990	7.56%	1,18,85,326	23.98%
	Mrs. Mridula Jain	4,60,105	0.98%	77,15,809	15.57%
	Ms. Arushi Jain	3,80,545	0.81%	50,46,129	10.18%
	Ms. Aditi Pasari	72,599	0.15%	50,13,751	10.12%
	Mr. Anubha Gupta	1,98,132	0.42%	49,79,892	10.05%
	(b) Central Government	-	-	-	-
	(c) Bodies Corporate				
	Gulshan Holdings Private Limited	2,63,75,047	56.22%	-	-
	East Delhi Importers & Exporters Private Limited	9,65,020	2.06%	-	-
	(d) Financial Institutions	-	-	-	-
	(e) Any other	-	-	-	-
	Sub Total A(1)	3,19,98,438	68.20%	3,46,40,907	69.90%
2.	Foreign				
	(a) Individuals (Non-Residents Individuals/ Foreign Individuals)	-	-	-	-
	(b) Bodies Corporate	-	-	-	-
	(c) Institutions	-	-	-	-
	(d) Any Others	-	-	-	-
	Sub Total A(2)	-	-	-	-

	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	3,19,98,438	68.20%	3,46,40,907	69.90%
(B)	Public Shareholding				
1.	a. Institutions	-	-	-	-
	b. Mutual Funds/ UTI	-	-	-	-
	c. Financial Institutions / Banks	-	-	-	-
	d. Central Government/ State Government(s)	-	-	-	-
	e. Venture Capital Funds	-	-	-	-
	f. Insurance Companies	-	-	-	-
	g. Foreign Institutional Investors	-	-	-	-
	h. Foreign Venture Capital Investors	-	-	-	-
	i. Any Other	-	-	-	-
	Sub-Total (B)(1)	-	-	-	-
2.	Non-Institutions				
	(a) Bodies Corporate	7,96,876	1.70	7,96,876	1.61%
	(b) Individuals				
	i. Individual shareholders holding nominal share capital up to Rs 2 lakh	1,09,18,394	23.27	1,09,18,394	22.03
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2	11,69,191	2.49	11,69,191	2.36%
	(c) Any Other				
	i. Non-Resident Indian	7,08,973	1.51	7,08,973	1.43%
	ii. Clearing Members	78,900	0.17	78,900	0.16%
	iii. HUF	4,01,233	0.86	4,01,233	0.81%
	iv. IEPF	5,55,975	1.19	5,55,975	1.12%
	Sub-Total (B)(2)	1,46,29,542	31.18%	1,46,29,542	29.52%
	Total Public Shareholding (B)= (B)(1)+(B)(2)	1,46,29,542	31.18%	1,46,29,542	29.52%
	TOTAL (A)+(B)	4,66,27,980	99.38%	1,46,29,542	29.52%

(C)	Non-Promoter Non-Public Shareholding				
1.	Shares held by Custodians and against which DRs have been issued	-	-	-	-
2.	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations 2014)	2,89,040	0.62%	2,89,040	0.58%
	Total Non-Promoter- Non Public Shareholding (C)= (C)(1)+(C)(2)	2,89,040	0.62%	2,89,040	0.58%
	GRAND TOTAL- (A) + (B) + (C)	4,69,17,020	100%	4,95,59,489	100%



To,
The Board of Directors,
Gulshan Holdings Private Limited
9th KM Jansath Road Muzaffarnagar
Uttar Pradesh 251001, India

Annexure XVIII

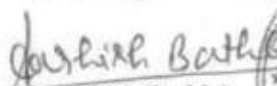
We, the statutory auditors of Gulshan Holdings Private Limited, (hereinafter referred to as "**the Company**"), have examined the proposed accounting treatment specified in clause 18 of the Draft Scheme of Amalgamation between Gulshan Holdings Private Limited ("**Transferor Company 1**") and East Delhi Importers & Exporters Private Limited ("**Transferor Company 2**") with Gulshan Polyols Limited ("**Transferee Company**") in terms of the provisions of section(s) 230 to 232 of the ~~Companies Act, 1956~~/ Companies Act, 2013 with reference to its compliance with the applicable Accounting Standards notified under the ~~Companies Act, 1956~~/ Companies Act, 2013 and Other Generally Accepted Accounting Principles.

The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and Regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved. Our responsibility is only to examine and report whether the Draft Scheme complies with the applicable Accounting Standards and Other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.

Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid scheme is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under and all the applicable Accounting Standards notified by the Central Government under the ~~Companies Act, 1956~~/ Companies Act, 2013.

This Certificate is issued at the request of the Company pursuant to the requirements of Companies Act, 2013 for onward submission to the Hon'ble National Company Law Tribunal (Allahabad Bench). This Certificate should not be used for any other purpose without our prior written consent.

For Aashish Bathla & Co.
Chartered Accountants
Firm Regn No.:- 028343C


(Aashish Bathla)

Proprietor

Membership No. 446095

UDIN- 21446095AAAAAAM5225

Date:- 16-03-2021

Place:-Muzaffarnagar



Shahid & Associates

Chartered Accountants

34/49 A, South Civil Lines
Near Maruti Dharam Kanta
Arya Samaj Road
MUZAFFARNAGAR (U.P.) - 251001
Phone Cum Fax 2621040
Mobile 9012200078

To,
The Board of Directors,
East Delhi Importers & Exporters Private Limited
9th KM Jansath Road Muzaffarnagar
Uttar Pradesh 251001, India

We, the statutory auditors of East Delhi Importers & Exporters Private Limited, (hereinafter referred to as "the Company"), have examined the proposed accounting treatment specified in clause 18 of the Draft Scheme of Amalgamation between Gulshan Holdings Private Limited ("Transferor Company 1") and East Delhi Importers & Exporters Private Limited ("Transferor Company 2") with Gulshan Polyols Limited ("Transferee Company") in terms of the provisions of section(s) 230 to 232 of the Companies Act, 1956/ Companies Act, 2013 with reference to its compliance with the applicable Accounting Standards notified under the Companies Act, 1956/ Companies Act, 2013 and Other Generally Accepted Accounting Principles.

The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and Regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved. Our responsibility is only to examine and report whether the Draft Scheme complies with the applicable Accounting Standards and Other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.

Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid scheme is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under and all the applicable Accounting Standards notified by the Central Government under the Companies Act, 1956/ Companies Act, 2013.

This Certificate is issued at the request of the Company pursuant to the requirements of Companies Act, 2013 for onward submission to the Hon'ble National Company Law Tribunal (Allahabad Bench). This Certificate should not be used for any other purpose without our prior written consent.

For Shahid & Associates.

Chartered Accountants

Firm Regn.No.: 002140

(Mohd. Shahid)

Proprietor

Membership No. 070408

UDIN- 21070408AAAAAY2473

Date:-16-03-2021

Place:- Muzaffarnagar



RAJEEV SINGAL & CO.

(Chartered Accountants)

GSTIN NO 09AAPFR2931N1ZJ

Reg. No.:- 008692C

PAN- AAPFR2931N



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Opp. Shiv Mandir, 1st Floor
Muzaffarnagar(U.P.)-251001
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singhalrk2012@gmail.com
Off.M. +91-7599023969
Ph-0131-2970053

To,

The Board of Directors,
Gulshan Polyols Limited
9th KM Jansath Road Muzaffarnagar
Uttar Pradesh 251001, India

We, the statutory auditors of Gulshan Polyols Limited, (hereinafter referred to as "the Company"), have examined the proposed accounting treatment specified in clause 18 of the Draft Scheme of Amalgamation between Gulshan Holdings Private Limited ("Transferor Company 1") and East Delhi Importers & Exporters Private Limited ("Transferor Company 2") with Gulshan Polyols Limited ("Transferee Company") in terms of the provisions of section(s) 230 to 232 of the Companies Act, 1956/ Companies Act, 2013 with reference to its compliance with the applicable Accounting Standards notified under the Companies Act, 1956/ Companies Act, 2013 and Other Generally Accepted Accounting Principles.

The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and Regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved. Our responsibility is only to examine and report whether the Draft Scheme complies with the applicable Accounting Standards and Other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.

Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid scheme is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under and all the applicable Accounting Standards notified by the Central Government under the Companies Act, 1956/ Companies Act, 2013.

This Certificate is issued at the request of the Company pursuant to the requirements of Companies Act, 2013 for onward submission to the Hon'ble National Company Law Tribunal (Allahabad Bench). This Certificate should not be used for any other purpose without our prior written consent.

For Rajeev Singal & Co.

(Chartered Accountants)

Firm Regn No.:- 008692C

Rajeev Kumar Singhal

Partner

Membership No. 077834

UDIN-21077834AAAABW9395

Date:- 13/03/2021

Place:- Muzaffarnagar



**IN THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, ALLAHABAD BENCH
CA (CAA) No. 09/ALD of 2021**

IN THE MATTER OF SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

AND

**IN THE MATTER OF THE SCHEME OF AMALGAMATION BETWEEN GULSHAN HOLDINGS PRIVATE LIMITED, EAST
DELHI IMPORTERS & EXPORTERS PRIVATE LIMITED WITH GULSHAN POLYOLS LIMITED**

AND

Gulshan Holdings Private Limited, a company incorporated)
under the Companies Act, 1956 having Corporate Identity)
Number: U74899UP1985PTC128005 and its registered office at)
9th K.M., Jansath Road, Muzaffanagar – 251001, Uttar Pradesh,) ... Transferor Company No. 1
India.)

East Delhi Importers & Exporters Private Limited, a company)
incorporated under the Companies Act, 1956 having Corporate)
Identity Number: U60231UP1997PTC129363 and its registered)
office at 9th K.M., Jansath Road, Muzaffanagar – 251001, Uttar) ... Transferor Company No. 2
Pradesh, India.)

Gulshan Polyols Limited, a company incorporated under the)
Companies Act, 1956 having Corporate Identity Number:)
L24231UP2000PLC034918 and its registered office at 9th K.M.,)
Jansath Road, Muzaffanagar – 251001, Uttar Pradesh, India.) ... Company/Transferee Company

FORM OF PROXY

CIN: L24231UP2000PLC034918

Name of the Company: Gulshan Polyols Limited

Registered Office: 9th K.M., Jansath Road, Muzaffanagar – 251001, Uttar Pradesh, India

Name of the Secured Creditor(s):
Registered Address:
Email ID:

I/ We, the undersigned as an Secured creditors of Gulshan Polyols Limited ("**the Transferee Company**"), hereby appoint:

- i. Name:
Address:
Email ID: or failing him/her
- ii. Name:
Address:
Email ID: or failing him/her
- iii. Name:
Address:
Email ID:

as my/ our proxy, to act for me/ us at the meeting of the secured creditors of Gulshan Polyols Limited, the Transferee Company to be held at Solitaire INN Hotel, 6 Mile Stone, Meerut Road, National Highway 58, Muzaffarnagar, Uttar Pradesh-251002 on Saturday, the 18th day of September, 2021 at 2:00 P.M., for the purpose of considering and, if thought fit, approving, with or without modification(s), the Scheme of Amalgamation of Gulshan Holdings Private Limited and East Delhi Importers & Exporters Private Limited, the transferor Companies

with Gulshan Polyols Limited, the transferee Company under Sections 230 to 232 of the Companies Act, 2013 ("**Scheme**") and at such meeting and at an adjournment or adjournments thereof, to vote, for me/ us and in my/ our name(s) _____ [here, '*if for*', insert '**FOR**'; '*if against*' insert '**AGAINST**', and in the latter case, strike out the words below after '*the said Scheme*'] the said Scheme as my/our proxy.

Dated this _____ day of _____, 2021.

Affix Re 1/- Revenue

Signature of Secured Creditor(s)

Signature of first Proxy Holder

Signature of second Proxy Holder

Signature of third Proxy Holder

NOTES:

1. The Form of Proxy in order to be effective should be in the prescribed form, duly completed and signed or authenticated by the concerned person and deposited at the registered office of the Transferee Company at 9th K.M., Jansath Road, Muzaffanagar – 251001, Uttar Pradesh, India, not later than 48 hours before the scheduled time of the meeting.
2. In case of multiple proxies, proxy later in time shall be accepted.
3. Please affix a revenue stamp of Re. 1/- before signing across the same.
4. All alterations made in the Form of Proxy should be initialed.
5. Only an secured creditor of the Transferee Company is entitled to attend and vote at the Tribunal convened meeting of the secured creditors ("**Meeting**"), either in person or by proxy or through an authorized representative, (in case the secured creditor is a body corporate) as the case may be. Where a body corporate which is an secured creditor authorises any person to act as its representative at the meeting, a copy of the resolution of the board of directors or other governing body of such body corporate authorizing such person to act as its representative at the meeting, and certified to be a true copy by a director, the manager, the secretary, or other authorised officer of such body corporate shall be lodged with the Transferee Company at its registered office not later than 48 hours before the scheduled time of the Meeting.
6. Such secured creditor is entitled to appoint a proxy to attend and vote at the Meeting instead and on behalf of such secured creditors and such proxy need not be an secured creditor. Proxies to be valid and effective should be in the prescribed Form of proxy, duly completed and signed or authenticated by the concerned person and should be deposited at the registered office of the Transferee Company not later than 48 hours before the scheduled time of the Meeting.
7. An secured creditor/ its proxy, attending the Meeting, is requested to bring the Attendance Slip duly completed and signed or authenticated by the concerned person along with a copy of the deposited Form of Proxy (in case of a proxy).
8. An secured creditor (in case such secured creditor is an individual) or the authorized representative of th secured creditor (in cash such secured creditor is a body corporate) or the proxy should carry their valid and legible identity proof (i.e., PAN Card/ Aadhaar Card/ Passport/ Driving License / Voter ID Card). Additionally, an secured creditor (in case such secured creditor is a sole proprietorship) or the proxy should carry a valid document evidencing the individual as the proprietor of the sole proprietorship.

GULSHAN POLYOLS LIMITED

CIN: L24231UP2000PLC034918

Registered Office: 9th K.M., Jansath Road, Muzaffanagar – 251001, Uttar Pradesh, India.

Phone: +91 11 49999200; Fax: +91 11 49999202

E-mail: cs@gulshanindia.com, Website: www.gulshanindia.com

ATTENDANCE SLIP

MEETING OF THE SECURED CREDITORS OF GULSHAN POLYOLS LIMITED ON SATURDAY, SEPTEMBER 18, 2021 AT 1:00 P.M

I hereby record my presence at the meeting of the secured creditors of Gulshan Polyols Limited, convened pursuant to the order dated July 14, 2021 passed by the Hon'ble Bench of the National Company Law Tribunal at Allahabad in Company Application (CAA) No. 09/ALD of 2021, at Solitaire INN Hotel, 6 Mile Stone, Meerut Road, National Highway 58, Muzaffarnagar, Uttar Pradesh-251002 on Saturday, the 18th day of September, 2021 at 2:00 P.M.

Name of the Secured Creditors:

Signature of the Secured Creditors:

OR

Name of the Proxy Holder:

Signature of the Proxy Holder:

NOTES:

1. Secured Creditors/ authorized representatives or their proxies attending the meeting must bring this attendance slip to the meeting and hand over the same at the entrance of the meeting venue after completing and signing the same.
2. Secured Creditors / authorized representatives or their proxies desiring to attend the meeting should bring his/ her copy of the notice for reference at the meeting.

Route Map of the NCLT Convened Meeting

