



**GULSHAN**  
POLYOLS LIMITED



# Fuel Growth

**23<sup>rd</sup> Year | 2022-2023 | ANNUAL REPORT**



**GULSHAN**



**55**

*years of our journey  
of making a difference*



# Board of Directors



**Dr. Chandra Kumar Jain**  
*Chairman & Managing Director,  
Gulshan Polyols Limited*

Gulshan Polyols Limited is promoted by Dr. Jain. He is a Sugar Technologist and has been awarded with Doctorate Degree in Chemistry. Dr. Jain is an industrialist of repute with more than five decades of rich and varied experience in the chemical and sugar industry.



**Ms. Arushi Jain**  
*Joint Managing Director*

Ms. Jain holds a degree of Master of Science from City University of New York, USA. She is having more than two decades of core experience in matter related to Operations, Marketing and Production.



**Ms. Aditi Pasari**  
*Joint Managing Director*

Ms. Pasari holds a degree of Master of Business Administration from University of Wales, UK. She is having more than two decades of core experience in matter related to Finance, Stakeholders Relations and Operations etc.



**Mr. Ashwani K. Vats**  
*Whole Time Director & CEO*

Mr. Vats is graduated with P.G. Diploma in Marketing and Management. He has vast experience in the calcium carbonate industry and has been associated with the Company for over decades.



**Mr. Akhilesh Kumar Maheshwari**  
*Director*

Mr. Maheshwari is a qualified Chartered Accountant from ICAI, Company Secretary from ICSI and an Insolvency Professional from IBBI. He is having more than three decades of experience in various industries like Banking, Electronics, Iron & Steel, Chemicals and Infrastructure etc.



**Mr. Rakesh Kapoor**  
*Director*

Mr. Kapoor is post graduated diploma in Sugar Technology from National Sugar Institute, Kanpur. He is a techno-financial professional with over four decades of varied and rich experience in the Corporate Sector, Financial sector, Project Financing etc.



**Ms. Archana Jain**  
*Director*

Ms. Jain is a qualified Chartered Accountant and a Law Graduate, with cross functional experience in Accounts, Finance and Indirect taxation. She has an immense experience of more than 10 years in handling Internal Audit, Forensic Audit etc. and having continuous experience in indirect taxation.



**Mr. Rakesh Kumar Gupta**  
*Director*

Mr. Gupta is a practising Chartered Accountant holding the membership from the ICAI and is an Insolvency Professional from IBBI. He is having an extensive experience in Finance, Taxation and Management.

# Chairman's Communique



**Dr. Chandra Kumar Jain**  
Chairman & Managing Director

**Dear Shareholders, Honored Guests, Board Members, and Employees,**

**Good afternoon!**

I am delighted to present our Annual Report for 2022-23, which encapsulates a year marked by resilience and sustained dedication to our valued stakeholders.

In contrast to the previous year, 2022-23 was marked by a number of challenges, mainly attributed to external factors beyond the Company's control. However, it is our strong foundation built over five decades that enabled us to confront the challenges and successfully manoeuvre our way forward.

Our focussed strategy, impeccable execution record, prudent financial management, longstanding relationships, uncompromising ethical standards, culture of performance excellence and commitment to sustainability, anchor the way we do our business.

From the very inception, we at Gulshan have believed that a corporate is much more than an economic unit generating wealth. Indeed, it is an integral part of the social system catering to human and societal needs and aspirations.

## **Financial Performance**

During the financial year ended March 31, 2023, Revenue from

operations increases to ₹ 1179.73 crores from ₹ 1100.72 crores in the previous year. Net Profit at ₹ 45.36 Crores as compared to ₹ 85.24 Crores in the previous year, recording a decline of 46.79% owing to elevated raw material and coal prices and raised finance cost consequent to ongoing expansions. On Y-o-Y basis for a period of 12 months, our EBITDA Margins have contracted owing to operational factors as mentioned above.

## **Company's Focus**

Our primary focus during the year was towards undertaking all necessary measures to maintain and excel and expand our business operations, ensure safety of our employees, stakeholders, kept customers' mission critical systems running under very difficult circumstances and pitched in to help communities across the nation to battle the pandemic, military conflicts, global uncertainties etc. and to overall safeguard the interests of all stakeholders.

India's Ethanol Blending Program is aimed at reducing the country's dependence on crude oil imports, cutting carbon emissions, and boosting farmers' income. The advancement of E20 target to 2025-26 continued to build on its momentum on the back of very promising build-up of industry ecosystem. Center fixed 10% blending target for ethanol from year 2021-22 and 20% blending by 2030.

Accordingly, your Company's Management is much determined and enthusiastic about future outlook of Ethanol Business.

The Company has embarked on a humungous capex plan to build two plants dedicated to the production of Ethanol for the Government's Ethanol Blending in Petroleum Program- 2025, for 500KLPD plant at Boregaon, Madhya Pradesh and for 250 KLPD Ethanol Plant at Goalpara, Assam. Moreover, the Company is in the process of completing upgradation of capacities of the grain processing division of the units located at Muzaffarnagar, Uttar Pradesh and Bharuch, Gujarat. The Company has already entered in long term supply of 'Indigenous Denatured Anhydrous Ethanol' with quantity of 12.87 Crores Litres per annum with OMCs for supply ethanol from these plants after commercialization for 10 years. Further, Gulshan received Order from Meghna Pulp & Paper Mills Limited for GCC (Ground Calcium Carbonate) Plant and allied equipment, it was 10<sup>th</sup> GCC plant installed by Gulshan, thereby providing great impetus to the growth of our mineral processing segment for FY23.

With government's increased focus on ethanol blending in petroleum we believe there is a long runway for growth. As per current statistics, ethanol blending stands at ~ 9.5% and is targeted to reach 20% by 2025-26. According to ICRA Research, India's Ethanol production has to be increased by 3 times to meet the target of 20% ethanol blending by 2030. In order to capitalize on this opportunity, the Company is augmenting its capacity to 810 KLPD from 60 KLPD currently. This shall turn the company into a formidable player with a sizeable market share in ethanol segment.

Being a Chairman on the Board of Gulshan Polyols Limited, let me assure you that despite myriad challenges, your Company is focused on maintaining effervescent growth and delivering value to its stakeholders. Gulshan has prodigious potential to grow and is constantly scouting for opportunities arising out of **Make in India and "Aatma-Nirbhar Bharat" Ethanol Blending Petroleum Program'** calls given and initiatives taken by Hon'ble Prime Minister of India.

***I feel overjoyed to state that 500 KLPD capacity Grain based Ethanol Plant at Boregaon, Distt. Chhindwara, Madhya Pradesh have passed all the Quality Control parameters for the Production of Ethanol during trial run and commercial operations have been started.***

We expect our distillery segment to be our main pillar of growth with sustainable medium to long term value accretion. As we look forward, we are excited about the new opportunities created by our robust capital structure, growth investments, digital transformation, and commitment to continue leading our industry in the global transition to a low carbon, green and circular economy.

#### **Dividend**

We manage our business efficiently to give advantage to all our shareholders. A key component of delivering value to our shareholders and winning their confidence is the steady return of capital. GPL is a constant dividend payee company who always kept the trust of their shareholders reposed into the working of the Company, by paying the dividend since inception of the Company. The Company's Board of Directors in the tune of progressive Dividend Policy, had recommended a Dividend @50% and be declared in the ensuing 23<sup>rd</sup> Annual General Meeting of the Company on the paid up equity share capital of the Company.

#### **Bonus**

On June 23, 2023, the Board of Directors of Company approved the allotment of 1,03,95,097 (One Crore Three Lakh Ninety-Five Thousand and Ninety Seven) Equity Shares of Re. 1/- (Rupee One Only) to the existing shareholders of the Company in the ratio of 1:5 i.e., 1 (One) fully paid up equity share of Re. 1 each for every 5 (Five) existing fully paid up equity shares of Re. 1 each held. The paid-up equity share capital of the Company stands increased to 6,23,70,586 equity shares due to bonus issue.

#### **Customer Satisfaction**

At the heart of our success lies our dedication to providing exceptional customer experiences. We have always believed that our customers are our most valuable assets, and we take pride in the relationships we have built over the years. Our commitment to delivering superior products and services has resulted in a loyal customer base that continues to grow.

#### **Team Effort**

None of these achievements would have been possible without the extraordinary efforts of our employees. Their passion, determination, and expertise have driven our company to new heights. I want to extend my heartfelt gratitude to each and every member of the Gulshan's family for their dedication to our shared vision.

#### **55<sup>th</sup> Anniversary Celebration**

This year marked a significant milestone in Gulshan's history as we celebrated Gulshan Group's 55<sup>th</sup> anniversary. The Company organized a Star Night to celebrate its long and cherished association, during 55 years of journey of making a difference with its employees, vendors, customers, bankers and all other stakeholders who have been an integral part of this journey.

#### **Corporate Social Responsibility**

Your Company is also committed to its social responsibility agenda and contributes meaningfully to the communities that it operates in. Your Company continues to focus in the areas of Health, Community Welfare, Education, Health & Hygiene, Rural development to enhance the livelihoods of people in its operating communities. These initiatives, along with several others, reaffirm our belief that addressing societal needs and business growth go hand-in-hand. In this regard, we are happy to announce that Company is focusing on

women empowerment and education and an **Ashayein** initiative is being taken up and started in previous year only at the celebration of **75<sup>th</sup> Azadi ka Amrit Mahotsav**.

#### **Looking Ahead**

As we move forward into the next year, we recognize that challenges and opportunities will continue to shape our path. We remain agile, adaptive, and focused on our long-term goals. Together, we will continue to navigate the dynamic business landscape, striving for excellence in all our endeavors.

#### **Closing Remarks**

On behalf of the Board of Gulshan Polyols Limited, I would like to take this opportunity to acknowledge and thank our bankers, investors and vendors for their trust and support. I am deeply thankful to the continued support of our esteemed consumers, business associates, suppliers and legal authorities for their loyalty and trust in all our activities. I would like to express my sincere gratitude to all the members of our board for their continued insights and invaluable guidance and to employees for their continuous efforts as we explore new opportunities and move ahead with confidence. Most importantly, also my sincere appreciation to all the shareholders for the trust reposed by them in the Management of the Company and also for continued support in our journey to create long-term value. *My dedicated squad and I remain confident to continue to lead GULSHAN to its next leg of growth.*

**Jai Hind!!**

**Dr. Chandra Kumar Jain**  
**Chairman & Managing Director**  
**DIN: 00062221**

# Corporate Overview

## Board's Committees

### Audit Committee

**Mr. Rakesh Kumar Gupta**, Chairman  
**Mr. Akhilesh Kumar Maheshwari**, Member  
**Dr. Chandra Kumar Jain**, Member  
**Ms. Archana Jain**, Member

### Stakeholders Relationship Committee

**Mr. Akhilesh Kumar Maheshwari**, Chairman  
**Ms. Arushi Jain**, Member  
**Ms. Aditi Pasari**, Member

### Nomination, Remuneration and Compensation Committee

**Mr. Akhilesh Kumar Maheshwari**, Chairman  
**Mr. Rakesh Kumar Gupta**, Member  
**Ms. Archana Jain**, Member

### Sustainability & Corporate Social Responsibility Committee

**Ms. Archana Jain**, Chairperson  
**Ms. Arushi Jain**, Member  
**Ms. Aditi Pasari**, Member

### Risk Management Committee

**Ms. Arushi Jain**, Chairperson  
**Mr. Akhilesh Kumar Maheshwari**, Member  
**Mr. Ashwani Kumar Vats**, Member

## Auditors

### Statutory Auditors

**M/s. Rajeew Singal & Co., Chartered Accountants, Muzaffarnagar**

### Internal Auditors

**M/s. Svaraj & Associates, Chartered Accountants, New Delhi**

### Secretarial Auditors

**M/s. DMK Associates, Company Secretaries, Delhi**

### Cost Auditors

**M/s. MM & Associates, Cost Accountants, Delhi**

## Key Managerial Personnel

### Chief Financial Officer

**Mr. Rajiv Gupta**

### Company Secretary & Compliance Officer

**Ms. Asha Mittal**

## Listed at

**BSE Limited**  
**National Stock Exchange of India Limited**

## Bankers

**State Bank of India**  
**HSBC Bank**

## Registrar & Share Transfer Agent

**Alankit Assignments Limited**  
Alankit House, 4E/2 Jhandewalan Extension, New Delhi - 110055, INDIA  
Ph. No: 011-42541234/ 955 Fax No: 011-42541201  
E-mail: [rta@alankit.com](mailto:rta@alankit.com)

## Plant Locations

- 9th K.M., Jansath Road, Muzaffarnagar- 251001, Uttar Pradesh
- Plot no. 762, Jhagadia GIDC, Bharuch - 393130, Gujarat
- D-1, Distillery Unit, Plot No.9, 10 & 11, M.P.A.K.V.N., Borgaon- Sausar, Distt. Chhindwara-480108 Madhya Pradesh
- Village Rampur Majri, Dhaula Kuan, Distt Sirmour -173021 Himachal Pradesh
- E-21/22, RIICO Growth Centre, Phase - II, Abu Road-307026, Distt. Sirohi-Rajasthan
- Plant of Ethanol at Plot-B, Industrial Growth Centre Matia, Mornai, Goalpara, Assam-783101
- On-site plant of PCC at ITC Ltd., PSPD., Tribeni Unit, Chandrahati, Hooghly 712504, West Bengal
- On-site plant of PCC at Orient Paper Mills, PO- Amlai Paper Mill, Distt. Shadol, Madhya Pradesh-484117
- Silverton Pulp & Papers P. Ltd., 9th K.M., Bhopa Road, Muzaffarnagar- 251001, Uttar Pradesh

## Registered Office

9th K.M., Jansath Road, Muzaffarnagar, Uttar Pradesh - 251001  
Tel: 0131-32958800, Fax: 0131 - 2661378  
Email: [cs@gulshanindia.com](mailto:cs@gulshanindia.com) Website: [www.gulshanindia.com](http://www.gulshanindia.com)  
CIN: L24231UP2000PLC034918

## Corporate Office

G-81, Preet Vihar, Delhi- 110092  
Tel: 011-49999200, Fax: 011-49999202

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## BOARD'S REPORT

To the Members of Gulshan Polyols Limited

Your Board of Directors takes pleasure in presenting the 23<sup>rd</sup> (Twenty Third) Annual Report on the business and operations of the Company together with the Standalone and Consolidated Audited Financial Statements for the financial year ended March 31, 2023.

### I. FINANCIAL AND OPERATIONAL PERFORMANCE

#### 1. FINANCIAL RESULTS– STANDALONE & CONSOLIDATED

The standalone and consolidated financial highlights of your Company are as follows:

(₹ in Lakhs, except earnings per share)

Particulars	Standalone		Consolidated	
	Financial Year Ended		Financial Year Ended	
	31.03.2023	31.03.2022	31.03.2023*	31.03.2022
<b>REVENUE</b>				
Revenue from Operations	1,17,972.97	1,10,072.64	1,17,972.97	1,10,072.64
Other Income	706.48	204.75	706.48	204.75
<b>TOTAL INCOME (I)</b>	<b>1,18,679.45</b>	<b>1,10,277.39</b>	<b>1,18,679.45</b>	<b>1,10,277.39</b>
<b>TOTAL EXPENSE OTHER THAN INTEREST AND DEPRECIATION (II)</b>	<b>1,09,155.13</b>	<b>95,060.87</b>	<b>1,09,173.13</b>	<b>95,060.87</b>
Earnings before Interest, Tax, and Depreciation (EBITDA) (I – II)	9,524.32	15,216.52	9,506.32	15,216.52
Less: Finance Cost (Interest)	612.73	495.97	612.73	495.97
Depreciation	2,873.49	3,240.90	2,873.49	3,240.90
<b>PROFIT BEFORE TAX (PBT) BEFORE SHARE IN NET PROFIT/(LOSS) OF ASSOCIATES</b>	<b>6,038.10</b>	<b>11,479.65</b>	<b>6,020.10</b>	<b>11,479.65</b>
Share in net profit/(loss) of associates	-	-	-	-
<b>PROFIT BEFORE TAX (PBT) (III)</b>	<b>6,038.10</b>	<b>11,479.65</b>	<b>6,020.10</b>	<b>11,479.65</b>
Less - Current Tax	1,450.51	3,079.67	1,450.51	3,079.67
- Deferred Tax	51.41	-124.91	51.41	-124.91
<b>TOTAL TAX EXPENSES</b>	<b>1,501.92</b>	<b>2,954.76</b>	<b>1,501.92</b>	<b>2,954.76</b>
<b>PROFIT AFTER TAX (PAT) (IV)</b>	<b>4,536.18</b>	<b>8,524.89</b>	<b>4,518.18</b>	<b>8,524.89</b>
<b>OTHER COMPREHENSIVE (INCOME)/LOSS(V)</b>	<b>48.02</b>	<b>-5.83</b>	<b>48.85</b>	<b>-5.83</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR (VI) (IV - V)</b>	<b>4,488.16</b>	<b>8,530.72</b>	<b>4,469.33</b>	<b>8,530.72</b>
<b>RETAINED EARNINGS-OPENING BALANCE</b>	<b>39,238.10</b>	<b>31,964.29</b>	<b>39,238.10</b>	<b>31,964.29</b>
Profit for the year	4,536.18	8,524.89	4,518.18	8,524.89
Dividend (including Dividend Distribution Tax) (Interim and/or Final)	-519.75	-274.08	-519.75	-274.08
Transfer to Capital Redemption Reserve	-	-975.00	-	-975.00
Transfer to General Reserve	-	-2.00	-	-2.00
Transfer to retained earning on disposal of equity instruments valued through OCI	-14.37	-	-14.37	-
<b>RETAINED EARNINGS-CLOSING BALANCE</b>	<b>43,240.16</b>	<b>39,238.10</b>	<b>43,222.15</b>	<b>39,238.10</b>
Earnings per Share on Net Profit after tax (face value ₹ 1/- each)(In Rupees)				
- Basic (₹)	8.73	16.40	8.69	16.40
- Diluted (₹)	8.73	16.40	8.69	16.40

\*The initial capital infusion amounting AED 100000 (One Hundred Thousand United Arab Emirates Dirhams only) was made by Gulshan Polyols Limited in Gulshan Overseas- FZCO (WOS) on December 7, 2022, consisting of 10000 shares of AED 10 (United Arab Emirates Dirham Ten Only) per share. Therefore consolidated figures mentioned above for the year ended 31.03.2022 represents standalone figures.

#### 2. STATE OF COMPANY'S AFFAIRS

Gulshan Polyols Limited ('GPL' or 'the Company') is a multi-location and multi-product manufacturing company with global presence in 42 countries across 3 continents. GPL is a diversified Company engaged in manufacturing/ trading of Sorbitol, Fructose & Sweetener, Ethanol (Bio-fuel)/ Distillery, Calcium Carbonate, Starch & Derivatives, by products thereof and Onsite PCC Plants. GPL is an industrial house, older, more than four decades, operating from multiple facilities set up across India. GPL caters to wide range of industry & niche markets in core sector encompassing pharmaceuticals, personal care products, footwear, tyres, rubber & plastics, paints, alcohol, value added paper, agrochemicals, food and agro products, etc. GPL is engaged in manufacturing of chemicals from grain and



minerals. **From toothpaste to alcohol, from sweeteners to paints, from paper to medicines, from plastics to personal care items, GPL is touching and an integral part of everyone's everyday life, across the world.** We seek to develop and justify the reason of our existence through value creation in management and processes. Our approach to manage the Company stands on the core values of – Respect, Trust, Ownership and Integrated Teamwork. We are working to strengthen our moves to achieve goals with the principles of being decisive, innovative, inspiring, empowering, dynamic and process driven to take our integrated approach forward. This is a fitting approach for an organization such as ours, where we interact and have intense relationships with a broad and diverse set of stakeholders.

## 2.1 STANDALONE FINANCIAL & OPERATIONAL PERFORMANCE HIGHLIGHTS

During the financial year ended March 31, 2023, Company has achieved Revenue from Operations of ₹ 1,17,972.97 Lakhs (Previous Year: ₹ 1,10,072.64 Lakhs). The EBIDTA for the year stood at ₹ 9524.32 Lakhs against ₹15,216.52 Lakhs reported in the previous year. The Net Profit for the year stood at ₹ 4,536.18 Lakhs (Previous year ₹ 8,524.89 Lakhs).

The company has three manufacturing segments viz Mineral Processing, Grain Processing and Ethanol (Bio-Fuel)/Distillery. The products processed under these segments, are having end use in multiple industries.

### Business Operations-Segment wise for the year ended March 31, 2023

(₹ in Lakhs)

Segments	Revenue for the year ended 31st March				Profits before Interest and Tax for the year ended 31st March			
	Standalone		Consolidated*		Standalone		Consolidated*	
	2023	2022	2023	2022	2023	2022	2023	2022
<b>Mineral Processing</b>	11,581.20	9,409.63	11,581.20	9,409.63	2,940.26	1,278.56	2,940.27	1,278.56
<b>Grain Processing</b>	87,481.73	80,915.33	87,481.73	80,915.33	3,327.90	8,140.83	3,327.90	8,140.83
<b>Ethanol (Bio-Fuel)/ Distillery</b>	18,910.04	19,729.30	18,910.04	19,729.30	(29.40)	2,453.27	(29.40)	2,453.27
<b>Unallocated</b>	-	18.38	-	18.38	412.07	102.96	394.08	102.96
<b>Total</b>	<b>1,17,972.97</b>	<b>1,10,072.64</b>	<b>1,17,972.97</b>	<b>1,10,072.64</b>	<b>6,650.83</b>	<b>11,975.62</b>	<b>6,632.85</b>	<b>11,975.62</b>

\*The initial capital infusion amounting AED 100000 (One Hundred Thousand United Arab Emirates Dirhams only) was made by Gulshan Polyols Limited in Gulshan Overseas- FZCO (WOS) on December 7, 2022, consisting of 10000 shares of AED 10 (United Arab Emirates Dirham Ten Only) per share. Therefore consolidated figures mentioned above for the year ended 31.03.2022 represents standalone figures.

As at March 31, 2023, our earnings per share is ₹ 8.73 as compared to ₹16.40 in the previous year. As far as liquidity is concerned, we are adequately funded to navigate through these challenging times and we do not foresee any major impact on our operations except disruptions in supply chain and increase in raw material prices which may impact on profit margins amid global tensions and fast inflation. We remain motivated and committed to consistently create value for our stakeholders while maintaining our strong leadership position in key business segments. A detailed analysis of the overall performance is given in the Management Discussion and Analysis Report, forming part of this Report.

## 2.2 CONSOLIDATED FINANCIAL STATEMENTS

In accordance with provisions of the Companies Act, 2013 ('the Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations') and Indian Accounting Standards (Ind AS)-110 on Consolidated Financial Statements (CFS), the Audited Consolidated Financial Statements for the year ended March 31, 2023 are provided in this annual report.

Further, in accordance with Section 136 of the Act, the audited financial statements, including the CFS and related information of the Company and the separate financial statements of the subsidiary company, are available on the Company's website at web link <https://www.gulshanindia.com/annual-report.html>. Any Member desirous of inspecting or obtaining copies of the said CFS may write at [investorsrelation@gulshanindia.com](mailto:investorsrelation@gulshanindia.com).

## 3. TRANSFER TO GENERAL RESERVE

During the year under review, no amount has been transferred to General Reserve of the Company.

## 4. DIVIDEND

According to Regulation 43A of the Listing Regulations, the Board has adopted a Dividend Distribution Policy, which had been placed on the website of the Company and can be accessed at the web link: <https://www.gulshanindia.com/pdf/policy/Dividend%20Distribution%20Policy.pdf>.

During the year under review, the Board of Directors of your Company has paid the Final dividend, declared for FY 2021-22 at the rate of 100% on 5,19,75,489 equity shares of face value ₹ 1/- each amounting to ₹ 1/- per share at 22 nd AGM. The Board of Directors of your Company after considering holistically, the relevant circumstances and keeping in view the Company's dividend distribution policy, has decided, not to recommend any Interim Dividend during the year under review.

The Board of Directors has further recommended the Final Dividend at the rate of 50% on 5,19,75,489/- equity shares of face value of ₹ 1 each amounting to ₹ 0.50/- per equity share in their meeting dated May 12, 2023 subject to the approval of the shareholders in the 23rd Annual General Meeting (AGM) of the Company as stipulated in the Notice of 23rd AGM.

The Board recommended dividend based on the parameters laid down in the Dividend Distribution Policy.

## 5. TRANSFER OF AMOUNT TO INVESTOR EDUCATION AND PROTECTION FUND

During the Financial Year 2022-23 and in pursuance to the provisions of Section 124(5) read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has transferred the unclaimed dividend pertaining to Financial Year 2014-15 (Interim) amounting to ₹ 4,91,589/- (Rupees Four Lakh Ninety One Thousand Five Hundred and Eighty Nine Only) , 2014-15 (Final) amounting to ₹ 4,42,039.50/- (Rupees Four Lakh Forty Two Thousand Thirty Nine and Fifty Paise Only) and 2015-16 (Interim) amounting to ₹ 4,33,294.75/- (Rupees Four Lakh Thirty Three Thousand Two Hundred Ninety Four and Seventy Five Paise Only) to the Investors Education and Protection Fund (“**IEPF**”) Account established by the Central Government. The details of dividend amount transferred to IEPF are available on the Company’s website at web link <https://www.gulshanindia.com/unpaid-dividend-transferred-to-iepf.html>.

Further, pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the shares on which dividend remains unclaimed for seven consecutive years or more shall be transferred to IEPF account after giving due notices to the concerned shareholders. Accordingly, the Company has periodically transferred 80,086 (Eighty Thousand and Eighty Six) equity shares to the IEPF account during the financial year 2022-23. The details of equity shares transferred are also available on the Company’s website at web link <https://www.gulshanindia.com/transferred-iepf.html>.

The Nodal officer of the Company is Ms. Asha Mittal. The details of the nodal officer are also available on the Company’s website at web link <https://www.gulshanindia.com/iepf.html>.

## 6. CAPITAL STRUCTURE & STOCK OPTIONS

### Authorised Share Capital

The Authorised Share Capital of the Company as at March 31, 2023 is ₹ 42,81,00,000/- (Rupees Forty Two Crore and Eighty One Lakh only) divided into 28,06,00,000 (Twenty Eight Crores and Six Lakhs) Equity Shares of ₹ 1/- (Rupees One only) each; 2,50,000 (Two Lakhs and Fifty Thousand) 0% (Zero Percent) Redeemable Preference Shares of ₹ 10/- (Rupees Ten only) each and 14,50,000 (Fourteen Lakhs and Fifty Thousand) 0%-10% (Zero Percent to Ten Percent) Redeemable Preference Shares of ₹ 100/- (Rupees One Hundred only) each.

### Paid-up Share Capital

As on March 31, 2023, the paid-up equity share capital stands at ₹ 5,19,75,489 (Rupees Five Crore Nineteen Lakh Seventy Five Thousand Four Hundred and Eighty Nine only) consisting of 5,19,75,489 (Five Crores Nineteen Lakhs Seventy Five Thousand Four Hundred and Eighty Nine) equity shares of ₹ 1/- (Rupee One only) each.

During the year under review, the Board of Directors of the Company at their meeting held on April 18, 2022 had approved the allotment of 2,99,82,536 (Two Crore Ninety Nine Lakh Eighty Two Thousand Five Hundred and Thirty Six) Equity Shares to the shareholders of Transferor Companies as on record date, April 14, 2022, fixed for the purpose, in the ratio of 39,848 Equity Shares of ₹ 1/- each fully paid up of the Company for every 1 (one) Equity Share of ₹ 1000/- each fully paid up of Transferor Company No. 1 and 181 Equity Shares of ₹ 1/- each fully paid up of the Company for every 1 (one) Equity Share of ₹ 10/- each fully paid up of the Transferor Company No. 2 and out of which 27,340,067 equity shares at ₹ 1 were cancelled & extinguished with respect to investments made by transferor companies in the Transferee Company. Consequently, there was a net increase in the Equity Share Capital by 26,42,469 Equity Shares at ₹ 1/- per share. Thereby, the paid – up equity share capital of the Company stands increased to ₹ 5,19,75,489 (Five Crore Nineteen Lakh Seventy Five Thousand Four Hundred and Eighty Nine) from ₹ 4,93,33,020 (Rupees Four Crore Ninety Three Lakh Thirty Three Thousand and Twenty only), pursuant to the Scheme of Amalgamation amongst the Company, Gulshan Holdings Private Limited (Holding Company or Transferor Company 1), East Delhi Importers & Exporters Private Limited (Group Company or Transferor Company 2) and their respective Shareholders and Creditors (“the Scheme”), under section 230 to 232 and other applicable provisions of the Companies Act 2013 and the provisions of other applicable laws. The Scheme was approved by the Board of Directors of the Company in its meeting held on August 06, 2020 and same has been approved by the Hon’ble National Company Law Tribunal, Allahabad Bench (“NCLT”) vide its order pronounced on March 09, 2022 and the certified copy of the order has been filed with “The Registrar of Companies, Kanpur, Uttar Pradesh,” (the ROC) on March 30, 2022. The scheme becomes operative from March 30, 2022 (Effective Date).

During the year under review, the Company has applied for listing of 2,99,82,536 Equity Shares and extinguishment of 2,73,40,067 Equity Shares and the BSE Limited and National Stock Exchange of India Limited granted its listing and trading approval vide letters dated May 24, 2022 (NSE Listing Letter); May 26, 2022 (BSE Listing Letter) and June 22, 2022 (BSE and NSE Trading Letters) respectively.

### EMPLOYEES STOCK OPTION PLAN

The members of the Company had approved the Gulshan Polyols Limited Employees Stock Option Scheme, 2018 (“**ESOP 2018**”) for grant of stock options exercisable into not more than 23,45,851 (Twenty Three Lakh Forty Five Thousand Eight Hundred and Fifty One) equity shares of face value of ₹ 1/- (Rupee One Only) each to eligible employees of the Company as defined in the Scheme.

During the year, the Company has granted 42,500 (Forty-Two Thousand Five Hundred) stock options to eligible employees. The granted stock options can be exercised between May 15, 2025 to June 15, 2025 at ₹ 328/- (Rupees Three Hundred and Twenty Eight only). The details under SEBI (Share Based Employee Benefits) Regulations, 2014 read with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“SEBI SBEB Regulations”), has been placed on the website of the Company and weblink of the same are <https://www.bseindia.com/xml-data/corpfiling/AttachHis/61d1809f-1565-4b6f-b7d4-0189b1dada7.pdf>

GPL ESOP Scheme, 2018 is in compliance with SEBI SBEB Regulations and other applicable laws and implemented through Employees Welfare Trust (“Trust”). For implementing and operating of ESOP 2018, the Trust holds 1,31,275 (One Lakh Thirty One Thousand Two Hundred and Seventy Five) equity shares of the Company as on March 31, 2023, being 0.25% of the paid-up share capital of the Company. The ownership of these shares cannot be attributed to any particular employee till he / she exercises the stock options granted to him / her and the concerned shares are transferred to him / her. Hence, the eligible employees to whom the stock options were granted under ESOP 2018 cannot exercise voting rights in respect of aforesaid shares held by the Trust as these eligible employees are not holders of such shares. The Trustee/Trust has not exercised the voting rights in respect of the aforesaid shares during the financial year 2022-23.

The details in respect of ESOP 2018 and movements during the year are as under:

Number of options outstanding at the beginning of the period:	78,312
Number of options granted during the year:	42,500
Number of options forfeited / lapsed during the year:	1,788
Number of options vested during the year:	16,430
Number of options exercised during the year:	16,430
Number of shares arising as a result of exercise of options:	Not applicable as ESOP granted through Secondary Market
Number of options outstanding at the end of the year:	1,02,594

Further, the Nomination, Remuneration and Compensation Committee in its meeting held on November 02, 2020 had granted 24,040 (Twenty Four Thousand and Fourty) Options under GPL Employees Stock Option Schemes 2018 to eligible employees, which due for vesting during the period from April 01, 2023 to May 31, 2023 at the exercise rate of ₹59.00 per share (based on the Average Buying cost of the Company from the BSE/NSE market) and among them 500 options are forfeited/lapsed and balance 23,540 has been exercised.

The disclosures required to be made under ESOP Regulations for FY 2022-23 given on the website <https://www.gulshanindia.com/disclosures-under-sub-regulation-8-of-regulation-30.html>. The Company has received the certificate from the Secretarial Auditor of the Company certifying that the GPL ESOP Scheme 2018 has been implemented in accordance with the SEBI SBEB Regulations and shareholders’ resolution. The certificate will be placed at the Annual General Meeting for inspection by members. A copy of the same will also be available for inspection at the Company’s registered office and corporate office.

## 7. ENVIRONMENT, HEALTH AND SAFETY

Environment, Health and Safety are among the core values of your Company. In order to promote zero accident culture, your Company has conducted various training & awareness programs.

Employees are encouraged to report all incidents so that preventive actions can be taken to avoid any mishap. Environment sustainability is paramount to any industry and your Company is conscious of its responsibility towards the impact of its operations on the environment.

The Health and Safety of employees is paramount and GPL’s stand on Environment, Health and Safety of its employees and it is clearly outlined in Policy. GPL’s Environment, Health & Safety (EHS) strategies are directed towards achieving the greener and safe operations across all units by optimising the usage of natural resources and providing a safe and healthy workplace.

Your Company believes that healthy and hygienic work environment not only benefits the workforce but it also increases the productivity and works as a retention tool.

## 8. HOLDING, SUBSIDIARIES, ASSOCIATES & JOINT VENTURES

During the period under review, pursuant to 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 and Creditors, the holding Company has been merged into the Company w.e.f. March 30, 2022.

Further, the Company has incorporated a wholly-owned Subsidiary namely “**GULSHAN OVERSEAS – FZCO**” on September 8, 2021 under Dubai Silicon Oasis Authority. The initial capital infusion amounting AED 100000 (One Hundred Thousand United Arab Emirates Dirhams only) was made by Gulshan Polyols Limited in Gulshan Overseas- FZCO (WOS) on December 7, 2022, consisting of 10000 shares of AED 10 (United Arab Emirates Dirham Ten Only) per share.

Furthermore, there are no Associates and Joint Ventures of the Company.

## 9. CREDIT RATINGS

During the period under review, the CRISIL Ratings Limited has reaffirmed and granted ‘CRISIL A+/Negative’ rating to Long-Term Facilities and ‘CRISIL A1’ rating to Short-Term Facilities, to your Company.

## 10. DISCLOSURE ON SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company offers an excellent workplace environment where employees can perform to the best of their abilities. The work culture is shaped by self-motivated and committed professionals, aligned with our business objectives and working together to deliver topnotch and tailored solutions.

Your Company laid down a Policy on Prevention of Sexual Harassment at work place and has an internal Complaints Committee. The Company has zero tolerance on Sexual Harassment at workplace. All employees - permanent, contractual, temporary and trainees are covered under this Policy. During the year under review there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("**POSH Act**") and no complaint was pending at the beginning and at the end of Financial Year 2023. To achieve this objective, effective communication is the key and thus the Company carried out focused campaign on POSH and Awareness drives.

## II. SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITY

During the year under review, your Company has spent eligible and budgeted amount towards Corporate Social Responsibility ("CSR") activities in accordance with Schedule VII of the Companies Act, 2013. While the Company's sustainability strategy is to environmentally sustainable business practices across its value chain, making the right choices to protect the environment. Further, sustainability strategy and CSR activities are compliment as well as supplement each other.

However, an amount of ₹ 61.17 Lakhs from the total CSR's amount, accounted and budgeted for FY 2022-23, has been transferred to a separate account i.e. Unspent CSR Account for the purpose of an Ongoing Project.

During the FY 2022-23, the Company has contributed a significant amount towards promoting education, health care, ensuring environmental sustainability, Rural Development Projects and other activities. However, Annual Report on CSR activities for the Financial Year 2022-23 as required under Sections 134 and 135 of the Act read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and Rule 9 of the Companies (Accounts) Rules, 2014, as approved by the CSR Committee on May 12, 2023, is attached as **Annexure 'A'** to the Board's Report.

### COMPOSITION OF SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITY ('SCSR') COMMITTEE

In compliance with the guidelines prescribed under Section 135 of the Companies Act, 2013, your Company has constituted a Corporate Social Responsibility (CSR) Committee of the Board. The CSR policy, covering the Vision Statement, Objectives, Focus Areas, CSR approach and guiding principles, governance Structure Monitoring and Reporting Framework interalia others are approved by the Board of Directors. During the year, the Company has revised the CSR Policy. The CSR Policy is available on the website of the Company at <https://www.gulshanindia.com/pdf/policy/CorporateSocial-Responsibility-CSR-Policy.pdf>.

As on date, the SCSR Committee comprises of Ms. Archana Jain (Chairperson), Ms. Arushi Jain and Ms. Aditi Pasari, members of the Committee. Mr. Jeewan Jyoti Bhagat has discontinued / ceased as a chairman of the Committee with effect from August 5, 2022 and thereafter Ms. Archana Jain inducted as a Chairperson effective from August 9, 2022. Other details of the Committee including meetings held and attendance are provided in the Corporate Governance Report, forms part of this Report as **Annexure-E**.

## III. OTHER STATUTORY DISCLOSURES

- 1. Deposits:** The Company did not invite/accept any deposits covered under Chapter V of the Companies Act, 2013. Accordingly, no disclosure or reporting is required in respect of details relating to deposits covered under this Chapter.
- 2. Loans, Guarantees and Investments:** Details of loans, guarantees/ securities and investments covered under the provisions of Section 186 of the Companies Act, 2013 read with the rules made thereunder along with the purpose for which the loan, guarantee or security, if any, is proposed to be utilised by the recipient have been disclosed in Notes of the Financial Statements.
- 3. Particulars of Contracts or Arrangements with the Related Parties:** Your Company has adopted the revised Policy on materiality of Related Party Transactions and on dealing with Related Party Transactions ('RPTs') in accordance with the amendments made in Listing Regulations. Prior omnibus approval is obtained for RPTs on an annual basis for the transactions which are planned / repetitive in nature. Related party transactions entered pursuant to the omnibus approval so granted are placed before the Audit Committee for its review on a quarterly basis, specifying the nature, value and terms and conditions of the transactions which are of repetitive nature. All RPTs are placed before the Audit Committee for review and approval.

All RPTs entered into during FY 2022-23 were in the ordinary course of business and on arm's length basis. No material RPTs were entered into during FY 2022-23 by the Company as defined in the Policy on dealing with Related Party Transactions. Accordingly, the disclosure of RPTs as required under Section 134(3)(h) of the Act in Form AOC 2 is not applicable to the Company and hence the same is not provided. The Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions as approved by the Board is put up on the Company's website at <https://www.gulshanindia.com/pdf/policy/policy-on-materiality-of-related-party-transactions-and-dealing-with-related-party-transactions.pdf>.

There were no material significant related party transactions which could have potential conflict with interest of the Company at large. In accordance with IND AS-24, your Directors draw attention of the members to Note no. 44 to the Financial Statements which sets out the Related Party disclosures.

- 4. Material Changes in Financial Position:** No material change or commitment has occurred after the close of the Financial Year 2022-23 till the date of this Report, which affects the financial position of your Company. Your Company maintains appropriate internal control systems, which also provide reasonable assurance of recording the transactions of all material aspects of our operations and of providing protection against significant misuse or loss of the Company's assets.

**5. Significant or Material orders:**

There were no significant or material orders passed by the Regulators or Courts or Tribunal impacting the going concern status of the Company and its future operations.

**6. Conservation of Energy, Research and Development, Technology Absorption and Foreign Exchange Earnings and Outgo:** The Information on energy conservation, technology absorption, foreign exchange earnings and outgo in accordance with the provisions of Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 are given in **Annexure 'B'**, annexed to this Report.

**7. Particular of Employees:** Your Company believes that human resource is vital to the growth and sustainability of an organization. Your Company maintains healthy work environment at all levels in the organization and encourages the employees to contribute their best. Particulars as required under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are given in **Annexure 'C'**, forms part of this Report.

**8. Composition of Audit Committee:** As on date, the Audit Committee comprises of Mr. Rakesh Kumar Gupta (Chairman), Mr. Akhilesh Kumar Maheshwari, Dr. Chandra Kumar Jain and Ms. Archana Jain. Ms. Archana Jain, inducted as a member in the Committee w.e.f. August 9, 2022. Other details of the Committee including meetings held and attendance are provided in the Corporate Governance Report, forms part of this Report.

All the recommendations made by Audit Committee were accepted by the Board of Directors.

**9. Compliance with Secretarial Standards of ICSI:** The Company has complied with the Secretarial Standard-1 on 'Meetings of the Board of Directors' and Secretarial Standard-2 on 'General Meetings' prescribed under the Section 118(10) of the Companies Act, 2013 as issued by 'The Institute of Company Secretaries of India'.

**10. Industrial Relations:** During the year under review, industrial relations remained harmonious at all our offices and establishments.

**IV. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**1. APPOINTMENT / REAPPOINTMENT/ RESIGNATION/ OTHER CHANGES**

**DIRECTORS**

Ms. Aditi Pasari (DIN: 00120753), Joint Managing Director of the Company, retires by rotation at the ensuing Annual General Meeting (AGM) and being eligible, has offered herself for re-appointment. The Board recommends her re-appointment to the members in the ensuing 23<sup>rd</sup> AGM. Brief resume and other details of Ms. Aditi Pasari furnished in the explanatory statement to the notice of the ensuing 23<sup>rd</sup> Annual General Meeting.

During the year under review, Mr. Jeewan Jyoti Bhagat (DIN: 00007743), discontinued / ceased as a Non executive & Independent Director of the Company with effect from August 5, 2022.

Further, the Board of Directors, on the recommendation of Nomination, Remuneration and Compensation Committee ('NRC') accorded its approval for appointment of Mr. Rakesh Kapoor (DIN: 00015358) as an Additional Director in the category of Non-Executive & Independent Director with effect from August 9, 2022 to hold office till the conclusion of the 22<sup>nd</sup> Annual General Meeting and Mr. Rakesh Kapoor (DIN: 00015358) appointed as a Director in the category of Non-Executive & Independent Director with effect from September 28, 2022 with the approval of shareholders in the 22<sup>nd</sup> Annual General Meeting. Moreover, Mr. Rakesh Kapoor has affirmed that he was not debarred from holding the office of Independent Director by virtue of any SEBI order or any other regulating Authority.

Additionally, on the recommendation of NRC, the Board has proposed and recommended the following, for the approval of Members of the Company in the 23<sup>rd</sup> AGM:

- Reappointment of Ms. Arushi Jain (DIN:00764520) as a Joint Managing Director of the company, shall be effective from April 1, 2024 upto September 30, 2028, shall be liable to retire by rotation.
- Reappointment of Ms. Aditi Pasari (DIN:00120753) as a Joint Managing Director of the company, shall be effective from April 1, 2024 upto September 30, 2028, shall be liable to retire by rotation.
- Reappointment of Mr. Ashwani Kumar Vats (DIN: 00062413) as A Whole Time Director designated as CEO of the company, shall be effective from April 1, 2024 to hold office for a term upto September 30, 2028, shall liable to retire by rotation.
- Appointment of Mr. Garg and Mr. Mitra as a Non-Executive & Independent Director to hold office for a term effective from April 1, 2024 upto September 30, 2028, shall not liable to retire by rotation.

Brief resumes and other details of the Director(s) being appointed, reappointed, at the ensuing 23<sup>rd</sup> AGM as stipulated under Secretarial Standard-2 issued by "The Institute of Company Secretaries of India" and Regulation 36 of the Listing Regulations is separately disclosed in the Notice of the 23<sup>rd</sup> AGM. Further, in the opinion of the Board, Mr. Nitesh Garg and Mr. Soumyajit Mitra has relevant integrity, expertise, balance of skill, knowledge and experience, required for the said appointments. The Company has received declarations from the Independent Directors confirming that they meet the criteria of Independence as prescribed under the Act and Listing Regulations.

During the year, the Members had at the 22<sup>nd</sup> AGM of the Company held on September 28, 2022, approved the appointment/re-appointment/re-designation of;

- Appointment of Mr. Rakesh Kapoor as a Non-Executive & Independent Director to hold office for a term effective from August 9, 2022 upto September 30, 2024, shall not be liable to retire by rotation.
- Reappointment of Ms. Archana Jain (DIN: 09171307) as a Non-Executive & Woman Independent Director to hold office for a term effective from April 1, 2023 upto September 30, 2027, shall not be liable to retire by rotation. Ms. Archana Jain has affirmed that she was not debarred from holding the office of Independent Director by virtue of any SEBI order or any other regulating Authority.
- Reappointment of Dr. Chandra Kumar Jain, Chairman and Managing Director of the Company, shall be effective from April 1, 2023 to hold the office for a term upto September 30, 2027, shall not be liable to retire by rotation.
- Re-designation Ms. Arushi Jain (DIN: 00764520) and Ms. Aditi Pasari (DIN: 00120753) as Joint Managing Directors of the Company with effect from November 9, 2021 until their existing remaining tenure upto March 31, 2024.

**Pecuniary relationship or transactions with the Company**

During the year under review, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission, and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board/Committee(s) of the Company.

**KEY MANAGERIAL PERSONNEL**

In pursuance of the provisions of Section 2(51) and Section 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Dr. Chandra Kumar Jain, Chairman & Managing Director; Ms. Arushi Jain, Joint Managing Director; Ms. Aditi Pasari, Joint Managing Director; Mr. Ashwani Kumar Vats, Whole Time Director & CEO; Mr. Rajiv Gupta, Chief Financial Officer and Ms. Asha Mittal, Company Secretary are the Key Managerial Personnel of your Company as on date.

*Note: Detailed changes pertaining to KMPs falls in director's category given above.*

**2. MEETINGS OF THE BOARD**

During the year, 6 (Six) meetings of the Board of Directors were convened and held during the financial year 2022-23. The maximum intervening gap between the meetings was within the period prescribed under the provisions of Section 173 of the Act and Listing Regulations. For further details of Board/Committee Meetings including composition and attendance, please refer to the Corporate Governance Report, forms part of this Report.

**3. ANNUAL PERFORMANCE EVALUATION OF THE BOARD**

Pursuant to the applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, an Annual Performance Evaluation of the Board, its Committees and the individual Directors is to be carried out either by the Board or by the Nomination, Remuneration and Compensation Committee or by an independent external agency and the Board is required to review its implementation and compliance. In view of the above, the Annual Performance Evaluation was undertaken by the Board. The framework and criteria of evaluation has been approved by the Nomination, Remuneration and Compensation Committee of the Company. In a separate meeting of Independent Directors, the performance of Non-Independent Directors and the Board as a whole, and the Chairperson of the Company was evaluated taking into account the views of Executive Directors and Non-Executive Directors. A statement on annual evaluation by the Board of its performance and performance of its Committees as well as Individual Directors including Chairperson of the Board is detailed in the Corporate Governance Report attached to this report.

**4. DECLARATION BY INDEPENDENT DIRECTORS**

All Independent Directors have given declaration that they meet the criteria of independence with relevant integrity, expertise, experience and proficiency as provided under Section 149(6) read with Schedule IV of the Act and Regulation 16 (1)(b) of the Listing Regulations including given declaration for inclusion of name in the data bank, being maintained with 'The Indian Institute of Corporate Affairs' in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended and have also complied with the Code of conduct for all Board Members and Senior Management.

Further, Independent Directors confirmed that none of among them has been debarred or disqualified from being appointed or continuing as a Director of the Company by the Securities and Exchange Board of India /Ministry of Corporate Affairs or any such statutory authority and declared that they have stayed in India for a total period of not less than one hundred and eighty-two days during the financial year.

**5. DIRECTORS' RESPONSIBILITY STATEMENT**

In compliance of Section 134(3)(c) read with section 134(5) of the Companies Act, 2013, your Directors, based on representation received from management, confirms that:

- in the preparation of annual accounts for the financial year ended March 31, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2023 and the profit and loss of the Company for the year ended March 31, 2023;

- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Annual accounts have been prepared by Directors on a going concern basis;
- the Directors have laid down adequate internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively.

Based on the framework of internal financial controls (including the Control checks) for financial reporting and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditor and the reviews performed by the management and the relevant Board committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the Financial Year 2022-23; and

- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## **V. AUDITORS**

### **1. STATUTORY AUDITORS**

M/s Rajeew Singal & Co., Chartered Accountant (Firm Registration No. 008692C), had been appointed as Statutory Auditors of the Company by shareholders of the Company for a period of five years to hold office till conclusion of the AGM to be held in the year 2027.

M/s. Rajeew Singal & Co., Chartered Accountants have submitted a certificate, confirming their eligibility and qualification to continue as Statutory Auditors of the Company in accordance with Section 141 read with Section 144 of the Companies Act, 2013.

The Auditors' Report on the Standalone and Consolidated financial statements of the Company for the financial year ended March 31, 2023 is unmodified i.e. it does not contain any qualification, reservation or adverse remark or disclaimer.

The Statutory Auditors have not reported any fraud under Section 143(12) of the Companies Act, 2013. Hence, no detail is required to be disclosed under Section 134(3)(ca) of the Companies Act, 2013. The Auditors' Report is enclosed with the financial statements forming part of the annual report.

### **2. INTERNAL AUDITORS**

M/s Svaraj & Associates, Chartered Accountants (Firm Registration No. 014203N) have been appointed as Internal Auditor of the Company for the financial year 2023-24 to conduct internal audit.

They will perform the duties of Internal Auditor of the Company and their report will be placed before the Audit Committee and Board of Directors on a time to time basis.

### **3. COST AUDITORS**

The Company is required to maintain cost records as specified by the Central Government as per Section 148(1) of the Companies Act, 2013 (**"the Act"**) and the rules framed thereunder, and accordingly, the Company has made and maintained such cost accounts and records.

The Board on recommendation of the Audit Committee has appointed M/s MM & Associates, Cost Accountants (Firm Registration No. 000454), as the Cost Auditors for auditing the cost accounts of your Company, being eligible, to conduct Cost Audits for the products covered under section 148 of Companies Act, 2013 read with Companies (Cost records and Audit) Rules, 2014 for the financial year 2023-24. The Company has received their written consent and confirmation that the appointment will be in accordance with the applicable provisions of the Act and rules framed thereunder.

The remuneration payable to Cost Auditors has been approved by the Board of Directors on the recommendation of the Audit Committee and in terms of the Act and Rules therein. The Members are therefore requested to ratify the remuneration payable to M/s MM & Associates as set out in the Notice of the 23<sup>rd</sup> AGM of the Company.

During the year, the Cost Audit Report from M/s MM & Associates, (Firm Registration No. 000454), of our Company was filed with the Central Government for the financial year ended March 31, 2022. There has been no qualification, reservations, adverse remark or disclaimer in the Cost Audit's Report submitted for FY 2022-23. The Cost Audit Report for FY 2022-23 will be filed with the Central Government in due course.

### **4. SECRETARIAL AUDITORS**

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. DMK Associates, Company Secretaries, (Firm Registration Number: P2006DE003100), to undertake the Secretarial Audit of the Company for FY 2022-2023. Further, the Board has re-appointed M/s. DMK Associates, Company Secretaries, (Firm Registration Number: P2006DE003100) as Secretarial Auditors of the Company for FY 2023-24.

The Secretarial Audit Report issued by the aforesaid Secretarial Auditors is attached as **Annexure 'D'** to this Report and there is no qualification, reservation, observation, disclaimer or adverse remark.

**VI. GOVERNANCE/SECRETARIAL****1. CORPORATE GOVERNANCE AND CODE OF CONDUCT**

As a responsible corporate citizen, the Company is committed to maintain the highest standards of Corporate Governance and believes in adhering to the best corporate practices prevalent globally.

The declaration of Chief Executive Officer (CEO) confirming compliance with the 'Code of Conduct' by the members of the Board of Directors and Senior Management Personnel of the Company is forming part of the Corporate Governance Report.

A detailed Report on Corporate Governance pursuant to the requirements of Regulation 34 read with Schedule V of the Listing Regulations is attached as **Annexure-'E'** to the Board's Report and forms part of this Report. A certificate from M/s Rajeev Singhal & Co., Chartered Accountants (Firm Registration No. 008692C), the Statutory Auditor confirming compliance with the conditions of Corporate Governance, as stipulated in Clause E of Schedule V to the Listing Regulations is attached to the Corporate Governance Report.

**2. ANNUAL RETURN**

Pursuant to the provisions of Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return (MGT-7) of the Company as on March 31, 2023 is available on Company's website and can be accessed at <https://www.gulshanindia.com/annual-return.html>.

**3. WHISTLE BLOWER POLICY-VIGIL MECHANISM**

Pursuant to the provisions of Section 177 of the Act and Regulation 22 of Listing Regulations, the Company has adopted a Vigil Mechanism / Whistle Blower Policy to provide a platform to the Directors and Employees of the Company to raise concerns regarding any irregularity, misconduct or unethical matters / dealings within the Company. The details of Vigil Mechanism / Whistle Blower Policy adopted by the Company have been explained in the Corporate Governance Report, forming integral part of this report. The Company has amended the policy to insert the email id created for purpose of raising and reporting genuine concern through the designated email id. The revised policy is available on website of the Company at <https://www.gulshanindia.com/pdf/policy/whistle-blower-policy-vigil-mechanism.pdf>.

**4. COMMITTEE RECOMMENDATIONS**

During the year under review, the Board of Directors has accepted all recommendations of the Committees of the Board of Directors, which were mandatorily required to be made.

**5. NOMINATION AND REMUNERATION POLICY**

The Company has adopted a Nomination and Remuneration Policy for the Directors, KMPs and other employees, pursuant to the provisions of Section 178 of the Act and Regulation 19 read with Schedule II, Part D of the Listing Regulations. The policy is available on website of the Company at <https://www.gulshanindia.com/pdf/policy/nNomination-and-Remuneration-Policy.pdf> and the salient features of policy is elaborated in the Corporate Governance Report.

**6. RISK MANAGEMENT**

Your Company has a well-defined risk management framework in place to ensure appropriate identification, measurement, mitigation and monitoring of business risks and challenges across the Company, GPL has a robust organizational structure for managing and reporting risks. The Company's success as an organization largely depends on its ability to identify opportunities and leverage them while mitigating the risks that arise while conducting its business.

**7. BOARD AND COMMITTEES**

As required under the Act, and the Listing Regulations, the Company has constituted these statutory committees of the board: the Audit Committee, the Sustainability and Corporate Social Responsibility Committee, the Nomination, Remuneration and Compensation Committee, the Stakeholders Relationship Committee, the Risk Management Committee. The Other board committees are: Allotment of Share Committee and the Finance Committee.

A detailed note on the composition of the Board and its committees is provided in the Corporate Governance Report.

**VII. MANAGEMENT DISCUSSION & ANALYSIS REPORT**

Management Discussion and Analysis Report, as stipulated under Regulation 34(2)(e) of the Listing Regulations, is presented in a separate Section and forming part of this Annual Report.

**VIII. INTERNAL FINANCIAL CONTROLS**

The Company has internal financial controls commensurate to the size and nature of its business. The Company has policies and procedures in place for ensuring orderly and efficient conduct of its business and operations 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. The details of internal control systems are given in the Management Discussion and Analysis Report attached as **Annexure 'F'** to this Report.

An independent internal audit function is an important element of the Company's internal control systems. This is executed through an internal audit programme and periodic review by the management and the Audit Committee.



During the year under review two external firms viz. M/s Pankaj K. Goyal & Co. and M/s Svaraj & Associates, Chartered Accountants, are engaged as Internal Auditors of the Company, with the audit processes and procedures.

The Audit Committee has satisfied itself on the adequacy and effectiveness of the internal financial control systems laid down by the management. The Statutory Auditors have confirmed the adequacy of the internal financial control systems over financial reporting.

#### **IX. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT**

Your Company is committed to grow the business responsibly with a long term perspective as well as to the nine principles enshrined in the National Voluntary Guidelines (NVGs) on social, environmental and economic responsibilities of business, as notified by the Ministry of Corporate Affairs, Government of India, in July, 2011.

The Business Responsibility and sustainability Report ("BRSR") of the Company as per the requirements of Regulation 34(2)(f) of the Listing Regulations describing the initiatives taken by the Company from an environmental, social and governance perspective, is attached as **Annexure-'G'** to Board's Report and forms part of this Report.

#### **X. CAUTIONARY STATEMENT**

Statements in the Board's Report and the Management Discussion & Analysis Report describing the Company's objectives, expectations or future outlook may be forward looking within the meaning of applicable laws and regulations. Actual results may differ from those expressed in the statements.

#### **XI. ACKNOWLEDGEMENTS**

Your Company's organizational culture upholds professionalism, integrity and continuous improvement across all functions, as well as efficient utilization of the Company's resources for sustainable and profitable growth.

Your Directors hereby acknowledge the dedication, loyalty, hard work, solidarity and commitment rendered by the employees of the Company during the year. They would also like to place on record their appreciation for the continued co-operation and support received by the Company during the year from bankers, financial institutions, government authorities, business partners, shareholders, vendors, customers and other stakeholders without whom the overall satisfactory performance would not have been possible and for the confidence reposed in the Company and its management and look forward to their continued support.

For and on behalf of the Board of Directors

Delhi, May 12, 2023

**Dr. Chandra Kumar Jain**  
Chairman and Managing Director  
DIN: 00062221

# Corporate Social Responsibility

*Our foundation,  
Our future*



## ANNEXURE-A TO BOARD'S REPORT

## Annual Report on Corporate Social Responsibility (CSR) Activities for Financial Year 2022-23

[Pursuant to Section 135 of the Companies Act, 2013 ('the Act') & Rules made thereunder]

Over the past decade, the 'Gulshan' has taken several important steps with specific focus on corporate social responsibility programs. The Company continues to share prosperity, sustainability and its endeavor to improve the lives of people and provide opportunities for their holistic development through its different initiatives in the areas of Preventive Healthcare, Promoting Education, Focusing on Environment, Social and Rural development projects etc.

### 1. A brief outline on the CSR policy of the Company:

We have always considered sustainable development is the keystone of our business strategy and responsibility which comes with responsible behavior. Our strategy includes nurturing close and continuous interaction with the people and communities around our manufacturing divisions, bringing qualitative changes in their lives and supporting the underprivileged.

Our focus is on all-round development of the communities around our plants, located mostly in distant rural areas with focus on the following:

- Enhance the quality of life of the people in areas surrounding the plant locations and offices;
- Create a positive impact by making sustainable developments in the society and promote good environmental practices;
- Be responsible and responsive corporate citizen through endeavors to create a safe, harmonious and ecologically balanced environment for its members and the community at large;
- Maintain commitment to quality, health and safety in every aspect of the business and people.

In line with CSR Policy and in accordance with Schedule VII of the Companies Act, 2013, the Company has undertaken the CSR projects/ activities, focusing on below:

- Promoting Education
- Providing Sanitation Facilities
- Promoting healthcare including preventive healthcare measures
- Ensuring Environment Sustainability
- Promoting Rural Sports
- Social and Rural Development

Our CSR is not limited to philanthropy, but encompasses holistic community development, institution-building and sustainability- related initiatives. The CSR Policy of the Company, as approved by the Board of Directors, is available on the Company's website at <https://www.gulshanindia.com> Brief overviews of your Company's CSR projects/activities are given in this report.

### 2. Composition of SCSR Committee:

S. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of SCSR held during the year	Number of meetings of SCSR Committee attended during the year
1.	* Mr. Jeewan Jyoti Bhagat	Ex-Chairperson/ Independent Director	3	1
	**Ms. Archana Jain	Chairperson/ Independent Director	3	1
2.	Ms. Arushi Jain	Member/ Executive Director	3	3
3.	Ms. Aditi Pasari	Member/ Executive Director	3	3

\*Inducted as Chairman w.e.f. May 7, 2021 and discontinued w.e.f. August 5, 2022.

\*\*Inducted as a Chairperson effective from August 9, 2022.

### 3. Weblink of Composition of SCSR committee, CSR Policy and CSR projects as approved by the board and disclosed on the website of the company:

The weblink is as follows: <https://www.gulshanindia.com/pdf/policy/CorporateSocial-Responsibility-CSR-Policy.pdf>

### 4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014:

In terms of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, the requirement of conducting an impact assessment of its CSR Projects is not applicable to the Company.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

S. No.	Financial Year	Amount available for set-off from preceding financial years (₹ in Lakhs)	Amount required to be set-off for the financial year, if any (₹ in Lakhs)
1	2021-22	5.66	-

6. Average net profit of the company as per section 135(5): ₹ 7835.99 Lakhs

7. (a) Two percent of average net profit of the Company as per Section 135(5): ₹156.72 Lakhs

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL

(c) Amount required to be set off for the financial year (carry forward from FY 2021-22), if any: ₹5.66 Lakhs

Total CSR obligation for the financial year 2022-23 (7a+7b-7c): ₹151.06

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year 2022-23 (₹ in Lakhs)	Amount Unspent (₹ in Lakhs)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount (₹ in Lakhs)	Date of transfer	Name of the Fund	Amount (₹ in Lakhs)	Date of transfer
151.06*	61.17	31-03-2023	-	-	-

\*including ₹ 61.17 Lakhs transferred to the unspent CSR Account as per Section 135(6) of the Companies Act, 2013.

(b) Details of CSR amount spent against on-going projects for the financial year:

1	2	3	4	5		6	7	8	9	10	11	
S. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes / No)	Location of the project		Project duration	Amount allocated for the project (₹ in Lakhs)	Amount spent in the current Financial Year (₹ in Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in Lakhs)	Mode of Implementation - Direct (Yes / No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
1.	Mridul Literacy Degree College	(ii) - Promoting Education	Yes	Uttar Pradesh	Muzzafarnagar	Multi Year	It will be allocated in phases as approved by the committee/board. However, it is projected that project requires ₹ 4 Crores (Rupees Four Crore Only) approx. It will be decided and allocated in phases or in multiple tranches as and when required for the entire project whether directly or through implementing agency.	Nil	61.17	No	Mridul Literacy Society	CSR00012733

**(c) Details of CSR amount spent against other than on-going projects for the financial year:**

1 S. No	2 Name of the Project	3 Item from the list of activities in Schedule VII to the Act	4 Local area (Yes / No)	5 Location of the Project		6 Amount spent FY 2022-23 (₹ in Lakhs)	7 Mode of Implementation Direct (Yes / No)	8 Mode of Implement-Through Implementing Agency Name	CSR Registration Number
				State	District				
1.	Preventive Healthcare including hygiene and sanitation	Schedule VII (i)- 1. Free Eye Check-up Camps 2. General health project 3. Potable & Safe Drinking water	Yes	Uttar Pradesh, Madhya Pradesh, Delhi, and Gujrat	Muzaffarnagar, Bargaon, Delhi, and Jhagdia	26.05	Yes	Direct/ Indirect	CSR00006499 CSR00000935 CSR00031285 CSR00013382
2	Education including School building & Infrastructure Development	Schedule VII (ii) – 1. Skill development, 2. School infrastructure development 3. Har Ghar Tiranga	Yes	Uttar Pradesh, Delhi, Rajasthan, Gujrat, Himachal, and Madhya Pradesh	Muzaffarnagar, Delhi, Abu Road, Poanta, Boregaon, and Jhagadia	25.63	Yes	Direct	-
3	Community Infrastructure and Rural Development	Schedule VII (x) – 1. Bench for rural areas 2. Streetlights	Yes	Gujrat and Himachal	Poanta and Jhagdia	7.05	Yes	Direct	-
4	Ensuring environmental sustainability	Schedule VII (iv) – 1. Solar panel system	Yes	Uttar Pradesh and Madhya Pradesh	Bargaon and Muzaffarna gar	26.27	Yes	Direct	-
5	Measures for the benefit of armed forces veterans, war widows, and their dependents	Schedule VII (vi)	Yes	Madhya Pradesh and Rajasthan	Bargaon and Abu Road	1.53	Yes	Direct	-
<b>TOTAL</b>						<b>86.53</b>			

**(d) Amount spent in Administrative Overheads: ₹ 3.36 Lakh**

**(e) Amount spent on Impact Assessment, if applicable:** Not applicable

**(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 151.06 Lakhs (includes amount allocated for ongoing project and transferred to separate unspent CSR account)**

**(g) Excess amount for set off, if any:**

S. No.	Particular	Amount (₹ in Lakh)
(i)	Two percent of average net profit of the company as per section 135(5)	156.72
(ii)	Total amount spent for the Financial Year	151.06
(iii)	Excess amount spent for the financial year [(ii)+ ₹5.66 Lakhs(excess amount spent carry forward from FY 21-22-(i))]	0
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0
(v)	Amount available for set off in succeeding financial years	0

**9. (a) Details of Unspent CSR amount for the preceding financial years:**

S. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (₹ in Lakhs)	Amount spent in the reporting Financial Year (₹ in Lakhs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (₹ in Lakhs)
				Name of the Fund	Amount (₹ in Lakhs)	Date of transfer	
None							

**(b) Details of CSR amount spent in the financial year for on-going projects of the preceding financial year(s):**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
S. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (₹ in Lakhs)	Amount spent on the project in the reporting Financial Year (₹ in Lakhs)	Cumulative amount spent at the end of reporting Financial Year (₹ in Lakhs)	Status of the project -Completed / Ongoing
Not Applicable								

**10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)**

- (a) **Date of creation or acquisition of the capital asset(s):** Not Applicable
- (b) **Amount of CSR spent for creation or acquisition of capital assets:** NIL
- (c) **Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.:** Not Applicable
- (d) **Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):** Not Applicable

**11. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5):** Not Applicable

Delhi, May 12, 2023

**Dr. Chandra Kumar Jain**  
 Chairman & Managing Director  
 DIN: 00062221

**Archana Jain**  
 Chairperson of SCSR Committee  
 DIN: 09171307



*"The future depends on what you do today"*



## ANNEXURE-B TO BOARD'S REPORT

## Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

[Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

**A. CONSERVATION OF ENERGY:****(i) The steps taken or impact on conservation of energy:**

Conservation of Energy is an important aspect for the Company and it is a cornerstone for positive impact on environment and sustainable growth. The Company continued to improve across all facets of energy management which includes generation, distribution and consumption. All manufacturing units of the Company have taken various initiatives for saving energy consumption. Teams of all the units continuously monitor energy consumption and plan and execute various energy conservation schemes.

The Company is continuously undertaking various initiatives towards green energy thereby contributing towards clean environment. The Company continuously encourages its employees and business partners to take adequate efforts and initiatives on energy conservations.

Further, best practices and bench marking parameters are implemented in all units by the Company to realigned the existing power consuming sections and to remove bottleneck and to ensure the uninterrupted and quality power supply at the minimum cost. Some of the energy conservation measures adopted across the manufacturing units were:

**INDUCE ENERGY CONSERVATION**

- Conventional light replacement with energy efficient LED light for Godown lighting, street lighting and plant lighting across all manufacturing units.
- Energy bill reduction initiative by maintaining unity power factor and low distribution losses by installation of capacitor panels in the high rated Kilo Watt ('kW') motors and machineries.
- Energy bill reduced by effective usage of power in night hours to avail benefit of night hours' rebate.
- Use of frequency drive in ammonia and air compressor which saves electric energy.
- Use of frequency drive in boiler for ID and FD fan which saves electric energy.
- Installed VFDs for motor for reduction of power consumption & smooth operations.
- Installation of energy efficient ceiling fans.
- Phase wise change of plant lighting system to LED to reduce power consumption.
- Installed Oxygen Analyzer in boilers for combustion control.

**CONSERVATION OF RESOURCES**

- Improving efficiency on critical resources like water and energy by doing water recoveries and optimizing energy consumption.
- Optimizing the resource consumptions and minimizing wastages by automations and controls.
- As a CSR initiative , a 40 KW Solar Panel System was inaugurated at Sanatan Dharam College, Muzzafarnagar, Uttar Pradesh. Additionally revived the 5KW Solar Panel System at Government Civil Hospital, sausar, chhindwara, Madhya Pradesh.

The use of solar energy replaces or reduces the use of other energy sources that have a greater adverse impact on the environment.

**ASSESSING PRE-EXISTING SYSTEMS**

- Constant monitoring of energy consumption and further requisite follow-up.
- In off-hours, lights in work premises is kept off.

These measures have also led to power saving, reduced maintenance time and cost, improved hygienic conditions and consistency in quality and improved productivity. The Company is making all efforts to put stress on energy conservation by taking measure to ensure that plant be kept continuous running and idle time is reduced to bare minimum.

**(ii) The steps taken by the Company for utilizing alternate sources of energy:**

The Company has initiated steps towards utilizing environment friendly alternate sources/renewable sources of energy by way of installation of Solar Panels.

**(iii) The capital investment on energy conservation equipment: NIL****B. TECHNOLOGY ABSORPTION:**

Technology absorption across the various function and its processes are the Key priority for the Company. The Company promoted adoption of latest Research and technology development which helps to create superior value by harnessing internal Research and Development skills and competencies and creates innovations in emerging technology domains related to the Company's various businesses.



**Research and technology development of the Company focuses on:**

- a. Processes and catalyst development to support existing business and create breakthrough technologies for new businesses;
- b. Advanced troubleshooting; and
- c. Support to projects, profit and reliability improvements in manufacturing plants.

**(i) The efforts made towards technology absorption:**

Owing to the nature of operations of the Company, the information pertaining to Technology Absorption is not applicable to the Company. However, the Company endeavors to avail the latest technology trends and practices in its operations.

**(ii) The benefits derived like product improvement, cost reduction, product development or import substitution: None**
**(iii) Technology imported during the last three years reckoned from the beginning of the financial year: None**
**(iv) Expenditure incurred on research and development: NIL**
**C FOREIGN EXCHANGE EARNINGS & OUTGO:**

The Details of Foreign Exchange Earnings and Outgo for FY 2022-2023 on an Accrual Basis are set out below:

(₹ in Lakhs)

S. No.	PARTICULARS	2022-23	2021-22
i.	Earnings by way of Export of Goods calculated on FOB basis	10273.89	6808.29
ii.	Payment of Commission on Export of Goods	24.79	41.07
iii.	Expenditure on Foreign Travelling	18.83	30.69
iv.	Expenditure on Testing/Analysis Service	53.48	60.84
v.	Expenditure on Legal & Professional fee	6.21	3.02
vi.	Expenditure on Subscription & Membership fee	3.16	0.22

For and on behalf of the Board of Directors

**Dr. Chandra Kumar Jain**  
 Chairman and Managing Director  
 DIN: 00062221

Delhi, May 12, 2023

## ANNEXURE-C TO BOARD'S REPORT

## Disclosure of Managerial Remuneration

[Pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

**PART-I: Statement of particulars under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended March 31, 2023:**

**A. The Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2022-23 as well as the percentage (%) increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary during financial year 2022-23:**

S. No.	Name	Designation	Remuneration FY 2022-23 (Amount in lakhs)	(+/-) Remuneration (%)	Ratio of remuneration of each Director to median remuneration of employees (Times)
<b>Executive Director</b>					
1	Dr. Chandra Kumar Jain	Chairman and Managing Director	300.80	-51.94	111.00
2	Ms. Arushi Jain	Joint Managing Director	96.80	-61.99	35.72
3	Ms. Aditi Pasari	Joint Managing Director	96.80	-62.02	35.72
4	Mr. Ashwani Kumar Vats	Whole Time Director and CEO	80.99	-32.83	29.89
<b>Non-Executive Directors</b>					
5	Mr. Akhilesh Kumar Maheshwari	Independent Director	5.40	-4.09	1.99
6	*Mr. Rakesh Kapoor	Independent Director	3.53	NA <sup>@</sup>	1.30
7	Mr. Rakesh Kumar Gupta	Independent Director	5.40	-4.09	1.99
8	#Mr. Jeewan Jyoti Bhagat	Ex-Independent Director	1.77	NA <sup>@</sup>	0.65
9	Ms. Archana Jain	Independent Director	5.40	-0.55	1.99
<b>Key Managerial Personnel</b>					
10	Mr. Rajiv Kumar Gupta	Chief Financial Officer	32.15	20.82	11.86
11	Ms. Asha Mittal	Company Secretary	10.15	11.05	3.75

\* Appointed with effect from August 09, 2022.

@ Not associated with the company for full year, being resigned or appointed in between the year or in previous year.

# Discontinued with effect from August 5, 2022.

Note:

- Above remuneration is on due basis.
- The Remuneration of Non-Executive & Independent Directors covers sitting fees for attending Board/ Committee Meetings, fixed conveyance allowance and commission which relates to FY2022-23.

**B. The median remuneration is ₹2.71 Lakhs annually for FY 2022-23.**

**C. Percentage increase in the median remuneration of employees in FY 2022-23: 4.23%**

**D. Number of permanent employees on the rolls of the Company as on March 31, 2023: 484**

**E. The average percentile increase already made in the salaries of employees other than Managerial Personnel was 9.17% and the average percentile decrease in the remuneration of Managerial Personnel was 51.36% during the last Financial Year.**

**F. Affirmation:**

It is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and other employees is as per the Remuneration Policy of the Company.

**PART-II: Statement of particulars under Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended March 31, 2023:**

- A. Top Ten Employees in terms of remuneration drawn, including name of every employee(s) employed throughout the financial year 2022-23, who were in receipt of remuneration not less than ₹ 10,200,000/- per annum:

S.No.	Name	Designation of the employee	Qualifications	Age (Years)	Experience (Years)	Date of commencement of Employment	Nature of Employment	Remuneration* ₹ (In Lakhs)	% of Equity share held**	Last Employment	
										Employer's Name	Post Held
1	Dr. Chandra Kumar Jain	Chairman and Managing Director	Doctorate Degree of philosophy in Chemistry	75	52	20.10.2000	Contractual	300.80	2.67	NA	NA

\*Above remuneration is on due basis.

- B. Employed for part of the year and in receipt of remuneration for any part of that year which in aggregate was not less than ₹ 8,50,000 per month: NONE
- C. Employed throughout the financial year or part thereof, was in receipt of remuneration in excess of the remuneration drawn by the Managing Director or Whole-Time Director of the Company and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company: NONE.

For and on behalf of the Board of Directors

Delhi, May 12, 2023

**Dr. Chandra Kumar Jain**  
Chairman and Managing Director  
DIN: 00062221

**ANNEXURE-D TO BOARD'S REPORT**  
**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED ON 31 MARCH 2023**

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

**To,**

**The Members,**

**GULSHAN POLYOLS LIMITED**

**CIN: L24231UP2000PLC034918**

**9<sup>th</sup> KM Jansath Road**

**Muzaffarnagar-251001, Uttar Pradesh**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Gulshan Polyols Limited CIN: L24231UP2000PLC034918** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31 March 2023 (Audit Period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter along with **Annexure 1** attached to this report:-

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB); **(No FDI and ECB were taken and no ODI was given by the Company during the Audit Period)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended till date;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended till date;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended till date; **(Not applicable to the Company during the Audit Period)**
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as amended till date;
  - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended till date; **(Not applicable to the Company during the Audit Period)**
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act 2013, and dealing with client; **(Not applicable to the Company during the Audit Period)**
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 as amended till date; **(Not applicable to the Company during the Audit Period)**
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 as amended till date; **(Not applicable to the Company during the Audit Period)**
  - i) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018

**OTHER LAWS SPECIFICALLY APPLICABLE TO THE COMPANY AS IDENTIFIED BY THE MANAGEMENT**

- a) Foods Safety & Standards Act, 2006;
- b) Foods Safety & Standards (Licensing & Registration of Food Business), Regulations, 2011;

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

- (i) Secretarial Standards on meeting of Board of Directors (SS-1) and on General Meeting (SS-2) issued by The Institute of Company

Secretaries of India.

- (ii) The Listing Agreement filed with BSE Limited and National Stock Exchange Limited and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, and Guidelines to the extent applicable, Standards, etc. as mentioned above.

Based on the information received and records maintained, we further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-executive, Women and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate notice of at least seven days was given to all Directors to schedule the Board Meetings along with agenda and detailed notes on agenda and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting in compliance of the Act.
3. All decisions at Board Meetings are carried out unanimously and recorded in the minutes of the Board meetings. Further as informed and verified from minutes, no dissent was given by any director in respect of resolutions passed in the Board and Committee meetings.

Based on the compliance mechanism established by the Company and on the basis of the Compliance Certificate (s) issued by Chief Executive Officer and Chief Financial Officer of the Company, pursuant to Regulation 17(8) under SEBI (LODR) Regulations 2015 and report given by Company Secretary under the Act taken on record by the Board of Directors at their meeting (s), we further report that:

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

We further report that during the audit period the Company has not incurred any specific event / action that can have major bearing on the Company's affairs in pursuance of above referred laws, rules, regulations, guidelines, standards etc. except as follows:

1. The Board in its Meeting held on April 18, 2022 has allotted 2,99,82,536 Equity Shares in terms of the Scheme of Amalgamation of the ("Scheme") under Section 230 to 232 of the Companies Act, 2013 between Gulshan Holdings Private Limited and East Delhi Importers & Exporters Private Limited (collectively known as "Transferor Companies") with Gulshan Polyols Limited ("Transferee Company") and their respective Shareholders and Creditors and the record date fixed for the purpose was April 14, 2022. The Company has obtained listing approvals from NSE and BSE on May 24, 2022 and May 26, 2022 respectively and Trading approvals on June 22, 2022 from NSE and BSE, the Stock Exchanges and equity shares were admitted for dealings with effect from June 23, 2022.
2. Special Resolution under Section 23, 42, 62, 71 and 179 of the Companies Act, 2013 and other provisions of SEBI (LODR), 2015 & FEMA & RBI Regulations was passed by the shareholders of the company in the Annual General Meeting held on September 28, 2022 for raising funds and issuance of securities for an aggregate amount upto ₹ 250 Crores (Rupees Two Hundred and Fifty Crore Only)
3. Special Resolution under Section 4 and 13 of Companies Act, 2013 was passed by the shareholders of the company in the Annual General Meeting held on September 28, 2022 for amendment in object clause of the Memorandum of Association of the Company.
4. On the recommendation of Audit Committee held on January 17, 2023, the Board in its meeting held on January 17, 2023 passed resolution for investment subscription and acquisition of shareholding to the extent of 40% in JGN Sugar and Biofuels Private Limited not exceeding INR 20,00,00,000/-.
5. The Company has incorporated a Wholly Owned Subsidiary under name and style of "Gulshan Overseas- FZCO" on September 08, 2021 under Dubai Silicon Oasis Authority, Dubai, United Arab Emirates. However, the capital infusion of AED 100,000 (One Hundred Thousand United Arab Emirates Dirhams only) against the deposit of share capital account on December 7, 2022, divided into 10,000 Shares with a value of AED 10 (United Arab Emirates Dirham Ten only).
6. The Board in its meeting held on January 17, 2023 passed resolution for granting loan to "Gulshan Overseas- FZCO" , Wholly owned Subsidiary upto an amount not exceeding AED 1,00,000 (One Hundred Thousand United Arab Emirates Dirhams only).

**For DMK ASSOCIATES  
COMPANY SECRETARIES**

**Date: 12.05.2023  
Place: New Delhi  
UDIN: F005480E000299180**

**(MONIKA KOHLI)  
FCS, I.P, LL.B, B.Com (H).  
PARTNER  
FCS 5480, C. P. 4936  
Peer Review No. 779/2020**

**ANNEXURE 1****To****The Members,****Gulshan Polyols Limited****CIN: L24231UP2000PLC034918****9<sup>th</sup> KM Jansath Road****Muzaffarnagar UP 251001****Sub: Our Secretarial Audit for the Financial Year ended 31 March 2023 of even date is to be read along with this letter**

1. Maintenance of secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. We believe that the processes and practices, we followed provide a reasonable basis of our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules, and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. Our examination was limited to the verification of the procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.
7. As per the information provided by the Company, there are certain disputes / cases filed by or against the Company, which are currently lying pending with the various Courts. However as informed these cases have no major impact on the Company.

**For DMK ASSOCIATES  
COMPANY SECRETARIES****Date: 12.05.2023****Place: New Delhi****UDIN: F005480E000299180****(MONIKA KOHLI)  
FCS, I.P, LL.B, B.Com (H).  
PARTNER  
FCS 5480, C. P. 4936  
Peer Review No. 779/2020**

## ANNEXURE-E TO BOARD'S REPORT

## Corporate Governance's Report

*[Pursuant to Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended*

**I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

At Gulshan Polyols Limited ("**the Company**" or "**GPL**"), Corporate Governance is both a tradition and a way of life. We believe in "**Sabka Saath, Sabka Vikas**" (**Hand in hand, grow together**) and always committed towards achieving the same. The Company is fully committed to incorporate a sound corporate governance practices and upholding the highest business standards in conducting business. Being a value-driven organization, the Company has always worked towards building trust with shareholders, employees, customers, suppliers and other stakeholders based on the principles of good corporate governance viz., integrity, equity, transparency, fairness, disclosure, accountability and commitment to values. The Company's philosophy on Corporate Governance is to observe the highest level of ethics in all its dealings, to ensure the efficient conduct of the affairs of the Company to achieve its goal of maximizing value for its Stakeholders.

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. The Company truly believes in independence, responsibility, transparency, professionalism, accountability and code of ethics, which are the basic principles of corporate governance. The Company always stressed in achieving optimum performance at all levels by adopting and adhering to best corporate governance practices and endeavours to adopt the industry's best practices, focusing on transparency in its affairs, the functioning of the Management and Board, and accountability towards stakeholders. The Company's philosophy ensures that it creates sustainable value for shareholders while fulfilling social obligations and complying with regulatory requirements. The Company's policies prioritize the augmentation of long-term shareholder value while maintaining integrity and focus on corporate governance as a means to maximize long-term stakeholders' value through disciplined and sustained growth and value creation. The Company has professionals on its Board of the Directors who are actively involved in the deliberations of the Board on all important policy matters.

Your Directors view good Corporate Governance as the foundation for honesty and integrity and recognize these matters to maintain your trust. The Company strives hard to achieve establishment of internal controls and risk management; internal and external communications; and high standards of safety, health and environment management, accounting fidelity, product and service quality. The Company also believes that for a Company to succeed, it must consistently maintain commendable standards of corporate conduct towards its employees, customers, society and other stakeholders.

At GPL, good Corporate Governance is indispensable to resilient and vibrant capital markets and is, therefore, an important instrument of investor protection. The Company's Corporate Governance structure ensures timely implementations of plans and adequate disclosures as well as fair dealings with stakeholders' interests thereby ensuring highest standards of business ethics and integrity. The Company always endeavors to leverage its resources to translate opportunities, create awareness of corporate vision and spark dynamism at all levels.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as applicable, with regard to corporate governance.

**II. BOARD OF DIRECTORS**

As on March 31, 2023, the Board of Directors is in conformity with Regulations 17 of the Listing Regulations read with Sections 149 and 152 of the Companies Act, 2013 ('the Act'). The Board of Directors of the Company comprised of Eight (8) Directors. The Chairman of the Board is an Executive Director. The Company has an optimum combination of Executive and Non-Executive Directors in accordance with Regulation 17 of Listing Regulations. The Board has four (4) Executive Directors and four (4) Non-Executive Independent Directors (including one Woman Independent Director). The Board has diversity in terms of age, expertise, domain experience, gender etc. Their Composition with other details is stated below in **Table A**. The Board of Directors takes into account the interest of all Stakeholders while discharging its responsibilities and provides leadership and guidance to the Company's management while discharging its fiduciary responsibilities thereby ensuring that the management adheres to the high standards of ethics, transparency and disclosures.

Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Act, along with the rules framed thereunder, including any amendments thereto. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors of the Company have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

Based on the declarations received from the Independent Directors, the Board of Directors has confirmed and opined that they meet the criteria of independence as mentioned under Section 149 of the Act and Regulation 16(1)(b) of the Listing Regulations, fulfills all the conditions and that they are independent of the Management of the Company. Further, the Independent Directors have, in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualifications of Directors) Rules, 2014, confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs ('IICA') and are

exempt from the requirement to undertake or if not exempted, then undertook the online proficiency self-assessment test conducted by IICA. All the Independent Directors have requisite knowledge of business, in addition to the expertise in their area of specialization.

The skills, expertise and competencies of the Directors as identified by the Board in the context of business(es) of the Company, are provided in this Report. These skills, expertise and competencies are available in the present mix of the Directors of the Company.

None of the Independent Directors of the Company serve as an Independent Director in more than seven listed companies and in case Independent Director is serving as Whole-Time Director in any listed Company, such Director does not hold the position of Independent Director in more than three listed companies.

#### A. Composition and other details of the Board as on March 31, 2023

Name of the Director(s) & DIN	Category	Directorships in Other Listed Entities and Category of Directorships	No. of other Directorships; and Committees' Chairmanships and Memberships in Indian Public Companies		
			Other Directorship <sup>2</sup>	Committees Chairmanship	Committees Membership <sup>3</sup>
Dr. Chandra Kumar Jain DIN:00062221	Executive, Chairman and Managing Director and Promoter	-	1	-	1
Ms. Arushi Jain DIN:00764520	Executive, Joint Managing Director and Promoter	-	1	-	1
Ms. Aditi Pasari DIN:00120753	Executive, Joint Managing Director and Promoter	-	1	-	1
Mr. Ashwani Kumar Vats DIN:00062413	Executive, Whole Time Director and CEO	-	-	-	-
Mr. Akhilesh Kumar Maheshwari DIN:00062645	Non-Executive & Independent Director	Genus Paper & Boards Limited- Executive Director	1	1	2
Mr. Rakesh Kumar Gupta DIN:06909233	Non-Executive & Independent Director	-	-	1	1
Ms. Archana Jain DIN:09171307	Non-Executive & Independent Director	-	1	-	1
Mr. Rakesh Kapoor DIN:00015358	Non-Executive & Independent Director	The Ugar Sugar Works Ltd.- Non-Executive Independent Director	1	1	1

1. Dr. Chandra Kumar Jain, Ms. Arushi Jain & Ms. Aditi Pasari are the promoters of the Company. Further, Ms. Arushi Jain and Ms. Aditi Pasari are daughters of Dr. Chandra Kumar Jain. Therefore, Ms. Arushi Jain and Ms. Aditi Pasari being daughters of Dr. Chandra Kumar Jain and being sisters are related to each other. Except these, there are no other inter-se relationships among the Directors.



2. The directorships held by Directors, as mentioned above includes Directorships in Indian Public Companies only and do not include the directorships held in Section 8 Companies, Private Limited Companies, Foreign Companies, Limited Liability Partnership, Companies under process of strike off and Gulshan Polyols Limited.
3. Committees considered for the purpose are those prescribed under Regulation 26 of the Listing Regulations viz. Audit Committee and Stakeholders Relationship Committee of Public Limited Companies (listed or unlisted) including Gulshan Polyols Limited. Details of Committee memberships include chairmanship of committees and also chairmanships mentioned separately.

*None of the Directors was/is a member of more than 10 Committees or Chairman of more than 5 Committees across all listed companies in which he/she is a Director.*

4. During the financial year, Mr. Jeewan Jyoti Bhagat (DIN: 00007743), discontinued as a Non-Executive & Independent Director of the Company with effect from August 5, 2022 upon resignation. Mr. Rakesh Kapoor (DIN:00015358), has been appointed as an Additional Director in the category of Non- Executive & Independent Director of the Company with effect from August 9, 2022 and regularized in the 22<sup>nd</sup> Annual General Meeting of the Company held on 28<sup>th</sup> September,2022.

#### 5. Maximum Tenure of Independent Directors

The maximum tenure of Independent Directors is upto five consecutive years from the date of their appointment. However, they can be reappointed for another term of five consecutive years. The date of appointment/ re-appointment and tenure of the existing Independent Directors as on date of report are given below:

S. No.	Name of Independent Director	Date of Appointment / Reappointment	Date of Completion of Tenure
1	Mr. Akhilesh Kumar Maheshwari DIN: 00062645	April 1, 2019	March 31, 2024
2	Mr. Rakesh Kumar Gupta DIN: 06909233	April 1, 2019	March 31, 2024
3	Ms. Archana Jain DIN: 09171307	April 1, 2023	September 30, 2027
4	Mr. Rakesh Kapoor DIN:00015358	August 9, 2022	September 30, 2024

#### Terms and conditions of appointment of Independent Directors

The terms and conditions of appointment of Independent Directors have been disclosed on the Company's website.

#### B. Board Meetings

Meetings of the Board are generally held at the Corporate Office of the Company situated at G-81, Preet Vihar, New Delhi-110092. During the year, the Board met six (6) times on April 04, 2022, April 18, 2022, May 20, 2022, August 09, 2022, November 09, 2022 and January 17, 2023. The maximum gap between any two consecutive Board Meetings was less than one hundred and twenty days as stipulated under the Act, Regulation 17 of the Listing Regulations and Secretarial Standards. Necessary quorum was present in all the Board meetings.

The Company holds at least four Board Meetings in a year, within a maximum time gap of one hundred and twenty (120) days between two meetings, inter alia, to review the Financial Results. Besides these, additional Board Meetings are convened as per business needs of the Company. Urgent matters are also approved by the Board by passing resolution(s) through circulation, if required and as per applicable laws. All Directors on the Board are free to suggest any item for inclusion in the agenda for consideration of the Board. Directors are expected to attend Board and Committee Meetings, spend the necessary time and meet as frequently as the situation warrants to properly discharge their responsibilities.

All material information was circulated to the Directors before the meeting or placed at the meeting, including minimum information required to be made available to the Board as prescribed under Part A of Schedule II of Sub-Regulation 7 of Regulation 17 of the Listing Regulations. Agenda papers are shared electronically and physically to the Directors, before the meetings with in the stipulated time. Draft Minutes of the Board and Committee meetings are circulated to the Directors of the Company for their comments and thereafter, noted by the Board/ Committee in its next Meeting.

**The Board Meetings held including details of attendance of the Board of Directors during the year 2022-23 and at the last Annual General Meeting duly held on September 28, 2022:**

S. No.	Name	Number of Board Meetings attended out of total meetings held during tenure	Whether Last AGM Attended
1	Dr. Chandra Kumar Jain	6/6	Yes
2	Ms. Arushi Jain	6/6	Yes
3	Ms. Aditi Pasari	6/6	Yes
4	Mr. Ashwani Kumar Vats	5/6	Yes
5	Mr. Akhilesh Kumar Maheshwari	6/6	No
6	Mr. Jeewan Jyoti Bhagat*	3/6	-
7	Mr. Rakesh Kumar Gupta	5/6	Yes
8	Ms. Archana Jain	6/6	Yes
9	Mr. Rakesh Kapoor**	2/6	-

\* Discontinued to be a Non-Executive Independent Director of the Company with effect from August 5, 2022.

\*\* Appointed as an Additional Director in the category of Non- Executive & Independent Director of the Company with effect from August 9, 2022 and regularized in the 22<sup>nd</sup> Annual General Meeting of the Company held on 28<sup>th</sup> September, 2022.

**C. Matrix highlighting core skills/expertise/ competencies of the Board of Directors:**

The following is the list of core skills/ competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

<b>Business Leadership</b>	Leadership experience including areas of business development, succession planning, driving change, long term growth and guiding the Company and its Senior Management towards its vision and goals.
<b>Visioning and Strategic Planning</b>	Expertise in developing and implementing strategies for sustainable and profitable growth in the changing business environment. Ability to assess the strength and weaknesses of the Company and devise strategies to gain competitive advantage.
<b>Financial Literacy</b>	Expertise in understanding and management of complex financial functions and processes of a large organizations, and knowledge of accounting, finance and taxation.
<b>Technology &amp; Innovation</b>	Experience and knowledge of emerging areas of technology such as digital, artificial intelligence, cyber security, data center, data security etc.
<b>Risk Management</b>	Ability to understand and asses the key risks to the organization, legal compliances and ensure that appropriate policies and procedures are in place to effectively manage risk.
<b>Legal &amp; Governance</b>	Knowledge and experience in regulatory and governance requirements and ability to identify & manage key risks affecting the governance of the Company.
<b>Global Experience</b>	Global mindset and staying updated on global market opportunities, competition experience in driving business successfully around the world with an understanding of diverse business environments, economic conditions and regulatory frameworks.
<b>SEBI &amp; Corporate Laws</b>	Knowledge of the Companies Act, 2013, applicable SEBI and Stock Exchange Regulations (SEBI & Corporate Laws).
<b>HR &amp; ESOPS</b>	Knowledge on Employee Benefit Schemes and matters related to employee hiring / skill development, gender diversity etc. (HR & ESOPS)

In the table below, the specific areas of focus or expertise of individual board members as on March 31, 2023 have been highlighted with (✓).

Name of Director	Areas of Skills / Expertise/Competence								
	Business Leadership	Visioning and Strategic Planning	Financial Literacy	Technology & Innovation	Risk Management	Legal & Governance	Global Experience	SEBI & Corporate Laws	HR & ESOPS
Dr. Chandra Kumar Jain	✓	✓	✓	✓	✓	✓	✓	✓	✓
Ms. Arushi Jain	✓	✓	✓	✓	✓	✓	✓	✓	✓
Ms. Aditi Pasari	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Ashwani Kumar Vats	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Akhilesh Kumar Maheshwari	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Rakesh Kumar Gupta	✓	✓	✓	✓	✓	✓	✓	✓	✓
Ms. Archana Jain	✓	✓	✓	✓	✓	✓	✓	✓	✓
Ms. Rakesh Kapoor	✓	✓	✓	×	✓	×	✓	✓	✓

**Note: Mr. Jeewan Jyoti Bhagat discontinued to be a Non-Executive Independent Director of the Company with effect from August 5, 2022.**

#### D. Separate Meetings of Independent Directors

During the year, a separate meeting of the Independent Directors was held on May 20, 2022 as required under the section 149(8) and Schedule IV to the Act (Code for Independent Directors) and Regulation 25(3) of the Listing Regulations without the attendance of Non-Independent Directors and members of the management. All four Independent Directors on the said date has attended the meeting.

The Independent Directors, inter alia, discussed and reviewed performance of Non-Independent Directors, the Board as a whole, Chairperson of the Company and assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

In addition to formal meetings, frequent interactions outside the Board Meetings and Committee Meetings were also take place between the Independent Directors and with the Chairman, and rest of the Board.

#### E. Familiarization Programmes imparted to Independent Directors

The Company has an orientation programme upon induction of new Directors, as well as other initiatives to update Directors on a continuous basis. The Company also has an ongoing familiarization programme for its Independent Directors. The Company familiarises its Independent Directors with the Company, their roles, rights, responsibilities in the Company, updates on nature of industry in which the Company operates, Company's performance and future outlook related to business, operations, expansion, strategy, budgets, financial statements, besides relevant regulatory updates. The web link for the details of Familiarization Programmes imparted to Independent Directors on cumulative hourly basis may be accessed at <https://www.gulshanindia.com/pdf/policy/Details-of-Familiarization-Programme-for-Independent-Directors.pdf>

#### F. Resignation / Discontinuation of Independent Director(s)

During the period under review, Mr. Jeewan Jyoti Bhagat discontinued as a Non-Executive & Independent Director from the Board and the respective Board's Committees of the Company with effect from August 5, 2022 on attaining the age of 75 years and owing to his personal reasons in terms of Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and other applicable provisions. The disclosure alongwith confirmation by Mr. Bhagat that there are no other material reasons other than those provided, is available at [https://www.gulshanindia.com/pdf/CorporateAnnouncement/Disclosure%20under%20Regulation%2030\\_Discontinuation%20of%20Jeewan%20Jyoti%20Bhagat.pdf](https://www.gulshanindia.com/pdf/CorporateAnnouncement/Disclosure%20under%20Regulation%2030_Discontinuation%20of%20Jeewan%20Jyoti%20Bhagat.pdf)

### G. Directors and Officers Insurance

The Company has undertaken Directors and Officers insurance ('D and O insurance') for all its directors, including independent directors, for a quantum and risks as determined by the Board of Directors of the Company.

### H. Shareholding of Executive Directors

As on March 31, 2023

Name of Directors	Number of Equity Shares held
Dr. Chandra Kumar Jain	13,85,638
Ms. Arushi Jain	13,85,635
Ms. Aditi Pasari	13,85,635
Mr. Ashwani Kumar Vats	58,004

The Company has not issued any convertible instruments.

### III. COMMITTEES OF BOARD

The Board of Directors has constituted various Committees with specific terms of reference to ensure effective working of the Company and in compliance with the provisions of the Companies Act, 2013, rules framed thereunder, Listing Regulations and other applicable regulations, guidelines, circulars and notifications of Securities and Exchange Board of India ("SEBI"). These Committees operates as empowered agents of the Board of Directors. There are various Committees of the Board of Directors, which have been entrusted with adequate powers to discharge their roles & responsibilities.

These Committees are - (i) Audit Committee; (ii) Nomination, Remuneration and Compensation Committee; (iii) Stakeholders Relationship Committee; (iv) Sustainability and Corporate Social Responsibility Committee; (v) Risk Management Committee; (vi) Allotment of Share Committee; and (vii) Finance Committee. These Committee meetings are often held, as and when required and the minutes of these Committees of the Board are placed before the Board for noting.

Recommendations made by these Committees have been accepted by the Board. The Company Secretary officiates as the Secretary of the Committees. Detailed terms of reference, composition, meetings, attendance and other relevant details of these committees are as under:

The brief description of terms of reference and composition including other details of these Committees are as follows:

#### 1. AUDIT COMMITTEE

The Audit Committee primarily constitutes a formal and transparent arrangement for accurate financial reporting and strong internal controls. The Committee through regular interaction with external and internal auditors and review of financial statements ensures that the interests of stakeholders are properly protected.

All members of the Audit Committee are financially literate and a majority has accounting or financial management expertise.

##### a) Terms of Reference:

The terms of reference of the Audit Committee are in accordance with the provisions of Companies Act, 2013 (hereinafter referred as 'the Act') and Regulation 18 read with Part C of Schedule II to the Listing Regulations and SEBI (Prohibition of Insider Trading) Regulations, 2015.

The role of the Committee includes;

1. Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending the appointment, remuneration and terms of appointment of Auditors of the Company;
3. Approval of payment for any other service(s) rendered by the statutory auditors;
4. Reviewing with the management and examination of the annual financial statements and the auditor's report thereon before submission to the Board of Directors for approval;
5. Reviewing with the management the quarterly financial statements before submission to the Board of Directors for approval;

6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter, if required;
7. Review and monitor the auditor's independence and performance and effectiveness of audit process;
8. Approval or any subsequent modification of transactions with related parties including omnibus approval for related party transactions;
9. Scrutiny of inter- corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing with the management performance of statutory and internal auditors and adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up thereon;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board of Directors;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
17. Look into the reasons for substantial defaults in the payment to shareholders, creditors etc.;
18. Reviewing the functioning of whistle blower mechanism;
19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 (amended time to time), atleast once in a financial year and verify that the systems for internal controls are adequate and are operating effectively;
21. The Audit Committee is also required to review the management decisions and analysis of financial condition and results of operations, statement of significant related party transactions, management letters / letters of internal control weaknesses issued by the internal auditors, internal audit reports relating to internal control weaknesses, the appointment, removal and terms of remuneration of the chief internal auditor;
22. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
23. To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders; and
24. Discharge any other duties or responsibilities as may be prescribed by the applicable laws and any other function as is mentioned in the terms of reference of the Audit Committee or as may be delegated by the Board from time to time.

Further, pursuant to Regulation 18(2)(c) of the Listing Regulations, the Audit Committee is empowered to investigate any activity within its terms of reference, seek information it requires from any employee, obtain outside legal or other Independent professional advice and secure attendance of outsiders with relevant expertise, if considered necessary. Apart from the above, the Audit Committee also exercises the role and powers entrusted upon it by the Board of Directors from time to time.

#### **b) Composition**

The Audit Committee of the Company is constituted in accordance with the provisions of Regulation 18 of the Listing Regulations and the provisions of Section 177 of the Companies Act, 2013. During the year under review, the committee met four times on May 20, 2022, August 09, 2022, November 09, 2022 and January 17, 2023. All the members of the audit Committee are financially literate.

Mr. Rakesh Kumar Gupta, the Chairman, has expertise in accounting and financial management. The Chairman attended the last 22<sup>nd</sup> Annual General Meeting to answer shareholders' queries.

The composition of the Committee as on date of report and the details of Meetings attended by the Members during the year under review are given below:

S. No	Name	Category	Designation	No. of Meetings attended in 2022-2023
1	Mr. Rakesh Kumar Gupta	Independent Director	Chairman	4/4
2	Mr. Akhilesh Kumar Maheshwari	Independent Director	Member	4/4
3	Dr. Chandra Kumar Jain	Executive Director	Member	4/4
4	Ms. Archana Jain*	Independent Director	Member	2/4

\*Inducted as a Member of the Committee effective from August 9, 2022.

The gap between two Audit Committee Meetings did not exceed 120 days and relaxed timelines subject to read with SEBI Circulars for granting relaxations and extended deadlines. Necessary quorum was present at the above Meetings.

**Invitees:**

- Chief Financial Officer is a permanent invitee to the Audit Committee's meetings.
- The representatives of Statutory Auditors and Internal Auditors, and other executives, as desired by the Committee, attended the meetings as invitees.

**2. NOMINATION, REMUNERATION AND COMPENSATION COMMITTEE**

The Nomination, Remuneration and Compensation Committee is responsible for evaluating the balance of skills, experience, performance, independence, diversity and knowledge on the Board and for drawing up selection criteria, and appointment/reappointment procedures for both internal and external appointments. The Committee is also entrusted to frame policies and systems for and to formulate and administer the Company's Employees Stock Option Scheme from time to time.

**a) Terms of reference**

The terms of reference of the Nomination, Remuneration and Compensation Committee (NRC) are in accordance with the provisions of Section 178 of the Act, Regulation 19 read with Part D of Schedule II to the Listing Regulations and Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 read with The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

The role of the Committee includes;

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to the remuneration of the Directors, key managerial personnel and other employees of the Company;
  - For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
    - use the services of an external agencies, if required;
    - consider candidates from a wide range of backgrounds, having due regard to diversity; and
    - consider the time commitments of the candidates.
2. Formulation of criteria for evaluation of performance of Directors including Independent Directors and the Board of Directors;
3. Specifying the manner for effective evaluation of performance of the Board of Directors, its Committees and individual Directors of the Company to be carried out either by the Board of Directors or by the Nomination, Remuneration and Compensation Committee or by an independent external agency and review its implementation and compliance;

4. Devising a policy on diversity of Board of Directors;
5. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal;
6. Recommending to the Board of Directors all remuneration, in whatever form, payable to senior management of the Company;
7. Determining whether to extend or continue the term of appointment of an Independent Director of the Company, on the basis of the report of performance evaluation of Independent Directors of the Company;
8. To discharge the role envisaged under the SEBI (Share Based Employee Benefits) Regulations, 2014 and authorized to superintend and administer the Employees Stock Option Scheme 2018; and
9. Discharge any other duties or responsibilities as may be prescribed by the applicable laws and any other function as is mentioned in the terms of reference of the Audit Committee or as may be delegated by the Board from time to time.

**b) Composition**

The NRC is constituted in accordance with the provisions of Regulation 19 of the Listing Regulations and the provisions of Section 178(1) of the Companies Act, 2013. During the year under review, the committee met two times on May 20, 2022 and August 09, 2022. Mr. Rakesh Kumar Gupta, Member of the Committee, attended the last i.e. 22<sup>nd</sup> Annual General Meeting as an Authorised Representative on behalf of Chairman of the Committee.

The composition of the Committee as on date of report and the details of Meetings attended by the Chairman and Members during the year under review are given below:

S. No	Name	Category	Designation	No. of Meetings attended in 2022-2023
1	Mr. Jeewan Jyoti Bhagat*	Independent Director	Ex-Chairman	1/2
	Mr. Akhilesh Kumar Maheshwari**	Independent Director	Chairman	2/2
2	Mr. Rakesh Kumar Gupta	Independent Director	Member	2/2
3	Ms. Archana Jain***	Independent Director	Member	-

\* Discontinued from the Chairmanship of the Committee, effective from August 5, 2022.

\*\* Redesignated as Chairman of the Committee effective from August 09, 2022.

\*\*\*Inducted as a Member of the Committee effective from August 09, 2022.

**c) Performance Evaluation**

During the year, the Board conducted a formal annual evaluation mechanism for evaluating its performance as well as that of its Committees and individual Directors, including the Chairman of the Board. The performance of the Committees was evaluated by the Board seeking inputs from the Committee members. The criteria to evaluate the performance of the Board, Committees, Independent Directors and Non-Independent Directors commonly & majorly were; a) Board Composition, size, mix of skills, experience and capabilities required for the role; b) Attendance and deliberation in the meetings; c) Contribution / suggestions for effective functioning, development of strategy, board process, conflict of interest, policies and others.

Performance of the Chairperson was evaluated by the Independent Directors after taking into account the views of Executive and Non-executive Directors, on the parameters such as Demonstration of effectiveness of leadership and ability to steer the Meetings, Impartiality, Commitment, Ability to keep shareholders' interests in mind, Quality of discussions at the Board meetings, Use of time and overall efficiency of Board meetings, etc.

Directors were evaluated individually by the Board of Directors (except the Director himself) on the parameters such as his/ her preparedness at the Board meetings, Attendance at the Board meetings, Competency, Fulfilment of functions, Ability to function as a team, Initiative, Integrity, Participation in Committee and General Meetings, Ability to act Objectively and Constructively, Abuse of position, Quality of contributions at the Board meetings, application of knowledge and experience while considering the strategy, etc.

Independent Directors were additionally evaluated for their performance and fulfillment of criteria of independence, balance of skills, knowledge, experience on the Board and their independent judgement and independence from the Management. A

Separate meeting of Independent Directors was also held to review the performance of Chairman of the Company and Non-Independent Directors. The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

Outcome of the evaluation was submitted to the Chairman of the Company. The Chairman briefed the outcome of the performance evaluation to the Board.

**d) Remuneration to Directors**

**Executive Directors**

The appointment of executive directors is by virtue of their employment with the Company as management employees and therefore, their terms of employment are governed by the applicable policies at the relevant point in time.

Below table gives details of the remuneration paid for the financial year ended March 31, 2023.

(In ₹)

Name	Salaries	Value of Perquisites	Sitting Fees	Commission	Total
Dr. Chandra Kumar Jain	3,00,00,000	39,600	40,000	-	3,00,79,600
Ms. Arushi Jain	96,00,000	39,600	40,000	-	96,79,600
Ms. Aditi Pasari	96,00,000	39,600	40,000	-	96,79,600
Mr. Ashwani Kumar Vats*	80,29,132	39,600	30,000	-	80,98,732
<b>Total</b>	<b>57,229,132</b>	<b>1,58,400</b>	<b>1,50,000</b>	-	<b>57,537,532</b>

\*excludes perquisite value of stock options exercised during the financial year.

**The Company has also granted stock options to the following Directors upto March 31, 2023:**

Name of Directors	Designation	Number of Stock Options**
Ashwani Kumar Vats	Whole Time Director & CEO	56604 + 2400 + 3730 + 3933 + 5090

\*\* The aforesaid figures are bifurcated yearly.

The above said stock options has been granted every year since 2018, pursuant to GPL Employees Stock Option Scheme, 2018, the options remains lock in for a period of three (3) years and post lock in period shall be eligible to be vested and be exercisable within 60 days of end of third financial year from the year of grant at a grant price based on the Average Buying cost of the Company from the BSE/ NSE market at the time of grant of shares.

During the year under review, 2400 options are vested and exercised by Mr. Vats.

Service Contract, Notice Period and Severance Fee of Executive directors is as agreed by the Board in consultation with respective director.

**Criteria for making payment to Non-Executive Directors:**

The Company considers the time and efforts put in by the Non-Executive Directors in deliberations at Board / Committee meetings.

They are remunerated by way of sitting fees for attending meetings of the Board and Committees thereof. Apart from the sitting fees and re-imbusement expenses, the Non-Executive Directors are also paid commission not exceeding 1% of the net profits of the Company for the year, in terms of provisions of Section 197 of the Act and computed in manner referred to in section 198 of the Act. The criteria have been defined in the Nomination and Remuneration Policy of the Company. The same is displayed on Company's website at <https://www.gulshanindia.com/pdf/policy/Criteria%20of%20making%20payments%20to%20NonExecutive%20Directors.pdf>



Below table gives details of the sitting fee, commission paid and other reimbursement expenses for the financial year ended March 31, 2023.

Name	Sitting fees	Commission	Re-imburement expenses
Mr. Akhilesh Kumar Maheshwari	40,000	5,00,000	-
Mr. Jeewan Jyoti Bhagat*	10,000	1,67,000	-
Mr. Rakesh Kumar Gupta	40,000	5,00,000	-
Ms. Archana Jain	40,000	5,00,000	-
Mr. Rakesh Kapoor**	20,000	3,33,000	-
<b>Total</b>	<b>1,50,000</b>	<b>20,00,000</b>	-

\*Discontinued with effect from August 5, 2022.

\*\* Appointed with effect from August 9, 2022

During FY 2022-23, the Non-Executive Directors did not have any other pecuniary relationship or transactions with the Company except their holdings along with their immediate relatives in shares of the Company, as applicable, as on March 31, 2023:

Name of Non-Executive Directors	Number of Shares held
Mr. Akhilesh Kumar Maheshwari	3378+100
Mr. Jeewan Jyoti Bhagat*	25,000
Mr. Rakesh Kumar Gupta	-
Ms. Archana Jain	-
Mr. Rakesh Kapoor**	-

\* Discontinued to be a Non-Executive Independent Director of the Company with effect from August 5, 2022.

\*\* Appointed as an Additional Director in the category of Non- Executive & Independent Director of the Company with effect from August 9, 2022 and regularized in the 22<sup>nd</sup> Annual General Meeting of the Company held on 28<sup>th</sup> September, 2022.

### 3. **STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Stakeholders Relationship Committee oversees various activities that lead to improve and effective shareholder services like review of adherence to the service standards adopted for shareholder services, measures taken for reducing the timelines for redressal of shareholder and investor grievances, transfer/ transmission of shares, issue of duplicate share certificates, dematerialisation / rematerialisation of shares, IEPF matters and related matters. The Committee meets as often as required.

#### a) **Terms of reference**

The terms of reference of the Stakeholders Relationship Committee are in accordance with the provisions of the Act and Regulation 20 read with Part D of Schedule II to the Listing Regulations.

The role of the Committee includes;

1. Resolving the grievances of the stakeholders of the Company, including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings, deciding the dates of book closure/ record date in respect of shares and other securities issued by the Company, etc.;
2. Review of measures taken for effective exercise of voting rights by shareholders;
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent of the Company;
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company and approve, from time to time, issue of new share certificates; and
5. Discharge any other duties or responsibilities as may be prescribed by the applicable laws and any other function as is mentioned in the terms of reference of the Audit Committee or as may be delegated by the Board from time to time.

In order to provide quick service to investors and expedite the process of transfers, the Board of Directors had delegated sufficient powers to the Company’s executives to deal with various matters including transfer of shares across the counter, transmission of securities, etc.

**b) Composition**

The Stakeholders Relationship Committee is constituted in accordance with the provisions of Regulation 20 of the Listing Regulations and the provisions of Section 178(5) of the Act. During the year under review, the committee met four times on May 20, 2022, August 09, 2022, November 09, 2022 and January 17, 2023. Ms. Aditi Pasari, Member of the Committee, attended the last i.e. 22<sup>nd</sup> Annual General Meeting as an Authorised Representative on behalf of Chairman of the Committee, to address the shareholders queries.

The composition of the Committee as on date of report and the details of Meetings attended by the Chairman and Members during the year under review are given below:

S. No	Name	Category	Designation	No. of Meetings attended in 2022-2023
1	Mr. Akhilesh Kumar Maheshwari	Independent Director	Chairman	4/4
2	Ms. Aditi Pasari	Executive Director	Member	4/4
3	Mr. Jeewan Jyoti Bhagat*	Independent Director	Ex-Member	1/4
4	Ms. Arushi Jain**	Executive Director	Member	2/4

\* Discontinued from the Membership of the Committee, effective from August 5, 2022.

\*\*Inducted as a Member of the Committee effective from August 09, 2022.

**c) Name, designation and address of Compliance Officer**

Ms. Asha Mittal, Company Secretary of the Gulshan Polyols Limited is the Compliance Officer in terms of Regulation 6 of Listing Regulations. She can be contacted at below:

Corporate Office: G- 81, Preet Vihar, Delhi-110092

Tel: 011-49999200; Mob: +91- 9599216336; Email: cs@gulshanindia.com

**d) Investor Grievances / Complaints**

During the year under review, the status of investor complaints was as follows:

No. of Investor Complaints			
Opening	Received	Solved	Pending
0	1	1	0

**Transfers, Transmissions, Dematerialization, etc.**

During the year, the Company has received 125 cases (involving 67,735 equity shares) of Dematerialization out of which 111 cases (involving 60,515 equity shares) were dematerialized and 14 cases (involving 7,220 equity shares) were rejected for technical reasons. 13 cases (involving 6140 equity shares) for transmission have been received. The Company has not received any case for transfer of Shares. The Company has 29,377 shareholders as on March 31, 2023.

**4. SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The Sustainability and Corporate Social Responsibility Committee has been constituted to review and oversee the Corporate Social Responsibility (‘CSR’) initiatives of the Company in the target locations, in and around Company’s offices and plants.

The terms of reference has been reviewed and modified through Resolution by Circulation passed on April 24, 2023 and noted in the 1st/F.Y.2023-24 Board Meeting held on May 12, 2023.

**a. Terms of reference**

The terms of reference of the Sustainability and Corporate Social Responsibility (SCSR) Committee are as prescribed under the Companies Act, 2013 and the Rules framed thereunder.

The role of the Committee includes;

1. Formulating and recommending to the Board of Directors a Corporate Social Responsibility (“CSR”) Policy containing guiding principles for selection, implementation and monitoring of CSR activities to be undertaken by the Company in areas or subject, specified in Schedule VII and Section 135 of the Companies Act, 2013;
2. Recommending the amount of expenditure to be incurred on such activities and monitoring the CSR Policy of the Company from time to time. The Sustainability and Corporate Social Responsibility Committee also monitor and review periodically the progress of CSR projects / programs / activities undertaken by the Company;
3. Review the impact assessment carried out for the projects of the Company, if applicable, as per the requirements of the law;
4. Assess the adequacy of the Company’s sustainable development framework and ensuring environmental sustainability;
5. Review and recommend to the Board the Company’s Annual Business Responsibility and Sustainability Report;
6. Formulate and recommend to the Board (including any revisions thereto), an annual action plan in pursuance of its CSR policy as per the Companies Act, 2013; and
7. Discharge any other duties or responsibilities as may be prescribed by the applicable laws and any other function as is mentioned in the terms of reference of the Committee or as may be delegated by the Board from time to time.

**b. Composition**

The SCSR Committee is constituted in accordance with the provisions of Section 135 of the Act. During the year under review, the committee met three times on May 20, 2022, August 09, 2022 and January 17, 2023.

The composition of the Committee as on date of report and the details of Meetings attended by the Chairman and Members during the year under review are given below:

S. No.	Name	Category	Designation	No. of Meetings attended in 2022-2023
1	Ms. Archana Jain*	Independent Director	Chairperson	1/3
	Mr. Jeewan Jyoti Bhagat* *	Independent Director	Ex-Chairman	1/3
2	Ms. Arushi Jain	Executive Director	Member	3/3
3	Ms. Aditi Pasari	Executive Director	Member	3/3

\* Inducted as a Chairperson of the Committee effective from August 9, 2022.

\*\* Inducted and discontinued as a Chairman of the Committee effective from May 7, 2021 and August 5, 2022 respectively.

**5. RISK MANAGEMENT COMMITTEE**

The Risk Management Committee is constituted on November 02, 2021, in accordance with Regulation 21 and Part D of Schedule II of the Listing Regulations for overseeing risk management systems as well as risk governance. The Committee has a Risk Management Policy, formulated and approved by the Board and keep the Board updated periodically on risk management and governance.

**a. Terms of reference**

The terms of reference of the Risk Management Committee are as prescribed under the Listing Regulations:

The role of the Committee includes;

1. To formulate a detailed risk management policy which shall include:
  - a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - b) Measures for risk mitigation including systems and processes for internal control of identified risks.
  - c) Business continuity plan.

2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;
7. The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors; and
8. The Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

#### b. Meetings

During the period under review, the committee met three times on May 20, 2022, November 09, 2022 and January 17, 2023.

#### c. Composition

As on date, the Risk Management Committee comprises of the following:

S. No.	Name	Category	Designation	No. of Meetings attended in 2022-2023
1	Ms. Arushi Jain	Executive Director	Chairperson	3/3
2	Mr. Akhilesh Kumar Maheshwari	Independent Director	Member	2/3
3	Mr. Ashwani Kumar Vats	Executive Director	Member	3/3

#### 6. ALLOTMENT OF SHARE COMMITTEE

The Board had constituted the Allotment of Share Committee to offer, issue and allot shares/securities of the Company.

##### a. Terms of reference

The Committee will perform the following duties and role includes;

1. Issue and Allotment of Equity and/or Preference Shares and/or any other securities including convertible or non-convertible as defined under Companies Act, 2013 or Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 or under any other applicable Acts, Regulations or Laws.
2. Issue of new securities in demat or issue of share certificate(s) as may be required or applicable.

##### b. Meetings

During the period under review, no meeting was held.

##### c. Composition

As on date, the Allotment of Share Committee comprises of the following:

S. No	Name	Category	Designation
1	Ms. Aditi Pasari	Executive Director	Chairperson
2	Ms. Arushi Jain	Executive Director	Member
3	Mr. Ashwani Kumar Vats	Executive Director	Member

## 7. FINANCE COMMITTEE

The Board constituted the Finance Committee to help in routine agenda items w.r.t fulfilling its obligations and oversight responsibilities relating to finances of the Company.

The terms of reference has been reviewed and modified in the 5<sup>th</sup>/F.Y.2022-23 Board Meeting held on 9<sup>th</sup> November, 2022.

### a. Terms of reference

The Finance Committee will perform the following duties and role includes;

1. To review the Financial management and various financial internal controls;
2. To review borrowing of the Company;
3. To review, decide and approve the investment activities such as;
  - to invest the funds in shares, securities, other marketable instruments, mutual funds, Fixed deposits etc.; and/or
  - to acquire by way of subscription, purchase or otherwise, the securities of any other body corporate u/s 186 of the Companies Act, 2013 and any other applicable provisions of the Act, to the extent of Rs.500 Crores.
4. To borrow/accept/avail loan including Term Loan, working capital facilities, any other credit facilities from Banks/ Financial Institutions/ NBFCs/ Mutual Funds/ Insurance Companies etc.to the extent of Rs. 500 Crores and to accord acceptance to terms of Sanction letters for the above and to create charge/mortgage or any executed documents to avail such facilities.;
5. To create or modify charge/ mortgage/lease the Company's property/Assets whether movable or immovable (present or future) for securing its own borrowing (present and future) from time to time not exceeding Rs. 500 Crores;
6. To open any kind of bank account (Cash Credit/Over Draft/Escrow/Current or any other account) as may be required for availment of loan from Banks or for raising of funds by way of Qualified Institutional Placement or right issue or preferential issue etc.;
7. To open any kind of bank account (Cash Credit/Current or any other account) as may be required for smooth business operations of the Company at various locations where manufacturing plant/units, registered office or corporate office of Company is located; and
8. To authorize official(s) of the company for signing/execution of any document as may be required for giving effect to above.

### b. Meetings

During the year under review, the committee met five times on April 18, 2022, July 18, 2022, October 07, 2022, February 21, 2023 and March 25, 2023.

### c. Composition

As on date, the Finance Committee comprises of the following:

S. No.	Name	Category	Designation	No. of Meetings attended in 2022- 2023
1	Dr. Chandra Kumar Jain	Executive Director	Chairman	5/5
2	Ms. Aditi Pasari	Executive Director	Member	5/5
3	Mr. Ashwani Kumar Vats	Executive Director	Member	3/5

**IV. GENERAL BODY MEETINGS**
**Details of Extra-Ordinary General Meetings (EGM)/ Annual General Meeting (AGM)**

**Details of AGM held:** Location, date and time of General Meetings held during the previous (3) three years and Special Resolutions passed are as under:

Financial Year	Day, Date and time	Venue / Location	Summary of Special Resolution(s) passed
2021-22	Wednesday, 28.09.2022 at  1:00 P.M. (IST)	The Solitaire INN Hotel, 6 Mile Stone, Meerut Road, National Highway 58, Muzaffarnagar, Uttar Pradesh - 251001	-Appointment of Mr. Rakesh Kapoor (DIN:00015358) as a non-executive Independent Director of the Company  -Reappointment of Ms. Archana Jain (DIN:09171307) as a Non-Executive Woman Independent Director of the Company  -Reappointment of Dr. Chandra Kumar Jain (DIN:00062221) as a Chairman and Managing Director of the Company  -Change in designation of Ms. Arushi Jain (DIN:00764520) from Whole Time Director to Joint Managing Director of the Company  - Change in designation of Ms. Aditi Pasari (DIN:00120753) from Whole Time Director to Joint Managing Director of the Company  -Amendment in the Object Clause of the Memorandum of Association of the Company  -To approve raising of funds and issuance of securities by the Company
2020-21	Saturday, 18.09.2021 at  4:00 P.M. (IST)	The Solitaire INN Hotel, 6 Mile Stone, Meerut Road, National Highway 58, Muzaffarnagar, Uttar Pradesh - 251001	- Payment of commission to Mr. Ashwani Kumar Vats (DIN: 00062413) WholeTime Director and Chief Executive Officer (CEO) of the Company.  - Revision in terms of remuneration of Mr. Ashwani Kumar Vats (DIN:00062413) Whole Time Director and Chief Executive Officer (CEO) of the Company.  -To approve raising of funds and issuance of securities by the Company.
2019-20	Saturday, 19.09.2020 at  12:30 P.M. (IST)	9 <sup>th</sup> K.M, Jansath Road, Muzaffarnagar-251001, Uttar Pradesh	-Re-appointment and revision in terms of remuneration of Dr. Chandra Kumar Jain (DIN: 00062221) Chairman and Managing Director of the Company.  -Re-appointment of Mr. Ashwani Kumar Vats (DIN: 00062413) as a Whole-time Director Designated as CEO of the Company.  -Re-appointment of Ms. Arushi Jain (DIN: 00764520) as a Whole-time Director of the Company.  -Re-appointment of Ms. Aditi Pasari (DIN: 00120753) as a Whole-time Director of the Company.  -Waiver of excess managerial remuneration paid to Dr. Chandra Kumar Jain (DIN: 00062221) Chairman and Managing Director of the Company for the financial year 2019-20.  -Continuation of directorship of Mr. Kailash Chandra Gupta (DIN: 01649210), Director in terms of Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Details of EGM held:** No EGM was held during the previous 3 (three) years.

During the year, no special resolution was passed through postal ballot. There is no immediate proposal for passing a resolution through postal ballot. In case a resolution is proposed to be passed through postal ballot, the procedure of postal ballot and other requisite details shall be provided in the postal ballot notice.

To pass a proposed resolution through postal ballot, the procedure of postal ballot and other requisite details shall be provided in the postal ballot notice.

## V. MEANS OF COMMUNICATION

The Company recognizes communication as a key element of the overall Corporate Governance framework, and therefore, emphasis on prompt, continuous, efficient and relevant communication to all external constituencies.

### • COMPANY WEBSITE

All price-sensitive information and matters that are material to shareholders are disclosed to the concerned Stock Exchanges where the securities of the Company are listed. All submissions to the Exchanges including Shareholding Pattern, Corporate Governance Report, Intimation / Outcome of Board Meetings etc. are made through the respective electronic filing systems. Material events or information as detailed in Regulation 30 of the Listing Regulations are disseminated on the Stock Exchanges by filing them with the National Stock Exchange of India Limited ('NSE') through NSE Electronic Application Processing System ('NEAPS') Online Portal and with BSE Limited ('BSE') through BSE Listing Centre.

With the objective of enhancing the shareholders' services and guiding the shareholders in an effective manner, in pursuant to the NSE and BSE Circulars, a separate section for "Disclosures under Regulation 46 of the Listing Regulations" is created for the ease and convenience of the stakeholders and as mandated by the Stock Exchanges, the Company has made available formats related to shares and dividend related requests for the shareholders for easy access.

Various sections of the Company's website [www.gulshanindia.com](http://www.gulshanindia.com), keep the investors updated on material developments of the Company by providing key and timely information like details of directors, financial results, annual reports, various policies of the Company, details pertaining to dividend, composition of various committees of the board of directors, terms and conditions for appointment of Independent Directors.

The Annual Report containing, inter alia, the audited financial statements, Board's Report, Auditor's Report, the Management Discussion and Analysis (MDA) report.

They all are displayed on the Company's website at [www.gulshanindia.com](http://www.gulshanindia.com) under 'Investors Relations'.

### • FINANCIAL RESULTS

Pursuant to Regulation 33 of Listing Regulations, The quarterly, Half Yearly and Annual Financial Results of the Company made available and uploaded from time to time on NSE on NEAPS Online Portal and BSE on BSE Online Portal. Further, the Financial Results are published within the timeline stipulated under the Listing Regulations in the leading newspapers viz. The Economic Times (English) (periodically), The Financial Express, All India Edition (English) (quarterly) and Jansatta (Hindi) (quarterly).

They are also hosted on the website of the Company at [www.gulshanindia.com](http://www.gulshanindia.com) under 'Investors Relations'.

### • NEWS RELEASE AND PRESENTATIONS MADE TO INSTITUTIONAL INVESTORS/ANALYSTS

Official News/press Releases, Investor presentations, Orders, Documents and information etc. are sent to the stock exchange on which shares of the Company are listed and are also uploaded on the Company's Website at [www.gulshanindia.com](http://www.gulshanindia.com).

### • COMMUNICATIONS/REMINDERS TO INVESTORS

The Company works towards and put efforts in transparent communication to stakeholder. It believes in sharing all material information that may directly or indirectly affect the financial and operational performance of the Company and consequently the share price. Further, company do update to it stakeholders about forms, processes and procedures as mandated and applicable to them for their necessary actions.

Reminders for unclaimed shares and unpaid dividends are sent to shareholders as per records of the Company.

However, the Company has also intimated its members:

- (i) About the Simplified procedure for transmission of securities pursuant to the SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/65 dated May 18, 2022;
- (ii) About the Simplified procedure for issuance of duplicate securities certificates pursuant to the SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/70 dated May 25, 2022;
- (iii) About the Standard Operating Procedures (SOP) for dispute resolution under the Stock Exchange arbitration mechanism for disputes between the Company and/or Registrars to an Issue and Share Transfer Agents (RTAs) and its Shareholder(s)/Investor(s) pursuant to the SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/76 dated May 30, 2022;

- (iv) Holding shares of the Company in physical form about the arbitration facility available with the NSE and BSE for their disputes against the Company/RTA pursuant to the SEBI Circular No. SEBI/HO/OIAE/2023/03391 dated January 27, 2023; and
- (v) Holding shares of the Company in physical form for furnishing PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers pursuant to the SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 read with Circular Nos. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/ CIR/2021/655 dated November 03, 2021 & SEBI/HO/MIRSD/MIRSD\_RTAMB/P/ CIR/2021/687 dated December 14, 2021.

The prescribed formats are available on the Company's website under the link at <https://www.gulshanindia.com/shareholders-service-request-forms-and-procedures.php>.

• **SCORES (SEBI Complaints Redressal System)**

SEBI processes investors' redressal system i.e. SCORES. Through this system, a shareholder can lodge complaint(s) against a company for his grievance, Company/RTA uploads the action taken on the Complaint which can be viewed by shareholder. The Company and shareholder can seek clarifications online through SEBI.

**VI. GENERAL SHAREHOLDER INFORMATION**

- a. **23<sup>rd</sup> Annual General Meeting Is Scheduled to be held on Friday 29<sup>th</sup> day of September, 2023 At 1.00 P.M. (IST) At the Solitaire Inn Hotel, 6 Mile Stone, Meerut Road, National Highway 58, Muzaffarnagar, Uttar Pradesh-251001**
- b. **Financial Year:** April 01 to March 31.
- c. **Tentative Financial Calendar for 2023-24 is as follows:**
- First Quarter On or before 14th day of August, 2023
  - Second Quarter and half year ending on September 30, 2023 On or before 14th day of November, 2023
  - Third Quarter On or before 14th day of February, 2024
  - Fourth Quarter and year ending March 31, 2024 On or before 30th day of May, 2024
- d. **Dates of Book Closures** Saturday, 23<sup>rd</sup> day of September, 2023 to Friday, 29<sup>th</sup> day of September, 2023 (both days inclusive for the purpose of AGM and Dividend).
- e. **Dividend payment date:** On or after Tuesday, 3<sup>rd</sup> day of October, 2023
- f. **Listing on Stock Exchange:**

At present, the equity shares of the Company are listed at:

S. No.	Name & Address of the Stock Exchange	Security Listed	Symbol / Stock Code
1.	National Stock Exchange of India Limited (NSE) Exchange Plaza, Plot No. C/1, 'G' block, Bandra Kurla Complex, Bandra (E), Mumbai -400051	Equity Shares	GULPOLY
2.	BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001	Equity Shares	532457

The Annual listing fees for equity shares have been paid to the aforesaid Stock Exchanges for FY 2023-24 within stipulated time.

- g. **Demat ISIN Number for Equity Shares:** INE255D01024
- h. **Stock Code and Stock Market price data on monthly basis for the year 2022-23**

MONTH	BSE(532457)		NSE (GULPOLY)	
	Month's High	Month's Low	Month's High	Month's Low
April, 2022	378.90	327.00	376.95	324.95
May, 2022	327.70	204.70	327.15	205.20
June, 2022	259.00	208.85	260.00	208.70



July, 2022	298.60	232.75	298.00	232.65
August, 2022	303.40	226.10	298.00	226.00
September, 2022	289.55	244.00	290.75	245.00
October, 2022	267.45	224.75	267.60	222.90
November, 2022	255.70	212.85	256.50	193.00
December, 2022	278.00	231.80	279.15	231.25
January, 2023	276.00	227.95	276.80	228.00
February, 2023	243.20	216.00	243.85	220.30
March, 2023	249.55	191.00	249.00	193.10

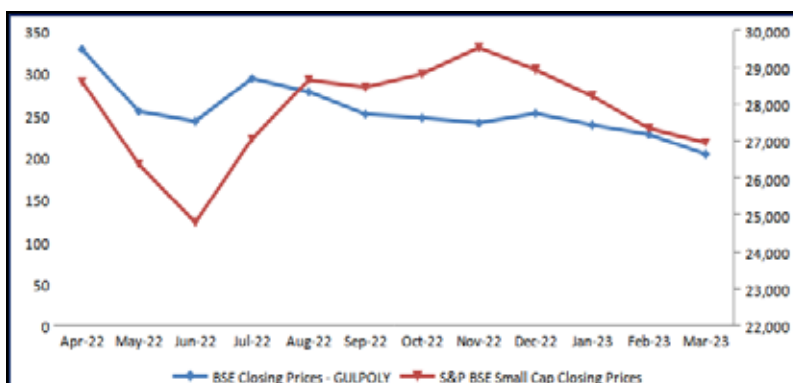
**i. Performance of the Company's equity shares in comparison to broad-based indices like BSE Sensex**

MONTH	BSE	
	Company's Closing Price at BSE	S&P BSE Small Cap Sensex
April, 2022	327.05	28,611.92
May, 2022	253.85	26,370.81
June, 2022	241.90	24,786.42
July, 2022	292.80	27,056.38
August, 2022	276.80	28,650.88
September, 2022	250.40	28,452.91
October, 2022	245.85	28,817.59
November, 2022	240.00	29,519.61
December, 2022	251.15	28,926.79
January, 2023	237.65	28,205.89
February, 2023	226.65	27,341.14
March, 2023	202.70	26,957.01

Stock Price/Index	As on March 31, 2023	As on March 31, 2022	% Increase/(Decrease)
Gulshan Polyols Limited	202.70	351.25	(42.29)
S&P BSE SmallCap	26,957.01	28,215.65	(4.46)
S&P BSE Sensex	58,991.52	58,568.51	0.72
Nifty 50	17,359.75	17,464.75	(0.60)

\*Closing price

The below chart is based on the monthly closing price of the equity shares of the Company on BSE and monthly closing BSE Sensex:



- j. Registrar and Share Transfer Agent:** Alankit Assignments Limited is your Company's Registrar and Share Transfer Agent. For matters related to shares and dividends, members are requested to correspond with the Company's Registrar and Share Transfer Agent i.e. Alankit Assignments Limited by quoting their Folio No. / DP ID & Client ID at the following address:

*Alankit Assignments Limited*

*Alankit House, 4E/2, Jhandewalan Extension, New Delhi-110055, INDIA*

*Fax No: 011-42541201,*

*Phone No: 011-42541234/ 42541951/1955, Mobile: +91-8929 955318*

*E-mail: [rta@alankit.com](mailto:rta@alankit.com), [info@alankit.com](mailto:info@alankit.com), [ramap@alankit.com](mailto:ramap@alankit.com), [kycupdate@alankit.com](mailto:kycupdate@alankit.com)*

- k. Share Transfer System and other related matters:**

Shareholders' requests for duplicate share certificate, transmission of equity shares, updation of KYC and other shareholders' related requests are handled by Registrar and Share Transfer Agent and are effected timely, if all the documents are valid and in order.

As it has been mandated by SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25<sup>th</sup> January 2022 that all listed companies shall henceforth issue the securities in dematerialized form only (vide Gazette Notification no. SEBI/LAD-NRO/GN/2022/66 dated January 24, 2022) while processing the service requests viz. Issue of duplicate securities certificate; Claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate; Endorsement; Sub-division/ Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition.

The RTA /Company shall verify and process the service requests and thereafter issue a 'Letter of confirmation' in lieu of physical securities certificate(s), to the securities holder/claimant. The 'Letter of Confirmation' shall be valid for a period of 120 days from the date of its issuance, within which the securities holder/claimant shall make a request to the Depository Participant for dematerializing the said securities.

Members holding equity shares of the Company in physical form are requested to kindly get their equity shares converted into demat/ electronic form to get inherent benefits of dematerialisation and also considering that physical transfer of equity shares/ issuance of equity shares in physical form have been disallowed by SEBI.

The Company has obtained a yearly certificate from a Company Secretary in Practice confirming the issue of share certificates for transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies etc., and submits a copy thereof to the Stock Exchanges in terms of Regulation 40(9) of Listing Regulations. Further, the Compliance Certificate under Regulation 7(3) of the Listing Regulations, confirming that all activities in relation to both physical and electronic share transfer facility are maintained by Registrar and Share Transfer Agent registered with the Securities and Exchange Board of India is also submitted to the Stock Exchanges on a yearly basis.

- i. Dematerialisation of shares and liquidity:** The Equity Shares of the Company are compulsorily traded in dematerialized form and the Company has signed agreements with both the Depositories i.e. National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The dematerialised shares are transferred directly to the beneficiaries by the depositories with no involvement of the Company.

Shares held in	As on March 31, 2023	
	Shares	Percentage (%)
Physical form	6,43,090	1.24
Electronic form with NSDL	4,15,42,064	79.92
Electronic form with CDSL	97,90,335	18.84

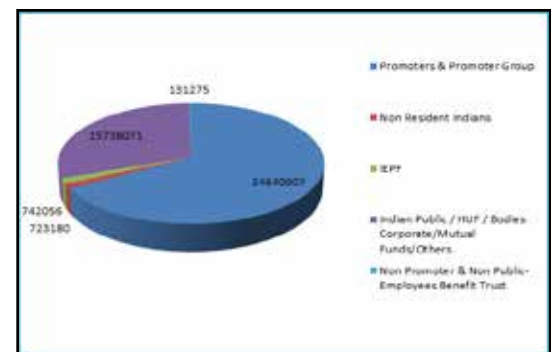
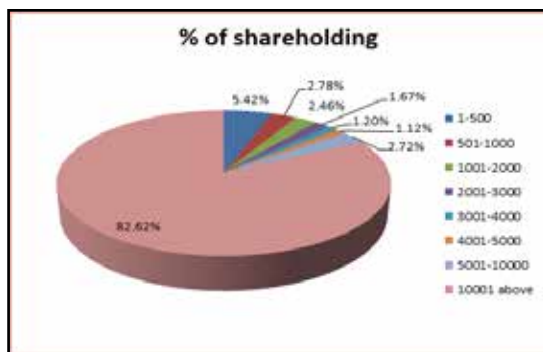
As on March 31, 2023, 98.76% of the Company's total shares representing 5,13,32,399 shares were held in dematerialized form.

**m. Distribution of shareholding as on March 31, 2023:**
**Value Wise:**

No. of Equity shares held	Total Number of shareholders	% of shareholders	Total No. of shares held	% of shareholding
1-500	25,562	87.01	28,19,186	5.42
501-1000	1,909	6.50	14,42,342	2.78
1001-2000	867	2.95	12,81,149	2.46
2001-3000	337	1.15	8,69,171	1.67
3001-4000	176	0.60	6,25,896	1.20
4001-5000	125	0.43	5,84,243	1.12
5001-10000	204	0.69	14,13,276	2.72
10001 above	197	0.67	4,29,40,226	82.62
<b>Total</b>	<b>29,377</b>	<b>100.00</b>	<b>5,19,75,489</b>	<b>100.00</b>

**Category wise:**

S. No.	Category	No. of shares	Shareholding as a percentage of total number of shares
A	Promoters & Promoter Group	3,46,40,907	66.65
B	Public Shareholding		
1	Non Resident Indians	7,23,180	1.39
2	IEPF	7,42,056	1.43
3	Indian Public / HUF / Bodies Corporate/Mutual Funds/Others	1,57,38,071	30.28
C	Non Promoter & Non Public- Employees Benefit Trust	1,31,275	0.25
	<b>Grand Total</b>	<b>5,19,75,489</b>	<b>100.00</b>


**n. Outstanding GDR/ADR Warrants or any Convertible Instruments, conversion date and likely impact on equity: Not Applicable**
**o. Plant Locations of the Company:**

- 9<sup>th</sup> K.M., Jansath Road, Muzaffarnagar– 251001, Uttar Pradesh
- Plot No. 762, Jhagadia GIDC, Bharuch – 393130, Gujarat
- D-1, Distillery Unit, Plot No.9, 10 & 11, M.P.A.K.V.N., Borgaon-Sausar, Distt. Chhindwara-480108, Madhya Pradesh
- Village Rampur Majri, Dhaula Kuan, Distt Sirmour -173021, Himachal Pradesh
- E-21/22, RIICO Growth Centre, Phase - II, Abu Road-307026, Distt. Sirohi- Rajasthan
- Plant of Ethanol at Plot-B, Industrial Growth Centre Matia, Mornai, Goalpara-783101, Assam
- On-site plant of PCC at ITC Ltd., PSPD., Tribeni Unit, Chandrahati, Hooghly 712504, West Bengal
- On-site plant of PCC at Orient Paper Mills, PO- Amlai Paper Mill, Distt. Shadol-484117, Madhya Pradesh
- Silverton Pulp & Papers P.Ltd., 9<sup>th</sup> K.M., Bhopa Road, Muzaffarnagar– 251001, Uttar Pradesh

**p. Address for correspondence:***Registered office*Address: 9<sup>th</sup> K.M. Jansath Road, Muzaffarnagar - 251001, Uttar Pradesh

Phone: 0131-3201231

Email: [cs@gulshanindia.com](mailto:cs@gulshanindia.com)*Corporate office & Investor cell*

Address: G-81, Preet Vihar, Delhi-110092

Phone No.: 011-49999200, Fax No. 011-49999202

You may email at [cs@gulshanindia.com](mailto:cs@gulshanindia.com) and/or [investorsrelation@gulshanindia.com](mailto:investorsrelation@gulshanindia.com) of Company or may email to Alankit Assignments Limited, Registrar and Share Transfer Agent at [rta@alankit.com](mailto:rta@alankit.com) or [info@alankit.co.in](mailto:info@alankit.co.in) or [ramap@alankit.com](mailto:ramap@alankit.com) or [kycupdate@alankit.com](mailto:kycupdate@alankit.com).

**q. Credit Ratings**

The details of the Credit Ratings assigned to the Company as on March 31, 2023 are as under:

Facilities	Amount (₹ Crore)	Ratings	Rating Action
Long term facilities	460.00	CRISIL A+ / Negative	Reaffirmed
Short term facilities	10.00	CRISIL A1	Reaffirmed

**r. Disclosure of commodity price risks or foreign exchange risk and hedging activities:**

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. Your Company manages foreign exchange risk with appropriate hedging activities consistent with the policies of the Company. The details of foreign exchange exposures as on March 31, 2023 are disclosed in the Notes to the Standalone financial statements.

**VII. CODES AND POLICIES**

The Company has established a robust framework of Codes and Policies that facilitates and reflects adoption of good governance practices. The Company has established the following salient codes and policies:

**i) Code of Conduct for all Board members and Senior Management including Independent Directors**

The Company has formulated and implemented a Code of Conduct for all Board members and Senior Management. Requisite annual affirmations of compliance with the Code have been received from the Directors and Senior Management of the Company. A declaration signed to this effect by Mr. Ashwani Kumar Vats, Whole-time Director & CEO, forms part of this report. The Code includes the duties of Independent Directors too and is available on the website of the Company (web link : <https://www.gulshanindia.com/pdf/policy/Code-of-Conduct-for-all-Board-members-and-Senior-Management-including-In.pdf>)

**ii) Code of Conduct for Prevention of Insider Trading**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities of the Company by the Designated Persons. The Code of Conduct is applicable to all KMP's, designated/ identified employees, Promoters and members of the Promoter Group, other designated persons, connected persons and their immediate relatives including who all are expected to have access to unpublished price sensitive information related to the Company. The Code is placed before the Board from time to time for its review and amendments, thereon.

The Code has been revised on May 22, 2021 and May 20, 2022. Salient changes in the revised Code includes revised disclosure formats under Regulation 7 of SEBI (Prohibition of Insider Trading) Regulations, 2015, more stringent and specific provisions for Connected Person and also reviewed the definition of Designation Persons.

The Company has implemented the Policy and procedure for inquiry in case of leak or suspected leak of Unpublished Price Sensitive Information, pursuant to the Insider Trading Regulations. Dealing in the shares of the Company by the Designated Persons is effectively monitored for ensuring compliance with the Code. Report on dealing in the shares of the Company, if any, by the Designated Persons is placed before the Chairman of the Audit Committee and the Board. The Code is available on the website of the Company (web link: <https://www.gulshanindia.com/pdf/policy/Insider-Trading-Code.pdf>)

**iii) Code of Fair Disclosure and Conduct**

The Company has adopted a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information with a view to facilitate prompt, uniform and universal dissemination of unpublished price sensitive information. Pursuant to the Insider Trading Regulations, the Code also includes the Policy for Determination of Legitimate Purposes. The Code is posted on the Company's website at <https://www.gulshanindia.com/pdf/policy/Code-of-Practices-and-Procedures-for-Fair-Disclosure-of-Unpublished-Pric.pdf>

The Board has reviewed and noted the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information in terms of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 in their Board Meeting held on February 04, 2022.

**iv) Policy for Determination of Materiality of Events or Information**

The Company has adopted a Policy for Determining Materiality of Events and Information for the purpose of making disclosure to the Stock Exchanges. This policy aims to ensure timely and adequate disclosure of all material and price sensitive information to the Stock Exchanges. The Policy is displayed on the Company's website at <https://www.gulshanindia.com/pdf/policy/Policy-for-determination-of-materiality-of-events-or-information.pdf>

**v) Policy for Preservation of Documents**

The Company has a Policy for Preservation of Documents. The Policy facilitates preservation of documents in compliance with the laws applicable to various functions and departments of the Company. The Policy is displayed on the Company's website at <https://www.gulshanindia.com/pdf/policy/Policy-on-Preservation-of-Documents.pdf>

**vi) Archival Policy on disclosures**

The Company has adopted an Archival Policy that lays down the process and manner of archiving the disclosures made to the Stock Exchanges under the Listing Regulations. The Policy provides that such disclosures shall be hosted on the website of the Company for a period of five years from the date of disclosure to the Stock Exchanges. The Policy also lays down the manner of archiving these disclosures after the period of 5 years. The Policy has been posted on the Company's website at <https://www.gulshanindia.com/pdf/policy/Archival-Policy.pdf>

**vii) Nomination and Remuneration Policy**

The Company has a Policy on appointment and remuneration of Directors, Key Managerial Personnel ('KMP'), Senior Management Personnel and other employees of the Company. Their appointment is based on the outcome of strategic planning and statutory requirements.

The Nomination and Remuneration Policy is in line with the amended Listing Regulations and accordingly it is updated by the Board Members upon the recommendations of Nomination, Remuneration and Compensation Committee Members in their meeting held on February 04, 2022 to strengthen role of committee in appointment of Independent Directors in terms of amended Listing Regulations. The Policy aims to ensure that the persons appointed as Directors, KMPs and Senior Management Employees possess requisite qualifications, experience, expertise and attributes commensurate to their positions and level and that the composition of remuneration to such persons is as per market salary survey and is fair and reasonable and sufficient to attract, retain and motivate the personnel to manage the Company successfully and a clear relationship of remuneration to performance and a balance between rewarding short and long-term performance of the Company. The Policy contains, inter alia, provisions pertaining to qualification, attributes and process of their appointment and removal as well as components of remuneration. The Policy is displayed on the Company's website [www.gulshanindia.com](http://www.gulshanindia.com) and the web-link for the same is: <https://www.gulshanindia.com/pdf/policy/nNomination-and-Remuneration-Policy.pdf>

**viii) Policy on Related Party Transactions**

The Board of Directors has adopted a Policy on materiality of Related Party Transactions and on dealing with Related Party Transactions is displayed on the Company's website. The Board of Directors on the recommendations of Audit Committee Members has adopted the revised Policy on materiality of Related Party Transactions and on dealing with Related Party Transactions, effective from April 1, 2022, in line with the amended Listing Regulations. Salient changes in the policy includes widening of ambit of related party definition, prior approval in case of subsequent material modification etc. The web-link for the same is: <https://www.gulshanindia.com/pdf/policy/policy-on-materiality-of-related-party-transactions-and-dealing-with-related-party-transactions.pdf>.

**ix) Whistle Blower Policy and Vigil Mechanism**

GPL has a Whistle Blower Policy as per the provisions of Section 177 of the Act and Regulation 22 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 for establishing vigil mechanism for Directors, employees and other stakeholders to

report concerns about unethical behavior, actual or suspected fraud, violation of the Company's "Code of Conduct and Ethics" or leak of Unpublished Price Sensitive Information of the Company. The Directors and employees are not only encouraged but required to report their genuine concerns and grievances under the Whistle Blower Policy. The vigil mechanism under the Whistle Blower Policy provides adequate safeguard against victimization of the Directors and the employees who avail of the mechanism and also provides for direct access to Chairman of the Audit Committee in appropriate or exceptional cases. The Audit Committee periodically reviews the functioning of the Policy. No personnel were denied access to the Audit Committee, during the period under review.

Further, the Board has revised the said policy to insert a separate email id created for purpose of raising and reporting genuine concern through the designated email id, on the recommendations of Audit Committee. The Whistle Blower Policy is available on the website of the Company at <https://www.gulshanindia.com/pdf/policy/whistle-blower-policy-vigil-mechanism.pdf>

The policy has been last reviewed and updated on August 9, 2022.

**x) Corporate Social Responsibility Policy**

GPL has Corporate Social Responsibility Policy and displayed on the website of the Company at <https://www.gulshanindia.com/pdf/policy/CorporateSocial-Responsibility-CSR-Policy.pdf>. The policy has been revised on May 22, 2021 and on August 9, 2022. The policy is in line with the Companies (Corporate Responsibility Policy) Amendment Rules, 2021.

**xi) Performance Evaluation Policy**

GPL has the Performance Evaluation Policy in place and the same has been revised by the Board based on the recommendations of Nomination, remuneration and Compensation Committee Members on February 04, 2022.

**xii) Policy on Prevention of Sexual Harassment at Work Place**

**xiii) Succession Policy**

The Board of Directors has satisfied itself that plans are in place for orderly succession for appointment to the Board of Directors and Senior Management. Accordingly, the Board of the Company had adopted this Succession Policy for the Board, KMP and Senior Management.

The same has been revised by the Board in their Board Meeting held on May 20, 2022.

**VIII. OTHER DISCLOSURES**

**i) Related party transactions**

During the year under review, the Company has not entered into any materially significant related party transactions which have potential conflict with the interests of the Company at large.

All related party transactions entered into during the year were on arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and Listing Regulations.

Further, the transactions with related parties have been shown in "Note No. 44 to the Notes to the Accounts of the Company".

**ii) Board Disclosures - Risk Management**

The Company has laid down procedures and informed the Board Members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risk through means of a properly defined framework and the board shall be responsible for framing, implementing and monitoring the risk management plan of the Company. The Risk Management Policy is revisited periodically to ensure that the risks remain relevant at any point in time and corresponding mitigation measures are effective. This provides a proactive and value adding independent review process which enables maintaining the risk profile at an acceptable level in a rapidly changing environment.

The Company has constituted the Risk Management Committee and Risk Management Policy in line with the Listing Regulations.

Further, detailed notes on risk management are included in the Management's Discussion Analysis's Section and in the Board's Report.

**iii) Compliance with mandatory and adoption of the non-mandatory requirements**

The Company has complied with the mandatory requirements relating to Corporate Governance as prescribed in Regulation 17 to 27 and Clause (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of the Listing Regulations. The compliance with the discretionary requirements as stated under Part E of Schedule II to the Listing Regulations is as follows:

- **Modified opinion(s) in Audit Report:** During the year under review, there was no audit qualification in the Company's Financial Statements. The Company continues to adopt best practices to ensure regime of unmodified audit opinion.
- **Reporting of Internal Auditor:** Internal Auditor may report any of their concern to the Audit Committee, if any.

However, the Board has taken cognizance of the other non-mandatory requirements of Regulation 27 (1) read with schedule II Part E of Listing Regulations and consider adopting the same at an appropriate time.

**iv) Details of utilization of funds raised through preferential allotment or Qualified Institutions Placement as specified under Regulation 32 (7A).**

The Company has not raised any funds through preferential allotment as specified under Regulation 32 (7A) of the Listing Regulations during the year.

**v) Certificate from Practicing Company Secretary:**

The Company has obtained a certificate pursuant to the provisions of Schedule V(C) of the Listing Regulations from DMK Associates, Practicing Company Secretaries confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority. The Certificate is forming part of this Corporate Governance Report.

**vi) Fees paid to Statutory Auditors and firms**

The total fees paid/payable by the Company for the financial year 2022-2023 to M/s. Rajeev Singal & Co., Chartered Accountants (Firm Registration No. - 008692C), Statutory Auditors aggregate ₹ 8.65 Lakhs.

The Statutory Auditors does not have any network firm/ network entity.

**vii) Disclosure of Accounting Treatment**

The financial statements have been prepared in accordance with Indian Accounting Standards as notified under the Companies (Indian Accounting Standards) Rules, 2015.

However, there have not been any significant changes in accounting policies and practices during the year.

**viii) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

No complaint was filed with the Company under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during the financial year ended March 31, 2023. Further, no complaint was pending with the Company as at the beginning and end of the Financial Year 2022-2023 under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**ix) Details of Subsidiary Companies**

The Company has a wholly owned subsidiary Company namely Gulshan Overseas FZCO in terms of the Listing Regulations. The initial capital infusion amounting AED 100000 (One Hundred Thousand United Arab Emirates Dirhams only) was made by Gulshan Polyols Limited in Gulshan Overseas- FZCO (WOS) on December 7, 2022, consisting of 10000 shares of AED 10 (United Arab Emirates Dirham Ten Only) per share.

**x) Disclosure by Company and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount'**

There is no such transaction.

**xi) Disclosure of Pending Cases/Instances of Non-Compliance**

The Company is in compliance with the requirements of the Stock Exchanges, SEBI and any other Statutory Authorities on all matters related to the capital markets. No penalty or strictures were imposed on the Company by these authorities during the last three years. However, in terms of Regulation 23 of the Listing Regulations, the Company has complied with the requirements of regulatory authorities on capital markets. However, there was an inadvertent delay in submitting the disclosure with respect to Related Party Transactions for the Half Year ended March 31, 2021 with the Stock Exchanges as the company has gained understanding and interpreted the law differently and filed the disclosure accordingly on time as per the Company's interpretation of law. However, the fine was levied by concerned Stock Exchanges as per the SEBI SOP Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22,

2020.

The Company has been impleaded in certain legal cases during the course of business. However, none of any case is material in nature, which may lead to material loss or expenditure to the Company.

**During the year under review, there was no such non-compliance of any requirement of Corporate Governance Report of sub-paras (2) to (10) of Listing Regulations as mentioned above.**

**IX. DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT**

As on March 31, 2023, there are no outstanding shares lying in the demat account suspense account/unclaimed suspense account.

**X. CEO/ CFO CERTIFICATION**

The Chief Executive Officer and Whole Time Director and the Chief Financial Officer of the Company have certified to the Board of Directors, inter alia, the accuracy of financial statements and adequacy of internal controls for the financial reporting as required under Regulation 17(8) of the Listing Regulations for the year ended March 31, 2023. The certificate forms part of this report.

**XI. COMPLIANCE CERTIFICATE OF THE STATUTORY AUDITORS**

The Company has obtained a Certificate from the Statutory Auditors confirming compliance of conditions of Corporate Governance as stipulated in Schedule V (E) of the Listing Regulations. The Certificate is forms part of this report.

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

Delhi, May 12, 2023

**Dr. Chandra Kumar Jain**  
Chairman and Managing Director  
DIN: 00062221



## DECLARATION BY CHIEF EXECUTIVE OFFICER (CEO)

[Pursuant to Regulation 26(3) read with Part D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

In pursuance of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Ashwani Kumar Vats, Chief Executive Officer (CEO) & Whole Time Director of **Gulshan Polyols Limited**, hereby declare that;

- the Company has laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company and the same is available at the website of the Company viz. [www.gulshanindia.com](http://www.gulshanindia.com); and
- all the members of Board of Directors and Senior Management Personnel of the Company have affirmed compliance with the 'Code of Conduct' for all Board Members and Senior Management' as applicable to them, for the financial year ended March 31, 2023.

**Ashwani Kumar Vats**

**Delhi, May 12, 2023**

**CEO**

## CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER CERTIFICATION

[Pursuant to Regulation 17(8) read with Schedule V of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,

**The Board of Directors**

**Gulshan Polyols Limited**

We, the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of Gulshan Polyols Limited (**the Company**), to the best of our knowledge and belief certify that for the Financial Year 2022-2023:

- a. We have reviewed the financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
  - these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
  - these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- b. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year under review, which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
  - significant changes, if any, in the internal control over financial reporting during the year;
  - significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
  - Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.
- e. We affirm that we have not denied any personnel access to the audit committee of the Company (in respect of matters involving alleged misconduct) and we have provided protection to whistleblowers from unfair termination and other unfair or prejudicial employment practices.

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

**Delhi, May 12, 2023**

**Ashwani Kumar Vats**  
Chief Executive Officer

**Rajiv Gupta**  
Chief Financial Officer

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To

The Members of

Gulshan Polyols Limited

9th KM Jansath Road Muzaffarnagar

UP 251001 India

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **GULSHAN POLYOLS LIMITED** having **CIN: L24231UP2000PLC034918** and having registered office at **9th KM, Jansath Road, Muzaffarnagar, Uttar Pradesh- 251001** India (hereinafter referred to as '**the Company**'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with **Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal ([www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial year ended on **31 March, 2023** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S.No.	Name of Director	DIN	Date of appointment
1	Chandra Kumar Jain	00062221	01/04/2012
2	Akhilesh Kumar Maheshwari	00062645	29/10/2007
3	Aditi Pasari	00120753	01/01/2010
4	Arushi Jain	00764520	01/01/2010
5	Ashwani Kumar Vats	00062413	01/04/2012
6	Rakesh Kumar Gupta	06909233	02/08/2014
7	Archana Jain	09171307	22/05/2021
8	Rakesh Kapoor	00015358	09/08/2022

Ensuring the eligibility of for the appointment /continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For DMK Associates  
Company Secretaries**

Place: New Delhi

Date: May 12, 2023

UDIN : F005480E000299147

**MONIKA KOHLI**  
B.Com (H), FCS, LL.B., IP  
Partner  
FCS 5480  
C.P. 4936  
Peer Review No. 779/2020

**INDEPENDENT AUDITOR'S CERTIFICATE****Regarding Compliance of Conditions of Corporate Governance****To****The Members of Gulshan Polyols Limited**

We have examined the compliance of conditions of Corporate Governance by **Gulshan Polyols Limited** ("the Company") for the year ended March 31, 2023, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter collectively referred to as "Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the '**Institute of Chartered Accountants of India**' and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of the SEBI Listing Regulations for the year ended on March 31, 2023.

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

**For Rajeev Singal & Co.**  
**Chartered Accountants**  
**FRN-008692C**

**Date: May 12, 2023**  
**Place: Delhi**  
**UDIN: 23408730BGQDYB3220**

**CA Sunil Kumar**  
**Partner**  
**M No. 408730**

## ANNEXURE-F TO BOARD'S REPORT

## Management's Discussion &amp; Analysis Report

## 1. INDUSTRY STRUCTURE &amp; DEVELOPMENT

## 1.1 Overview on Economic and Business Environment:

## Global Economy and Outlook

Prospects for a robust recovery of global economic situation remain dim amid stubborn inflation, rising interest rates, financial sector turmoil, high inflation, and heightened uncertainties. The world economy faces the risk of a prolonged period of low growth as the lingering effects of the COVID-19 pandemic, the ever-worsening impact of climate change and macroeconomic structural challenges remain unaddressed. The major forces that shaped the world economy in 2022, seem set to continue into this year, however with lower intensities. Debt levels remain high, limiting the ability of fiscal policymakers to respond to new challenges. Commodity prices that rose sharply following Russia's invasion of Ukraine have moderated, but the war continues, and geopolitical tensions are high. Infectious COVID-19 strains caused widespread outbreaks last year, but economies that were hit hard—most notably China—appear to be recovering, easing supply-chain disruptions. In light of this, IMF in its latest report has forecasted that global growth will fall from 3.4 percent in 2022 to 2.8 percent in 2023, before settling at 3.0 in 2024 which will be below the historical average of 3.8 percent. Despite desperate measures taken by Federal Reserve, the European Central Bank and Central Banks in other developed countries, the major economies like United States, European Union, China etc. are facing challenging period with their growth reported to be on the lower side than projected coupled with high inflation. The global growth rate is well below the average growth rate reported in the past two decades before the pandemic which was 3.1 per cent. Advanced economies are expected to see an especially pronounced growth slowdown, from 2.7 percent in 2022 to 1.3 percent in 2023. In a plausible alternative scenario with further financial sector stress, global growth declines to about 2.5 percent in 2023 resulting in the weakest growth since the global downturn of 2001, barring the initial COVID-19 crisis in 2020 and during the global financial crisis in 2009 when advanced economy growth fell below 1 percent. For many developing countries, growth prospects have further deteriorated amid tightening credit conditions and rising costs of external financing. The under developed / least developed Countries are forecast to grow by 4.1 per cent in 2023 and 5.2 per cent in 2024, which is far below the 7 per cent growth target set in the 2030 Agenda for Sustainable Development.

According to IMF, the global economy appears poised for a gradual recovery from the powerful blows of the pandemic, Russia – Ukraine crisis, slowdown in China and other geopolitical disorders. China is rebounding strongly following the reopening of its economy. Supply-chain disruptions are unwinding, while the dislocations to energy and food markets caused by the war are receding. Simultaneously, the massive and synchronous tightening of monetary policy by most central banks should start to bear fruit, with inflation moving back toward its targets.

## Global GDP Growth and Forecasts

Particulars	2021	2022	2023	2024
			Projections	
World Output	6.1	3.4	2.8	3.0
Advanced Economies	5.2	2.7	1.3	1.4
United States	5.7	2.1	1.6	1.1
Euro Area	5.4	3.5	0.8	1.4
Emerging Market and Developing Economies	6.8	4.0	3.9	4.2
China	8.1	3.0	5.2	4.5
India	8.7	6.8	5.9	6.3
Japan	1.7	1.1	1.3	1.0
United Kingdom	7.4	4.0	-0.3	1.0
Brazil	4.6	2.9	0.9	1.5

Amidst the geo-political tensions, weakening global demand and tighter monetary and fiscal policies, the Global trade has remained under pressure. The volume of global trade in goods and services is forecast to grow by 2.3 per cent in 2023, which is also well below the trends during pre-pandemic times. According to UNCTAD's Global Trade Update published in March, 2023 the Global trade reached a record US\$ 32 trillion in 2022. Trade in goods was about US\$ 25 trillion (an increase of about 10 per cent from 2021) and trade in services totalled about US\$ 7 trillion (an increase of about 15 per cent from 2021). The UNCTAD nowcast for Q1 2023 indicates global trade in goods to increase by about 1 per cent, while trade in services is expected to increase by about 3 per cent on the same basis.

Spurred by pent-up demand, lingering supply disruptions, and commodity price spikes, inflation reached multidecade highs last year in many economies, leading central banks to tighten aggressively to bring it back toward their targets and keep inflation expectations anchored. The unexpected failures of two specialized regional banks in the United States in mid-March 2023 and the collapse of confidence in Credit Suisse—a globally significant bank—have roiled financial markets, with bank depositors and investors reevaluating the safety of their holdings and shifting away from institutions and investments perceived as vulnerable.

Global headline inflation is set to fall from 8.7 percent in 2022 to 7.0 percent in 2023 on the back of lower commodity prices, but underlying (core) inflation is likely to decline more slowly. Inflation's return to target is unlikely before 2025 in most cases. Once inflation rates are back to targets, deeper structural drivers will likely reduce interest rates toward their pre-pandemic levels. According to UNCTAD, the Global

inflation will recede, although slowly than initially anticipated, from 8.7 percent in 2022 to 7.0 percent this year and 4.9 percent in 2024.

The US Federal Reserve has been raising interest rates to restore price stability and to bring balance to the labor market. The demand for new hires is exceeding the supply of available workers in the US, as the unemployment rate has fallen to its lowest level in over 50 years, and this has contributed to higher inflation. Although these higher rates will temporarily increase unemployment, they will pave the way for stable inflation and sustainable economic growth, which will ultimately help create more jobs in the future.

*Source: IMF World Economic Outlook April 2023, IMF Country Focus dated February 03, 2023 & February 16, 2023*

### Indian Economy

As India marked its 75th years of its Independence, it became the fifth largest economy of the world, despite confronting considerable challenges such as financial sector turmoil, inflationary pressures, effects of the Russia-Ukraine war, and the persistent impact of the Covid-19 pandemic over the past three years. The agencies worldwide continue to project India as the fastest-growing major economy. Staging a broad based recovery across sectors post pandemic, the Indian economy is poised to grow at 5.9 percent for the year 2023 which is followed by growth rate of 6.8 percent in the previous year. GDP growth is expected to remain robust in the year 2024 with forecast for FY24 in the range of 6-6.8 %. According to IBEF, Strong economic growth in the first quarter of FY 2022-23 helped India overcome the UK to become the fifth-largest economy. . Real GDP in the first quarter of 2022-23 is currently about 4% higher than its corresponding 2019-20, indicating a strong start for India's recovery from the pandemic.

Growth is inclusive when it creates employment. Rising employment and substantially increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the near future. Both official and unofficial sources confirm that employment levels have risen in the current financial year. As an indicator to economic growth, the Core sectors like real estate and infrastructure is also showing positive signs with increase in the demand of cement and steel. Power and fuel are critical inputs for the industry and commercial establishments is also back to pre-pandemic demand. Aviation, one of the worst-hit sectors due to the pandemic and lockdown, is also seeing a strong uptick with month on month increase in weekly average daily fliers. The automobile industry is also back on track with the every segment reporting upward movement. Buoyant tax collection during 2023 is also a key indicator to the growth. Complemented by The world's second-largest vaccination drive involving over 2 billion doses, the economic activity and growth has been tremendous and is poised to ascend to the pre-pandemic growth path in FY23.

India is shifting toward greater renewable energy generation while striving to improve energy access, affordability, and security. It's also poised to be one of the fastest growing economies in coming years, which will in turn sharply boost energy demand. Whether it meets those needs with fossil fuels or green alternatives has the potential to shift the trajectory of its greenhouse gas emissions for many more years to come. India has made significant progress towards meeting its emissions reductions targets under the Paris Agreement, but with current policies total GHG emissions would nonetheless increase by more than 40 percent by 2030. While a modest increase in short-term emissions may be necessary to meet poverty reduction and energy security goals, a more rapid scaling up of current policies could help lower emissions considerably over the medium-term and bring India closer to a path to net zero by 2070.

The rise in consumer prices has slowed considerably. The retail inflation which peaked up during FY22 is now below RBI's upper tolerance limit of 6 percent. In India, Consumer Price Index ('CPI') inflation is projected to moderate to 5.2 per cent for 2023-24; with Q1 at 5.1 per cent; Q2 at 5.4 per cent; Q3 at 5.4 per cent; and Q4 at 5.2 per cent. Since the September 2022, CPI inflation path has been impacted by domestic food supply shocks amidst weather vagaries and the passthrough of pent-up input costs. A transitory but more than anticipated seasonal correction in vegetable prices during November-December 2022 brought some relief but this reversed in January-February 2023 due to sustained price pressures from cereals and spices and a pick-up in protein-based food inflation. With improving domestic demand conditions, input costs were steadily passed on to retail prices of goods and services, imparting considerable stickiness to the already elevated core (CPI excluding food and fuel) inflation.

India's overall exports projected to scale new heights, growing at 13.84 percent during FY 2022-23 over FY 2021-22 to achieve USD 770.18 billion worth of exports. Merchandise exports have registered highest ever annual exports of USD 447.46 billion with 6.03% growth during FY 2022-23 surpassing the previous year (FY 2021-22) record exports of USD 422.00 billion. Services export lead the overall exports growth and projected to set a new record annual value of USD 322.72 billion with growth rate at 26.79 percent during FY 2022-23 over FY 2021-22.

The Capital Expenditure (Capex) of the central government, which increased by 63.4 per cent in the first eight months of FY23, was another growth driver of the Indian economy. A sustained increase in private Capex is also imminent with the strengthening of the balance sheets of private sector. Emergency Credit Linked Guarantee Scheme (ECLGS) of the Union government contributed remarkably for the growth and support of MSME sector.

Propelled by favourable monetary and fiscal policy, various structural reforms across the industry, government and regulatory interventions coupled with good monsoon, the fundamentals of the Indian economy seems sound in the near future. With the current encouraging economic recovery and positive signs of revival it may be construed **that there is light at the end of the tunnel.**

*Source: IMF World Economic Outlook April 2023, RBI Bulletin April 2023, Press Release- Ministry of Commerce & Industry April 2023; IBEF.org*

## Industry Overview

### 1.1 Global Chemical Industry

Global chemical production (excluding pharmaceuticals) is expected to grow by 2.0% in 2023, slower than in the previous year (2022: +2.2%). A decline in the production is anticipated in the advanced economies with growth in minus from -2.90% in 2022 to -3.00% in 2023. Growth in the emerging markets is expected to slow slightly from +4.8% in 2022 to 4.4% in 2023.

China, the world's largest chemical market is forecasted a, the world's largest chemical market, we are forecasting slightly weaker growth in chemical production of 5.9% in 2023 as compared to 6.6% in 2022. The opening of the Chinese economy is expected to bring with it higher growth in Chinese domestic demand, especially in the consumer goods industries and the health and nutrition sector, as well as positive contributions to growth from the automotive and electronics industries.

Chemical production in the E.U. should again decrease by 5.2% (2022: -5.8%), well below the overall industrial development forecast for Europe. Due to the high energy costs, no major catch-up effects are expected in energy-intensive basic chemicals following the already strongly negative prior year. Growth should mainly be driven by demand from the automotive industry. By contrast, consumption of durable and non-durable consumer goods is not likely to increase. It is expected that the chemical production in the United Kingdom to continue to decline from -5% in 2022 to -5.5% in 2023.

In the United States, the positive base effects that supported growth in 2022 will come to an end. Domestic demand will largely stagnate, with the exception of the automotive industry, the energy sector and the electronics industry. Demand from the construction industry is expected to decline on the back of high interest rates. Export demand for chemicals from Europe should provide positive momentum given the lower raw materials and energy prices. Overall, A slight decline is expected in chemical production from +2.3% in 2022 to -2.0% in 2023.

Japan, is also forecasted for weaker weak recovery after the decline in the previous year (2023: +1.0%, 2022: -3.0%). Growth stimulus in Japan is expected to come primarily from the automotive sector.

South America will presumably see much lower growth in chemical production (2023: +0.9%, 2022: +2.6%). Demand from the consumer goods industries is expected to grow at a similarly weak rate to GDP. By contrast, we expect demand from the agricultural sector to increase more strongly and demand from the automotive industry to remain solid but with weaker growth than in the previous year.

Source: Chemical Industry - BASF Report 2022

### **Key Global Trends**

#### **Feedstock supply is healthy, but low demand will put margins under pressure**

As the world recovers from the economic downturn of 2020 following the pandemic, the industry seeks to resume the growth trend. The current polyolefin feedstock supply is healthy, but oversupply issues are expected in the first half of 2023. Feedstock production has outstripped demand, which means that overstocked capacity will negatively affect profitability.

High supply and low demand will mean prices remain unpredictable for the first part of 2023. This will mean tight margins across the value chain unless downstream demand rises in the latter half of the year.

#### **Inflation and the cost-of-living crisis will continue to suppress consumer confidence**

High inflation, energy prices, and the cost-of-living crisis will continue to dampen consumer spending on goods in end-use sectors. In addition, inventory reduction measures through the second half of 2022 have led to weak demand, with retailers and brands looking to reduce their inventories and cut costs in response to consumers reducing their outgoings.

According to a report by Wood Mackenzie, this dampened consumer spending is likely to continue through the first half of 2023, with living costs anticipated to rise further. If inflation falls in the US and Europe as their governments aim, then there's optimism that demand will increase in the second half of 2023.

#### **China's recovery from lockdowns hampered by supply and global inflation**

Following the long lockdown and special measures across Shanghai, the region is attempting to manage a second wave of COVID infections. This will affect China's production capacity as much of the country's chemical production is concentrated in the regions around Shanghai. This slowdown will likely slow the industry's growth through the first half of 2023. Weak downstream demand will also cause capacity issues for chemical producers, with overcapacity being an ongoing issue for polymer markets through 2023.

And as previously mentioned, China is a significant global exporter of specialist chemicals. Demand for these products across Europe and the US will likely remain diminished due to inflation, further affecting growth.

#### **Recycled materials will be in short supply as public demand grows**

Demand for recycled materials is expected to grow, in line with public expectations of companies and governments looking to meet plastic reduction targets. In 2023, brands will continue to invest in their circularity targets, bringing plastics back into feedstock. The challenge through 2023 will be a limited supply of recycled materials, particularly for food-grade packaging producers under pressure to move to more sustainable products, which could affect pricing this year.

The main focus through 2023 will be the improvement of the recycling collection and sorting, as well as improvements to infrastructure, to increase the viability and efficiency of waste recycling and returning materials to feedstock.

#### **Sustainability will be a priority and drive ESG agendas**

Recycling is just one part of the sustainability ecosystem. Chemical companies will continue developing their environmental, social, and governance (ESG) standards to drive their decarbonisation strategies.

There are three areas, or Scopes, to consider for measuring emissions. Scope 1 involves direct emissions from company-own assets, including facilities and vehicles. Scope 2 looks at indirect emissions associated with the generation of electricity. And Scope 3 emissions are indirect emissions resulting from transportation and waste. Chemical producers will work towards these targets across all three scopes in 2023, but progress will likely be slow.

For example, DSM increased its renewable energy purchasing targets to 100% by 2030. BASF signed contracts in 2022 to purchase up to 660,000MWh of wind and solar electricity each year, with an output of 250 MW. As a result, more than 25% of BASF's North American power will be sourced from renewable electricity. Covestro plans to construct a £27 million polycarbonate recycling plant in Shanghai, China. This facility will be capable of producing 25,000 tonnes of polycarbonate products with recycled content by 2023.

### **The growth of the EV industry is an exciting opportunity**

Despite the challenges mentioned above, the industry does have some positive outlooks, and the growth of the Electric Vehicle (EV) industry is just one area of good news.

Industry insights specialists McKinsey and Company predict that by 2030, battery electric vehicles (BEVs) and plug-in hybrid electric vehicles (PHEVs) will make up more than 55% of new vehicles produced by 2030 in China, Europe and the US. Driven by public perception, government policy and incentives, and lower vehicle purchase costs, the EV market globally is set to rise 3-5% across the major car markets of China, the US and Europe.

There is a continuing shift towards lighter EVs, including polypropylene, which accounts for over a third of the plastic demand in the transport sector. EV production also uses 3-5% more plastic than internal combustion engine (ICE) vehicles, and this increased demand will drive growth.

*Source: NES FIBRCROFT report*

## **1.2 Indian Chemical Industry**

Covering more than 80,000 commercial products, India's chemical industry is extremely diversified and can be broadly classified into bulk chemicals, specialty chemicals, agrochemicals, petrochemicals, polymers, and fertilisers.

Globally, India is the fourth-largest producer of agrochemicals after the United States, Japan and China. India accounts for 16-18% of the world production of dyestuffs and dye intermediates. Indian colorants industry has emerged as a key player with a global market share of ~15%. The country's chemicals industry is de-licensed, except for few hazardous chemicals. India holds a strong position in exports and imports of chemicals at a global level and ranks 14th in exports and 8th in imports at global level (excluding pharmaceuticals).

The domestic chemicals sector's small and medium enterprises are expected to showcase 18-23% revenue growth in FY22, owing to an improvement in domestic demand and higher realisation due to high prices of chemicals.

India's proximity to the Middle East, the world's source of petrochemicals feedstock, enables it to benefit on economies of scale.

The Indian chemicals industry stood at US\$ 178 billion in 2019 and is expected to reach US\$ 304 billion by 2025 registering a CAGR of 9.3%. The demand for chemicals is expected to expand by 9% per annum by 2025. The chemical industry is expected to contribute US\$ 383 billion to India's GDP by 2030.

An investment of Rs. 8 lakh crore (US\$ 107.38 billion) is estimated in the Indian chemicals and petrochemicals sector by 2025. The specialty chemicals constitute 22% of the total chemicals and petrochemicals market in India. The demand for specialty chemicals is expected to rise at a 12% CAGR in 2019-22.

Indian manufacturers have recorded a CAGR of 11% in revenue between FY15 and FY21, increasing India's share in the global specialty chemicals market to 4% from 3%, according to the Crisil report. A revival in domestic demand and robust exports will spur a 50% YoY increase in the CAPEX of specialty chemicals manufacturers in FY22 to Rs. 6,000-6,200 crore (US\$ 815-842 million). Revenue growth is likely to be 19-20% YoY in FY22, up from 9-10% in FY21, driven by recovery in domestic demand and higher realisations owing to rising crude oil prices and better exports.

Moreover, according to the CRISIL report, the specialty chemicals market in India would grow faster than China, increasing its market share to 6% by 2026 from 3-4% in fiscal 2021. A shift in the global supply chain brought on by the China+1 strategy and a resurgence in domestic end-user demand will fuel significant revenue growth of 18-20% in 2022 and 14-15% in 2023.

Despite the current pandemic situation, the Indian chemical industry has numerous opportunities considering the supply chain disruption in China and trade conflict among the US, Europe and China. Anti-pollution measures in China will also create opportunities for the Indian chemical industry in specific segments.

Additional support, in terms of fiscal incentives, such as tax breaks and special incentives through PCPIRs or SEZs to encourage downstream units will enhance production and development of the industry. The dedicated integrated manufacturing hubs under Petroleum, Chemicals and Petrochemicals Investment Regions (PCPIR) policy to attract an investment of Rs. 20 lakh crore (US\$ 276.46 billion) by 2035.

To bring about structural changes in the working of domestic chemical industry, future investments should not only focus on transportation of fuels such as petrol and diesel, but also on crude-to-chemicals complexes or refineries set up to cater to the production of chemicals.

*Source: Indian Brand Equity Foundation- Chemicals Industry Report, RBSA Advisors, Department of Chemicals and Petrochemicals, India Chem report 2020, Dyestuffs Manufacturers Association of India, Union Budget 2023-24*

## **1.3. Company overview and recent developments:**

Gulshan Polyols Limited (GPL or Gulshan or the Company) is a multi-location, multi product manufacturing company and is a leading manufacturer of grain and mineral based specialty chemical in India with global presence in 42+ countries, across 3 continents. Gulshan is an industrial house, older, more than four decades, engaged in manufacturing of specialty chemicals from grain and minerals, from multiple facilities set up across India.

The roots of the Company was incorporated by Promoters in the year 1981 as Gulshan Sugars & Chemicals Limited (GSCL) with primary business of manufacturing Calcium Carbonate at Muzaffarnagar, with an initial capacity of 2100 MTPA. Over the years, in 2000, GSCL was demerged into three companies and GPL is one of them, incorporated as a public limited company and registered in October 2000. Since inception, GPL is a dividend paying company and listed on Stock Exchanges. In March 26, 2002 and January 28, 2015, your Company was listed on Bombay Stock Exchange (BSE) and National Stock Exchange of India Ltd. (NSE) respectively.

Its business portfolio covers Ethanol, Sorbitol, Fructose & Sweetener, Starch, Calcium Carbonate, Ethyl Neutral Alcohol, Agro based Animal Feed and its By Products. On- Site PCC plants on multiple production facilities/locations at Muzaffarnagar in Uttar Pradesh, Bharuch in Gujarat, Chhindwara in Madhya Pradesh, Dhaula Kuan in Himachal Pradesh, Abu Road in Rajasthan, Patiala in Punjab, Tribeni in West Bengal, Amlai in Madhya Pradesh, Golpara, Assam.

*From toothpaste to alcohol, from sweeteners to paints, from paper to medicines, from plastics to personal care items, GPL is touching and an integral part of everyones' everyday life, across the world.*

Gulshan provides the know-how to set up an On-site PCC plant and maintains the supply of the raw materials for the same. After success of its first partnership in this field, it is tying knot with other paper mills for On-site PCC technology.

GPL is one of the largest players in the mineral processing & grain processing segments in India. It is a market leader with a substantial market share in the respective segments. More than four decades of experience, large capacity, strong clientele and consistent performance place GPL in the pole position.

The Company caters to wide range of industry & niche markets in core sector encompassing pharmaceuticals, personal care products, footwear, tyres, rubber & plastics, paints, alcohol, value added paper, agrochemicals, food and agro products, ethanol etc. Gulshan has an impressive clientele comprising of the nation's top FMCG's, leading paint manufactures and many reputed brands. Gulshan was recognized by Government of India as Star Export House in year 2016, for consistent export of products to various parts of the world. Gulshan caters the top 1000 Indian Companies.

The COVID-19 pandemic has posed significant unforeseen challenges for all businesses, including **GULSHAN POLYOLS LIMITED**. However, we driven by the dedication of our employees and the trust of our customers, we have grown and growing ahead at the fastest pace ever in a decade, constantly.

## 2. COMPANY'S PRODUCT CATEGORIES/SEGMENT PERFORMANCE:

The Company has three manufacturing segments viz Mineral Processing, Grain Processing & Ethanol (Bio-Fuel)/Distillery. The products processed under these segments, are having end use in multiple industries.

### 2.1 GRAIN PROCESSING:

**Starch Sugars Business:** It includes Sorbitol-70% solution, Liquid Glucose, Native Starch, Fructose Syrup, and Rice Syrup Solids. Having facilities with a combined capacity of 1,81,800 MTPA for producing starch sugars and for Sorbitol with capacity of 72,000 MTPA with leading market share.

The **Rice-based Grain Processing Plant** at Muzaffarnagar, has achieved optimum level of capacity utilization and will remain the same in the future also.

**Native Starch/ Maize Starch:** It is the main carbohydrate nutrient from different sources of vegetation. Maize or corn starch powder is white, odorless and tasteless, which is extracted from kernel of maize/ corn. It is widely used as a thickener and a stiffening agent with numerous industrial applications. Maize starch is the second major product after sorbitol, is used by the semi kraft paper industry for making corrugated boxes (demand supported by e-commerce boom). The company's plant is situated in and around the paper belt in Muzaffarnagar which gives us strategic locational advantage.

**Fructose Syrup** which is naturally found in fruits, corn syrup and molasses. Commercially, Fructose Syrup is used as a sweetener in flavored and unflavored syrups, energy drinks, processed food, bakery products. It is serving the food and beverage industry is showing a very high growth rate.

**Rice Syrup Solids** which is also known as dried glucose syrup or Glucose Powder. It is usually used as sweetener and stabilizers for moisture & texture in baked goods, confectionary (hard candy), dairy products, processed meats, seafood and also used by breweries to lighten beer color, add body, rice flavor and fermentable sugars. It is easily dispersed into water for ease of use in quick dissolving beverage mixes.

**Agro based Animal Feed business** is India's feed industry is growing with poultry, cattle and aqua feed sectors emerging as major growth drivers. The demand for animal protein and dairy products in India will increase the compound feed consumption volumes. Consequently, cattle need to be developed, more requirement of nutritious food for them, which implies higher demand of grain by-products.

Company has grain processing units in Bharuch, Gujarat and Muzaffarnagar, Uttar Pradesh. Currently grain processing is the main revenue generator for the company with the contribution of 75% (approx.) to the total revenue among segments.

*Company is focusing on Green Energy*

### 2.2 MINERAL PROCESSING

**Calcium Carbonate business:** Your Company also produces over 19 grades of Calcium Carbonate (Precipitated, Activated, Wet and Ground Natural Calcite Powder) used in various industries. The Company has four integrated facilities to manufacture Calcium Carbonate spread across the country.

In the Company's endeavor to add new products delivering value addition, the company is gradually shifting its focus from producing lower grade products to higher grade products which will increase the overall profitability of the Company in medium to long term perspective.



Company has mineral processing units in Muzaffarnagar, Uttar Pradesh, Dhaula Kuan in Himachal Pradesh and Abu Road in Rajasthan.

**Onsite PCC/WGCC Plants:** The Company is '**FIRST**' in the country to introduce the concept of On-site PCC manufacturing plant for Value Added Paper (VAP) industries. **Company's achievement has been recorded in the Limca Book of Records in 2010.** The Company has successfully installed Seven Onsite PCC plants for Paper Industry Companies.

Company provides the raw materials and expertise to set up and maintain an on-site PCC plant. This reduces energy consumption and drying time for users. Company has Onsite PCC plants in West Bengal, Uttar Pradesh, Punjab and Madhya Pradesh.

The Management hopes for the exponential growth in this segment in the country, in line with the developed nations, where on-site PCC has become an integral part of Value-Added Paper such as printing, photo copier, tissue paper and writing paper.

Your company is the only Indian company which is offering such technology & providing plants to Indian and overseas companies engaged in manufacturing Value Added Paper.

### 2.3 ETHANOL (BIO-FUEL)/DISTILLERY

**Ethanol (Bio-Fuel):** Company is successfully supplying Ethanol to IOCL, BPCL, HPCL and other Oil Marketing Companies (OMCs), Reliance and Nyara Energy for **Ethanol Blending Petroleum Program** and Company is working at more than 100% capacity utilization. Company has entered into 10 years' long offtake agreement with OMCs for more than 50% of capacity for its 500 KLPD Grain Ethanol Manufacturing Plant. The Company is planning to expand its footprints in Ethanol production segment and has embarked on a significant capex plan for manufacturing ethanol using damaged food grains.

Company has Ethanol Production Units in Chhindwara, Bargaon, Madhya Pradesh and Golpara, Assam (in the process of setting up).

**Country Liquor:** The Company has awarded a tender for manufacturing and selling of Country Liquor in the state of Madhya Pradesh.

#### Segment wise Revenue & Profits for the year ended March 31, 2023

(₹ in Lakhs)

Segments	Revenue for the year ended 31st March		Profits before Interest and Tax for the year ended 31st March	
	2023	2022	2023	2022
Mineral Processing	11,581.20	9,409.63	2,940.26	1,278.56
Grain Processing	87,481.73	80,915.33	3,327.90	8,140.83
Ethanol (Bio-Fuel)/Distillery	18,910.04	19,729.30	(29.40)	2,453.27
Unallocated	-	18.38	412.07	102.96
<b>Total</b>	<b>1,17,972.97</b>	<b>1,10,072.64</b>	<b>6,650.83</b>	<b>11,975.62</b>

### 3. OPPORTUNITIES & THREATS

The government has started various initiatives such as mandating BIS-like certification for imported chemicals to prevent dumping of cheap and substandard chemicals into the country. The Indian government recognises chemical industry as a key growth element and forecast to increase share of the chemical sector to ~25% of the GDP in the manufacturing sector by 2025.

Under the Union Budget 2023-24, the government allocated Rs. 173.45 crore (US\$ 20.93 million) to the Department of Chemicals and Petrochemicals. PLI schemes have been introduced to promote Bulk Drug Parks, with a budget of Rs. 1,629 crore (US\$ 213.81 million). The Government of India is considering launching a production linked incentive (PLI) scheme in the chemical sector to boost domestic manufacturing and exports. A 2034 vision for the chemicals and petrochemicals sector has been set up by the government to explore opportunities to improve domestic production, reduce imports and attract investments in the sector. The government plans to implement production-link incentive system with 10-20% output incentives for the agrochemical sector; to create an end-to-end manufacturing ecosystem through the growth of clusters. 100% FDI is allowed under the automatic route in the chemicals sector with few exceptions that include hazardous chemicals.

The government has proposed several incentives for setting up a sourcing or manufacturing platform within an Indian SEZ:

- Effective April 1, 2020, 100% Income Tax exemption on export income for SEZ units for the first five years, 50% for the next five years thereafter and 50% of the ploughed back export profit for next five years.
- Single window clearance for central and state-level approvals.
- Duty free import/domestic procurement of goods for development, operation and maintenance of SEZ units.

In this current scenario, Higher energy costs is the most significant risk to our business performance. The Company continues to remain focused towards keeping fixed costs low and controlling variable costs including grain, fuel, coal, lime stone and other raw materials' costs and continuous improvement programs to help mitigate the adverse impact of these risks including working on changing fuel mix and different contracting strategies.

Adherence to more stringent environmental norms, packaging and improving safety performance in a sustainable manner are other key areas that the Company continues to focus on during FY 2023-24.

Our strengths revolve around our penchant for innovation and consistent product development with the aim of creating a clear differentiation from competition, our strong passion for sustainability and the circular economy, our thought leadership in creating intellectual property and our ability to collaborate with multiple agencies to realize our four-pillar strategy.

#### 4. FUTURE OUTLOOK

The outlook for the Company for the coming years continues to be positive. Most of the customers have indicated robust growth plans which augurs well for the growth of the Company. Your Company's focus has always been on expanding its business horizons in the bioeconomy by leveraging its technology led innovative solutions.

Further, a consistent value creator, India's chemical sector remains an attractive hub of opportunities. The sector has created enormous wealth for investors in the past with stocks of many specialty companies rising manifold. Robust demand across end-user industries led by rising domestic consumption, strong export growth, and rising import substitutions are expected to be primary growth drivers for the chemical sector.

Growing strong domestic demand and increased exports will continue to fuel the growth of the Indian specialty chemicals industry. The robust performance of the sector is prompting specialty chemical manufacturers to ramp up their production capacity to meet the growing demand for its products. Furthermore, anti-pollution measures in China will also create opportunities for the Indian chemical industry in specific segments.

Additional support, in terms of fiscal incentives, such as tax breaks and special incentives through PCPIRs or SEZs is set to encourage downstream units that will enhance the production and development of the industry. The dedicated integrated manufacturing hubs under the Petroleum, Chemicals and Petrochemicals Investment Regions (PCPIR) policy would also attract an estimated investment of Rs. 20 lakh crore (US\$ 276.46 billion) by 2035.

To sum it all up, the fast paced growth of the Indian Chemical industry is inevitable and its growth trajectory will witness a transition to specialty materials as user industries constantly evolve. The specialty chemicals sector is reshaping the future of India's economic landscape with a renewed approach towards its products and solutions, and if India's demands and megatrends come to fruition, the specialty chemicals industry will need to further gear up, and maybe faster than we would imagine.

Your Company is well positioned with its strong management team, technology interventions and robust processes to address any changes that may emerge due to COVID-19 and during this global tensions and fast inflation.

Indeed, your Company has marked effervescent growth and achieved many milestones throughout the year in FY 2022-23. Though, Company is impacted by the constant fluctuations in commodity and fuel prices. But, it is your Company's endeavor to source the right material, that is of high quality and constantly keep track of emerging costs to take corrective action at the right time.

The Company has also signed and executed a Long Term Offtake Agreement for setting up of upcoming Standalone dedicated ethanol plants of 500 KLPD and 250 KLPD at Chhindwara, Borgaon, Madhya Pradesh and Goalpara, Assam respectively in ethanol deficit states for supply of Indigenous Denatured Anhydrous Ethanol to Oil Marketing Companies (OMCs) under 'Ethanol Blending Petroleum Program' to meet ethanol requirements for 20 % blending by year 2023 by using corn/maize and rice combination, for supply of quantity of 12.87 Crores Liter per annum for 10 years.

#### *Company is on track of Setting up of largest single stream grain based plant in ASIA*

By FY25, the Company plans to expand its ethanol capacity to 810 KLPD from current 60 KLPD. In view of the above, Company has acquired land and ordered for major Plant and Machineries. The Company is looking at a total capex of ₹45,000 Lakhs, out of which, our capex of ₹30,000 Lakhs on 500 KLPD manufacturing unit at Borgoan, Madhya Pradesh has almost reached its final lap and the unit is expected to commence operations very soon allowing Gulshan to become the largest single stream grain based ethanol producer in Asia and ₹15,000 Lakhs will be required for expanding the aggregate capacities across the grain processing division. The planned Capex for this project is ~₹15,000 Lakhs, out of which the Company has deployed ~ ₹6,000 Lakhs already towards upgradation of the power plant and existing capabilities. The Company expects ~ 20% increase in total combined capacities of the plants. The upgraded capacities will be utilized towards the production of Sorbitol 70% Solution and Starch Derivatives like Dextrose Monohydrate & Maltodextrin Powder. Further, an estimated capex of ₹18,500 Lakhs is to be deployed for ethanol plant in Assam, out of which the Company has completed approx. 30 % capex for its total requirement for its 250 KLPD in Assam. Currently fabrication and Installation of Plant & Machinery is in progress.

The Capex is financing through a loan of ₹17,000 Lakhs from HSBC Bank for the Ethanol facility in Madhya Pradesh, a loan of ₹17,000 Lakhs from State Bank of India for setting up of an Ethanol Project of 250 KLPD Capacity in Assam, proceeds of the Qualified Institutions Placement and internal accruals.

The decision of advancing 20% blending target by 2030 has created huge opportunities in the ethanol sector. Ethanol plants based on Starchy feedstock are going to drive the new capacities. As we go forward some further favorable developments are likely in form of flex fuel policy, ethanol blending in diesel, expansion of biofuels basket and feedstock differentiated pricing for ethanol.

Notwithstanding the external challenging environment, your Company remains cautiously optimistic about the outlook based on the preparedness to deliver future ready offerings across the value chain, strong momentum for climate actions solution and diversified market portfolio in addition to resilient home market.

Your Company for the purpose of expanding the current business of the Company and exploring the business opportunities globally has incorporated a wholly owned subsidiary of the Company in International Free Zone Authority (IFZA), Dubai Silicon Oasis, Dubai, United Arab Emirates. There were no significant transactions and arrangements, entered and executed during the quarter ended March 31, 2023 by the Subsidiary Company.

Your Company has always strived towards nation building, through its business endeavors which focuses on creating excellent environment. We aim at emerging stronger, once situations normalize. The emphasis will be on continued incubation of future businesses and create value for our stakeholders in the long term.

## 5. RISK AND CONCERNS

In any business, risks and prospects are inseparable. The Company is exposed to various risks which may be internal as well as external. The Company has a comprehensive risk management system in place and is tailored to the specific requirements of its diversified businesses, taking into consideration various factors, such as the size and nature of the inherent risks and the regulatory environment of the individual business segment of operating company. The risk management system enables it to recognize and analyze risks early and to take timely appropriate action. The Senior Management of the Company regularly reviews the risk management processes of the Company.

Therefore, the Company's diversified product profile, quality approach, value-added segments, manufacturing flexibility, modern technology & strong marketing network has saddled the company to successfully counter the effect of such adversities.

Company has formed Risk Management Committee and policy thereon to cater and mitigate various risks after necessary identification and evaluation.

We believe that our multi-location operations also allow us to leverage the competitive advantages of each location to enhance our competitiveness and reduce geographic and political risks in our businesses.

The Management, being well acquainted with business risks, is saddled to take care of the risks and concerns and takes appropriate and timely measures as and when the need arises.

Also, taking into cognizance of the current major risk is to control fixed and variable costs related to raw materials, crude oil, energy, coal, fuel, lime stone, etc. and mitigation measures, required to be taken thereon. The performance, future prospects and cash flow generation could be materially impacted by any of these risks or opportunities. As a responsible management, the Company's principal endeavor is to maximize returns. The Company continues to take all steps necessary to minimize its expenses through detailed studies and interaction with experts. Further, there are constant review meeting at management level to discuss and analyze various near term and long-term risk and formulate plans to mitigate the same.

### Cost Risks

**Risk:** The key raw material consumed by the Company has been very volatile and sudden change can have an adverse impact on the Company's operating margins.

**Concern:** The Company has many long-term contracts with its major customer where the raw material cost could not be passed through entirely.

### Financial risks

**Risk:** Financial risks relates to the Company's ability to meet its financial obligations and lessen the impact of various factors like interest rates, foreign currency exchange rates, credit rating etc. It also includes any risk to servicing pension obligations and to financial ratios due to impairment.

**Concern:** Company is well positioned to service financial risk and facilitates its growth objectives. The Company has adequate measures to deal with all types of financial risks.

### Legal and Compliance risks

**Risk:** Legal and compliance risks relate to risks arising from outcome of legal proceedings, government action, regulatory action, which could result in additional costs.

**Concern:** Company has ensured compliance of all laws applicable to the Company and effectively monitors through efficient compliance management system.

### Strategic Risks

**Risk:** It includes the range of external events and trends (like Government policy) that can adversely impact the Company's strategic growth trajectory and destroy stakeholder value. It also includes the risks arising out of the choices the Company has made in defining its strategy.

**Concern:** Company has ensured mitigation and took prevention measures to the extent and wherever possible.

## 6. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company's internal financial control framework is commensurate with the size and operations of the business and is in line with requirements of the regulations. Internal control systems have been a core focus for the Company. The Company has laid down procedures and policies to guide the operations of the business.

The Company has a strong internal control system comprising various levels of authorization, supervision, checks and balances and procedures through documented policy guidelines and manuals. Effective/ adequate internal control systems are in place to ensure that all assets are safeguarded and protected against unauthorized use and the transactions are authorized, recorded and reported correctly. Such controls which are subjected to periodical review also ensure efficiency of operations, accuracy and promptness of financial reporting and compliance with all applicable laws and regulation. The Company's internal control systems are routinely tested by the Management, Statutory Auditors and Internal Auditors.

The Internal Audit Team regularly monitors the efficacy of internal controls/and compliances with Standard Operating Procedures and Manuals with an objective of providing to the Audit Committee and the Board of Directors, an independent, objective and reasonable assurance that all transactions are authorized, recorded and reported correctly and follow policies and statutes.

The management exercises their control over business processes through operational systems. These processes are reviewed and updated on regular basis to improve their efficacy and meet the business needs.

## 7. INTERNAL AUDIT

A regular Internal Audit System is also in place. The Company has an independent Internal Audit function with an established risk management framework. Outside expertise is availed to supplement internal resources. The internal audit approach is based on random sample selection and takes into consideration the generally accepted business practices. The internal audit reports are discussed by the Audit Committee of the Board of Directors along with the directions/ action plan. The directions are implemented by the respective departments.

The Internal Audit Team also assesses opportunities for improvement in business processes, systems and controls, gives recommendations and reviews the implementation of directions issued by the management, Board of Directors or its Committees.

## 8. OPERATIONAL AND FINANCIAL PERFORMANCE

Following are the financials highlights of the Company for the year ended March 31, 2023 on a comparable consolidated basis.

(₹ in Lakhs)

Particulars	2022-23	2021-22
Revenue from operations	1,17,972.97	1,10,072.64
Profit before Interest, Tax & Depreciation (EBITDA)	9,506.32	15,216.52
Profit/(Loss) before tax for the year	6,020.10	11,479.65
Profit/(Loss) after tax for the year	4,518.18	8,524.89

## 9. CHANGES (Change of 25% or more) IN SIGNIFICANT KEY FINANCIAL RATIOS AND RETURN ON NET WORTH

As per the latest amendment as introduced by SEBI in SEBI (Listing Obligations & Disclosure Requirement) (Amendment) Regulations, 2018 on May 09, 2018 effective from April 01, 2019, new sub-clause (i) has been inserted in Clause I in Part B of Schedule V of SEBI (Listing Obligations & Disclosure Requirement), Regulations, 2015 according to which the listed entity shall provide the details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with the detailed explanations thereof, including:

Particulars	2022-23	2021-22	%	Comments
Current Ratio	1.43	2.17	-33.81%	Current Ratio is lower in this year due to increase in current liability as compared to last year.
Debt Equity Ratio	0.33	0.16	109.60%	Debt Equity Ratio is higher as compared to last year due to increased borrowings.
Debt Service Coverage Ratio	13.11	24.71	-46.94%	Debt Service Coverage Ratio is lower as compared to last year due to increase in cost of operation resulting into lower EBITDA.
Return on Equity Ratio	0.08	0.19	-56.30%	Return on Equity Ratio is lower due to increase in cost resulting lower profits after tax.
Inventory Turnover Ratio	7.90	9.16	-13.76%	
Trade Receivables Turnover Ratio	9.03	10.10	-10.57%	
Trade Payables Turnover Ratio	16.01	16.31	-1.85%	
Operating Profit Margin	5.64	10.82	-47.89%	Operating Profit Margin Ratio is lower due to increase in cost resulting lower earning before interest and tax.
Net Capital Turnover Ratio	10.26	5.45	88.13%	Net Capital Turnover Ratio is higher as compared to last year as the Company has taken the loan in this year resulting decrease in working capital of Company.
Net Profit Ratio	0.04	0.08	-50.35%	Net Profit Ratio is lower due to increase in cost resulting lower profits after tax.
Return on Capital Employed	0.07	0.14	-54.19%	Return on Capital Employed is lower due to increase in cost resulting lower earning before interest and tax.
Return on Investment	0.11	0.08	40.20%	Return on Investment is increased due to increase in profit arise from the sale of investment.

**Note:** Previous year ratios has been revised due to figures for the previous year have been regrouped/ rearranged wherever necessary to make them comparable with current figures.

## 10. MATERIAL DEVELOPMENTS IN HUMAN RESOURCE AND INDUSTRIAL RELATIONS

Caring for its people has always been the way of life in the Company as its people are always treated as most valuable assets. Your Company has been continuously working to improve human resources skills, competencies and capabilities in the Company, which is critical to achieve results as per our strategic business ambitions. The Company has been successful in fostering a people-centric cohesive culture

within the organization that has been instrumental in creating its diverse pool of intellectual capital. The Company is focused and committed towards empowering its employees and continues to embark upon several initiatives on this front.

The Company has a team of experienced and qualified personnel to support its plant and other allied operations. The team is having technical expertise and experience, which is critical for successful or timely implementation of operational decisions.

The recruitment of well qualified personnel and retention of experienced workforce is critical for maintaining the talent pool in the Company. The Company continuously works towards ensuring that appropriate recruitment and retention plans are in place to avoid any gaps in talent pool.

Employees are also empowered to take full ownership and accountability of their responsibilities. Besides human resource development, Company provides various welfare measures for its employees and their families. Cordial industrial relations in factory have also helped Company to build a strong team of employees at various levels having good experience and skills.

The underlying rule of Company's policy towards human resource development is that competent and motivated manpower is the most important factor in achieving business goals. The policies in this regard are evolved and pursued to achieve this objective. Industrial relations remained cordial at all locations during the year. No working hours was lost due to any labour dispute.

Simultaneously, we continue to strengthen employee's value proposition including health and wellness measures, re-skilling programs, appropriate compensation interventions, ESOPs and enhanced career growth opportunities. Our recent priority has been to vaccinate our employees with agility and we have been holding various booster vaccination drives at our plants across the country, towards this endeavor.

As at the financial year ended March 31, 2023, there were total 484 numbers of employees and workers on roll of the Company.

#### **11. CAUTIONARY STATEMENT**

Certain Statements in the Management Discussion and analysis Report section concerning future prospects may be forward looking statements which involve a number of identified/non identified risks, uncertainties and assumptions that could cause actual results to differ materially. In addition to the foregoing changes in the macro-environment, geopolitical tensions as a result of war, global inflation, global pandemic COVID-19 may pose an unforeseen, unprecedented, unascertainable and constantly evolving risk, inter alia to the Company and the environment to which it operates. The result of these identified/ non identified risks, uncertainties and assumptions are made on available internal and external information and are the basis for determining certain facts and figures stated in the report. Since the factors underlying these assumptions are subject to change over time, the estimates on which they are based are also subject to change accordingly. These forward looking statements represent only company's current intentions, beliefs, expectations, and any forward looking statements speaks only as of the date on which it was made.

These risks and uncertainties include the effect of economic and political risks within and outside India, volatility in interest rates, change in Government or regulatory policies that may impact the Company's business as well as its ability to implement the strategy. The Company does not undertake to update these statements.

#### **12. DISCLOSURE OF ACCOUNTING TREATMENT IN PREPARATION OF FINANCIAL STATEMENTS**

The Company has followed the guidelines of accounting standards as mandated by the Central Government in preparation of its financial statements.

For and on behalf of the Board of Directors

Delhi, May 12, 2023

**Dr. Chandra Kumar Jain**  
Chairman and Managing Director  
DIN: 00062221

**ANNEXURE-G TO BOARD'S REPORT**  
**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT**

Gulshan Polyols Limited (GPL), also known as Gulshan, is a leading manufacturer of specialty chemicals based on grains and minerals in India, with a global presence in over 42 countries across three continents. The company has been in the business for over four decades and operates multiple facilities across India. Originally incorporated in 1981 as Gulshan Sugars & Chemicals Limited (GSCL) with a primary focus on manufacturing calcium carbonate, GSCL was demerged into three companies in 2000, and GPL is one of them. Since its inception, GPL has been a dividend-paying company and is listed on the Bombay Stock Exchange (BSE) and National Stock Exchange of India Ltd. (NSE).

The Indian chemical industry, expected to grow to US\$ 300 billion by 2025, has the potential to become a significant player in the global chemicals industry, with the specialty chemicals market expected to reach US\$ 64 billion by 2025.

Growth opportunities in the Indian chemical industry are driven by rising demand from end-user industries, supply disruptions in other countries, and the Indian government's initiatives to boost manufacturing share in GDP through investment and incentive schemes.

With its skilled and low-cost labor, world-class engineering, and strong R&D setup, the Indian chemical industry has the potential to attract significant investments and become a global manufacturing hub in the coming years.

GPL's product portfolio includes Sorbitol, Fructose & Sweetener, Starch, Ethanol, Calcium Carbonate, Ethyl Neutral Alcohol, Agro-based Animal Feed, and its by-products. The company has On-site PCC plants located in multiple production facilities across India and provides the know-how to set up these plants and maintain the supply of raw materials for the same. GPL has been successful in partnering with paper mills for On-site PCC technology and is a significant player in the mineral processing and grain processing segments in India, with a substantial market share.

GPL caters to a wide range of industries and niche markets, including pharmaceuticals, personal care products, footwear, tyres, rubber & plastics, paints, alcohol, value-added paper, agrochemicals, food and agro products, ethanol, etc. The company has an impressive clientele comprising of the nation's top FMCGs, leading paint manufacturers, and many reputed brands. Recognized by the Government of India as Star Export House in 2016, Gulshan has been consistent in exporting its products to various parts of the world and caters to the top 1000 companies.

As pioneer of sustainable urbanization in India, Gulshan Polyols Limited has continued its effort to develop green, innovative, and customer-focused solutions that are rooted in a legacy of trust and transparency. Its developments are characterized by thoughtful design and a welcoming environment that enhances overall quality of life for both individuals and industries.

Despite the significant unforeseen challenges posed by the COVID-19 pandemic, GPL has continued to grow at the fastest pace in a decade, driven by the dedication of its employees and the trust of its customers. India's manufacturing sector is rapidly growing, through various initiatives like 'Make in India'; as the chemical industry is a crucial part of this growth, the government has allocated a substantial budget to support its development. However, the company recognizes the risks associated with high energy costs and is taking measures to control its costs and improve efficiency.

GPL is also committed to sustainable practices and ensures compliance with environmental and safety standards. The company's strengths lie in innovation, sustainability, intellectual property creation, and collaboration, which gives it a competitive edge in the industry.

The Company focusses on efficient deployment of resources, including people, processes, and materials to produce safe products, with a view to creating value for all its stakeholders. This ensures that the Company embeds balance in its engagement with all stakeholders, keeping the community at the core of whatever the Company does.

**SECTION A: GENERAL DISCLOSURES**

**I. Details of the listed entity**

1.	Corporate Identity Number (CIN) of the Listed Entity	L24231UP2000PLC034918
2.	Name of the Listed Entity	GULSHAN POLYOLS LIMITED
3.	Year of incorporation	2000
4.	Registered office address	9th KM Jansath Road, Muzaffarnagar, Uttar Pradesh-251001, India
5.	Corporate address	G -81, Preet Vihar, Delhi- 110092, India
6.	E-mail	gscldelhi@gulshanindia.com; csr@gulshanindia.com
7.	Telephone	011-49999200
8.	Website	www.gulshanindia.com
9.	Financial year for which reporting is being done	FY 22-23
10.	Name of the Stock Exchange(s) where shares are listed	NSE, BSE

11.	Paid-up Capital	51975489
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report.	DIN No. 00062221 Name Dr. Chandra Kumar Jain Designation Chairman and Managing Director DIN No. 00120753 Name Ms. Aditi Pasari Designation Joint Managing Director Telephone number 011-49999200 e-mail id gscl Delhi@gulshanindia.com; csr@gulshanindia.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone

**II. Products/services:**
**14. Details of business activities (accounting for 90% of the turnover):**

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing	Manufacturing Group: 106,110 Class: 1062,1101 Sub Class:10621,10623, 10629,11012,11019	100

**15. Products/Services sold by the entity (accounting for 90% of the entity's turnover):**

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Sorbitol	10629	28.34
2.	Fructose & Sweetener	10623	14.46
3.	Ethanol	1101	11.74
4.	Liquor / Country Liquor	11012	2.58
5.	Starch	10621	17.39
6.	By Products	10629	16.56

**III. Operations:**
**16. Number of locations where plants and/or operations/offices of the entity are situated:**

Location	Number of plants	Number of offices	Total
National	9	2	11
International	Nil	Nil	Nil

**17. Markets served by the entity:**
**a. Number of locations**

Locations	Number
National (No. of States)	11
International (No. of Countries)	32

**b. What is the contribution of exports as a percentage of the total turnover of the entity?**

Exporting to 32 countries globally to international clients.

**c. A brief on types of customers**

The company has customers from the following industries.

- FMCG
- Food
- Paper
- Pharma
- Footwear

- I.P.B. Plastics with SCJ Plastics
- Printing
- Paint
- Oil marketing companies (OMC)
- Animal feed industry

**IV. Employees**

**18. Details as at the end of Financial Year:**

**a. Employees and workers (including differently abled): 1229**

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	375	355	94.67%	20	5.33%
2.	Other than Permanent (E)	0	0	0	0	0
3.	<b>Total employees (D + E)</b>	375	355	94.67%	20	5.33%
<b>WORKERS</b>						
4.	Permanent (F)	854	854	100%	0	0
5.	Other than Permanent (G)	0	0	0	0	0
6.	<b>Total workers (F + G)</b>	854	854	100%	0	0

**b. Differently abled Employees and workers: Nil**

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1.	Permanent (D)	-	-	-	-	-
2.	Other than Permanent (E)	-	-	-	-	-
3.	<b>Total differently abled employees (D + E)</b>	-	-	-	-	-
<b>DIFFERENTLY ABLED WORKERS</b>						
4.	Permanent (F)	-	-	-	-	-
5.	Other than permanent (G)	-	-	-	-	-
6.	<b>Total differently abled workers (F + G)</b>	-	-	-	-	-

**19. Participation/Inclusion/Representation of women**

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	3	37.5%
Key Management Personnel*	3	1	33%

\*One Person is common in both.



**20. Turnover rate for permanent employees and workers**

	FY 2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)			FY 2020-21 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
<b>Permanent Employees</b>	4%	0.5%	4.05%	5%	0.5%	5.05%	4.5%	0.8%	5.3%
<b>Permanent Workers</b>	8%	0%	8%	10%	0%	10%	11%	0%	11%

**V. Holding, Subsidiary and Associate Companies (including joint ventures)**
**21. (a) Names of holding / subsidiary / associate companies / joint ventures**

S. No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Gulshan Overseas FZCO	Subsidiary	100	No

**VI. CSR Details**
**22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes**

(ii) Turnover (in Rs.) - 1,10,072.64 Lakhs

(iii) Net worth (in Rs.) - 65,544.77 Lakhs

**VII. Transparency and Disclosures Compliances**
**23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	No	0	0	-	0	0	-
Investors (other than shareholders)	No	0	0	-	0	0	-
Shareholders	Yes <a href="https://scores.gov.in/admin/Welcome.htm">https://scores.gov.in/admin/Welcome.htm</a>	1	0	-	1	0	-
Employees and workers	No	0	0	-	0	0	-
Customers	No	0	0	-	0	0	-
Value Chain Partners	No	0	0	-	0	0	-
Other (please specify)	No	0	0	-	0	0	-

During the Financial Year 2022-23, 1 grievance in total was received and disposed off from both internal and external stakeholders.

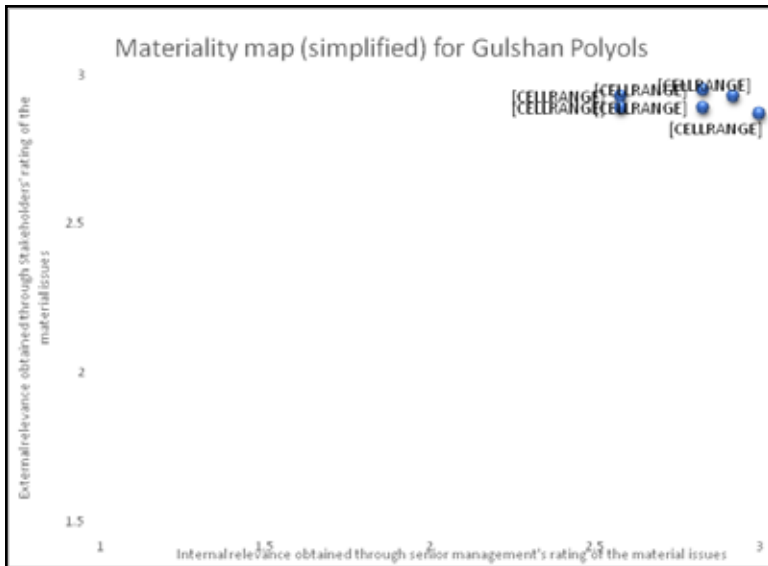
**24. Overview of the entity's material responsible business conduct issues**

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

The material issues for Gulshan Polyols were arrived at by conducting stakeholder engagement. A probable set of issues for the company was arrived at by identifying the set of issues common for the sector and geography, and the issues were prioritized by stakeholders and by GPL's senior management.

The most relevant material issues identified for Gulshan Polyols are as follows.

1. **Equal opportunity and non-discrimination(S1)**
2. **Environmental Performance (E1)**
3. **Regulatory compliance (G1)**
4. **Climate change mitigation (E2)**
5. **Health and safety of employees(S2)**
6. **Human rights across value chain(S3)**



Among the identified material issues, 2 are environmental, 3 are social, and 1 is governance related. The materiality map for Gulshan Polyols is given below -

S. No.	Material Issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity
1.	Equal opportunity and non-discrimination	Opportunity	Providing equal opportunities for career advancement and avoiding discrimination based on factors such as race, gender, age, and religion can also help companies to retain top talent and foster a positive and productive work environment.		Positive
2.	Environmental Performance	Risk	The chemical sector often has significant environmental impacts, including pollution, emissions, effluents, and resource depletion. Having poor performance may lead to fines, reputation losses, and addition cost due to loss of resources.	GPL intends to adopt environmental best practices.	Negative
3.	Regulatory Compliance	Risk	Non-compliance with regulations can lead to fines and reputational damage.	Review of existing systems and improving reporting capacity	Negative
4.	Climate change mitigation	Risk	Due to the nature of business, company faces investor and regulatory risks associated with its climate change performance.	GPL is exploring avenues to reduce its carbon emissions beginning with the incorporation of best practices for energy reduction.	Negative

S. No.	Material Issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity
5.	Health and safety of employees	Risk	Poor performance can lead to fines, reputational damage, and insurance cost.	Company is incorporating systems to monitor and improving its safety related performance	Negative
6.	Human rights across value chain	Opportunity	Prioritizing human rights considerations and enhancing the work environment in the supply chain can enable the establishment of a resilient supply system for GPL		Positive

**SECTION B: MANAGEMENT AND PROCESS DISCLOSURES**

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	N	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	NA	Yes	Yes
c. Web Link of the Policies, if available	Web-link - <a href="https://www.gulshanindia.com/policy.html">https://www.gulshanindia.com/policy.html</a>								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	N	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	NA	Yes	Yes
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 9001:2015	ISO22000, BRC Global Standard	OHSAS 18001	ISO 9001					ISO22000, BRC Global Standard, ISO 9001:2015
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Management is keen to reduce the emission load by using flue gas containing CO <sub>2</sub> , Water reduction by re- cycling. Effluent discharge reduction by putting Multi effect evaporator (MEE).								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The process has reduced the flue gas emission by using it in making PCC. Approx.1.25lakhs nm <sup>3</sup> flue gas is being used in making PCC. Effluent discharge is also reduced by around 20% by evaporation system. The ETP treated water @ 10 M <sup>3</sup> /p.hr is being used in RO plant for its reuse in the certain process. The complete recycle water could not be used due to finished quality reason. Bags filters are being installed to collect the fines.								
<b>Governance, Leadership and Oversight</b>									
7. Statement by Director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements ( <i>listed entity has flexibility regarding the placement of this disclosure</i> )	The chemical industry is placing greater emphasis on sustainability, leading many companies to adopt green chemistry and commit to decarbonization, resource recovery, and recycling. Net-zero greenhouse gas emission commitments are being spearheaded by major corporations. Sustainability initiatives, including the European plastic tax and green hydrogen stimulus packages in the US, Canada, and Europe, are driving the adoption of sustainable practices and objectives at an accelerated pace. The Company believes that human resources are vital to the growth and sustainability of an organization as it seeks to maintain a healthy work environment at all levels and encourages the employees to do their best. GPL has always considered sustainable development as the keystone of the business strategy; this includes nurturing close and continuous interaction with the people and communities around our manufacturing divisions, bringing qualitative changes in their lives and supporting the underprivileged.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	Sustainability & CSR (SCSR) Committee								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, recently in April 2023 sustainability responsibilities were specifically added to the CSR Committee which then become SCSR Committee who are responsible for decision making on sustainability related issues.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against Above policies and follow up action	Y	Y	Y	Y	Y	Y	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	H	Y
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Y	Y	Y	Y	Y	Y	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	H	Y
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1		P2		P3		P4		P5		P6		P7		P8		P9	
Yes, Pozhat Sustainable Solutions Private Limited																		

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)									No
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									No
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									No
It is planned to be done in the next financial year (Yes/No)									Yes
Any other reason (please specify)									-

Gulshan Polyols will consider developing a policy specifically related to engaging in influencing public and regulatory policy (Principle 7). The policy would outline the company’s commitment to engaging in a responsible, transparent manner and have guidelines based on the following –

1. Compliance with all applicable laws and regulations: Gulshan Polyols would ensure that any engagement in public and regulatory policy complies with all relevant laws and regulations.
2. Transparency: Gulshan Polyols should be transparent about its engagement in public and regulatory policy, including its objectives, the actions it takes, and the resources it invests.
3. Ethical behavior: Gulshan Polyols should ensure that its engagement in public and regulatory policy is ethical and aligned with its values and principles.
4. Engagement with stakeholders: Gulshan Polyols should engage with its stakeholders, including its employees, customers, suppliers, and communities, to understand their views on public and regulatory policy issues and to incorporate their input into its engagement activities.

**SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE**

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

**PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

**Essential Indicators**

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year

Segment	Total number of training and Awareness programmes held	Topics / principles Covered under the training and its impact	%age of persons in respective category covered by awareness programmes
Board of Directors	2	ESG regulations	100%
Key Managerial Personnel	2	Safety and POSH	100%
Employees other than BOD and KMPs	2	Safety and POSH	100%
Workers	12	Safety and POSH	100%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format

(Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website): **Nil.**

**Monetary**

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	-	-	-	-	-
Settlement	-	-	-	-	-
Compounding Fee	-	-	-	-	-

**Non-Monetary**

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	-	-	-	-
Punishment	-	-	-	-

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

**NIL**

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
-	-

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

**Yes.** The company has a code of conduct policy deployed at some of its locations that specifically addresses bribery. The company also has a whistle blower policy.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

**NIL**

	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. Details of complaints with regard to conflict of interest:

**NIL**

	FY 2022-23 (Current Financial Year)		FY 2021-22 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	0	0	0
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	0	0	0

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

**NIL**

**Leadership Indicators**

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year: **Nil**

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
-	-	-

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? **(Yes/No)** If Yes, provide details of the same.

**No**

**PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe**

**Essential Indicators**

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	-	-	-
Capex	19,97,30,486	3,20,64,952	ETP Plant & Waste Heat Recovery Plant for water & waste recycling & reduction in water wastage

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)  
 b. If yes, what percentage of inputs were sourced sustainably?

**No**

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

**Not applicable**

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

**Not applicable**

**Leadership Indicators**

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, please provide the web-link.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
<b>Not applicable</b>		

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	-	-	-	-	-	-
E-waste	-	-	-	-	-	-
Hazardous waste	-	-	-	-	-	-
Other waste	-	-	-	-	-	120,000m <sup>3</sup>

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
	Not Applicable

**PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.**

**Essential Indicators**

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
<b>Permanent employees</b>											
Male	355	-	-	-	-	-	-	-	-	-	-
Female	20	-	-	-	-	20	100%	-	-	-	-
<b>Total</b>	<b>375</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20</b>	<b>5.33%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other than Permanent employees</b>											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

- b. Details of measures for the well-being of workers: **NA**

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
<b>Permanent workers</b>											
Male	854	0	0%	0	0%	-	-	0	0%	-	-
Female	0	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>854</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>0%</b>	<b>-</b>	<b>-</b>
<b>Other than Permanent workers</b>											
Male	0	-	-	-	-	-	-	-	-	-	-
Female	0	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY22-23 Current Financial Year			FY 21-22 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted & deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	15%	10%	Yes	15%	9%	Yes
Gratuity	100%	100%	-	100%	100%	-
ESI	7%	6%	Yes	7%	7%	Yes
Others – please specify	-	-	-	-	-	-

3. **Accessibility of workplaces**

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.: **Yes.**

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

**Yes,** Gulshan Polyols has an equal opportunity policy in accordance with the Rights of Persons with Disabilities Act, 2016. The policy is outlined in their HR Manual, which emphasizes equal opportunity during the recruitment process and is also incorporated as part of the code of conduct. However, the policy is not available online and can be accessed physically at their premises.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	-	100%	-
Female	100%	-	100%	-
<b>Total</b>	100%	-	100%	-

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No <i>(If Yes, then give details of the mechanism in brief)</i>
Permanent Workers	No
Other than Permanent Workers	No
Permanent Employees	No
Other than Permanent Employees	No

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
<b>Total Permanent Employees</b>	375	65	17%	367	65	17.7%
- Male	355	65	18%	352	65	18.4%
- Female	20	0	0	15	0	0
<b>Total Permanent Workers</b>	854	0	0	759	0	0
- Male	854	0	0	759	0	0
-Female	0	0	0	0	0	0



**8. Details of training given to employees and workers:**

Category	FY 2022-23 Current Financial Year					FY 2021-22 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Male	355	355	100%	0	0	352	352	100%	0	0
Female	20	20	100%	0	0	15	15	100%	0	0
Total	375	375	100%	0	0	367	367	100%	0	0
<b>Workers</b>										
Male	854	854	100%	0	0	759	759	100%	0	0
Female	0	0	0	0	0	0	0	0	0	0
Total	854	854	100%	0	0	759	759	100%	0	0

**9. Details of performance and career development reviews of employees and worker:**

Category	FY 22-23 Current Financial Year			FY 21-22 Previous Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
<b>Employees*</b>						
Male	355	355	100%	352	352	100%
Female	20	20	100%	15	15	100%
Total	375	375	100%	367	367	100%
<b>Workers</b>						
Male	854	854	100%	759	759	100%
Female	0	0	0%	0	0	0
Total	854	854	100%	759	759	100%

\*- includes Executives and Non-executive employees

**10. Health and safety management system:**

- Whether an occupational health and safety management system has been implemented by the entity? **(Yes/No)**. If yes, the coverage of such system?  
No, but we are in the process of getting certified on OHSAS 18001 for our Bharuch plant situated in Gujarat.
- What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?  
The entity utilizes the 5S methodology to identify work-related hazards and assess risks on both routine and non-routine bases. Through the 5S process, the entity systematically organizes the workplace (Sort, Set in Order, Shine, Standardize, and Sustain), which helps identify potential hazards and improve safety conditions. Regular application of 5S ensures a proactive approach to hazard identification and risk assessment, contributing to a safer working environment.
- Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)  
Yes, as per SOP.
- Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? **(Yes/No)**  
Yes, the entity provides its employees/workers with access to non-occupational medical and healthcare services. Regular yearly and monthly check-ups are made available to ensure their overall well-being and health.

**11. Details of safety related incidents, in the following format:**

Safety Incident/Number	Category	FY 2022-23 Current Financial Year	FY2021-22 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	NIL	NIL
	Workers	NIL	NIL
Total recordable work-related injuries	Employees	NIL	NIL
	Workers	NIL	NIL
No. of fatalities	Employees	NIL	NIL
	Workers	NIL	NIL
High consequence work-related injury or ill-health (excluding fatalities)	Employees	NIL	NIL
	Workers	NIL	NIL

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

As per SOP, the entity prioritizes the safety and health of its employees by implementing various measures in the workplace. Comprehensive safe operating procedures are in place to minimize risks and ensure that employees follow standardized protocols to carry out their tasks safely. Furthermore, the entity has applied for ISO certification, underscoring its dedication to adhering to international standards for occupational health and safety.

13. Number of Complaints on the following made by employees and workers:

	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	NIL	NIL	NIL	NIL	NIL	NIL
Health & Safety	NIL	NIL	NIL	NIL	NIL	NIL

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	-
Working Conditions	-

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

**Nil**

**Leadership Indicators**

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)?

**Yes (As per Policy under Workman Compensation and PMJJY)**

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The entity implements measures to ensure that statutory dues have been deducted and deposited by its value chain partners. These measures include obtaining monthly challans as proof of the deduction and deposit of statutory dues. By maintaining these records, the entity can verify compliance and adherence to legal obligations, promoting transparency and responsible financial practices throughout the value chain.

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Employees	NIL	NIL	NIL	NIL
Workers	NIL	NIL	NIL	NIL

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?

**Yes**

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	NIL
Working Conditions	NIL

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

**No**

**PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders**

**Essential Indicators**

1. Describe the processes for identifying key stakeholder groups of the entity.

**Determination of scope of materiality assessment:**

The first step involved defining the scope of the materiality assessment, which included identifying the issues, topics, or areas that could potentially impact the company's operations, reputation, or stakeholders. This was guided by the SASB and GRI suggested approaches.

**Identification of internal stakeholders**

The second step involved identifying internal stakeholders who have a direct connection to the company, such as employees, shareholders, and management. All internal stakeholders who could be affected by the materiality assessment were identified.

**Prioritization of identified stakeholders**

The third step involved identifying external stakeholders who are impacted by the company's operations, such as customers, suppliers, regulators, and the local community.

The final step was to prioritize the identified stakeholders based on their level of interest in the assessment and their level of influence over GPL's operations. This prioritization was done to determine which stakeholders should be engaged further in the materiality assessment process.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Emails, Notice board	Annual	During the stakeholder engagement for materiality assessment, the key topics raised were Anti-corruption practices of the company, Tax compliance of the company, Policy/Code of conduct for ethical behaviour, Statutory compliance and Training and communication of ethics and integrity throughout the business including value chain partners.
Bankers	No	Website	Annual	During the stakeholder engagement for materiality assessment, the key topics raised were Training & Compliance, Performance & Transparency, Anti-Corruption Measures, Employee Welfare & Safety, Environmental Responsibility, Diversity & Inclusion, Grievance Mechanism, Supplier Engagement, Customer Protection & Privacy.
Customers	No	Emails, website	Annual	During the stakeholder engagement for materiality assessment, the key topics raised were Training & Integrity, Transparency in Performance, Statutory Compliance, Conflict of Interest Handling, Anti-Corruption Measures, Employee Welfare & Safety, Diversity & Inclusion, Grievance Mechanism, Environmental Responsibility, Supplier Engagement, Customer Protection & Privacy.
Investors & shareholders	No	Website	Annual	During the stakeholder engagement for materiality assessment, the key topics raised were Training & Integrity, Transparency in Performance, Statutory Compliance, Conflict of Interest Handling, Anti-Corruption Measures, Employee Welfare & Safety, Diversity & Inclusion, Grievance Mechanism, Environmental Responsibility, Supplier Engagement, Customer Protection & Privacy.

Suppliers & vendors	No	Website	Annual	During the stakeholder engagement for materiality assessment, the key topics raised were Ethics Training & Anti-Corruption, Tax Compliance & Resource Efficiency, Health & Safety, Equal Opportunity & Diversity, Harassment-Free Workplace, Environmental Impact & Sustainability, Responsible Supply Chain, Customer Privacy & Safety.
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**Leadership Indicators**

- Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.
  - The regular and proactive communication with key stakeholders is deemed crucial by the company to effectively convey its strategies and performance. By consistently engaging with stakeholders, the company gains a better understanding of their expectations and can serve them accordingly. Relevant developments are communicated to the Board, and feedback is sought from the Directors.
  - In addition to the regular engagements, the company has also undertaken stakeholder engagement exercises with its key stakeholders. The prioritized list of issues from the stakeholders was submitted to the board as a report for further action. Important issues as identified by the stakeholders were also identified as material for the company for further actions.
- Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.
 

**Yes**, through materiality assessment enabled by stakeholder engagement, the company engages with its stakeholders in terms of identifying and prioritizing the issues pertaining to economic, environmental, and social topics.
- Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

The Company's CSR activities focus on the disadvantaged, vulnerable and marginalized segments of society. **Kindly refer to the CSR Report given separately in the Annual Report.**

**PRINCIPLE 5: Businesses should respect and promote human rights**

**Essential Indicators**

- Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of Employees / workers covered (D)	% (D / C)
<b>Employees</b>						
Permanent	375	NIL	NIL	367	NIL	NIL
Other than permanent	0	NIL	NIL	0	NIL	NIL
<b>Total Employees</b>	375	NIL	NIL	367	NIL	NIL
<b>Workers</b>						
Permanent	NA	NA	NA	NA	NA	NA
Other than permanent	NA	NA	NA	NA	NA	NA
<b>Total Workers</b>	NA	NA	NA	NA	NA	NA

- Details of minimum wages paid to employees and workers, in the following format:

Category	Total (A)	FY 2022-23 Current Financial Year				FY 2021-22 Previous Financial Year				
		Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
<b>Permanent</b>	375	0	0	375	100%	367	0	0%	367	100%
Male	355	0	0	355	100%	352	0	0	352	100%

Category	Total (A)	FY 2022-23 Current Financial Year				FY 2021-22 Previous Financial Year				
		Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Female	20	0	0	20	100%	15	0	0	15	100%
<b>Other than Permanent</b>	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Female	0	0	0%	0	0%	0	0	0%	0	0%
<b>Workers</b>										
<b>Permanent</b>	854	0	0	854	100%	759	0	0	759	100%
Male	854	0	0	854	100%	759	0	0	759	100%
Female	-	-	-	-	-	-	-	-	-	-
<b>Other than Permanent</b>	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BOD)	5	5,40,000	3	96,80,000
Key Managerial Personnel	2	56,57,000	1	10,15,000
Employees other than BOD and KMP	353	1,24,800	19	3,09,492

Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? **(Yes/No)**

**No**

4. Describe the internal mechanisms in place to redress grievances related to human rights issues.

**Not applicable**

5. Number of Complaints on the following made by employees and workers:

	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	NIL	NIL	NIL	NIL	NIL	NIL
Discrimination at workplace	NIL	NIL	NIL	NIL	NIL	NIL
Child Labour	NIL	NIL	NIL	NIL	NIL	NIL
Forced Labour/ Involuntary Labour	NIL	NIL	NIL	NIL	NIL	NIL
Wages	NIL	NIL	NIL	NIL	NIL	NIL
Other human rights related issues	NIL	NIL	NIL	NIL	NIL	NIL

6. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Whistle blower policy is formulated to provide opportunity to employees to access in good faith, to the Competent Authority in case of complaints, improper practices and/or activities or any other wrongful conduct in the Company and to prohibit managerial personnel from taking any adverse personnel action against those employees.

7. Do human rights requirements form part of your business agreements and contracts? **(Yes/No)**

**No**

## 9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	-
Forced/involuntary labour	-
Sexual harassment	-
Discrimination at workplace	-
Wages	-
Others – please specify	-

## 10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

**Not Applicable**

#### Leadership Indicators

## 1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

- No

## 2. Details of the scope and coverage of any Human rights due-diligence conducted.

- No

## 3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

- Yes

## 4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	-
Discrimination at workplace	-
Child Labour	-
Forced Labour/Involuntary Labour	-
Wages	-
Others – please specify	-

## 5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

- Not Applicable

#### PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

##### Essential Indicators

## 1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total electricity consumption (A)	38,12,67,882 MJ	36,79,61,796 MJ
Total fuel consumption (B)	430,80,70,662 MJ	473,96,54,380 MJ
Energy consumption through other sources (C)	-	-
<b>Total energy consumption (A+B+C)</b>	<b>468,93,38,544 MJ</b>	<b>510,76,16,176 MJ</b>
Energy intensity per rupee of turnover ( <i>Total energy consumption in MJ / turnover in Lakhs rupees</i> )	39,749.26	46,402.23
Energy intensity ( <i>optional</i> ) – the relevant metric may be selected by the entity	--	--

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

**No**

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	0	0
(ii) Groundwater	455975	469086
(iii) Third party water	526115	536021
(iv) Seawater / desalinated water	--	--
(v) Others	--	--
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	982090	1005107
<b>Total volume of water consumption (in kilolitres)</b>	982090	1005107
<b>Water intensity per rupee of turnover (Water consumed in KL / turnover in Lakhs ₹)</b>	8.32	9.13
<b>Water intensity (optional) – the relevant metric may be selected by the entity</b>	--	--

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

**No**

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

**Yes**

- Boregoan plants and Upcoming project at Assam are on ZLD basis technology. Company has installed the waste heat recovery and Multi effect evaporators to treat the ETP treated water for its use in the various process and then final concentrated effluent is being used in coal yard for Ash quenching.
  - All mineral processing plants also operate on ZLD basis by using its water in back process. As effluent has the high Ph and less COD. Hence, it is good for using in the washing or in back process.
  - Our plants at Muzaffarnagar and Bharuch are having moderated ETP backed by Multieffect evaporators. ETP treated water is being used in RO and RO reject is being processed in Multieffect Evaporators. RO reject and other qualified effluent, which is complying with the state pollution control board guidelines, are discharged in designated drain. We have the permission of effluent discharge. Hence, all discharge qualifies the norms set by the authority.
5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
NOx	NA	< 89 PM	< 95 PM
SOx	NA	< 69 PM	<72 PM
Particulate matter (PM)	NA	49	48
Persistent organic pollutants (POP)	NA	-	-
Volatile organic compounds (VOC)	NA	-	-
Hazardous air pollutants (HAP)	NA	-	-
Carbon Monoxide	NA	<0.25%	<0.26%
Hydrocarbons	NA	-	-
NMHC(at 15% O2)	NA	-	-
Others – please specify	NA	<100 PPM	<100 PPM

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

**No**

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	--	--
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	-	-
Total Scope 1 and Scope 2 emissions per rupee of turnover		--	--
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		--	--

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

**No**

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

**No**

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	--	--
E-waste (B)	--	--
Bio-medical waste (C)	--	--
Construction and demolition waste (D)	--	--
Battery waste (E)	--	--
Radioactive waste (F)	--	--
Other Hazardous waste. Please specify, if any. (G)	--	--
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	--	--
<b>Total (A+B + C + D + E + F + G+ H)</b>	--	--
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	--	--
(ii) Re-used	--	--
(iii) Other recovery operations	--	--
<b>Total</b>	--	--
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	--	--
(ii) Landfilling	--	--
(iii) Other disposal operations	--	--
<b>Total</b>	--	--

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

**NO**

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

**Not Applicable**



10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
NA			

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

NA

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NA					

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

NA

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
NA				

#### Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
<b>From renewable sources</b>		
Total electricity consumption (A)	58,32,187	--
Total fuel consumption (B)	--	--
Energy consumption through other sources (C)	--	--
<b>Total energy consumed from renewable sources (A+B+C)</b>	--	--
<b>From non-renewable sources</b>		
Total electricity consumption (D)	--	--
Total fuel consumption (E)	--	--
Energy consumption through other sources (F)	--	--
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	--	--

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. **No**

2. Provide the following details related to water discharged:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water	--	--
- No treatment	--	--
- With treatment – specify level of treatment	--	--
(ii) To Groundwater	--	--
- No treatment	--	--
- With treatment – specify level of treatment	--	--
(iii) To Seawater	--	--

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
- No treatment	--	--
- With treatment – specify level of treatment	--	--
(iv) Sent to third-parties	--	--
- No treatment	--	--
- With treatment – specify level of treatment	4,23,836.00	3,95,361.00
(v) Others	--	--
- No treatment	--	--
- With treatment – specify level of treatment	--	--
<b>Total water discharged (in kilolitres)</b>	--	--

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. **NO**

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres): **NA**

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area
- (ii) Nature of operations
- (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	--	--
(ii) Groundwater	--	--
(iii) Third party water	--	--
(iv) Seawater / desalinated water	--	--
(v) Others	--	--
<b>Total volume of water withdrawal (in kilolitres)</b>	--	--
<b>Total volume of water consumption (in kilolitres)</b>	--	--
<b>Water intensity per rupee of turnover (Water consumed / turnover)</b>	--	--
<b>Water intensity (optional)</b> – the relevant metric may be selected by the entity	--	--
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) Into Surface water	--	--
- No treatment	--	--
- With treatment – specify level of treatment	--	--
(ii) Into Groundwater	--	--
- No treatment	--	--
- With treatment – specify level of treatment	--	--
(iii) Into Seawater	--	--
- No treatment	--	--
- With treatment – specify level of treatment	--	--
(iv) Sent to third-parties	--	--
- No treatment	--	--
- With treatment – specify level of treatment	--	--
(v) Others	--	--
- No treatment	--	--
- With treatment – specify level of treatment	--	--
<b>Total water discharged (in kilolitres)</b>	--	--

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

4. Please provide details of total Scope 3 emissions & its intensity, in the following format: **NA**

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
<b>Total Scope 3 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	--	--
<b>Total Scope 3 emissions per rupee of turnover</b>		--	--
<b>Total Scope 3 emission intensity (optional)</b> – the relevant metric may be selected by the entity		--	--

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. **No**

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

**Not Applicable**

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

**Not Applicable**

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

**Not Applicable**

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

**Not Applicable**

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

**Not Applicable**

**PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

#### Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.  
b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	PHD Chamber of Commerce and Industry	National
2	Central Pulp and Paper Institute	National
3	All India Starch Manufacturing Association	National
4	All India manufacturing association of Calcium Carbonate	National
5	Jagardia Industries Association	State
6	Bombay Industries Association	State
7	All India Plastic Manufacturers Association (AIPMA)	National
8	Plast India Association	National
9	Plastvison India Association	National

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
NA	NA	NA

#### Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly/ Others – please specify)	Web Link, if available
NA	NA	NA	NA	NA	NA

**PRINCIPLE 8: Businesses should promote inclusive growth and equitable development**

**Essential Indicators**

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NA	NA	NA	NA	NA	NA

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
	NA	NA	NA	NA	NA	NA

3. Describe the mechanisms to receive and redress grievances of the community.

The Company has established a well-defined process for receiving and resolving community concerns and grievances. The site-level committee comprises members from different departments, such as administration, human resources, and corporate social responsibility. This committee is responsible for receiving and addressing both written and verbal concerns from the community. Whenever a concern arises, the committee conducts joint field visits and investigations to ensure appropriate and timely resolution. All the concerns and their resolutions are meticulously tracked and recorded.

In addition to addressing concerns, the Company actively engages with the community as an integral part of its development approach. Throughout the year, a range of informal and formal sessions, as well as program-specific meetings, are organized to facilitate community interaction. The Company follows a targeted approach to engage with different sections of the community, including youth, women, and community leaders, to ensure inclusivity and effectiveness in its outreach efforts.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Directly sourced from MSMEs/ small producers	37.98%	19.07%
Sourced directly from within the district and neighbouring districts	--	--

**Leadership Indicators**

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
	NA

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (in INR)
		NA	

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/vulnerable groups? (Yes/No): **Not Applicable**
- (b) From which marginalized /vulnerable groups do you procure? **Not Applicable**
- (c) What percentage of total procurement (by value) does it constitute? **Not Applicable**
4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
				NIL

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
NIL	NIL	NIL

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	Total Expenditure	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Preventive Healthcare including hygiene and sanitation	26,05,116	9,008	84%
2	Education including School building & Infrastructure Development	25,15,649	4,473	88%
3	Community Infrastructure and Rural Development	7,04,954	19,500	100%
4	Ensuring environmental sustainability	26,26,529	5,717	7%
5	Other activities	5,36,346	742	100%

**PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner**

**Essential Indicators**

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.  
Gulshan Polyols is committed to ensuring customer satisfaction and actively encourages feedback and complaints from consumers. The company has a contact us page on the website which is an easy and accessible channel for customers to submit their complaints and provide feedback.
2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about: **NA.**

	As a percentage to total turnover
Environmental & social parameters relevant to the product	95%
Safe and responsible usage	95%
Recycling and/or safe disposal	95%

3. Number of consumer complaints in respect of the following:

	FY 2022-23 (Current Financial year)		Remarks	FY 2021-22 (Previous Financial year)		Remarks
	Received during the year	Pending resolution at the end of year		Received during the year	Pending resolution at the end of year	
Data privacy	NIL		-	NIL		-
Advertising	NIL		-	NIL		-
Cyber-security	NIL		-	NIL		-
Delivery of essential services	NIL		-	NIL		-
Restrictive Trade Practices	NIL		-	NIL		-
Unfair Trade Practices	NIL		-	NIL		-
Other	NIL		-	NIL		-

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	NA	NA

Forced recalls

NA

NA

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

**No**

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

**No**

**Leadership Indicators**

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Below is the official website where information on products and services of the entity can be accessed: [www.gulshanindia.com](http://www.gulshanindia.com)

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

The company takes proactive steps to inform and educate consumers about the safe and responsible usage of its products and/or services. For each product, the company provides comprehensive Material Safety Data Sheets (MSDs) that contain essential information regarding safe handling, usage guidelines, and responsible practices. These MSDs aim to empower consumers with the necessary knowledge to use the products safely and responsibly, ensuring their well-being and promoting sustainable usage practices.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

**NA**

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.

**Yes**, the entity displays additional product information on the packaging beyond what is mandated by local laws. The packaging includes the company logo, batch details, and the FSSAI number, which is a requirement as per the law. By providing this supplementary information, the entity aims to enhance transparency, build consumer trust, and ensure compliance with relevant regulations while promoting product authenticity and safety.

5. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

**No**

6. Provide the following information relating to data breaches:

- a. Number of instances of data breaches along-with impact - **No**
- b. Percentage of data breaches involving personally identifiable information of customers

**There were no reported data breaches.**

## 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 2023, 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 2023, 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 on the standalone financial statements.

**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, 2020 ("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 read with rule 7 of the companies(account) rules, 2014.
  - e. On the basis of written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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.
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 : 12-05-2023**  
**Place : Delhi**  
**UDIN: 23408730BGQDYA8445**

**(CA Sunil Kumar)**  
**Partner**  
**Membership No.408730**

**ANNEXURE 'A' TO THE AUDITORS' REPORT**

**(Referred to in Para 1 under 'Report on Other Legal Regulatory Requirements' section of our Report of even date)**

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March, 2023.

We report that:

- i. In respect of Fixed Assets
    - a. A. The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets (property plant and equipment)
    - B. The company has maintained proper records showing full particulars of its intangible assets.
  - b. The company has a program of physical verification of its fixed assets (property, plant and equipment) by which fixed assets are verified at reasonable intervals. In accordance with this program fixed assets were verified and discrepancies which were noticed on such verification were properly dealt with in the books of accounts.
  - 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 which are disclosed in financial statements (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the company.
  - d. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
  - e. According to the information and explanations given to us and on the basis of our examination of the record of the company, any proceedings have not been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. In respect of Inventory and Working Capital Limits
    - a. (i) The physical verification of inventory has been conducted at reasonable intervals by the Management
    - (ii) The coverage and procedure of physical verification of inventory followed by the management is reasonable, adequate and appropriate in relation to the size of company and the nature of its business.
    - (iii) The company has maintained proper records of inventory. The discrepancies noticed on such verification between the physical stocks and book stocks were not material for each class of inventory and the same have been properly dealt with in the books of accounts.
  - b. The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets during any point of time of the year. The quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.
- iii. According to the information and explanations given to us and on the basis of our examination of the record of the company during the year the company has not made investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013 Therefore, requirement of clause (iii) of paragraph 3 of the order is not applicable to the company.
  - iv. In respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been compiled with as applicable.
  - v. The company has not accepted any deposits or amounts which are deemed to be deposits during the year as per the directives issued by the Reserve Bank of India and within the meaning of the provisions of sections 73 to 76 and other relevant provisions of the Companies Act, 2013 and the rules framed there under, where applicable. Thus, the clause (v) of paragraph 3 of the order is not applicable to the company.
  - vi. In pursuant to the order made by the Central Government for the maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013, the company has made and maintained the prescribed accounts and records. We have however, not made a detailed examination of the Cost Records with a view to determine whether they are accurate and complete.
  - vii. In respect of statutory dues
    - a. According to the information and explanations given to us, and on the basis of our examination, the company is generally regular in depositing undisputed statutory dues including provident fund, Investor Education and Protection Fund, Employee's State Insurance, Income Tax, Goods and Service Tax, Sales Tax, ~~Wealth Tax~~, Service Tax, Duty of Excise, Duty of Customs, Value Added Tax, Cess and any other Statutory dues with appropriate authorities. According to the information and explanation given to us there were no outstanding statutory dues as on 31st of March, 2023 for a period of more than six months from the date they became payable.
    - 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, 2023.
  - viii. According to the information and explanations given to us, and on the basis of our examination of the record of the company, there are no such instances noticed where transactions are not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). There is no previously unrecorded income which has been

- required to be properly recorded in the books of account during the year.
- ix. The company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- x. a. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- b. During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. a. 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.
- b. There is no Audit Report in form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 has been filed by the auditors with Central Government in terms of provisions of sub section 12 of Section 143 of the Companies Act.
- c. According to the information and explanations given to us, there is no whistle blower complaint has been received by the company during the year.
- xii. The provisions of clause 3 (xii) of the Order, for Nidhi Company, are not applicable to Company.
- xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where ever applicable and the details have been disclosed in the standalone Financial Statements etc. As required by the applicable Indian Accounting Standards.
- xiv. a. The Company has an Internal Audit system commensurate with the size and nature of its business.
- b. The Reports of the Internal Auditors for the period under audit were considered.
- 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 them during the year.
- xvi. According to information and explanations given to us, the Company is not required to be registered u/s 45-IA of Reserve Bank of India Act, 1934. Accordingly, provision of clause 3(xvi) of the Order is not applicable to the Company.
- xvii. According to the information and explanations given to us, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- xviii. There has not been any resignation of the statutory auditors during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, Plans of the Board of Directors and management we are of the opinion that no material uncertainty exists as on the date of the audit report, that the company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- xx. a. According to information and explanation given to us, in respect of other than ongoing projects, the company has spent the entire amount hence there is no unspent amount which is required to be transferred to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act;
- b. There is no such amount remaining unspent under sub-section (5) of section 135 of the Companies Act, pursuant to any ongoing project, which has been required to be transferred to special account in compliance with the provision of subsection (6) of section 135 of the said Act;
- xxi. There have been no Qualification or Adverse remarks by the respective auditors in the companies (Auditor's Report) Order (CARO) reports of the companies included in the Consolidated financial statements.

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

**Date : 12-05-2023**  
**Place : Delhi**  
**UDIN: 23408730BGQDYA8445**

(CA Sunil Kumar)  
Partner  
Membership No.408730

## “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 2023 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 2023, 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.

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

**Date : 12-05-2023**  
**Place : Delhi**  
**UDIN: 23408730BGQDYA8445**

**(CA Sunil Kumar)**  
**Partner**  
**Membership No.408730**

## Standalone Balance Sheet as at 31st March 2023

(Rs. in Lakhs)

	Particulars	Note No.	As at March 31st, 2023	As at March 31st, 2022
<b>A</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-Current Assets</b>			
	(a) Property, Plant and Equipment	2	27,580.63	23,715.71
	(b) Capital Work-in-Progress	3	27,802.30	9,128.12
	(c) Investment Property	4	271.81	273.15
	(d) Intangible Assets	5	6.24	7.21
	(e) Financial Assets			
	(i) Investments	6	1,958.00	2,585.67
	(ii) Other Financial Assets	7	1,225.92	1,250.92
	(f) Other Non-Current Assets	8	1,571.95	2,699.80
	(g) Non Current Tax Assets (Net)		150.30	174.04
	<b>Total Non- Current Assets</b>		<b>60,567.15</b>	<b>39,834.62</b>
<b>2</b>	<b>Current Assets</b>			
	(a) Inventories	9	15,737.20	10,789.87
	(b) Financial Assets			
	(i) Investments	6A	338.71	-
	(ii) Trade Receivables	10	14,163.41	11,962.07
	(iii) Cash and Cash equivalents	11	509.69	11,260.83
	(iv) Other Bank Balance	12	61.45	1,047.24
	(c) Other Current Assets	13	7,273.39	2,499.52
	(d) Current Tax Assets (Net)		138.83	-
	<b>Total Current Assets</b>		<b>38,222.68</b>	<b>37,559.53</b>
	<b>Total Assets</b>		<b>98,789.83</b>	<b>77,394.15</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Equity</b>			
	(a) Equity Share Capital	14	519.75	519.75
	(b) Other Equity	15	56,986.18	53,019.23
			<b>57,505.93</b>	<b>53,538.98</b>
<b>2</b>	<b>Non-Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	16	12,750.00	4,731.22
	(ii) Lease Liabilities	17	445.46	450.10
	(b) Provisions	18	63.15	-
	(c) Deferred Tax Liabilities (Net)	19	1,370.72	1,336.91
	<b>Total Non-Current Liabilities</b>		<b>14,629.33</b>	<b>6,518.23</b>
<b>3</b>	<b>Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	20	12,046.68	6,464.37
	(ii) Trade payables	21		
	(a) Outstanding dues of micro, small enterprises		2,061.02	585.00
	(b) Outstanding dues of creditors other than above		5,979.19	5,195.17
	(iii) Lease liabilities	17	43.94	43.51
	(iv) Other Financial Liabilities	22	4,701.55	2,148.83
	(b) Other Current Liabilities	23	1,822.19	2,726.02
	(c) Current Tax Liability (Net)		-	174.04
	<b>Total Current Liabilities</b>		<b>26,654.57</b>	<b>17,336.94</b>
	<b>Total Equity and Liabilities</b>		<b>98,789.83</b>	<b>77,394.15</b>
	Significant Accounting policies	1		

The accompanying notes form an integral part of Standalone Financial Statements

As per our report of even date

For RAJEEV SINGAL &amp; CO.

Chartered Accountants

(Registration No.008692C)

For and on behalf of the Board of Directors

(CA Sunil Kumar)

Partner

Membership no: 408730

Date: May 12, 2023

Place : Delhi

UDIN: 23408730BGQDYA8445

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

**Standalone Statement of Profit and Loss for the year ended 31st March 2023**
**(Rs. in Lakhs)**

Particulars	Note No.	For the year ended March 31st, 2023	For the year ended March 31st, 2022
<b>REVENUE</b>			
Revenue from Operations	24	1,17,972.97	1,10,072.64
Other Income	25	706.48	204.75
<b>Total Income (I)</b>		<b>1,18,679.45</b>	<b>1,10,277.39</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	26	70,230.84	56,434.35
Purchase of Stock in Trade	27	605.76	930.80
Changes in Inventories of Finished goods, Work in progress and Stock in Trade	28	(975.16)	(15.39)
Employee Benefits Expenses	29	3,267.86	3,630.10
Finance Cost	30	612.73	495.97
Depreciation & amortisation Expenses	31	2,873.49	3,240.90
Other Expenses	32	36,025.83	34,081.01
<b>Total Expenses (II)</b>		<b>1,12,641.35</b>	<b>98,797.74</b>
<b>Profit Before Tax (III) (I-II)</b>		<b>6,038.10</b>	<b>11,479.65</b>
Tax Expense:	33		
Current Tax Expense		1,450.51	3,079.67
Deferred Tax Expense		51.41	(124.91)
<b>Total Tax Expenses (IV)</b>		<b>1,501.92</b>	<b>2,954.76</b>
<b>Profit/(Loss) for the year (V) (III-IV)</b>		<b>4,536.18</b>	<b>8,524.89</b>
<b>Other Comprehensive Income</b>			
<b>Item that will not be reclassified to Profit and Loss:</b>			
(Gain)/loss on equity instruments		(7.74)	(19.28)
(Gain)/Loss of defined benefit obligation		73.36	15.74
Income Tax relating to item that will not be reclassified to profit or loss		(17.60)	(2.29)
<b>Total Other Comprehensive (Income)/Loss (VI)</b>		<b>48.02</b>	<b>(5.83)</b>
<b>Total Comprehensive Income for the year (VII) (V - VI)</b>		<b>4,488.16</b>	<b>8,530.72</b>
Earning per equity share of face value of Rs. 1 each Basic and diluted (in Rs.)	34		
Basic		8.73	16.40
Diluted		8.73	16.40

**The accompanying notes form an integral part of Standalone Financial Statements**
**As per our report of even date**
**For RAJEEV SINGAL & CO.**

Chartered Accountants

**(Registration No.008692C)**
**For and on behalf of the Board of Directors**
**(CA Sunil Kumar)**

Partner

Membership no: 408730

**Date: May 12, 2023**
**Place : Delhi**
**UDIN: 23408730BGQDYA8445**
**DR. CHANDRA KUMAR JAIN**

Chairman &amp; Managing Director

DIN: 00062221

**ASHWANI KUMAR VATS**

Whole Time Director and CEO

DIN : 00062413

**ASHA MITTAL**

Company Secretary

**RAJIV GUPTA**

Chief Financial Officer

## Standalone Statement of Cash Flow for the Year ended 31st March, 2023

Particulars	(Rs.in Lakhs)	
	Year ended March 31st, 2023	Year ended March 31st, 2022
<b>A. Cash flow from operating activities</b>		
<b>Profit before Tax</b>	<b>6,038.10</b>	<b>11,479.65</b>
Adjustment for :		
Depreciation and Amortization Expenses	2,873.49	3,240.90
Dividend income	(0.24)	(0.72)
(Gain) / Loss on disposal of property, plant and equipment	11.28	(7.20)
(Gain) / Loss on disposal of Investments	(275.87)	(105.81)
Interest income	(73.82)	(87.40)
Interest expenses	612.73	495.97
<b>Cash generated from operations before working capital changes</b>	<b>9,185.67</b>	<b>15,015.39</b>
Adjustment for :		
Decrease/(increase) in other assets	(1,010.69)	(2,471.77)
Decrease/(increase) in trade receivables	(2,201.34)	(2,123.92)
Decrease/(increase) in inventories	(4,947.33)	(1,744.81)
(Decrease)/increase in other current liabilities	(2,601.73)	(839.19)
(Decrease)/increase in provisions	63.15	-
(Decrease)/increase in trade and other payables	4,812.77	1,211.86
<b>Cash generated from operating activities</b>	<b>(5,885.17)</b>	<b>(5,967.83)</b>
Direct taxes paid (net of refunds)	(1,739.64)	(2,954.56)
<b>Cash flows before exceptional items</b>	<b>1,560.86</b>	<b>6,093.00</b>
<b>Net Cash flow generated from operating activities (A)</b>	<b>1,560.86</b>	<b>6,093.00</b>
<b>B. Cash Flow from Investing activities</b>		
Sale proceeds from property, plant and equipment	36.45	14.40
Purchase of property, plant and equipment including capital work in progress	(25,425.47)	(11,333.60)
Purchase of intangibles	(0.99)	(0.83)
Net Sale/ (Purchase) proceeds from non-current investments and current investments	572.57	(2,389.62)
Interest income	73.82	87.40
Dividend income	0.24	0.72
<b>Net Cash Flow Generated from investing activities (B)</b>	<b>(24,743.38)</b>	<b>(13,621.53)</b>
<b>C. Cash flow from Financing activities</b>		
Interest expenses	(607.49)	(487.59)
Payment of Interest/Principal on Lease Liabilities	(41.00)	(29.08)
Proceeds/(Repayment) of long-term borrowings	8,018.78	3,678.22
Proceeds/(Repayment) of short-term borrowings	5,582.31	6,464.37
Proceeds from issue of Equity share capital (net of transaction costs)	-	7,634.04
Transaction costs on issue of shares	(1.47)	-
Dividend paid	(519.75)	(274.08)
<b>Net Cash flow Generated from financing activities (C)</b>	<b>12,431.38</b>	<b>16,985.88</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>(10,751.14)</b>	<b>9,457.35</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>11,260.83</b>	<b>1,803.48</b>
<b>Cash and cash equivalents at year end</b>	<b>509.69</b>	<b>11,260.83</b>

**Note:**

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 Standalone Financial Statements****As per our report of even date****For RAJEEV SINGAL & CO.**

Chartered Accountants

(Registration No.008692C)

(CA Sunil Kumar)

Partner

Membership no: 408730

**Date: May 12, 2023****Place : Delhi****UDIN: 23408730BGQDYA8445****For and on behalf of the Board of Directors****DR. CHANDRA KUMAR JAIN**

Chairman &amp; Managing Director

DIN: 00062221

**ASHA MITTAL**

Company Secretary

**ASHWANI KUMAR VATS**

Whole Time Director and CEO

DIN : 00062413

**RAJIV GUPTA**

Chief Financial Officer



**Standalone Statement of Change in Equity for the Year ended 31st March, 2023**
**A. Equity Share Capital**
**(Rs.in Lakhs)**

<b>Opening balance as at April 1, 2021</b>	<b>495.59</b>
Change during the year	24.16
<b>Closing balance as at March 31, 2022</b>	<b>519.75</b>
Change during the year	-
<b>Closing balance as at March 31, 2023</b>	<b>519.75</b>

**B. Other Equity attributable to the Equity Holders of the Company**
**(Rs.in Lakhs)**

Particulars	RESERVES AND SURPLUS					Other Comprehensive Income		Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Capital Redemption Reserve	Retained Earning	Equity Instrument through Other Comprehensive Income	Defined Benefit Obligation	
<b>Balance as at 1st April 2021</b>	(18,074.73)	17,796.36	5,371.86	50.00	31,964.29	4.83	40.09	37,152.70
Profit for the year	-	-	-	-	8,524.89	-	-	8,524.89
Amount Transfer to Capital Redemption Reserve	-	-	-	975.00	(975.00)	-	-	-
Dividend on equity shares	-	-	-	-	(274.08)	-	-	(274.08)
Change during the year	-	7,863.60	-	-	-	-	-	7,863.60
Transaction costs on issue of shares	-	(253.72)	-	-	-	-	-	(253.72)
Other comprehensive income for the year, net of income tax	-	-	-	-	-	17.36	(11.52)	5.84
Amount Transfer to General Reserve	-	-	2.00	-	(2.00)	-	-	-
<b>As at 31st March 2022</b>	<b>(18,074.73)</b>	<b>25,406.24</b>	<b>5,373.86</b>	<b>1,025.00</b>	<b>39,238.10</b>	<b>22.19</b>	<b>28.57</b>	<b>53,019.23</b>
<b>Balance as at 1st April 2022</b>	<b>(18,074.73)</b>	<b>25,406.24</b>	<b>5,373.86</b>	<b>1,025.00</b>	<b>39,238.10</b>	<b>22.19</b>	<b>28.57</b>	<b>53,019.23</b>
Profit for the year	-	-	-	-	4,536.18	-	-	4,536.18
Trf. To retained earning on disposal of Equity Instruments valued through OCI	-	-	-	-	(14.37)	14.37	-	-
Dividend on equity shares	-	-	-	-	(519.75)	-	-	(519.75)
Transaction costs on issue of shares	-	(1.47)	-	-	-	-	-	(1.47)
Other comprehensive income for the year, net of income tax	-	-	-	-	-	6.88	(54.89)	(48.01)
<b>As at 31st March, 2023</b>	<b>(18,074.73)</b>	<b>25,404.77</b>	<b>5,373.86</b>	<b>1,025.00</b>	<b>43,240.16</b>	<b>43.44</b>	<b>(26.32)</b>	<b>56,986.18</b>

**The accompanying notes form an integral part of Standalone Financial Statements**

**As per our report of even date**  
**For RAJEEV SINGAL & CO.**  
Chartered Accountants  
**(Registration No.008692C)**

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

**(CA Sunil Kumar)**  
Partner  
Membership no: 408730

**Date: May 12, 2023**  
**Place : Delhi**  
**UDIN: 23408730BGQDYA8445**

**DR. CHANDRA KUMAR JAIN**  
Chairman & Managing Director  
DIN: 00062221

**ASHA MITTAL**  
Company Secretary

**ASHWANI KUMAR VATS**  
Whole Time Director and CEO  
DIN : 00062413

**RAJIV GUPTA**  
Chief Financial Officer

**NOTES TO STANDALONE FINANCIAL STATEMENTS****1. DESCRIPTION OF THE COMPANY AND SIGNIFICANT ACCOUNTING POLICIES****1.1 Basis of Preparation of Standalone Financial Statements****(i) Corporate Information**

Gulshan Polyols Limited ("GPL" or "the Company") with a CIN number L24231UP2000PLC034918 is a domestic public limited company, listed in India with registered office situated at 9<sup>th</sup> K.M., Jansath Road, Muzaffarnagar (U.P.) - 251001. GPL is a multi-location, multi-product manufacturing company and has become a market leader in most of its products in India with global presence in 42 countries, across 3 continents and its business portfolio covers Starch, Starch Sugars, Calcium Carbonate, Alcohol & Ethanol business, Agro based Animal Feed & On-site PCC plants with production facilities at Muzaffarnagar in Uttar Pradesh, Bharuch in Gujarat, Dhaula Kuan in Himachal Pradesh, Abu Road in Rajasthan, Patiala in Punjab, Tribeni in West Bengal, Amlai & Borgaon in Madhya Pradesh. It caters to wide range of industry & niche markets in core sector encompassing pharmaceuticals, personal care products, footwear, tyres, rubber & plastics, paints, alcohol, value added paper, agrochemicals, food and agro products. Since inception, GPL is a dividend paying company and listed on National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange ("BSE").

**(ii) Statement of compliance**

The Standalone Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III).

The Standalone Financial Statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair values or amortised cost depending upon classification. Historical cost is generally based on the fair value of the consideration given in exchange of goods or services.

**1.2 Use of estimates and judgements**

The preparation of the Standalone 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 Standalone 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 Standalone 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 Company presents assets and liabilities in the Standalone balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised 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 Company 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 Company'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 realisation in cash and cash equivalents, the Company 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 Standalone Financial Statements are presented in INR, which is also the functional currency of the Company. 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 recognised in standalone 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 recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

## 1.5 Critical estimates and judgments

The preparation of Standalone 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 Company's accounting policies.

This note provides an overview 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
- Estimation of current tax expenses
- Useful life of Property, plant and equipment
- Valuation of Inventory
- Provisions and Accruals
- Contingencies

## 1.6 Fair value measurement

The Company 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 Company.

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 Company 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 Standalone Financial Statements on a recurring basis, the company 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 recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company 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 recognised 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 standalone 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 recognised when no significant uncertainty as to its determination or realisation exists.

**(v) Export Incentives**

Export incentives are recognised when the incentives are received from the government authorities.

Export entitlement from government authorities under Duty Draw Back scheme is recognised in the standalone statement of profit and loss based on receipt 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 recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised 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 recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised 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 utilised.
- 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 utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised 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 realised 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 Company recognizes tax credits in the nature of MAT credit as an asset only to the extent that there is convincing evidence that the Company 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 Company recognizes tax credits as an asset, the said asset is created by way of tax credit to the Standalone Statement of Profit and Loss. The Company reviews such tax credit asset at each reporting date and writes down the asset to the extent, the Company does not have convincing evidence that it will pay normal tax during the specified period.
- f. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised 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 Company 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 Company 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 other than freehold land 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.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits attributable to such subsequent cost associated with the item will flow to the Company. All other repair and maintenance costs are recognised in Standalone statement of profit or loss as incurred.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of repairs and maintenance are recognised in the Standalone statement of profit and loss as incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is disclosed as capital advances under non-current assets.

Capital work-in-progress included in property, plant and equipment are not depreciated as these assets are not yet available for use. Any gain or loss on disposal of an item of property, plant and equipment is recognized in Standalone 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 company, 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.

The estimated useful lives, residual values and depreciation method 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 Standalone 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 capitalised 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 recognised as assets are amortised 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 capitalised 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 Company 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 recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased Asset or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss. Contingent rentals are recognised as expenses in the periods in which they are incurred. Lease management fees, legal charges and other initial direct costs are capitalised.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the Standalone statement of profit and loss on a straight-line basis over the lease term, except in case where lease rentals are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost.

#### **Right-of-use assets**

The Company recognises 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 remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, 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 Company recognises 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 recognised 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 remeasured 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 (see Note 40)

#### **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 recognised as expense on a straight-line basis over the lease term.

#### **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.

### **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 realisable 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 an appropriate share of overheads based on normal operating capacity. Stores and spares, that do not qualify to be recognised as property, plant and equipment, consists 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 realisable 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 recognised in the standalone 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 recognised 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 the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

### 1.16 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised 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 recognised 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. VAT, Income Tax, GST 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.

#### Contingent Assets

Contingent assets are not recognised 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 recognised in the period in which the change occurs.

### 1.17 Business Combinations

Business combinations involving entities under common control are accounted for using the pooling of interest's method. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonize accounting policies. Any excess or shortfall of the consideration paid over the share capital of transferor entity or business is recognized as capital reserve under equity (refer note 46).

### 1.18 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 the period in which the employee renders the related service.

#### 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 recognised 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 standalone 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.

### 1.19 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 standalone 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 standalone balance sheet, with value changes recognized in the standalone 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 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 recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises 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 on 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 analysed.

**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 standalone 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 standalone 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 derecognised when the obligation under the 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 recognised in the standalone statement of profit and loss.

**Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the standalone financial statements if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**1.20 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, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**1.21 Trade receivables**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects Company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

**1.22 Investment in subsidiaries**

The investment in subsidiaries are carried in the standalone financial statements at historical cost except when the investment is classified as held for sale in which case it is accounted for as non-current assets held for sale and discontinued operations.

Investments in subsidiaries carried at cost are tested for impairment in accordance with Ind AS 36. Any impairment loss reduces the carrying value of the investment.

**1.23 Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts which are unsecured are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

**1.24 Borrowings**

Borrowings are initially recognized at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in standalone statement of profit or loss.

**2.PROPERTY, PLANT AND EQUIPMENT**

(Rs.in Lakhs)

	Free hold Land	ROU (Right of Use of Assets)	Building	Plant and Equipment	Office Furniture and Equipment	Vehicle	Total
<b>Gross Block</b>							
<b>Balance as at 1st April 2021</b>	258.72	1,087.09	4,099.09	34,764.57	221.40	775.18	41,206.04
Additions	-	1,190.31	1.14	1,574.18	36.13	89.83	2,891.59
Disposals	-	-	-	15.75	-	40.98	56.73
<b>Balance as at 1st April 2022</b>	258.72	2,277.39	4,100.22	36,323.01	257.53	824.03	44,040.90
Additions	-	60.65	98.07	6,629.83	34.17	-	6,822.72
Adjustments	-	(14.66)	-	-	-	-	(14.66)
Disposals	-	-	-	76.18	-	131.61	207.79
<b>Balance as at 31st March 2023</b>	258.72	2,323.38	4,198.30	42,876.65	291.70	692.42	50,641.17
<b>Accumulated Depreciation</b>							
<b>Balance as at 1st April 2021</b>	-	75.03	1,332.99	15,262.46	138.73	312.95	17,122.17
Additions	-	34.92	262.79	2,772.36	27.97	154.50	3,252.54
Disposals	-	-	-	10.44	-	39.08	49.52
<b>Balance as at 1st April 2022</b>	-	109.95	1,595.79	18,024.38	166.71	428.37	20,325.18
Additions	-	48.49	242.58	2,467.56	30.29	122.22	2,911.13
Disposals	-	-	-	48.85	-	126.93	175.78
<b>Balance as at 31st March 2023</b>	-	158.44	1,838.36	20,443.09	196.99	423.66	23,060.54
<b>Net Block</b>							
<b>Balance as at 31st March 2023</b>	258.72	2,164.95	2,359.93	22,433.57	94.71	268.76	27,580.63
<b>Balance as at 31st March 2022</b>	258.72	2,167.45	2,504.44	18,298.63	90.82	395.66	23,715.71

**3. CAPITAL WORK IN PROGRESS**

(Rs.in Lakhs)

Particulars	As at March 31st, 2023	As at March 31st, 2022
<b>Capital Work in Progress consist of the following:</b>		
Work in progress	27,802.30	9,128.12
<b>Total</b>	<b>27,802.30</b>	<b>9,128.12</b>

**Ageing for capital work-in-progress as at March 31, 2023 is as follows:**

(Rs.in Lakhs)

Particulars	Amount in C WIP for a period of				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 years	
Projects in Progress	21,423.20	6,379.10	-	-	27,802.30
<b>Total</b>	<b>21,423.20</b>	<b>6,379.10</b>	-	-	<b>27,802.30</b>

**Ageing for capital work-in-progress as at March 31, 2022 is as follows:**

(Rs.in Lakhs)

Particulars	Amount in C WIP for a period of				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 years	
Projects in Progress	9,067.05	61.07	-	-	9,128.12
<b>Total</b>	<b>9,067.05</b>	<b>61.07</b>	-	-	<b>9,128.12</b>

**4.INVESTMENT PROPERTY**

(Rs.in Lakhs)

Particulars	Land	Building	Total
<b>Gross Block</b>			
<b>Balance as at 1st April 2021</b>	259.04	28.51	287.55
Additions	-	-	-
Disposals	-	-	-
<b>Balance as at 1st April 2022</b>	259.04	28.51	287.55
Additions	-	-	-
Disposals	-	-	-
<b>Balance as at 31st March 2023</b>	259.04	28.51	287.55
<b>Accumulated Depreciation</b>			
<b>Balance as at 1st April 2021</b>	-	12.92	12.92
Additions	-	1.48	1.48
Disposals	-	-	-
<b>Balance as at 1st April 2022</b>	-	14.40	14.40
Additions	-	1.34	1.34
Disposals	-	-	-
<b>Balance as at 31st March 2023</b>	-	15.74	15.74
<b>Net Block</b>			
<b>Balance as at 31st March 2023</b>	259.04	12.77	271.81
<b>Balance as at 31st March 2022</b>	259.04	14.11	273.15

**Fair Market value of Investment Property**

As on March 31, 2023	297.59
As on March 31, 2022	297.59

**Note:** The Company has not revalued the investment Property. Fair market value is based on the valuation report from a Registered valuer as defined under Companies Act, 2013

**5. INTANGIBLE ASSETS**

Particulars	Software	Total
<b>Gross Block</b>		
<b>Balance as at 1st April 2021</b>	<b>23.00</b>	<b>23.00</b>
Additions	0.83	0.83
Disposals	-	-
<b>Balance as at 31st March 2022</b>	<b>23.83</b>	<b>23.83</b>
Additions	0.99	0.99
Disposals	-	-
<b>Balance as at 31st March 2023</b>	<b>24.82</b>	<b>24.82</b>
<b>Accumulated Depreciation</b>		
<b>Balance as at 1st April 2021</b>	<b>14.19</b>	<b>14.19</b>
Additions	2.42	2.42
Disposals	-	-
<b>Balance as at 31st March 2022</b>	<b>16.61</b>	<b>16.61</b>
Additions	1.96	1.96
Disposals	-	-
<b>Balance as at 31st March 2023</b>	<b>18.58</b>	<b>18.58</b>
<b>Net Block</b>		
<b>Balance as at 31st March 2023</b>	<b>6.24</b>	<b>6.24</b>
<b>Balance as at 31st March 2022</b>	<b>7.21</b>	<b>7.21</b>

**6. INVESTMENTS -NON- CURRENT INVESTMENTS**

(Rs.in Lakhs)

Particulars	As at March 31st, 2023	As at March 31st, 2022
<b>(a) Investment in Equity Instruments at fair Value through OCI (Fully paid up)</b>		
<b>Quoted Equity Shares</b>		
(i) 50,000 (PY 50,000) equity shares in Genus Power Infrastructure Limited of ₹1 each	42.35	35.85
(ii) 50,000 (PY 50,000) equity shares in Genus Paper and Boards Limited of ₹1 each	6.53	7.00
(iii) Nil (PY 1,500) equity shares in J.P. Associates Limited of ₹ 1 each	-	0.12
(iv) Nil (PY 25,000) equity shares in Rashtriya Chemical and Fertilizers Limited of ₹10 each	-	22.29
(v) Nil (PY 25,000) equity shares in Suzlon Energy Limited of ₹2 each	-	2.30
<b>Unquoted Equity Shares</b>		
(i) 10,500 (PY 10,500) equity shares of ₹ 10 each -BEIL Infrastructure Ltd.	1.05	1.05
(ii) 4,09,025 (PY 4,09,025) equity shares of ₹ 10 each - Narmada Clean Tech Ltd. (formally named as Bharuch Eco-Aqua Infrastructure Ltd.)	40.90	40.90
(iii) 13,53,200 (PY : Nil) Equity Shares in Amplus RJ Solar Pvt Ltd. of ₹10 Each.	135.32	-
<b>(b) Investment in Subsidiary at cost</b>		
10,000 (PY : Nil) equity shares in Gulshan Overseas- FZCO of AED 10 each	22.74	-
<b>(c) Investment in Mutual Funds</b>		
Non current Investment in Mutual Funds	1,709.11	2,476.15
<b>Total</b>	<b>1,958.00</b>	<b>2,585.67</b>

**6A. INVESTMENTS -CURRENT INVESTMENTS**

Particulars	As at March 31st, 2023	As at March 31st, 2022
Investment in Mutual Funds	338.71	-
<b>Total</b>	<b>338.71</b>	<b>-</b>

**7. Other Financial Assets (Non Current)**

(Rs.in Lakhs)

Particulars	As at March 31st, 2023	As at March 31st, 2022
Security Deposits	712.13	691.85
Bank Deposits with maturity of more than 12 months as Margin Money	244.25	347.53
GPL Employees Welfare Trust	269.54	211.54
<b>Total</b>	<b>1,225.92</b>	<b>1,250.92</b>

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 March 31st, 2023	As at March 31st, 2022
Capital Advances	1,571.95	2,677.22
Other Loans & Advances	-	0.78
Balance with Gratuity fund	-	21.80
<b>Total</b>	<b>1,571.95</b>	<b>2,699.80</b>

**9. INVENTORIES**

(Rs.in Lakhs)

Particulars	As at March 31st, 2023	As at March 31st, 2022
(i) Raw Materials	9,719.89	5,886.40
(ii) Work in Progress	1,422.39	1,012.00
(iii) Finished Goods	2,205.31	1,520.96
(iv) Stock in Traded Goods	45.82	165.40
(v) Stores, Spares & Packing	422.36	564.13
(vi) Coal, Fuel & Chemicals	1,921.43	1,640.98
<b>Total</b>	<b>15,737.20</b>	<b>10,789.87</b>

**10. TRADE RECEIVABLES**

(Rs.in Lakhs)

Particulars	As at March 31st, 2023	As at March 31st, 2022
Un-secured and Considered Good	14,245.36	12,017.37
Significant increase in credit risk	25.06	39.49
<b>Total</b>	<b>14,270.42</b>	<b>12,056.87</b>
Less:- Allowance for doubtful trade receivables	(107.01)	(94.80)
<b>Total</b>	<b>14,163.41</b>	<b>11,962.07</b>

Note: A provision of Rs. 12.21 ( previous year : (3.51)) Lakh on doubtful trade receivable has been created during the year.

**Ageing for trade receivables as at March 31, 2023 is as follows:**

(Rs.in Lakhs)

Particulars	Not due	Less than 6 months	6 month-1 year	1-2 years	2-3 years	more than 3 years	Total
Undisputed Trade Receivables-Considered Good	375.62	13,650.84	-	9.12	44.08	165.69	<b>14,245.36</b>
Undisputed Trade Receivables-which have significant increase in credit risk	-	-	-	9.25	8.31	-	<b>17.56</b>
Undisputed Trade Receivables-credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables-Considered Good	-	-	-	-	-	-	-
Disputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	7.50	<b>7.50</b>
Disputed Trade Receivables-credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>375.62</b>	<b>13,650.84</b>	-	<b>18.37</b>	<b>52.39</b>	<b>173.19</b>	<b>14,270.42</b>
Less:- Allowance for doubtful trade receivables							(107.01)
<b>Trade receivables (Net)</b>							<b>14,163.41</b>

**Ageing for trade receivables as at March 31, 2022 is as follows:**

(Rs.in Lakhs)

Particulars	Not due	Less than 6 months	6 month-1 year	1-2 years	2-3 years	more than 3 years	Total
Undisputed Trade Receivables-Considered Good	10,308.82	1,363.63	148.69	-	154.51	41.73	<b>12,017.39</b>
Undisputed Trade Receivables-which have significant increase in credit risk	-	-	9.42	-	22.57	-	<b>31.99</b>
Undisputed Trade Receivables-credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables-Considered Good	-	-	-	-	-	-	-
Disputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	7.50	<b>7.50</b>
Disputed Trade Receivables-credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>10,308.82</b>	<b>1,363.63</b>	<b>158.11</b>	-	<b>177.08</b>	<b>49.23</b>	<b>12,056.87</b>
Less:- Allowance for doubtful trade receivables							(94.80)
<b>Trade receivables (Net)</b>							<b>11,962.07</b>

**11. CASH AND CASH EQUIVALENTS**

(Rs.in Lakhs)

Particulars	As at March 31st, 2023	As at March 31st, 2022
Cash in hand	4.91	2.66
Balance with Banks		
-In Current accounts	504.78	11,258.17
<b>Total</b>	<b>509.69</b>	<b>11,260.83</b>

**12. OTHER BANK BALANCE**
**(Rs.in Lakhs)**

Particulars	As at	
	March 31st, 2023	March 31st, 2022
Unclaimed dividend Account	61.45	72.31
Term deposits with original maturity of more than 3 months and remaining maturity of less than 12 months	-	974.93
<b>Total</b>	<b>61.45</b>	<b>1,047.24</b>

**13. OTHER CURRENT ASSETS**
**(Rs.in Lakhs)**

Particulars	As at	
	March 31st, 2023	March 31st, 2022
<b>Unsecured and Considered Good</b>		
Advance to Employees	16.36	14.30
Advance to suppliers and service providers	719.40	925.09
Balance with Govt. Authorities	6,089.88	1,242.79
Other Advances	447.75	317.33
<b>Total</b>	<b>7,273.39</b>	<b>2,499.52</b>

**14. EQUITY SHARE CAPITAL**
**(Rs.in Lakhs)**

Particulars	As at	
	March 31st, 2023	March 31st, 2022
<b>Authorised Equity Share Capital:</b> 28,06,00,000 (PY 28,06,00,000) Equity shares of Rs.1 each	2,806.00	2,806.00
<b>Authorised Preference Share Capital:</b> 2,50,000 (PY 2,50,000) Preference shares of Rs.10 each 14,50,000 (PY 14,50,000) Preference shares of Rs.100 each	25.00 1,450.00	25.00 1,450.00
<b>Total</b>	<b>4,281.00</b>	<b>4,281.00</b>
<b>Issued, Subscribed and Paid up:</b> 5,19,75,489 (PY 5,19,75,489) Equity shares of Rs.1 each	519.75	519.75
<b>Total</b>	<b>519.75</b>	<b>519.75</b>

**(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		As at	
	31st March, 2023		31st March, 2022	
	No. of shares	Amount ( 1 Rs Each)	No. of shares	Amount ( 1 Rs Each)
<b>Equity Shares</b>				
Shares outstanding at the beginning of the year	51,975,489.00	519.75	49,559,489.00	495.59
Add: Issued during the year (refer note 47)	-	-	<b>2,416,000.00</b>	<b>24.16</b>
<b>Closing balance</b>	<b>51,975,489.00</b>	<b>519.75</b>	<b>51,975,489.00</b>	<b>519.75</b>

**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 during the Financial year 2022-2023, a Final dividend of Rs. 1 (Rupees One) per equity share at face value of Rs. 1/- each (100%) for Financial Year 2021-2022 declared in Annual General Meeting held on 28-09-2022. 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		As at	
	March 31st, 2023		March 31st, 2022	
	No. of shares held	% of holding	No. of shares held	% of holding
(i) Dr.C. K. Jain	1,385,638	2.67%	11,885,326	22.87%
(ii) Mridula Jain	1,385,638	2.67%	7,715,809	14.85%
(iii) Arushi Jain	1,385,635	2.67%	5,046,129	9.71%
(iv) Aditi Pasari	1,385,635	2.67%	5,013,751	9.65%
(v) Anubha Gupta	1,385,635	2.67%	4,979,892	9.58%
(vi) Chandra Kumar Jain trustee of Gulshan Family Benefit Trust	10,882,867	20.94%	-	0.00%
(vii) Arushi Jain trustee of Mridula Family Trust	5,609,953	10.79%	-	0.00%
(viii) Aditi Pasari trustee of Chandra Holding Trust	5,609,953	10.79%	-	0.00%
(ix) Anubha Gupta trustee of Lotus Holding Trust	5,609,953	10.79%	-	0.00%

**(C) Reconciliation of Number of Preference shares outstanding at the beginning and at the end of the reporting period (Rs.in Lakhs)**

Particulars	As at March 31st, 2023 (Rs 100 Each)		As at March 31st, 2022 (Rs 100 Each)	
	No. of shares	Amount	No. of shares	Amount
		( 100 Rs Each)		( 100 Rs Each)
<b>Preference Shares</b>				
Shares outstanding at the beginning of the year	-	-	975,000	975.00
Less: Redeemed during the year	-	-	<b>975,000</b>	<b>975.00</b>
<b>Closing balance</b>	-	-	-	-

**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) Shareholding of Promoters**

Shares held by promoters at the end of the year	As at March 31st, 2023		As at March 31st, 2022		% change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Dr. Chandra Kumar Jain	1,385,638	2.67%	11,885,326	22.87%	-20.20%
Mridula Jain	1,385,638	2.67%	7,715,809	14.85%	-12.18%
Arushi Jain	1,385,635	2.67%	5,046,129	9.71%	-7.04%
Aditi Pasari	1,385,635	2.67%	5,013,751	9.65%	-6.98%
Anubha Gupta	1,385,635	2.67%	4,979,892	9.58%	-6.91%
Chandra Kumar Jain trustee of Gulshan Family Benefit Trust	10,882,867	20.94%	-	0.00%	20.94%
Arushi Jain trustee of Mridula Family Trust	5,609,953	10.79%	-	0.00%	10.79%
Aditi Pasari trustee of Chandra Holding Trust	5,609,953	10.79%	-	0.00%	10.79%
Anubha Gupta trustee of Lotus Holding Trust	5,609,953	10.79%	-	0.00%	10.79%

**15. OTHER EQUITY**

(Rs.in Lakhs)

Particulars	RESERVES AND SURPLUS					Other Comprehensive Income		Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Capital Redemption Reserve	Retained Earning	Equity Instrument through Other Comprehensive Income	Defined Benefit Obligation	
<b>Balance as at 1st April 2021</b>	<b>(18,074.73)</b>	<b>17,796.36</b>	<b>5,371.86</b>	<b>50.00</b>	<b>31,964.29</b>	4.83	40.09	<b>37,152.70</b>
Profit for the year	-	-	-	-	8,524.89	-	-	<b>8,524.89</b>
Amount Transfer to Capital Redemption Reserve	-	-	-	975.00	(975.00)	-	-	-
Dividend on equity shares	-	-	-	-	(274.08)	-	-	<b>(274.08)</b>
Change during the year	-	7,863.60	-	-	-	-	-	<b>7,863.60</b>
Transaction costs on issue of shares	-	(253.72)	-	-	-	-	-	<b>(253.72)</b>
Other comprehensive income for the year, net of income tax	-	-	-	-	-	17.36	(11.52)	<b>5.84</b>
Amount Transfer to General Reserve	-	-	2.00	-	(2.00)	-	-	-
<b>Balance as at 31st March, 2022</b>	<b>(18,074.73)</b>	<b>25,406.24</b>	<b>5,373.86</b>	<b>1,025.00</b>	<b>39,238.10</b>	<b>22.19</b>	<b>28.57</b>	<b>53,019.23</b>
Profit for the year	-	-	-	-	4,536.18	-	-	<b>4,536.18</b>
Transfer To retained earning on disposal of Equity Instruments valued through OCI	-	-	-	-	(14.37)	14.37	-	-
Dividend on equity shares	-	-	-	-	(519.75)	-	-	<b>(519.75)</b>
Transaction costs on issue of shares	-	(1.47)	-	-	-	-	-	<b>(1.47)</b>
Other comprehensive income for the year, net of income tax	-	-	-	-	-	6.88	(54.89)	<b>(48.01)</b>
<b>Balance as at 31st March 2023</b>	<b>(18,074.73)</b>	<b>25,404.77</b>	<b>5,373.86</b>	<b>1,025.00</b>	<b>43,240.16</b>	<b>43.44</b>	<b>(26.32)</b>	<b>56,986.19</b>

**Nature and purpose of reserves**

**Capital Reserve :** Due to Business Combination under the common control (merger), it represents the excess of consideration paid against which net asset has been taken over.

**Securities Premium Reserve :** Securities Premium represents amount received in excess of face value of equity/ preference shares issued.

**General Reserve :** General reserve is used for strengthening the financial position and meeting future contingencies and losses.

**Capital Redemption Reserve:** Capital redemption reserve represents amount set aside from free reserves which is available for the purpose of issue of equity/preference shares.

**Retained Earning :** Retained earning represents the profit that the company has earned till date, less any transfer to general reserve if any.

**Items of Other Comprehensive Income (OCI) -** Items of OCI represents the remeasurement gain/loss on defined benefit plans and fair value gain on equity instrument measured through fair value through OCI.

**16. FINANCIAL LIABILITIES –NON CURRENT BORROWINGS**
**(Rs.in Lakhs)**

Particulars	As at March 31st, 2023	As at March 31st, 2022
<b>Secured Loans</b>		
(i) Term Loan from bank measured at Amortised Cost	12,750.00	4,687.50
(ii) Long term maturities of Finance Lease obligations/ hire purchase finance	-	43.72
	<b>12,750.00</b>	<b>4,731.22</b>
<b>Notes:</b>		
<b>(i) Term Loans from HSBC Bank</b>	12,750	4,687.50
Rate of Interest: MCLR linked at mutually accepted rate During the Previous year bank sanctioned a Term Loan of Rs 17,000 lakhs for setting up 500 KLPD Grain based Ethnol Producing Plant at Borgaon, District Chhindwara (M.P) for a Door-to-door tenor of 5 years including 1 year moratorium repayable in 16 quarterly installments. The loan is fully disbursed during the year. The above loan is secured by first charge on movable fixed assets of the company (plant and machiney) as well as Equitable Mortgage over entire Land & Building located at		
a) Company new plant on Plot No 3, 4, 5, 6, 7, 8,9(Part), 26, and D16 to D20.		
b) Company's existing plant (Distillery and Bottling unit) on Plot No. part of 9, 10, & 11. Both Plants are located at Borgaon Industrial Growth centre, Tehsil Sausar Dist. Chhindwara, M.P.		
c) Company's existing plant at Village Rampur Majri, Tehsil Paonta Sahib, Dhaula Kuan 173001, Dist. Sirmour, Himachal Pradesh.		
d) Above term loans are secured by personal guarantee of a Promoter Director.		
<b>(ii) Long term maturities of Finance Lease from</b>	-	43.72
Above loans are secured by hypothecation of vehicles purchased through Banks under hire purchase agreements.		

**17. OTHER FINANCIAL LIABILITIES**
**(Rs.in Lakhs)**

Particulars	As at March 31st, 2023	As at March 31st, 2022
Non Current Lease Liabilities	445.46	450.10
Current Lease Liability	43.94	43.51

**18. PROVISIONS**
**(Rs.in Lakhs)**

Particulars	As at March 31st, 2023	As at March 31st, 2022
Employee Benefits	63.15	-
<b>Total</b>	<b>63.15</b>	<b>-</b>

**19. DEFERRED TAX LIABILITIES (NET)**
**(Rs.in Lakhs)**

Particulars	As at March 31st, 2023	As at March 31st, 2022
Deferred Tax Liabilities (Net) (Refer Note - 33B)	1,370.72	1,336.91
<b>Total</b>	<b>1,370.72</b>	<b>1,336.91</b>

**20. SHORT TERM BORROWINGS**

(Rs.in Lakhs)

Particulars	As at March 31st, 2023	As at March 31st, 2022
<b>Secured loans</b>		
Working Capital Loan	7,796.68	6,141.13
Current maturities of long term debt	4,250.00	323.24
<b>Total</b>	<b>12,046.68</b>	<b>6,464.37</b>

**Rate of Interest:**

SBI - 0.75% above MCLR linked bank rate

HSBC - MCLR linked at mutually accepted rate.

(a) The Working Capital Loans are secured by

- (i) First pari-passu charge over entire current assets of the Company (both present and future) including stock, receivables and other current assets except vehicles.
- (ii) Second charge on pari passu basis on the entire movable fixed assets of the company, present and future.
- (iii) Negative Lien charge on pari passu basis on the following properties:-
  - Land and building located at plot no - 762, 7621/1 and 762/2 Jhagadia industrial Estate . Bharuch, Gujrat - 393110.
  - Land and building located at 769/1 and 769/2 G I D C industrial estate, Bharuch, Gujrat - 393110 and Land and building located at E-21 & E-22, RICO Growth Centre phase-II , Abu Road, Dist-Sirohi, Rajasthan
- (iv) Second pari passu charge on all fixed assets at:
  - Company's existing plant at Village Rampur Majri, Tehsil Paonta Sahib, Dhaula Kuan 173001, Dist. Sirmour, Himachal pradesh (except assets already mortgaged to hire purchase companies)
  - Company's existing plant at Chhindwara, Madhya pradesh (Distillery and Bottling unit) at Plot No. -10, 11 & part of 9, Borgaon Industrial Growth centre, Tehsil Sausar Dist. Chhindwara, M.P.

Note: Company has not used the borrowings from banks & financial institutions other than the specific purpose for which it was taken.

**21. TRADE PAYABLES**

(Rs.in Lakhs)

Particulars	As at March 31st, 2023	As at March 31st, 2022
<b>Trade Payables consist of the following:</b>		
- micro and small enterprises (refer note 39)	2,061.02	585.00
- others	5,979.19	5,195.17
<b>Total</b>	<b>8,040.22</b>	<b>5,780.17</b>

**Ageing for trade payables outstanding as at March 31, 2023 is as follows:**

(Rs.in Lakhs)

Particulars	Not due	Outstanding for following periods from due date of payments				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 year	
MSME	2,061.02	-	-	-	-	2,061.02
Others	210.21	5,764.08	0.38	1.05	-	5,975.72
Disputed Dues -MSME	-	-	-	-	-	-
Disputed Dues -Others	-	-	-	3.47	-	3.47
<b>Total</b>	<b>2,271.24</b>	<b>5,764.08</b>	<b>0.38</b>	<b>4.52</b>	<b>-</b>	<b>8,040.22</b>

**Ageing for trade payables outstanding as at March 31, 2022 is as follows:**

(Rs.in Lakhs)

Particulars	Not due	Outstanding for following periods from due date of payments				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 year	
MSME	585.00	-	-	-	-	585.00
Others	2,381.04	2,802.47	11.50	0.16	-	5,195.17
Disputed Dues -MSME	-	-	-	-	-	-
Disputed Dues -Others	-	-	-	-	-	-
<b>Total</b>	<b>2,966.04</b>	<b>2,802.47</b>	<b>11.50</b>	<b>0.16</b>	<b>-</b>	<b>5,780.17</b>

**22. OTHER FINANCIAL LIABILITIES**

(Rs.in Lakhs)

Particulars	As at March 31st, 2023	As at March 31st, 2022
Unclaimed dividends	61.45	72.31
Capital liabilities	1,930.23	742.41
Expenses payable	2,709.86	1,334.11
<b>Total</b>	<b>4,701.55</b>	<b>2,148.83</b>



**23. OTHER CURRENT LIABILITIES**
**(Rs.in Lakhs)**

Particulars	As at March 31st, 2023	As at March 31st, 2022
Advance from Customers	253.72	1,009.99
Other liabilities	1,568.45	1,716.02
<b>Total</b>	<b>1,822.18</b>	<b>2,726.02</b>

**24. REVENUE FROM OPERATIONS**
**(Rs.in Lakhs)**

Particulars	For the year ended March 31st, 2023	For the year ended March 31st, 2022
<b>Revenue</b>		
Sale of Product	114,674.93	106,837.13
Freight and Handling Charges recovered	1,512.27	1,308.42
<b>(I)</b>	<b>116,187.20</b>	<b>108,145.55</b>
<b>Other Operating Revenues</b>		
Export and Other Incentives	147.74	495.00
Miscellaneous Receipts & claims	-	6.22
Sales - Scrap & Waste Material	289.15	272.70
Foreign Exchange Fluctuations	146.86	98.29
Lease Rent, Operation & Maintenance Charges	1,202.01	1,054.88
<b>(II)</b>	<b>1,785.76</b>	<b>1,927.09</b>
<b>REVENUE FROM OPERATIONS (I+II)</b>	<b>117,972.97</b>	<b>110,072.64</b>

**(A) Revenue from contracts with customers disaggregated based on nature of products or services.**

<b>Revenue from sale of products</b>		
Mineral Processing	10,339.51	8,338.77
Grain Processing	86,940.09	80,077.89
Ethanol(Bio-Fuel)/Distillery	18,907.60	19,728.89
Unallocated	-	-
<b>Other Operating Revenues</b>		
Export and Other Incentives	147.74	495.00
Miscellaneous Receipts & claims	-	6.22
Sales- Scrap & Waste Material	289.15	272.70
Foreign Exchange Fluctuations	146.86	98.29
Lease Rent, Operation & Maintenance Charges	1,202.01	1,054.88
<b>Total</b>	<b>117,972.97</b>	<b>110,072.64</b>

**(B) Revenue from contracts with customers disaggregated based on geography**

Domestic	104,401.04	100,028.84
Export	10,273.89	6,808.29
<b>Total</b>	<b>114,674.93</b>	<b>106,837.13</b>

**(C) Reconciliation of gross revenue with the revenue from contracts with customers**

Gross revenue	114,742.53	106,948.38
Less: discounts	(67.60)	(111.25)
<b>Total</b>	<b>114,674.93</b>	<b>106,837.13</b>

**(D) Receivables, contract assets and contract liabilities from contracts with customers**

Trade receivables*	14,163.41	11,962.07
Contract balances		
- Advances from customers **	(253.72)	(1,009.99)
<b>Total</b>	<b>13,909.69</b>	<b>10,952.07</b>

\* 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.

(Rs.in Lakhs)		
25. OTHER INCOME		
Particulars	For the year ended March 31st, 2023	For the year ended March 31st, 2022
Interest Income on Bank Deposits & Others	73.82	87.40
Dividend Income On Investments	0.24	0.72
Gain / (Loss) on sale of investments (Net) on Investments	275.87	105.81
Profit/ (Loss) on property, plant and equipment sold / discarded (Net)	(11.28)	7.20
Other Non-Operating income	367.83	3.63
<b>Total</b>	<b>706.48</b>	<b>204.75</b>

(Rs.in Lakhs)		
26. COST OF MATERIALS CONSUMED		
Particulars	For the year ended March 31st, 2023	For the year ended March 31st, 2022
Raw Material	70,230.84	56,434.35
<b>Total</b>	<b>70,230.84</b>	<b>56,434.35</b>

(Rs.in Lakhs)		
27. PURCHASE OF GOODS TRADED		
Particulars	For the year ended March 31st, 2023	For the year ended March 31st, 2022
Purchase of Stock in Trade	605.76	930.80
<b>Total</b>	<b>605.76</b>	<b>930.80</b>

(Rs.in Lakhs)		
28. CHANGE IN INVENTORIES		
Particulars	For the year ended March 31st, 2023	For the year ended March 31st, 2022
<b>Opening inventories</b>		
Traded Goods	165.40	35.08
Work in progress	1,012.00	749.80
Finished Goods	1,520.96	1,898.08
	<b>2,698.36</b>	<b>2,682.97</b>
<b>Less: Closing Inventories</b>		
Traded Goods	45.82	165.40
Work in progress	1,422.39	1,012.00
Finished Goods	2,205.31	1,520.96
	<b>3,673.52</b>	<b>2,698.36</b>
<b>Total</b>	<b>(975.16)</b>	<b>(15.39)</b>

(Rs.in Lakhs)		
29. EMPLOYEE BENEFITS EXPENSES		
Particulars	For the year ended March 31st, 2023	For the year ended March 31st, 2022
Salaries and Wages	2,988.77	3,363.50
Contribution to Provident and Other Funds	98.34	82.83
Employee Welfare	180.75	183.77
<b>Total</b>	<b>3,267.86</b>	<b>3,630.10</b>

(Rs.in Lakhs)		
30. FINANCE COST		
Particulars	For the year ended March 31st, 2023	For the year ended March 31st, 2022
Interest & Charges on Bank borrowing for working Capital	606.29	424.29
Interest on Lease & Others	6.44	5.44
Interest Expenses recognised on Redeemable Preference Shares	-	66.25
<b>Total</b>	<b>612.73</b>	<b>495.97</b>

(Rs.in Lakhs)		
31. DEPRECIATION AND AMORTIZATION EXPENSES		
Particulars	For the year ended March 31st, 2023	For the year ended March 31st, 2022
Depreciation on Property, Plant and Equipment	2,871.53	3,238.48
Amortisation on Intangible Assets	1.96	2.42
<b>Total</b>	<b>2,873.49</b>	<b>3,240.90</b>

**32. OTHER EXPENSES**
**(Rs.in Lakhs)**

Particulars	For the year ended March 31st, 2023	For the year ended March 31st, 2022
Process Chemicals & Consumables	7,403.60	7,189.27
Stores, Spare Parts & Packing	4,964.99	4,290.41
Power and Fuel	15,796.98	13,806.46
Repair & Maintenance:		
-Building	2.11	14.69
-Plant & Machinery	640.17	1,347.57
Rates and Taxes	149.80	401.12
Rent	121.77	119.84
Printing and Stationary	40.31	32.10
Advertisement and Publicity	5.80	11.88
Subscription and Membership fees	10.30	12.65
Travelling Expenses	180.69	150.91
Legal and Professional Expenses	208.72	249.86
Payment to Auditors*	8.65	8.86
Communication Charges	58.25	51.45
Repair and Maintenance	31.52	31.04
Insurance	128.46	116.15
Donation	15.20	5.37
Corporate Social Responsibility expenses	151.02	85.66
Miscellaneous Expenses	18.51	17.92
Allowance for Doubtful trade receivables	12.21	-
Commission & Discount	172.68	186.10
Freight and Forwarding Expenses	5,710.01	5,864.25
Others Selling Expense	194.08	87.43
<b>Total</b>	<b>36,025.83</b>	<b>34,081.01</b>

**\* Details of Auditors Remuneration are as follows:**

(i) Statutory Audit Fees	6.90	7.11
(ii) Limited Review Fee	1.25	1.25
(iii) Reimbursement of expenses		
(iv) Other Management Services, Consultancy and certification Charges	0.50	0.50
	<b>8.65</b>	<b>8.86</b>

**33. INCOME TAX**
**A. Amounts recognized in standalone profit or loss**
**(Rs. in lakhs)**

Particulars	March 31st, 2023	March 31st, 2022
<b>Tax Expense</b>		
Current year	1,450.51	3,079.67
<b>Deferred Tax (Expense)/Gain</b>		
Property, plant and equipment	51.41	(124.91)
<b>Total Tax Expense</b>	<b>1,501.92</b>	<b>2,954.76</b>

**B. Movement in deferred tax balances**
**(Rs. in lakhs)**

Particulars	As at 31-Mar-22	Recognized in P&L	Recognized in OCI	As at 31-Mar-23
<b>Deferred Tax Liabilities / (Assets)</b>				
Property, Plant and Equipments	1,359.68	51.41	-	1,411.09
Investment and defined benefit obligation	(22.77)	-	(17.60)	(40.37)
<b>Deferred Tax Liabilities</b>	<b>1,336.91</b>	<b>51.41</b>	<b>(17.60)</b>	<b>1,370.72</b>

**(Rs. in lakhs)**

Particulars	As at 31-Mar-21	Recognized in P&L	Recognized in OCI	As at 31-Mar-22
<b>Deferred Tax Liabilities / (Assets)</b>				
Property, Plant and Equipments	1,484.59	(124.91)	-	1,359.68
Investment and defined benefit obligation	(43.42)	-	20.65	(22.77)
<b>Deferred Tax Liabilities</b>	<b>1,441.17</b>	<b>(124.91)</b>	<b>20.65</b>	<b>1,336.91</b>

## 34. Earning Per Share

		(Rs. in Lakhs)	
Particulars		March 31st, 2023	March 31st, 2022
1	Net Profit After Tax	4,536.18	8,524.89
2	Weighted Average of number of Equity Share outstanding during the year	51,975,489	51,975,489
3	Basic Earning Per Share of Re.1/- each	8.73	16.40
4	Diluted Earning Per Share of Re.1/- each	8.73	16.40

## 35. 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 46.98 Lakhs (Previous year INR 42.56 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 funds defined benefit plan for qualifying employees. Expected contribution to gratuity plan for the year 2023-24 is Rs. 111.94 Lakhs.

## A Reconciliation of present value of defined benefit obligation

(Rs. in Lakhs)

Particulars	Gratuity (Funded)	
	March 31st, 2023	March 31st, 2022
<b>Change in the Present value of obligation</b>		
<b>Balance at the beginning of the year</b>	<b>354.04</b>	<b>308.39</b>
Benefits paid	(33.95)	(30.22)
Current service cost	47.12	40.51
Interest cost	25.54	20.94
Past Service cost		-
<b>Actuarial (gains) losses recognised in profit and loss:</b>		
-Changes in demographic assumptions		-
<b>Actuarial (gains) losses recognised in OCI:</b>		
-Changes in demographic assumptions		-
-Changes in financial assumptions	(9.69)	(18.94)
-Experience adjustments	79.85	33.36
<b>Balance at the end of the year</b>	<b>462.91</b>	<b>354.04</b>

## B Changes in the Fair Value of Plan Assets

(Rs. in Lakhs)

Particulars	Gratuity (Funded)	
	March 31st, 2023	March 31st, 2022
<b>Change in the fair value of plan asset</b>		
<b>Balance at the beginning of the year</b>	<b>375.84</b>	<b>352.04</b>
Contributions paid into the plan	-	31.44
Benefits paid	-	(30.22)
Expected Return on Plan Asset	23.92	22.58
Opening Adjustment	-	-
Mortality Charges	-	-
Actuarial Gain/(Loss) on Planned Assets	-	-
<b>Balance at the end of the year</b>	<b>399.76</b>	<b>375.84</b>
<b>Net Defined Benefit Asset/(Liability)</b>	<b>(63.15)</b>	<b>21.80</b>

## C Expense recognized in Standalone statement of profit or loss

(Rs. in Lakhs)

Particulars	Gratuity (Funded)	
	March 31st, 2023	March 31st, 2022
Current service cost	47.12	40.51
Interest cost	(1.57)	(2.96)
Actuarial (Gain)/Loss	-	-
<b>TOTAL</b>	<b>45.55</b>	<b>37.55</b>

**D Expense recognized in OCI** (Rs. in Lakhs)

Particulars	Gratuity (Funded)	
	March 31st, 2023	March 31st, 2022
Actuarial (gains) / losses		
- change in demographic assumptions	-	-
- change in financial assumptions	(9.69)	(18.94)
- experience variance (i.e. Actual experience vs assumptions)	79.85	33.36
- return on plan assets, excluding amount recognized in net interest expense	3.19	1.32
<b>TOTAL</b>	<b>73.36</b>	<b>15.74</b>

**E Plan Assets comprise of the following:**

Particulars	March 31st, 2023	March 31st, 2022
Equities	0%	0%
Bonds	0%	0%
Gilts	0%	0%
Pooled assets with an insurance company	100%	100%
Others	0%	0%
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>

**F Actuarial assumptions**

Particulars	Gratuity (Funded)	
	March 31st, 2023	March 31st, 2022
<b>Economic assumptions:</b>		
Discount Rate (Per annum)	7.45%	7.22%
Future Salary increase	6.50%	6.50%
<b>Demographic assumptions:</b>		
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 reporting period is 9 years (31st March 2022 : 17.49 years)

**G Sensitivity Analysis** (Rs. in Lakhs)

Particulars	Gratuity (Funded)	
	March 31st, 2023	March 31st, 2022
<b>Present Value of Obligation at the end of the period</b>	<b>462.91</b>	<b>354.04</b>
a) Discount rate-100 basis points	44.69	44.13
b) Discount rate+100 basis points	(38.68)	(40.73)
c) Salary Growth Rate -100 basis points	(39.34)	(41.29)
d) Salary Growth Rate+100 basis points	44.67	44.33

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 recognized in the standalone 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 in not therefore offset by increased 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)	
	March 31st, 2023	March 31st, 2022
Year 1	54.02	34.97
Years 2-5	133.97	45.7
Years 6-10	178.59	22.92
Beyond 10	692.19	250.46

## 36. Financial instruments and risk management

## I Financial instruments by category as at March 31, 2023

(Rs. in Lakhs)

Particulars	Carrying Value	Fair Value through Profit and Loss	Fair Value through Other comprehensive Income	Amortised Cost
<b>Financial assets</b>				
Investments				
- in equity instruments	226.15	-	226.15	-
- mutual funds	2,047.81	2,047.81	-	-
Trade Receivable	14,163.41	-	-	14,163.41
Security deposits	712.13	-	-	712.13
Term deposit with banks	244.25	-	-	244.25
Cash and cash equivalents	509.69	-	-	509.69
Bank balances other than above	61.45	-	-	61.45
Other financial assets	269.54	-	-	269.54
<b>Total financial assets</b>	<b>18,234.43</b>	<b>2,047.81</b>	<b>226.15</b>	<b>15,960.47</b>
<b>Financial liabilities</b>				
Terms Loans from bank	12,750.00	-	-	12,750.00
Lease liability	489.40	-	-	489.40
Working capital loans	7,796.68	-	-	7,796.68
Trade payables	8,040.22	-	-	8,040.22
Current maturities of long-term debt	4,250.00	-	-	4,250.00
Unclaimed dividends	61.45	-	-	61.45
Capital liabilities	1,930.23	-	-	1,930.23
Expenses payable	2,709.86	-	-	2,709.86
<b>Total financial liabilities</b>	<b>38,027.85</b>	-	-	<b>38,027.85</b>

Note : Investment in subsidiary is carried at cost amounting INR 22.74 lakhs.

## Financial instruments by category as at March 31, 2022

(Rs. in Lakhs)

Particulars	Carrying Value	Fair Value through Profit and Loss	Fair Value through Other comprehensive Income	Amortised Cost
<b>Financial assets</b>				
Investments				
- in equity instruments	109.52	-	109.52	-
- mutual funds	2,476.15	2,476.15	-	-
Trade Receivable	11,962.07	-	-	11,962.07
Security deposits	691.85	-	-	691.85
Term deposit with banks	347.53	-	-	347.53
Cash and cash equivalents	11,260.83	-	-	11,260.83
Bank balances other than above	1,047.24	-	-	1,047.24
Other financial assets	211.54	-	-	211.54
<b>Total financial assets</b>	<b>28,106.72</b>	<b>2,476.15</b>	<b>109.52</b>	<b>25,521.05</b>
<b>Financial liabilities</b>				
Terms Loans from bank	4,731.22	-	-	4,731.22
Lease liability	493.61	-	-	493.61
Working capital loans	6,141.13	-	-	6,141.13
Trade payables	5,780.17	-	-	5,780.17
Current maturities of long-term debt	323.24	-	-	323.24
Unclaimed dividends	72.31	-	-	72.31
Capital liabilities	742.41	-	-	742.41
Expenses payable	1,334.11	-	-	1,334.11
<b>Total financial liabilities</b>	<b>19,618.20</b>	-	-	<b>19,618.20</b>

**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:

				(Rs. in Lakhs)
As at 31 March 2023	Note No.	Level 1	Level 2	Level 3
<b>Financial Assets</b>				
Financial instruments at FVTPL				
Investments in mutual funds	6/6A	2,047.81	-	-
Financial instruments at FVTOCI				
Quoted equity instruments	6	48.88	-	-
Unquoted equity instruments	6	-	-	177.27
<b>Total financial assets</b>		<b>2,096.69</b>	<b>-</b>	<b>177.27</b>

As at 31 March 2022	Note No.	Level 1	Level 2	Level 3
<b>Financial Assets</b>				
Financial instruments at FVTPL				
Investments in mutual funds	6/6A	2,476.15	-	-
Financial instruments at FVTOCI				
Quoted equity instruments	6	67.56	-	-
Unquoted equity instruments	6	-	-	41.95
<b>Total financial assets</b>		<b>2,543.71</b>	<b>-</b>	<b>41.95</b>

**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 mutual funds, quoted equity shares etc.

**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 carried at approximate carrying amount measured under Level III hierarchy.

The fair value of the financial assets are determined at the amount that would be received on sell of an financial asset in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:

**Investments in 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.

**Quoted equity investments:** Fair value is determined by reference to quotes from the active market.

**Unquoted equity investments:** Fair value is the book value of the instrument.

Reconciliation of Level 3 fair value measurement		(Rs. in Lakhs)
Particulars	Unlisted equity instruments	
<b>As at 01 April 2021</b>	<b>41.95</b>	
Acquisition/(Dispose of)	-	
Gains/(losses) recognized	-	
- in other comprehensive income	-	
<b>As at 31 March 2022</b>	<b>41.95</b>	
Acquisition/(Dispose of)	135.32	
Gains/(losses) recognized	-	
- in other comprehensive income	-	
<b>As at 31 March 2023</b>	<b>177.27</b>	

**37. 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: -

<b>Risk</b>	<b>Exposure arising from</b>	<b>Measurement</b>	<b>Management</b>
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

**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 aging 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, 2023**

(Rs. in Lakhs)

<b>Particulars / days post due</b>	<b>&lt;=90 days</b>	<b>91-180 days</b>	<b>181-365 days</b>	<b>366-730 days</b>	<b>731-1095 days</b>	<b>More than 1095 days</b>	<b>Total</b>
Gross carrying amount	12,921.55	1,104.92	-	18.37	52.39	173.19	14,270.42
Expected loss rate	0.00%	0.50%	0.50%	10.00%	25.00%	50.00%	
Expected credit loss (Loss allowance provision)	-	5.47	-	1.84	13.10	86.60	107.01
Carrying amount of trade receivables (net of impairment)	12,921.55	1,099.44	-	16.53	39.29	86.60	14,163.41

**As at March 31, 2022**

(Rs. in Lakhs)

<b>Particulars / days post due</b>	<b>&lt;=90 days</b>	<b>91-180 days</b>	<b>181-365 days</b>	<b>366-730 days</b>	<b>731-1095 days</b>	<b>More than 1095 days</b>	<b>Total</b>
Gross carrying amount	11,440.52	231.93	158.11	-	177.08	49.23	12,056.87
Expected loss rate	0.19%	0.19%	0.19%	-	26.94%	50.00%	
Expected credit loss (Loss allowance provision)	21.74	0.44	0.30	-	47.71	24.61	94.80
Carrying amount of trade receivables (net of impairment)	11,418.78	231.49	157.81	-	129.37	24.62	11,962.07



**Reconciliation of loss allowance provision – Trade and other receivables**
**(Rs. in Lakhs)**

Particulars	31-Mar-23		31-Mar-22	
Opening balance		94.8		98.31
Provision made/(reverse) during the year		12.21		(3.51)
<b>Closing balance</b>		<b>107.01</b>		<b>94.8</b>

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.

**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.

**Maturity profile**
**(Rs. in Lakhs)**

Particulars	Contractual cash flows			
	31-Mar-23	< 1 year	2 to 5 Years	5 years <
<b>Non-derivative financial liabilities</b>				
Borrowings	24,796.68	12,046.68	12,750.00	-
Trade Payables	8,040.22	8,040.22	-	-
Lease liability	489.40	43.94	26.14	419.32
Other financial liabilities	4,701.55	4,701.55	-	-
<b>Total non-derivative liabilities</b>	<b>38,027.85</b>	<b>24,832.39</b>	<b>12,776.14</b>	<b>419.32</b>

**Maturity profile**
**(Rs. in Lakhs)**

Particulars	Contractual cash flows			
	31-Mar-22	< 1 year	2 to 5 Years	5 years <
<b>Non-derivative financial liabilities</b>				
Borrowings	11,195.59	6,464.37	4,731.50	-
Trade Payables	5,780.17	5,780.17	-	-
Lease liability	493.61	43.51	6.49	443.60
Other financial liabilities	2,148.83	2,148.83	-	-
<b>Total non-derivative liabilities</b>	<b>19,618.20</b>	<b>14,436.89</b>	<b>4,737.99</b>	<b>443.60</b>

**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 carrying amounts of the company's foreign exchange monetary items as at the end of reporting period are as follows:

Particulars	Currency	3/31/2023		3/31/2022	
		Foreign Currency (in Lakhs)	INR (in Lakhs)	Foreign Currency (in Lakhs)	INR (in Lakhs)
<b>Transaction currency</b>					
--> <b>Financial assets</b>					
Trade receivables	USD	21.90	1,800.24	11.67	883.32
--> <b>Financial Liability</b>					
Trade Payables	CNY	1.57	18.80	-	-
<b>Net statement of financial position Exposure</b>			<b>1,781.44</b>		<b>883.32</b>

**Note:** Foreign currency assets and liabilities are natural hedged as at the year end.

**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/ (loss)	
	10% Increase	10% Decrease
<b>31st March 2023</b>		
USD	180.02	(180.02)
CNY	(1.88)	1.88
<b>31st March 2022</b>		
USD	88.33	(88.33)

**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 effecting valuation of financial instruments, financial assets and financial liabilities have been regularly analyzed for mitigation measure.

**Exposure to interest rate risk:**

Particulars	(Rs. in Lakhs)	
	Carrying Amount	
	31-Mar-23	31-Mar-22
<b>Financial Assets/Liabilities</b>		
<b>Variable-rate instruments</b>		
Borrowings	24,796.68	11,195.59
<b>Profit/ (loss)</b>		
Rate of interest increased by 0.5%	(123.98)	(55.98)
Rate of interest decreased by 0.5%	123.98	55.98

**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. Price Risk**

The Company's exposure to Investments securities price risk arises from investments held by the Company and classified in the balance sheet at fair value through profit and loss. To manage its price risk arising from investments in mutual funds, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

**Sensitivity Analysis**

The table below summarizes the impact of increases/decreases in the BSE Index on the Company's Investments and resultant Profit/ Loss for the period. The analysis is based on the assumption that the Index has increased by 10 % or decreased by 10 % with all other variables held constant, and that all the Company's Investments moved in line with the Index. A change of 10% in market index would have following impact on profit before tax

Particulars	(Rs. in Lakhs)	
	Carrying Amount	
	31-Mar-23	31-Mar-22
<b>Financial Assets</b>		
Investment fair valued through profit and loss	2,047.81	2,476.15
<b>Profit or (loss)</b>		
Increase in price of investment by 10%	204.78	247.62
Decrease in price of investment by 10%	(204.78)	(247.62)

### 38. 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 to 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)	
	March 31st, 2023	March 31st, 2022
Interest-bearing loans and borrowings (Note No 16 & 20)	24,796.68	11,195.59
Trade and other payables (Note 17, 21 & 22)	13,231.16	8,422.61
Less: cash and short-term deposits (Note 11)	(509.69)	(11,260.83)
<b>Net debt</b>	<b>37,518.16</b>	<b>8,357.37</b>
Reserve & Surplus (Note 15)	56,986.18	53,019.23
Equity (Note 14)	519.75	519.75
<b>Total Capital</b>	<b>57,505.93</b>	<b>53,538.98</b>
Capital and net debt	95,024.08	61,896.36
<b>Gearing ratio</b>	<b>39.48%</b>	<b>13.50%</b>

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 2023 and 2022.

### 39. Details of dues to Micro and Small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 ["MSMED Act"]:

S.No.	Particulars	(Rs. in Lakhs)	
		March 31st, 2023	March 31st, 2022
1	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	2,061.02	585.00
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	-	-

### 40. 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 recognizing right-of-use assets and corresponding lease liabilities.

Recognition and Carrying value of right-of-use assets during the year:

Particulars	(Rs. in Lakhs)	
	As at March 31st, 2023	As at March 31st, 2022
<b>Balance as at beginning of the period</b>	2,167.45	1,012.06
Right of use asset recognized during the period	60.65	1,190.31
Remeasurement of liability	(14.66)	-
Depreciation charged during the period	(48.49)	(34.92)
<b>Total</b>	<b>2,164.95</b>	<b>2,167.45</b>

The following is the break-up of current and non-current lease liabilities:

(Rs. in Lakhs)

Particulars	As at March 31st, 2023	As at March 31st, 2022
Current lease liabilities	43.94	43.51
Non-current lease liabilities	445.46	450.10
<b>Total</b>	<b>489.40</b>	<b>493.61</b>

The following is the movement in lease liabilities during the year:

(Rs. in Lakhs)

Particulars	As at March 31st, 2023	As at March 31st, 2022
Balance as at beginning of the period	493.61	146.86
Remeasurement of liability	(14.66)	-
Lease liability recognized during the period	8.18	349.31
Finance cost accrued during the period	43.27	19.85
Lease rent paid/payable during the period	(41.00)	(22.41)
<b>Lease liability at the end of the period</b>	<b>489.40</b>	<b>493.61</b>

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

(Rs. in Lakhs)

Particulars	As at March 31st, 2023	As at March 31st, 2022
Not later than one year	44.40	43.51
Later than one year and not later than five years	177.59	174.04
Later than five years	2,108.13	2,167.95

The Company has incurred Rs. 121.77 (Previous year : 119.84) for the period ended March 31, 2023 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. 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.

**41. Detail of Sales, Raw Material Consumption, Inventories, etc. under broad heads are given below:**

**A. Raw Materials Consumed:**

(Rs. in Lakhs)

Particulars	2022-23	2021-22
Rice	22,711.95	20,815.05
Corn/Starch	44,154.44	33,750.31
Lime & Lime Stone	2,517.70	1,868.99
Capital goods	846.75	-
<b>TOTAL</b>	<b>70,230.84</b>	<b>56,434.35</b>

**B. Traded Goods**

(Rs. in Lakhs)

Calcium Carbonate	2022-23	2021-22
Opening Stock	165.40	35.08
Purchases	605.76	930.80
Sales	1,410.27	1,401.12
Closing Stock	45.82	165.40

**C. Manufactured Goods**

(Rs. in Lakhs)

Products	Sales		Opening Stock		Closing Stock	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
1.Sorbitol	32,928.09	25,687.38	190.69	498.70	609.53	190.69
2.Fructose & Sweetener	16,805.26	19,412.66	423.38	335.19	426.59	423.38
3.Starch	20,207.69	16,762.96	45.65	97.57	250.56	45.65
4.Calcium Carbonate	6,740.58	6,937.65	162.64	273.02	236.93	162.64
5.By Products	19,235.98	21,491.57	320.68	285.74	278.67	320.68
6.Liquor/CL and HS	2,992.39	2,742.42	122.27	201.90	49.95	122.27
7.Ethanol	13,636.21	13,709.78	255.65	205.96	353.08	255.65
8.Capital Goods	2,230.74	-	-	-	-	-
<b>TOTAL</b>	<b>114,776.94</b>	<b>106,744.42</b>	<b>1,520.96</b>	<b>1,898.08</b>	<b>2,205.30</b>	<b>1,520.96</b>

**42. A. C.I.F. value of imports by the Company (Excluding imported items purchased locally):**

	(Rs.in Lakhs)	
Particulars	2022-23	2021-22
Raw Materials, Stores, Components and Finished goods	536.81	1,669.98
Capital Goods	487.28	1,262.93

**B. Expenditure in foreign currency during the year:**

	(Rs. in Lakhs)	
Particulars	2022-23	2021-22
Commission	24.79	41.07
Travelling	18.83	30.69
Technical Service Expenses	53.48	60.84
Legal & Professional Fee	6.21	3.02
Subscription & Membership fee	3.16	0.22

**C. Earnings in Foreign Exchange:**

	(Rs. in Lakhs)	
Particulars	2022-23	2021-22
Export of Goods on F.O.B. basis	10,273.89	6,808.29

**D. Value of Raw Materials, Coal and Fuel and Stores and Spares consumed during the year ended:**

Particulars	Value (Rs.in Lakhs)			
	2022-23	2021-22	2022-23	2021-22
<b>Raw Materials:</b>				
Imported	-	-	-	-
Indigenous	70,230.84	56,434.35	100.00%	100.00%
	<b>70,230.84</b>	<b>56,434.35</b>	<b>100.00%</b>	<b>100.00%</b>
<b>Coal and Fuel:</b>				
Imported	-	-	-	-
Indigenous	12,756.93	10,604.04	100.00%	100.00%
	<b>12,756.93</b>	<b>10,604.04</b>	<b>100.00%</b>	<b>100.00%</b>
<b>Stores and Spares:</b>				
Imported	26.81	48.18	6.88%	10.94%
Indigenous	362.76	392.19	93.12%	89.06%
	<b>389.57</b>	<b>440.37</b>	<b>100.00%</b>	<b>100.00%</b>

**43. a. Contingent Liabilities in respect of:**

- (i) Claims against the Company not acknowledged as debts:-
  - Tax matters in dispute under appeal of Rs. 882.70 Lakhs (Previous year 733.15 Lakhs).
- (ii) 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.

**b. Commitments**

- (i) Estimated amounts of contracts remaining to be executed on capital account and not provided for Rs. 5,534.67 Lakhs (Previous year Rs. 10,640.47 Lakhs).
- (ii) Bank guarantees of Rs. 1,651.30 Lakhs (Previous Year 839.09 Lakhs) includes Financial and Performance guarantees issued in favor of Statutory Authorities, PSU, Government bodies and Corporates.

**44. Related Party Transactions:**

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 Private Limited (merged with Gulshan Polyols Limited from appointed date April 01, 2020 and effective date March 30, 2022)
- (ii) Subsidiary Company Gulshan overseas- FZCO
- (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 Venture Nil

- (ii) Key Management Personnel : Dr. Chandra Kumar Jain, Chairman and Managing Director  
Mrs. Arushi Jain, Joint Managing Director  
Mrs. Aditi Pasari, Joint Managing Director  
Mr. Ashwani Kumar Vats, CEO & Whole Time Director  
Mr. Rajiv Gupta, CFO  
Ms. Asha Mittal, CS
- (iii) Relative of KMP Mrs. Mridula Jain  
Mrs. Archana Vats  
Ms. Alka Maheshwari  
Mr. Rahul Jain  
Mr. Ankur Pasari  
Ms. Anubha Gupta
- (iv) Non-Executive/Independent Directors Mr. Akhilesh Kumar Maheshwari  
  
Mr. Jeevan Jyoti Bhagat (Discontinued with effect from August 5, 2022)  
Mr. Rakesh Kapoor (Appointed with effect from August 9, 2022)  
Mr. Rakesh Kumar Gupta  
Ms. Archana Jain
- (v) Entities over which key Management personnel are able to exercise significant influence: Gulshan Sugars and Chemicals Ltd.  
  
Gulshan Lamee Pack Private Limited  
Gulshan Family Benefit Trust  
Chandra Holding Trust  
Mridula Family Trust (Formerly Known as Gulshan Holding Trust)  
Lotus Holding Trust  
Daara Commercials LLP  
A Cube Impex  
Reliance Expovision Private Limited  
ARP Developers Private Limited  
Gulshan Care Foundation  
Daara Commercials  
Houzilla Interiors Pvt. Ltd.  
Genus Paper & Boards limited  
Sumit Kochar

(c) Transactions with related parties		(Rs. in Lakhs)	
Particulars	2022-23	2021-22	
<b>(a) Key Managerial Personnel</b>			
<b>Remuneration to Key Personnel:</b>			
- Salaries & Perks	615.39	599.31	
- Commission on Profits to executive Directors	-	690.00	
- Commission on Profits and Conveyance to Non-executive Directors	20.00	20.12	
- Sitting Fees	3.80	4.70	
<b>Rent Paid</b>			
- Dr. Chandra Kumar Jain	108.00	108.00	
- Mrs. Mridula Jain, Relative	9.60	9.60	
<b>Equity Share Dividend</b>			
Directors and others	695.22		
<b>Preference Share Dividend/Interest-</b>			
Dr. Chandra Kumar Jain	-	66.25	
<b>(b) Others</b>			
Gulshan Lamee Pack Pvt. Ltd.- Product Sales	69.45	46.21	
Genus Paper & Boards Limited - Product Sales	1,922.87	-	

(d) Balances with related parties		(Rs. in Lakhs)	
Particulars	2022-23	2021-22	
<b>Trade Receivables</b>			
Gulshan Lamee Pack Pvt. Ltd.	7.39	8.62	
Genus Paper & Boards Limited	776.66	-	
<b>Loans</b>			
Gulshan Overseas FZCO	15.92	-	

**45. Information on segment reporting pursuant to Ind AS 108:**
**Operating segments:**

- Mineral Processing
- Grain Processing
- Ethanol (Bio-Fuel)/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 standalone 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.

**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.

Particulars	Ethanol (Bio-Fuel) / Distillery		Grain Processing		Mineral Processing		Total	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Revenue								
External sales	18,910.04	19,729.30	87,481.73	80,915.33	11,581.20	9,409.63	<b>117,972.97</b>	<b>110,054.26</b>
Unallocated							-	<b>18.38</b>
<b>Total Revenue</b>	<b>18,910.04</b>	<b>19,729.30</b>	<b>87,481.73</b>	<b>80,915.33</b>	<b>11,581.20</b>	<b>9,409.63</b>	<b>117,972.97</b>	<b>110,072.65</b>
Results								
Segment results before tax and Finance cost	(29.40)	2,453.27	3,327.90	8,140.83	2,940.26	1,278.56	<b>6,238.75</b>	<b>11,872.67</b>
Un-allocable Income	-	-	-	-	-	-	<b>412.07</b>	<b>102.96</b>
<b>Operating Profit</b>	<b>(29.40)</b>	<b>2,453.27</b>	<b>3,327.90</b>	<b>8,140.83</b>	<b>2,940.26</b>	<b>1,278.56</b>	<b>6,650.83</b>	<b>11,975.62</b>
Finance Cost							<b>612.73</b>	<b>495.97</b>
Current Tax (Net of MAT)							<b>1,450.51</b>	<b>3,079.67</b>
Deferred Tax Charge							<b>51.41</b>	<b>(124.91)</b>
<b>Net Profit</b>							<b>4,536.18</b>	<b>8,524.89</b>

**Other Information**

Particulars	Ethanol (Bio-Fuel) / Distillery		Grain Processing		Mineral Processing		Total	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Segment Assets	49,244.12	25,432.33	40,369.23	34,325.09	5,953.66	5,635.45	95,567.01	65,392.88
Unallocated Assets / Others							3,222.82	12,001.28
<b>Total Assets</b>	<b>49,244.12</b>	<b>25,432.33</b>	<b>40,369.23</b>	<b>34,325.09</b>	<b>5,953.66</b>	<b>5,635.45</b>	<b>98,789.83</b>	<b>77,394.15</b>
Segment Liabilities	23,495.18	9,171.33	15,370.47	11,636.47	822.03	1,385.90	39,687.68	22,193.70
Unallocated Liabilities & Provisions							1,596.22	1,661.47
<b>Total Liabilities</b>	<b>23,495.18</b>	<b>9,171.33</b>	<b>15,370.47</b>	<b>11,636.47</b>	<b>822.03</b>	<b>1,385.90</b>	<b>41,283.90</b>	<b>23,855.17</b>

**46. Business combination (merger)**

a) The Board of Directors of the Company in its meeting held on August 06, 2020 had approved a Composite Scheme of arrangement under section 230 to 232 and other applicable provisions of the Companies Act 2013 and the provisions of other applicable laws, amongst Company (Transferee Company), Gulshan Holdings Private Limited (erstwhile holding company) (Transferor Company 1), East Delhi Importers and Exporters Private Limited (Transferor Company 2) and their respective creditors and shareholders (“the Scheme”). The Scheme provides for the amalgamation of Transferor Company 1 and Transferor Company 2 into Transferee Company. The Scheme has been approved by the Hon’ble National Company Law Tribunal, Allahabad Bench, Prayagraj (“NCLT”) vide its order dated March 09, 2022. The certified copy of the order has been filed with “The Registrar of Companies, Uttar Pradesh, Kanpur” on 30 March 2022 and the Scheme has come into effect on the said date. The Ind AS financial statements of the Company for the year ended March 31, 2021 were approved by shareholders in its Annual General Meeting held on September 18, 2021 and subsequently to give effect of the Scheme, the comparative financial statements for the year ended March 31, 2021 have been restated and approved by the Board of Directors in their meeting held on May 20, 2022 and approved by shareholders in its Annual General Meeting held on 28/09/2022. From the date scheme become effective, the Company does not have any holding company.

In terms of the Scheme, the Company has issued and allotted 2,99,82,536 equity shares (2,81,72,536 and 18,10,000 equity shares to the shareholders of Transferor company 1 and Transferor Company 2 respectively) whose names appear in the register of members as on record date, April 14, 2022. Consequently, 2,73,40,067 equity shares of the Transferee Company held by the Transferor Company 1 and Transferor Company 2 shall be deemed to be extinguished and are in the process of cancellation.

As stated above, pursuant to the requirements of Ind AS 103 “Business Combination”, the Company has accounted merger by using pooling of interest method in the financial results in line with the Scheme. Accordingly, the financial information presented for the prior periods has been restated as per Ind AS-103.

(b) The certain necessary steps and formalities in respect of transfers of properties, investments, trademark & licenses, approvals and modification of charges in pursuant to the Scheme are under process.

(c) The details of total purchase consideration and net assets purchased at the appointed date i.e. April 01, 2020 are as follows:

Particulars	(Rs. in Lakhs)	
	Gulshan Holdings Private Limited	East Delhi Importers and Exporters Private Limited
Investment Property	139.52	136.73
Investments	2,984.33	463.30
Cash and Cash equivalents	1,079.60	76.56
Other assets less other liabilities	154.43	(6.55)
General Reserve	(313.62)	(70.00)
Retained earnings	(4,037.19)	(599.04)
<b>Total net assets at book value</b>	<b>7.07</b>	<b>1.00</b>
Purchase consideration	(13,525.63)	(868.98)
<b>Capital reserve on business combination</b>	<b>(13,518.56)</b>	<b>(867.98)</b>

The Company recognized the excess of purchase consideration over net assets acquired as capital reserve arising from business combination under common control under shareholders’ equity in the financial statements.

(d) Following assets which are acquired under scheme of merger are under process of transfer on the name of Company:

Relevant line item in the Balance sheet	Description of item of property	Gross Carrying value	Title deeds held in the name of	Is title deed holder, promoter, director or relative of Promoter/Director or employee of Promoter/Director	Property held since which date	Reason for not being held in the name of the Company
Investment Property	Land and Buildings remaining idle at Muzaffarnagar	139.52	Gulshan Holdings Private Limited	NA	30-Mar-22	Refer note “b” above
Investment Property	Land and Buildings remaining idle at Muzaffarnagar	136.73	East Delhi Importers and Exporters Private Limited	NA	30-Mar-22	Refer note “b” above



47. The Company has issued and allotted 24,16,000 equity shares of Re. 1 each to Qualified Institutional Buyers on March 24, 2022 at an issue price of 326.48 (including 325.48 securities premium per equity share) which is at a discount of 5 % (i.e. ₹17.18 per Equity Share), to the Floor Price of ₹343.66 per Equity Share determined, as per the formula prescribed under Regulations 176(1) of the SEBI Regulations, aggregating to ₹ 78,87,75,680. Pursuant to the allotment of equity shares under Qualified Institutional Placement, the paid up share capital of the Company stands increased by Rs. 24.16 Lakhs. In line with Ind AS, the Company has also recognized direct issue expenses for the placement in other equity as share issue expenses. The proceeds of QIP is being utilized as per the objects of the placement.

**48. Ratios**

Particulars	Numerator	Denominator	2022-23	2021-22	%	Comments
Current Ratio	Current Assets	Current Liabilities	1.43	2.17	-33.81%	Current ratio is lower in this year due to increase in current liability as compared to last year.
Debt Equity Ratio	Total Debt	Net worth	0.33	0.16	109.60%	Debt equity ratio is higher as compared to last year due to increased borrowings.
Debt Service Coverage Ratio	Earnings available for debt service	Interest Cost and payment of principal payment	13.11	24.71	-46.94%	DSC ratio is lower as compared to last year due to increase in cost of operation resulting into lower EBITDA.
Return on Equity Ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	0.08	0.19	-56.30%	Return on equity ratio is lower due to increase in cost resulting lower profits after tax.
Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	7.90	9.16	-13.76%	Not Applicable
Trade Receivables Turnover Ratio	Revenue from Operations	Average Accounts Receivable.	9.03	10.10	-10.57%	Not Applicable
Trade Payables Turnover Ratio	Total Purchases	Average Accounts payables	16.01	16.31	-1.85%	Not Applicable
Net Capital Turnover Ratio	Revenue from Operations	Average Working capital	10.26	5.45	88.13%	Net capital turnover ratio is higher as compared to last year as the company has taken the loan in this year resulting decrease in working capital of company.
Net Profit Ratio	Profit after tax	Revenue from operation	0.04	0.08	-50.35%	Net profit ratio is lower due to increase in cost resulting lower profits after tax.
Return on Capital Employed	Earning before interest and taxes	Tangible Net Worth + Total Debt + Deferred Tax Liability	0.07	0.14	-54.19%	Return on capital employed is lower due to increase in cost resulting lower earning before interest and tax.
Return on Investment	Interest income, gain/loss on sale of investment, gain on fair value of investment through profit and loss.	Yearly average of Current as well as Non current investments fair valued through profit and loss and Bank deposits	0.11	0.08	40.20%	Return on capital employed is increase due to increase in profit arise from the sale of investment.

Previous year ratios has been revised due to figures for the previous period have been regrouped/ rearranged wherever necessary to make them comparable with current figure.

49. **Figures for the previous period have been regrouped/ rearranged wherever necessary to make them comparable with current figure.**

**50. Standards issued but not yet effective**

**(i) New and amended standards adopted by the Company**

The Ministry of Corporate Affairs had vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective 1 April 2022. These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

**(ii) New and amended standards issued but not effective**

The Ministry of Corporate Affairs has vide notification dated 31 March 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective 1 April 2023.

The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Company's accounting policy already complies with the now mandatory treatment.

**51. Additional Regulatory Information**

- (i) The Company has not revalued any of its Property, Plant & Equipment and Intangible assets.
- (ii) The Company has not given any Loans or Advances in the nature of loans to promoters, directors, KMP's, & related parties.
- (iii) The Company does not have any Benami Property.
- (iv) Quarterly returns or statements of current assets filed by the Company with banks or financial Institution are in agreement with the books of accounts.
- (v) The Company is not declared as a willful defaulter by Banks or financial Institution or any other lender.
- (vi) The Company do not have any transaction with struck off companies.
- (vii) There are no charges or satisfaction pending for registration with ROC beyond the statutory period.
- (viii) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- (ix) There is no transaction which is not recorded in the books of accounts that has been surrendered or disclosed as Income during the year in the tax assessment under the Income Tax act 1961.
- (x) The Company has not traded or invested in Crypto currency during the financial year.

**52. Corporate Social Responsibility**

(Rs. in Lakhs)

Particulars	2022-23	2021-22
Amount required to be spent by the company during the year	156.68	80.00
Amount of expenditure incurred	151.02	85.66
Utilisation of excess expenditure incurred in previous year	5.66	-
Shortfall / (excess) at the end of the year	-	(5.66)
Total of previous years shortfall	-	-
Reason of shortfall	NA	NA
Nature of CSR Activities	Multiple activities as per Schedule VII of Companies Act 2013	Multiple activities as per Schedule VII of Companies Act 2013
Details of Related party transaction	Nil	Nil
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	Nil	Nil

**As per our report of even date**  
**For RAJEEV SINGAL & CO.**  
 Chartered Accountants  
**(Registration No.008692C)**

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

**(CA Sunil Kumar)**  
 Partner  
 Membership no: 408730

**DR. CHANDRA KUMAR JAIN**  
 Chairman & Managing Director  
 DIN: 00062221

**ASHWANI KUMAR VATS**  
 Whole Time Director and CEO  
 DIN : 00062413

**Date: May 12, 2023**  
**Place : Delhi**  
**UDIN: 23408730BGQDYA8445**

**ASHA MITTAL**  
 Company Secretary

**RAJIV GUPTA**  
 Chief Financial Officer

## INDEPENDENT AUDITOR'S REPORT

To

**The Members of Gulshan Polyols Limited****Report on the Audit of Consolidated Financial Statements****Opinion**

We have audited the accompanying consolidated financial statements of **Gulshan Polyols Limited** (the "Holding Company"), its subsidiaries (the Holding Company, its subsidiary together referred to as the "Group"), which comprise the consolidated Balance Sheet as at March 31, 2023, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year ended on that date, and a summary of the 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, 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 Indian Accounting Standards prescribed under section 133 of the Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, the consolidated profit, total consolidated comprehensive income, the consolidated changes in equity and 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 ("SA" s) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a 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 that there are no key audit matters to communicate in our report."***

**Information other than the financial statements and auditor's report thereon**

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, 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.

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 and Board of Directors' Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation 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 Ind AS and other accounting principles generally accepted in India. The respective Boards of Directors of the companies included in the Group are responsible for maintenance of the 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 Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group is responsible for

assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intends to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Boards of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

#### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, for the purpose of expressing an opinion on effectiveness of the Company's internal financial 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 ability of the Group 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements.

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 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 / financial information of subsidiary, whose financial statements / financial information reflect total assets (net) of Rs. 6.00 Lacs as at March 31, 2023, and Loss of Rs.18.00 Lacs for the year ended on that date, as considered in the consolidated financial statements. That financial statements / financial information has been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the work done by and the report of the other auditor.

**Report on Other Legal and Regulatory Requirements**

As required by the paragraph 3(xxi) of Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we report that there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order 2020 reports of the companies included in the consolidated financial statements.

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 of 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 by the Company so far as it appears from our examination of those books;
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Cash Flows and and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act;
- e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Boards of Directors of the Holding Company and its subsidiary incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2023 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 holding company and subsidiary company incorporated in India and the operating effectiveness of such controls, we give our separate Report in "**Annexure 1**";
- 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 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.

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- 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, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Holding Company has disclosed the impact of pending litigations on its financial position in its consolidated financial statements.
  - (ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts;
- i. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For and on behalf of  
**For Rajeev Singal & Co**  
Chartered Accountants  
(FRN:- 008692C)

**Date: 12-05-2023**  
**Place: Delhi**  
**UDIN:23408730BGQDYB3220**

**(CA Sunil Kumar)**  
**Partner**  
**Membership No. 408730**

## ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Gulshan Polyols on the consolidated financial statements for the year ended March 31, 2023]

### Report on the Internal Financial Controls 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 March 31, 2023, we have audited the internal financial controls over financial reporting of **Gulshan Polyols** (the "Holding Company") and its foreign subsidiary company GULSHAN OVERSEAS-FZCO (the Holding company and its subsidiary together referred to as "the Group").

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

The respective Board of Directors of the Group 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 group'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 specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the 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 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 internal financial controls system over financial reporting of the Company and its subsidiary companies.

#### Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

#### Opinion

In our opinion, the Group, which comprises of the 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 March 31, 2023, based on the internal control over financial reporting criteria established by the group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

For and on behalf of

**For Rajeev Singal & Co**  
Chartered Accountants  
(FRN:- 008692C)

**Date: 12-05-2023**  
**Place: Delhi**  
**UDIN:23408730BGQDYB3220**

**(CA Sunil Kumar)**  
**Partner**  
**Membership No. 408730**

**Consolidated Balance Sheet as at 31st, March, 2023**
**(Rs. in Lakhs)**

	Particulars	Note No.	As at March 31st, 2023	As at March 31st, 2022
<b>A</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-Current Assets</b>			
	(a) Property, Plant and Equipment	2	27,580.63	23,715.71
	(b) Capital Work-in-Progress	3	27,802.30	9,128.12
	(c) Investment Property	4	271.81	273.15
	(d) Intangible Assets	5	6.24	7.21
	(e) Financial Assets			
	(i) Investments	6	1,935.25	2,585.67
	(ii) Other Financial Assets	7	1,225.92	1,250.92
	(f) Other Non-Current Assets	8	1,571.95	2,699.80
	(g) Non Current Tax Assets (Net)		150.30	174.04
	<b>Total Non- Current Assets</b>		<b>60,544.40</b>	<b>39,834.62</b>
<b>2</b>	<b>Current Assets</b>			
	(a) Inventories	9	15,737.20	10,789.87
	(b) Financial Assets			
	(i) Investments	6A	338.71	-
	(ii) Trade Receivables	10	14,163.41	11,962.07
	(iii) Cash and Cash equivalents	11	515.69	11,260.83
	(iv) Other Bank Balance	12	61.45	1,047.24
	(c) Other Current Assets	13	7,273.39	2,499.52
	(d) Current Tax Assets (Net)		138.83	-
	<b>Total Current Assets</b>		<b>38,228.68</b>	<b>37,559.53</b>
	<b>Total Assets</b>		<b>98,773.08</b>	<b>77,394.15</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Equity</b>			
	(a) Equity Share Capital	14	519.75	519.75
	(b) Other Equity	15	56,967.35	53,019.23
	<b>Total Equity</b>		<b>57,487.10</b>	<b>53,538.98</b>
<b>2</b>	<b>Non-Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	16	12,750.00	4,731.22
	(ii) Lease Liabilities	17	445.46	450.10
	(b) Provisions	18	63.15	-
	(c) Deferred Tax Liabilities (Net)	19	1,370.72	1,336.91
	<b>Total Non-Current Liabilities</b>		<b>14,629.33</b>	<b>6,518.23</b>
<b>3</b>	<b>Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	20	12,046.68	6,464.37
	(ii) Trade payables	21	-	-
	(a) Outstanding dues of micro, small enterprises		2,061.02	585.00
	(b) Outstanding dues of creditors other than above		5,981.27	5,195.17
	(iii) Lease liabilities		43.94	43.51
	(iv) Other Financial Liabilities	22	4,701.54	2,148.83
	(b) Other Current Liabilities	23	1,822.20	2,726.02
	(c) Current Tax Liability (Net)		-	174.04
	<b>Total Current Liabilities</b>		<b>26,656.65</b>	<b>17,336.94</b>
	<b>Total Equity and Liabilities</b>		<b>98,773.08</b>	<b>77,394.15</b>

**Significant accounting policies**
**1**
**The accompanying notes form an integral part of Consolidated Financial Statements**
**As per our report of even date**
**For RAJEEV SINGAL & CO.**

Chartered Accountants

(Registration No.008692C)

**(CA Sunil Kumar)**

Partner

Membership no: 408730

**Date: May 12, 2023**
**Place : Delhi**
**UDIN: 23408730BGQDYB3220**
**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

## Consolidated Statement of Profit and Loss for the year ended 31st March, 2023

(Rs. in Lakhs)

Particulars	Note No.	For the year ended March 31st, 2023	For the year ended March 31st, 2022
<b>REVENUE</b>			
Revenue from Operations	24	117,972.97	110,072.64
Other Income	25	706.48	204.75
<b>Total Income (I)</b>		<b>118,679.45</b>	<b>110,277.39</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	26	70,230.84	56,434.35
Purchase of Stock in Trade	27	605.76	930.80
Changes in Inventories of Finished goods, Work in progress and Stock in Trade	28	(975.16)	(15.39)
Employee Benefits Expenses	29	3,267.86	3,630.10
Finance Cost	30	612.73	495.97
Depreciation & amortisation Expenses	31	2,873.49	3,240.90
Other Expenses	32	36,043.83	34,081.01
<b>Total Expenses (II)</b>		<b>112,659.35</b>	<b>98,797.74</b>
<b>Profit Before Tax (III) (I-II)</b>		<b>6,020.10</b>	<b>11,479.65</b>
Tax Expense:	33		
Current Tax Expense		1,450.51	3,079.67
Deferred Tax Expense		51.41	(124.91)
<b>Total Tax Expenses (IV)</b>		<b>1,501.92</b>	<b>2,954.76</b>
<b>Profit/(Loss) for the year (V) (III-IV)</b>		<b>4,518.18</b>	<b>8,524.89</b>
<b>Other Comprehensive Income</b>			
<b>Item that will not to be reclassified to Profit and Loss:</b>			
(Gain)/loss on equity instruments		(7.74)	(19.28)
(Gain)/Loss of defined benefit obligation		73.36	15.74
Income Tax relating to item that will not be reclassified to profit or loss		(17.60)	(2.29)
<b>Item that will be reclassified to Profit and Loss:</b>			
(Gain)/Loss on translation of foreign operation		0.83	-
<b>Total Other Comprehensive (Income)/Loss (VI)</b>		<b>48.85</b>	<b>(5.83)</b>
<b>Total Comprehensive Income for the year (VII) (V - VI)</b>		<b>4,469.33</b>	<b>8,530.72</b>
<b>Net Profit / (loss) for the year attributable to :</b>			
Owners of the Parent		4,518.18	8,524.89
Non-Controlling Interest		-	-
<b>Other Comprehensive Income for the year attributable to :</b>			
Owners of the Parent		48.85	(5.83)
Non-Controlling Interest		-	-
<b>Total Comprehensive Income for the year attributable to :</b>			
Owners of the Parent		4,469.33	8,530.72
Non-Controlling Interest		-	-
Earning per equity share of face value of Rs. 1 each Basic and diluted (in Rs.)	34		
Basic		8.69	16.40
Diluted		8.69	16.40
<b>Significant accounting policies</b>	1		

The accompanying notes form an integral part of Consolidated Financial Statements

As per our report of even date

For RAJEEV SINGAL &amp; CO.

Chartered Accountants

(Registration No.008692C)

(CA Sunil Kumar)

Partner

Membership no: 408730

Date: May 12, 2023

Place : Delhi

UDIN: 23408730BGQDYB3220

DR. CHANDRA KUMAR JAIN

Chairman &amp; 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



**Consolidated Statement of Cash Flow for the Year ended 31st March, 2023**
**(Rs.in Lakhs)**

Particulars	Year ended March 31st, 2023	Year ended March 31st, 2022
<b>A. Cash flow from operating activities</b>		
Profit before Tax	6,020.10	11,479.65
Adjustment for :		
Depreciation and Amortization Expenses	2,873.49	3,240.90
Dividend income	(0.24)	(0.72)
(Gain) / Loss on disposal of property, plant and equipment	11.28	(7.20)
(Gain) / Loss on disposal of Investments	(275.87)	(105.81)
Interest income	(73.82)	(87.40)
Interest expenses	612.73	495.97
<b>Cash generated from operations before working capital changes</b>	<b>9,167.67</b>	<b>15,015.39</b>
Adjustment for :		
Decrease/(increase) in other assets	(1,010.70)	(2,471.77)
Decrease/(increase) in trade receivables	(2,201.34)	(2,123.92)
Decrease/(increase) in inventories	(4,947.33)	(1,744.81)
(Decrease)/increase in other current liabilities	(2,602.54)	(839.19)
(Decrease)/increase in provisions	63.15	-
(Decrease)/increase in trade and other payables	4,814.83	1,211.86
<b>Cash generated from operating activities</b>	<b>(5,883.93)</b>	<b>(5,967.83)</b>
Direct taxes paid (net of refunds)	(1,739.64)	(2,954.56)
<b>Net Cash flow generated from operating activities (A)</b>	<b>1,544.10</b>	<b>6,093.00</b>
<b>B. Cash Flow from Investing activities</b>		
Sale proceeds from property, plant and equipment	36.45	14.40
Purchase of property, plant and equipment including capital work in progress	(25,425.47)	(11,333.60)
Purchase of intangibles	(0.99)	(0.83)
Net Sale/ (Purchase) proceeds from non-current investments and current investments	595.32	(2,389.62)
Interest income	73.82	87.40
Dividend income	0.24	0.72
<b>Net Cash Flow Generated from investing activities (B)</b>	<b>(24,720.63)</b>	<b>(13,621.53)</b>
<b>C. Cash flow from Financing activities</b>		
Interest expenses	(607.49)	(487.59)
Payment of Interest/Principal on Lease Liabilities	(41.00)	(29.08)
Proceeds/(Repayment) of long-term borrowings	8,018.79	3,678.22
Proceeds/(Repayment) of short-term borrowings	5,582.31	6,464.37
Proceeds from issue of Equity share capital (net of transaction costs)	-	7,634.04
Transaction costs on issue of shares	(1.47)	-
Dividend paid	(519.75)	(274.08)
<b>Net Cash flow Generated from financing activities (C)</b>	<b>12,431.39</b>	<b>16,985.88</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>(10,745.13)</b>	<b>9,457.35</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>11,260.83</b>	<b>1,803.48</b>
<b>Cash and cash equivalents at year end</b>	<b>515.69</b>	<b>11,260.83</b>

**Note:**

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 Consolidated Financial Statements  
As per our report of even date attached**

**For RAJEEV SINGAL & CO.**  
Chartered Accountants  
(Registration No.008692C)

(CA Sunil Kumar)  
Partner  
Membership no: 408730

**Date: May 12, 2023**  
**Place : Delhi**  
**UDIN: 23408730BGQDYB3220**

**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

**Consolidated Statement of Changes in Equity for the year ended 31st March 2023**
**A. Equity Share Capital**

	(Rs.in Lakhs)
<b>Opening balance as at April 1, 2021</b>	<b>495.59</b>
Change during the year	24.16
<b>Closing balance as at March 31, 2022</b>	<b>519.75</b>
Change during the year	-
<b>Closing balance as at March 31, 2023</b>	<b>519.75</b>

**B. Other Equity attributable to the Equity Holders of the Group**

(Rs.in Lakhs)

Particulars	RESERVES AND SURPLUS				Other Comprehensive Income				Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Capital Redemption Reserve	Retained Earning	Equity Instrument through Other Comprehensive Income	Defined Benefit Obligation	(Gain)/ Loss on translation of foreign operation	
<b>Balance as at 1st April 2021</b>	<b>(18,074.73)</b>	<b>17,796.36</b>	<b>5,371.86</b>	<b>50.00</b>	<b>31,964.29</b>	<b>4.83</b>	<b>40.09</b>	<b>-</b>	<b>37,152.70</b>
Profit for the year	-	-	-	-	8,524.89	-	-	-	8,524.89
Amount Transfer to Capital Redemption Reserve	-	-	-	975.00	(975.00)	-	-	-	-
Dividend on equity shares	-	-	-	-	(274.08)	-	-	-	(274.08)
Change during the year	-	7,863.60	-	-	-	-	-	-	7,863.60
Transaction costs on issue of shares	-	(253.72)	-	-	-	-	-	-	(253.72)
Other comprehensive income for the year, net of income tax	-	-	-	-	-	17.36	(11.52)	-	5.84
Amount Transfer to General Reserve	-	-	2.00	-	(2.00)	-	-	-	-
<b>As at 31st March 2022</b>	<b>(18,074.73)</b>	<b>25,406.24</b>	<b>5,373.86</b>	<b>1,025.00</b>	<b>39,238.10</b>	<b>22.19</b>	<b>28.57</b>	<b>-</b>	<b>53,019.23</b>
<b>Balance as at 1st April 2022</b>	<b>(18,074.73)</b>	<b>25,406.24</b>	<b>5,373.86</b>	<b>1,025.00</b>	<b>39,238.10</b>	<b>22.19</b>	<b>28.57</b>	<b>-</b>	<b>53,019.23</b>
Profit for the year	-	-	-	-	4,518.18	-	-	-	4,518.18
Transfer To retained earning on disposal of Equity Instruments valued through OCI	-	-	-	-	(14.37)	14.37	-	-	-
Dividend on equity shares	-	-	-	-	(519.75)	-	-	-	(519.75)
Transaction costs on issue of shares	-	(1.47)	-	-	-	-	-	-	(1.47)
Other comprehensive income for the year, net of income tax	-	-	-	-	-	6.88	(54.89)	(0.83)	(48.84)
<b>As at 31st March, 2023</b>	<b>(18,074.73)</b>	<b>25,404.77</b>	<b>5,373.86</b>	<b>1,025.00</b>	<b>43,222.15</b>	<b>43.44</b>	<b>(26.32)</b>	<b>(0.83)</b>	<b>56,967.35</b>

Significant accounting policies

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**The accompanying notes form an integral part of Consolidated Financial Statements**
**As per our report of even date**
**For RAJEEV SINGAL & CO.**

Chartered Accountants

**(Registration No.008692C)**
**(CA Sunil Kumar)**

Partner

Membership no: 408730

**Date: May 12, 2023**
**Place : Delhi**
**UDIN: 23408730BGQDYB3220**
**DR. CHANDRA KUMAR JAIN**

Chairman &amp; 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

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**1. DESCRIPTION OF THE GROUP AND SIGNIFICANT ACCOUNTING POLICIES**

**1.1 Basis of Preparation of Consolidated Financial Statements**

**(i) Corporate Information**

Gulshan Polyols Limited (“GPL” or “the Company”) with a CIN number L24231UP2000PLC034918 is a domestic public limited company, listed in India with registered office situated at 9<sup>th</sup> K.M., Jansath Road, Muzaffarnagar (U.P.) - 251001. GPL is a multi-location, multi-product manufacturing company and has become a market leader in most of its products in India with global presence in 42 countries, across 3 continents. Its business portfolio covers Starch, Starch Sugars, Calcium Carbonate, Alcohol & Ethanol business, Agro based Animal Feed & On-site PCC plants with production facilities at Muzaffarnagar in Uttar Pradesh, Bharuch in Gujarat, Dhaula Kuan in Himachal Pradesh, Abu Road in Rajasthan, Patiala in Punjab, Tribeni in West Bengal, Amlai & Borgaon in Madhya Pradesh. It caters to wide range of industry & niche markets in core sector encompassing pharmaceuticals, personal care products, footwear, tyres, rubber & plastics, paints, alcohol, value added paper, agrochemicals, food and agro products. Since inception, GPL is a dividend paying company and listed on National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange (“BSE”).

The Consolidated Financial Statements comprise financial statements of “Gulshan Polyols Limited” (“the Holding Company” or “The Company”) and its subsidiaries (collectively referred to as “the Group”) for the year ended 31st March, 2023. The Holding Company is a listed entity incorporated in India.

**(ii) Statement of compliance**

The Consolidated Financial Statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III).

The Consolidated Financial Statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair values or amortised cost depending upon classification. Historical cost is generally based on the fair value of the consideration given in exchange of goods or services.

**1.2 Principal of Consolidation**

- a) The financial statements of the Holding Company and its subsidiaries are combined on a line-by-line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intragroup transactions
- b) Profits or losses resulting from intra-group transactions that are recognised in assets, such as Inventory and Property, Plant and Equipment, are eliminated in full.
- c) In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the Foreign Currency Translation Reserve (FCTR) in Other Comprehensive Income.
- d) The audited / unaudited financial statements of foreign subsidiaries have been prepared in accordance with the Generally Accepted Accounting Principle of its Country of Incorporation or Ind AS.
- e) The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.
- f) The carrying amount of the parent’s investment in each subsidiary is offset (eliminated) against the parent’s portion of equity in each subsidiary.
- g) The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as on the date of disposal is recognised in the Consolidated Statement of Profit and Loss being the profit or loss on disposal of investment in subsidiary.
- h) Non-Controlling Interest’s share of profit / loss of consolidated subsidiaries for the year is identified and adjusted against the income of the Group in order to arrive at the net income attributable to shareholders of the Company.
- i) Non-Controlling Interest’s share of net assets of consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet

**1.3 Use of estimates and judgements**

The preparation of the Consolidated 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 Consolidated 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 Consolidated Financial Statements have been disclosed in Note No.1.6. 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.

#### **1.4 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 realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised 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 realisation 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.

#### **1.5 Foreign currencies**

These Consolidated 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 recognised 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 recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

#### **1.6 Critical estimates and judgments**

The preparation of Consolidated 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 overview 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 Consolidated Financial Statements.

The areas involving critical estimates or judgment are:

- Estimation of Defined benefit obligation
- Estimation of current tax expenses
- Useful life of Property, plant and equipment
- Valuation of Inventory
- Provisions and Accruals
- Contingencies

#### **1.7 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 Consolidated 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 Consolidated Financial Statements 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.

## 1.8 Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration 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 recognised 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 recognised when no significant uncertainty as to its determination or realisation exists.

### (v) Export Incentives

Export incentives are recognised when the incentives are received from the government authorities.

Export entitlement from government authorities under Duty Draw Back scheme is recognised in the consolidated statement of profit and loss based on receipt from the government authorities.

## 1.9 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 recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised 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 recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised 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 utilised.
- 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 utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised 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 realised 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 recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised 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.

#### 1.10 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.

#### 1.11 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 other than freehold land 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.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits attributable to such subsequent cost associated with the item will flow to the Group. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of repairs and maintenance are recognised in the statement of profit and loss as incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is disclosed as capital advances under non-current assets.

Capital work-in-progress included in property, plant and equipment are not depreciated as these assets are not yet available for use. 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.

The estimated useful lives, residual values and depreciation method 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 consolidated statement of profit & loss.

### **1.12 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 capitalised 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 recognised as assets are amortised 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.

### **1.13 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 capitalised 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.

### **1.14 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.

#### **Group as a lessee**

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased Asset or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the Consolidated statement of profit and loss. Contingent rentals are recognised as expenses in the periods in which they are incurred. Lease management fees, legal charges and other initial direct costs are capitalised.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term, except in case where lease rentals are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost.

#### **Right-of-use assets**

The Group recognises 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 remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, 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 Group 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 recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance 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 Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised 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 Group 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 remeasured 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 Group's lease liabilities are included in Interest-bearing loans and borrowings (see Note 40)

#### **Short-term leases and leases of low-value assets**

The Group 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 recognised as expense on a straight-line basis over the lease term.

#### **Group as a lessor**

Leases in which the Group 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.

### **1.15 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 realisable 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 an appropriate share of overheads based on normal operating capacity. Stores and spares, that do not qualify to be recognised as property, plant and equipment, consists 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 realisable 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.

### **1.16 Impairment of non-financial assets**

The carrying amounts of the Group'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 recognised in the consolidated statement of profit and loss if the estimated recoverable amount of an asset or its cash-generating unit is lower than it is carrying amount.

Impairment losses, other than those recognized on goodwill, that have been recognised 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 the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

### **1.17 Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognised if, as a result of a past event, the Group 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 recognised 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 Group including claims raised by fiscal authorities (e.g. VAT, GST, Income Tax etc.) pending in appeal / court for which no reliable estimated 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.

### **Contingent Assets**

Contingent assets are not recognised in the Consolidated 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 recognised in the period in which the change occurs.

### **1.18 Business Combinations**

Business combinations involving entities under common control are accounted for using the pooling of interest's method. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonize accounting policies. Any excess or shortfall of the consideration paid over the share capital of transferor entity or business is recognized as capital reserve under equity (refer note 46).

### **1.19 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 the period in which the employee renders the related service.

#### **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 recognised during the period in which the employees render the related services.

#### **ii) Defined Benefit Plans:**

The Group 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 Consolidated 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.

### **1.20 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 consolidated 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 Group'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 Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group 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 Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group 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 Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

#### **Impairment of financial assets**

In accordance with Ind AS 109, the Group 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 Group follows 'simplified approach' for recognition of impairment loss allowance on the trade receivable balances. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

As a practical expedient, the Group 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 analysed.

#### **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 consolidated 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 consolidated statement of profit and loss.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

#### **Derecognition**

A financial liability is derecognised when the obligation under the 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 recognised 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 Consolidated Financial Statements if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### **1.21 Cash and cash equivalents**

Cash and cash equivalent in the Consolidated 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 consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

**1.22 Trade receivables**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects Group's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

**1.23 Trade and other payables**

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts which are unsecured are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

**1.24 Borrowings**

Borrowings are initially recognized at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in consolidated profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Borrowings are removed from the consolidated balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in statement of profit or loss.

**2. PROPERTY, PLANT AND EQUIPMENT**

(Rs.in Lakhs)

Particulars	Free hold Land	ROU (Right of Use of Assets)	Building	Plant and Equipment	Office Furniture and Equipment	Vehicle	Total
<b>Gross Block</b>							
Balance as at 1st April 2021	258.72	1,087.09	4,099.09	34,764.57	221.40	775.18	41,206.04
Additions	-	1,190.31	1.14	1,574.18	36.13	89.83	2,891.59
Disposals	-	-	-	15.75	-	40.98	56.73
Balance as at 1st April 2022	258.72	2,277.39	4,100.22	36,323.01	257.53	824.03	44,040.90
Additions	-	60.65	98.07	6,629.83	34.17	-	6,822.72
Adjustments	-	14.66	-	-	-	-	14.66
Disposals	-	-	-	76.18	-	131.61	207.79
Balance as at 31st March 2023	258.72	2,323.38	4,198.30	42,876.65	291.70	692.42	50,641.17
<b>Accumulated Depreciation</b>							
Balance as at 1st April 2021	-	75.03	1,332.99	15,262.46	138.73	312.95	17,122.17
Additions	-	34.92	262.79	2,772.36	27.97	154.50	3,252.54
Disposals	-	-	-	10.44	-	39.08	49.52
Balance as at 1st April 2022	-	109.95	1,595.79	18,024.38	166.71	428.37	20,325.18
Additions	-	48.49	242.58	2,467.56	30.29	122.22	2,911.13
Disposals	-	-	-	48.85	-	126.93	175.78
Balance as at 31st March 2023	-	158.44	1,838.36	20,443.09	196.99	423.66	23,060.54
<b>Net Block</b>							
Balance as at 31st March 2023	258.72	2,164.95	2,359.93	22,433.57	94.71	268.76	27,580.63
Balance as at 31st March 2022	258.72	2,167.45	2,504.44	18,298.63	90.82	395.66	23,715.71

**3. CAPITAL WORK IN PROGRESS**

(Rs.in Lakhs)

Particulars	As at March 31st, 2023	As at March 31st, 2022
<b>Capital Work in Progress consist of the following:</b>		
Work in progress	27,802.30	9,128.12
<b>Total</b>	<b>27,802.30</b>	<b>9,128.12</b>

**Ageing for capital work-in-progress as at March 31, 2023 is as follows:**

(Rs.in Lakhs)

Particulars	Amount in capital work-in-progress				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 years	
Projects in Progress	21,423.20	6,379.10	-	-	27,802.30
<b>Total</b>	<b>21,423.20</b>	<b>6,379.10</b>	-	-	<b>27,802.30</b>

**Ageing for capital work-in-progress as at March 31, 2022 is as follows:**

(Rs.in Lakhs)

Particulars	Amount in capital work-in-progress				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 years	
Projects in Progress	9,067.05	61.07	-	-	9,128.12
<b>Total</b>	<b>9,067.05</b>	<b>61.07</b>	-	-	<b>9,128.12</b>

**4. INVESTMENT PROPERTY**

Particulars	Land	Building	Total
<b>Gross Block</b>			
Balance as at 1st April 2021	259.04	28.51	287.55
Additions	-	-	-
Disposals	-	-	-
Balance as at 1st April 2022	259.04	28.51	287.55
Additions	-	-	-
Disposals	-	-	-
Balance as at 31st March 2023	259.04	28.51	287.55
<b>Accumulated Depreciation</b>			
Balance as at 1st April 2021	-	12.92	12.92
Additions	-	1.48	1.48
Disposals	-	-	-
Balance as at 1st April 2022	-	14.40	14.40
Additions	-	1.34	1.34
Disposals	-	-	-
Balance as at 31st March 2023	-	15.74	15.74
<b>Net Block</b>			
Balance as at 31st March 2023	259.04	12.77	271.81
Balance as at 31st March 2022	259.04	14.11	273.15

**Fair Market value of Investment Property**

As on March 31, 2023	297.59
As on March 31, 2022	297.59

Note: The group has not revalued the investment Property. Fair market value is based on the valuation report from a Registered valuer as defined under Companies Act, 2013

**5. INTANGIBLE ASSETS**

Particulars	Software	Total
<b>Gross Block</b>		
<b>Balance as at 1st April 2021</b>	<b>23.00</b>	<b>23.00</b>
Additions	0.83	0.83
Disposals	-	-
<b>Balance as at 31st March 2022</b>	<b>23.83</b>	<b>23.83</b>
Additions	0.99	0.99
Disposals	-	-
<b>Balance as at 31st March 2023</b>	<b>24.82</b>	<b>24.82</b>
<b>Accumulated Depreciation</b>		
<b>Balance as at 1st April 2021</b>	<b>14.19</b>	<b>14.19</b>
Additions	2.42	2.42
Disposals	-	-
<b>Balance as at 31st March 2022</b>	<b>16.61</b>	<b>16.61</b>
Additions	1.96	1.96
Disposals	-	-
<b>Balance as at 31st March 2023</b>	<b>18.58</b>	<b>18.58</b>
<b>Net Block</b>		
<b>Balance as at 31st March 2023</b>	<b>6.24</b>	<b>6.24</b>
<b>Balance as at 31st March 2022</b>	<b>7.21</b>	<b>7.21</b>

**6. INVESTMENTS -NON- CURRENT INVESTMENTS**

(Rs.in Lakhs)

Particulars	As at March 31st, 2023	As at March 31st, 2022
<b>(a) Investment in Equity Instruments fair Value through Other Comprehensive Income (Fully paid up)</b>		
<b>Quoted Equity Shares</b>		
(i) 50,000 (PY 50,000) equity shares in Genus Power Infrastructure Limited of ₹1 each	42.35	35.85
(ii) 50,000 (PY 50,000) equity shares in Genus Paper and Boards Limited of ₹1 each	6.53	7.00
(iii) Nil (PY 1,500) equity shares in J.P. Associates Limited of ₹ 1 each	-	0.12
(iv) Nil (PY 25,000) equity shares in Rashtriya Chemical and Fertilizers Limited of ₹10 each	-	22.29
(v) Nil (PY 25,000) equity shares in Suzlon Energy Limited of ₹2 each	-	2.30
<b>Unquoted Equity Shares</b>		
(i) 10,500 (PY 10,500) equity shares of ₹ 10 each -BEIL Infrastructure Ltd.	1.05	1.05
(ii) 4,09,025 (PY 4,09,025) equity shares of ₹ 10 each - Narmada Clean Tech Ltd. (formally named as Bharuch Eco-Aqua Infrastructure Ltd.)	40.90	40.90
(iii) 13,53,200 (PY : Nil) Equity Shares in Amplus RJ Solar Pvt Ltd. of ₹10 Each.	135.32	-
<b>(b) Investment in Mutual Funds</b>		
Non current Investment in Mutual Funds	1,709.11	2,476.15
<b>Total</b>	<b>1,935.25</b>	<b>2,585.67</b>

**6A. INVESTMENTS -CURRENT INVESTMENT**

(Rs.in Lakhs)

Particulars	As at March 31st, 2023	As at March 31st, 2022
Investment in Mutual Fund	338.71	-
<b>Total</b>	<b>338.71</b>	<b>-</b>

**7. Other Financial Assets (Non Current)**
**(Rs.in Lakhs)**

Particulars	As at March 31st, 2023	As at March 31st, 2022
<b>NON-CURRENT</b>		
Security Deposits	712.13	691.85
Bank Deposits with maturity of more than 12 months as Margin Money	244.25	347.53
GPL Employees Welfare Trust	269.54	211.54
<b>Total</b>	<b>1,225.92</b>	<b>1,250.92</b>

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 March 31st, 2023	As at March 31st, 2022
Capital Advances	1,571.95	2,677.22
Other Loans & Advances	-	0.78
Balance with Government Authorities	-	-
Balance with Gratuity fund	-	21.80
<b>Total</b>	<b>1,571.95</b>	<b>2,699.80</b>

**9. INVENTORIES**
**(Rs.in Lakhs)**

Particulars	As at March 31st, 2023	As at March 31st, 2022
Raw Materials	9,719.89	5,886.40
Work in Progress	1,422.39	1,012.00
Finished Goods	2,205.31	1,520.96
Stock in Traded Goods	45.82	165.40
Stores, Spares & Packing	422.36	564.13
Coal, Fuel & Chemicals	1,921.43	1,640.98
<b>Total</b>	<b>15,737.20</b>	<b>10,789.87</b>

**10. TRADE RECEIVABLES**
**(Rs.in Lakhs)**

Particulars	As at March 31st, 2023	As at March 31st, 2022
Un-secured and Considered Good	14,245.36	12,017.37
Significant increase in credit risk	25.06	39.49
<b>Total</b>	<b>14,270.42</b>	<b>12,056.87</b>
Less:- Allowance for doubtful trade receivables	(107.01)	(94.80)
<b>Total</b>	<b>14,163.41</b>	<b>11,962.07</b>

Note: A provision of Rs. 12.21 ( previous year : (3.51)) Lakh on doubtful trade receivable has been created during the year.

**Ageing for trade receivables as at March 31, 2023 is as follows:**
**(Rs.in Lakhs)**

Particulars	Not due	Less than 6 months	6 month-1 year	1-2 years	2-3 years	more than 3 years	Total
Undisputed Trade Receivables-Considered Good	375.62	13,650.84	-	9.12	44.08	165.69	14,245.36
Undisputed Trade Receivables-which have significant increase in credit risk	-	-	-	9.25	8.31	-	17.56
Undisputed Trade Receivables-credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables-Considered Good	-	-	-	-	-	-	-
Disputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	7.50	7.50
Disputed Trade Receivables-credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>375.62</b>	<b>13,650.84</b>	<b>-</b>	<b>18.37</b>	<b>52.39</b>	<b>173.19</b>	<b>14,270.42</b>
Less:- Allowance for doubtful trade receivables							(107.01)
<b>Trade receivables (Net)</b>							<b>14,163.41</b>

**Ageing for trade receivables as at March 31, 2022 is as follows:**
**(Rs.in Lakhs)**

Particulars	Not due	Less than 6 months	6 month-1 year	1-2 years	2-3 years	more than 3 years	Total
Undisputed Trade Receivables-Considered Good	10,308.82	1,363.63	148.69	-	154.51	41.73	<b>12,017.39</b>
Undisputed Trade Receivables-which have significant increase in credit risk	-	-	9.42	-	22.57	-	<b>31.99</b>
Undisputed Trade Receivables-credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables-Considered Good	-	-	-	-	-	-	-
Disputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	7.50	<b>7.50</b>
Disputed Trade Receivables-credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>10,308.82</b>	<b>1,363.63</b>	<b>158.11</b>	-	<b>177.08</b>	<b>49.23</b>	<b>12,056.87</b>
Less:- Allowance for doubtful trade receivables							<b>(94.80)</b>
<b>Trade receivables (Net)</b>							<b>11,962.07</b>

**11. CASH AND CASH EQUIVALENTS**
**(Rs.in Lakhs)**

Particulars	As at March 31st, 2023	As at March 31st, 2022
Cash in hand	4.91	2.66
Balance with Banks		
-In Current accounts	510.78	11,258.17
<b>Total</b>	<b>515.69</b>	<b>11,260.83</b>

**12. Other Bank Balance**
**(Rs.in Lakhs)**

Particulars	As at March 31st, 2023	As at March 31st, 2022
Unclaimed dividend Account	61.45	72.31
Term deposits with original maturity of more than 3 months and remaining maturity of less than 12 months)	-	974.93
<b>Total</b>	<b>61.45</b>	<b>1,047.24</b>

**13. OTHER CURRENT ASSETS**
**(Rs.in Lakhs)**

Particulars	As at March 31st, 2023	As at March 31st, 2022
<b>Unsecured and Considered Good</b>		
Advance to Employees	16.36	14.30
Advance to suppliers and service providers	719.40	925.09
Balance with Govt. Authorities	6,089.88	1,242.79
Other Advances	447.75	317.33
<b>Total</b>	<b>7,273.39</b>	<b>2,499.52</b>

**14. EQUITY SHARE CAPITAL**
**(Rs.in Lakhs)**

Particulars	As at March 31st, 2023	As at March 31st, 2022
<b>Authorised Equity Share Capital:</b>		
28,06,00,000(PY 28,06,00,000) Equity shares of Rs.1 each	2,806.00	2,806.00
<b>Authorised Preference Share Capital:</b>		
2,50,000(PY 2,50,000) Preference shares of Rs.10 each	25.00	25.00
14,50,000(PY 14,50,000) Preference shares of Rs.100 each	1,450.00	1,450.00
<b>Total</b>	<b>4,281.00</b>	<b>4,281.00</b>
<b>Issued, Subscribed and Paid up:</b>		
5,19,75,489 (PY 5,19,75,489) Equity shares of Rs.1 each	519.75	519.75
<b>Total</b>	<b>519.75</b>	<b>519.75</b>

**(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 March 31st, 2023		As at March 31st, 2022	
	No. of shares	Amount	No. of shares	Amount
<b>Equity Shares</b>		<b>( 1 Rs Each)</b>		<b>( 1 Rs Each)</b>
Shares outstanding at the beginning of the year	51,975,489.00	519.75	49,559,489.00	495.59
Add: Issued during the year (refer note 47)	-	-	2,416,000.00	24.16
<b>Closing balance</b>	<b>51,975,489.00</b>	<b>519.75</b>	<b>51,975,489.00</b>	<b>519.75</b>

**Terms/rights attached to the Equity Shares**

The Holding 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 Holding Company had Paid during the Financial year 2022-2023, a Final dividend of Rs. 1 (Rupees One) per equity share at face value of Rs. 1/- each (100%) for Financial Year 2021-2022 declared in Annual General Meeting held on 28-09-2022. The Holding 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 Holding Company**

Name of Shareholder	As at March 31st, 2023		As at March 31st, 2022	
	No. of shares held	% of holding	No. of shares held	% of holding
(i) Dr.C. K. Jain	1,385,638	2.67%	11,885,326	22.87%
(ii) Mridula Jain	1,385,638	2.67%	7,715,809	14.85%
(iii) Arushi Jain	1,385,635	2.67%	5,046,129	9.71%
(iv) Aditi Pasari	1,385,635	2.67%	5,013,751	9.65%
(v) Anubha Gupta	1,385,635	2.67%	4,979,892	9.58%
(vi) Chandra Kumar Jain trustee of Gulshan Family Benefit Trust	10,882,867	20.94%	-	0.00%
(vii) Arushi Jain trustee of Mridula Family Trust	5,609,953	10.79%	-	0.00%
(viii) Aditi Pasari trustee of Chandra Holding Trust	5,609,953	10.79%	-	0.00%
(ix) Anubha Gupta trustee of Lotus Holding Trust	5,609,953	10.79%	-	0.00%

**(c) Reconciliation of Number of Preference shares outstanding at the beginning and at the end of the reporting period (Rs.in Lakhs)**

Particulars	As at March 31st, 2023		As at March 31st, 2022	
	No. of shares	Amount	No. of shares	Amount
<b>Preference Shares</b>		<b>( 100 Rs Each)</b>		<b>( 100 Rs Each)</b>
Shares outstanding at the beginning of the year	-	-	975,000	975.00
Less: Redeemed during the year	-	-	<b>975,000</b>	<b>975.00</b>
<b>Closing balance</b>	-	-	-	-

**Terms/rights attached to the Preference Shares**

The Holding 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) Shareholding of Promoters**

Shares held by promoters at the end of the year  Promoter Name	As at March 31st, 2023		As at March 31st, 2022		% change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Dr. Chandra Kumar Jain	1,385,638	2.67%	11,885,326	22.87%	-20.20%
Mridula Jain	1,385,638	2.67%	7,715,809	14.85%	-12.18%
Arushi Jain	1,385,635	2.67%	5,046,129	9.71%	-7.04%
Aditi Pasari	1,385,635	2.67%	5,013,751	9.65%	-6.98%
Anubha Gupta	1,385,635	2.67%	4,979,892	9.58%	-6.91%
Chandra Kumar Jain trustee of Gulshan Family Benefit Trust	10,882,867	20.94%	-	0.00%	20.94%
Arushi Jain trustee of Mridula Family Trust	5,609,953	10.79%	-	0.00%	10.79%
Aditi Pasari trustee of Chandra Holding Trust	5,609,953	10.79%	-	0.00%	10.79%
Anubha Gupta trustee of Lotus Holding Trust	5,609,953	10.79%	-	0.00%	10.79%



15. OTHER EQUITY									(Rs.in Lakhs)
Particulars	RESERVES AND SURPLUS					Other Comprehensive Income			Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Capital Redemption Reserve	Retained Earning	Equity Instrument through Other Comprehensive Income	Defined Benefit Obligation	(Gain)/ Loss on translation of foreign operation	
<b>Balance as at 1st April 2021</b>	<b>(18074.73)</b>	<b>17,796.36</b>	<b>5,371.86</b>	<b>50.00</b>	<b>31,964.29</b>	4.83	40.09	-	<b>37,152.70</b>
Profit for the year	-	-	-	-	8,524.89	-	-	-	<b>8,524.89</b>
Amount Transfer to Capital Redemption Reserve	-	-	-	975.00	(975.00)	-	-	-	-
Dividend on equity shares	-	-	-	-	(274.08)	-	-	-	<b>(274.08)</b>
Change during the year	-	7,863.60	-	-	-	-	-	-	<b>7,863.60</b>
Transaction costs on issue of shares	-	(253.72)	-	-	-	-	-	-	<b>(253.72)</b>
Other comprehensive income for the year, net of income tax	-	-	-	-	-	17.36	(11.52)	-	<b>5.84</b>
Amount Transfer to General Reserve	-	-	2.00	-	(2.00)	-	-	-	-
<b>Balance as at 31st March, 2022</b>	<b>(18074.73)</b>	<b>25406.24</b>	<b>5373.86</b>	<b>1025.00</b>	<b>39238.10</b>	<b>22.19</b>	<b>28.57</b>	<b>0.00</b>	<b>53019.23</b>
Profit for the year	-	-	-	-	4,518.18	-	-	-	<b>4,518.18</b>
Transfer to retained earning on disposal of Equity Instruments valued through OCI	-	-	-	-	(14.37)	14.37	-	-	-
Dividend on equity shares	-	-	-	-	(519.75)	-	-	-	<b>(519.75)</b>
Transaction costs on issue of shares	-	(1.47)	-	-	-	-	-	-	<b>(1.47)</b>
Other comprehensive income for the year, net of income tax	-	-	-	-	-	6.88	(54.89)	(0.83)	<b>(48.84)</b>
<b>Balance as at 31st March 2023</b>	<b>(18074.73)</b>	<b>25404.77</b>	<b>5373.86</b>	<b>1025.00</b>	<b>43222.16</b>	<b>43.44</b>	<b>(26.32)</b>	<b>(0.83)</b>	<b>56967.35</b>

#### **Nature and purpose of reserves**

**Capital Reserve :** Due to Business Combination under the common control (merger), it represents the excess of consideration paid against which net asset has been taken over.

**Securities Premium Reserve :** Securities Premium represents amount received in excess of face value of equity/ preference shares issued.

**General Reserve :** General reserve is used for strengthening the financial position and meeting future contingencies and losses.

**Capital Redemption Reserve:** Capital redemption reserve represents amount set aside from free reserves which is available for the purpose of issue of equity/preference shares.

**Retained Earning :** Retained earning represents the profit that the company has earned till date, less any transfer to general reserve if any.

**Items of Other Comprehensive Income (OCI) -** Items of OCI represents the remeasurement gain/loss on defined benefit plans , fair value gain on equity instrument measured through fair value through OCI and gain/loss on translation of foreign operation.

**16. FINANCIAL LIABILITIES –NON CURRENT BORROWINGS**

(Rs.in Lakhs)

Particulars	As at March 31st, 2023	As at March 31st, 2022
<b>Secured Loans</b>		
(i) Term Loan from bank measured at Amortised Cost	12,750.00	4,687.50
(ii) Long term maturities of Finance Lease obligations/ hire purchase finance	-	43.72
	<b>12,750.00</b>	<b>4,731.22</b>
<b>Notes:</b>		
<b>(i) Term Loans from HSBC Bank</b>	12,750	4,687.50
Rate of Interest: MCLR linked at mutually accepted rate During the Previous year bank sanctioned a Term Loan of Rs 17,000 lakhs for setting up 500 KLPD Grain based Ethanol Producing Plant at Borgaon, District Chhindwara (M.P) for a Door-to-door tenor of 5 years including 1 year moratorium repayable in 16 quarterly installments. The loan is fully disbursed during the year. The above loan is secured by first charge on movable fixed assets of the company (plant and machinery) as well as Equitable Mortgage over entire Land & Building located at		
a) Company new plant on Plot No 3, 4, 5, 6, 7, 8,9(Part), 26, and D16 to D20.		
b) Company's existing plant (Distillery and Bottling unit) on Plot No. part of 9, 10, & 11. Both Plants are located at Borgaon Industrial Growth centre, Tehsil Sausar Dist. Chhindwara, M.P.		
c) Company's existing plant at Village Rampur Majri, Tehsil Paonta Sahib, Dhaula Kuan 173001, Dist. Sirmour, Himachal Pradesh.		
d) Above term loans are secured by personal guarantee of a Promoter Director.		
<b>(ii) Long term maturities of Finance Lease from</b>	-	43.72
Above loans are secured by hypothecation of vehicles purchased through Banks under hire purchase agreements. Rate of interest is 7.25%		

**17. Other Financial Liabilities**

(Rs.in Lakhs)

Particulars	As at March 31st, 2023	As at March 31st, 2022
Lease Liabilities	489.40	493.61
Current Lease Liability	43.94	43.51

**18. PROVISIONS**

(Rs.in Lakhs)

Particulars	As at March 31st, 2023	As at March 31st, 2022
Employee Benefits	63.15	-
<b>Total</b>	<b>63.15</b>	<b>-</b>

**19. DEFERRED TAX LIABILITIES (NET)**

(Rs.in Lakhs)

Particulars	As at March 31st, 2023	As at March 31st, 2022
Deferred Tax Liabilities (Net) (Refer Note - 33B)	1,370.72	1,336.91
<b>Total</b>	<b>1,370.72</b>	<b>1,336.91</b>

**20. SHORT TERM BORROWINGS**
**(Rs.in Lakhs)**

Particulars	As at March 31st, 2023	As at March 31st, 2022
<b>Secured loans</b>		
Working Capital Loan	7,796.68	6,141.13
Current maturities of long term debt	4,250.00	323.24
<b>Total</b>	<b>12,046.68</b>	<b>6,464.37</b>

Rate of Interest:

SBI - 0.75% above MCLR linked bank rate

HSBC - MCLR linked at mutually accepted rate.

(a) The Working Capital Loans are secured by

(i) First pari-passu charge over entire current assets of the Holding Company (both present and future) including stock, receivables and other current assets except vehicles.

(ii) Second charge on pari passu basis on the entire movable fixed assets of the Holding company, present and future.

(iii) Negative Lien charge on pari passu basis on the following properties:-

- Land and building located at plot no - 762, 7621/1 and 762/2 Jhagadia industrial Estate . Bharuch, Gujrat - 393110.

- Land and building located at 769/1 and 769/2 G I D C industrial estate, Bharuch, Gujrat - 393110 and Land and building located at E-21 &amp; E-22, RICO Growth Centre phase-II , Abu Road, Dist-Sirohi, Rajasthan

(iv) Second pari passu charge on all fixed assets at:

- Holding Company's existing plant at Village Rampur Majri, Tehsil Paonta Sahib, Dhaula Kuan 173001, Dist. Sirmour, Himachal Pradesh (except assets already mortgaged to hire purchase companies)

- Holding Company's existing plant at Chhindwara, Madhya Pradesh (Distillery and Bottling unit) at Plot No. -10, 11 &amp; part of 9, Bargaon Industrial Growth centre, Tehsil Sausar Dist. Chhindwara, M.P.

Note: Group has not used the borrowings from banks &amp; financial institutions other than the specific purpose for which it was taken.

**21. TRADE PAYABLES**
**(Rs.in Lakhs)**

Particulars	As at March 31st, 2023	As at March 31st, 2022
<b>Trade Payables consist of the following:</b>		
- micro and small enterprises (refer note 39)	2,061.02	585.00
- others	5,981.27	5,195.17
<b>Total</b>	<b>8,042.30</b>	<b>5,780.17</b>

**Ageing for trade payables outstanding as at March 31, 2023 is as follows:**
**(Rs.in Lakhs)**

Particulars	Not due	Outstanding for following periods from due date of payments				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 year	
MSME	2,061.02	-	-	-	-	2,061.02
Others	210.21	5,766.16	0.38	1.05	-	5,977.80
Disputed Dues -MSME	-	-	-	-	-	-
Disputed Dues -Others	-	-	-	3.47	-	3.47
<b>Total</b>	<b>2,271.24</b>	<b>5,766.16</b>	<b>0.38</b>	<b>4.52</b>	-	<b>8,042.30</b>

**Ageing for trade payables outstanding as at March 31, 2022 is as follows:**
**(Rs.in Lakhs)**

Particulars	Not due	Outstanding for following periods from due date of payments				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 year	
MSME	585.00	(0.00)	-	-	-	585.00
Others	2,381.04	2,802.47	11.50	0.16	-	5,195.17
Disputed Dues -MSME	-	-	-	-	-	-
Disputed Dues -Others	-	-	-	-	-	-
<b>Total</b>	<b>2,966.04</b>	<b>2,802.47</b>	<b>11.50</b>	<b>0.16</b>	-	<b>5,780.17</b>

**22. OTHER FINANCIAL LIABILITIES**
**(Rs.in Lakhs)**

Particulars	As at March 31st, 2023	As at March 31st, 2022
Unclaimed dividends	61.45	72.31
Capital liabilities	1,930.23	742.41
Expenses payable	2,709.85	1,334.11
<b>Total</b>	<b>4,701.54</b>	<b>2,148.83</b>

**23. OTHER CURRENT LIABILITIES**

(Rs.in Lakhs)

Particulars	As at March 31st, 2023	As at March 31st, 2022
Advance from Customers	253.72	1,009.99
Other liabilities	1,568.48	1,716.02
<b>Total</b>	<b>1,822.20</b>	<b>2,726.02</b>

**24. REVENUE FROM OPERATIONS**

(Rs.in Lakhs)

Particulars	For the year ended March 31st, 2023	For the year ended March 31st, 2022
<b>Revenue</b>		
Sale of Product	114,674.93	106,837.13
Freight and Handling Charges recovered	1,512.27	1,308.42
(i)	<b>116,187.20</b>	<b>108,145.55</b>
<b>Other Operating Revenues</b>		
Export and Other Incentives	147.74	495.00
Miscellaneous Receipts & claims	-	6.22
Sales- Scrap & Waste Material	289.15	272.70
Foreign Exchange Fluctuations	146.86	98.29
Lease Rent, Operation & Maintenance Charges	1,202.01	1,054.88
(ii)	<b>1,785.76</b>	<b>1,927.09</b>
<b>REVENUE FROM OPERATIONS (I+II)</b>	<b>117,972.97</b>	<b>110,072.64</b>

**(A) Revenue from contracts with customers disaggregated based on nature of products or services.**

<b>Revenue from sale of products</b>		
Mineral Processing	10,339.51	8,338.77
Grain Processing	86,940.09	80,077.89
Ethanol(Bio-Fuel)/Distillery	18,907.60	19,728.89
<b>Other Operating Revenues</b>		
Export and Other Incentives	147.74	495.00
Miscellaneous Receipts & claims	-	6.22
Sales- Scrap & Waste Material	289.15	272.70
Foreign Exchange Fluctuations	146.86	98.29
Lease Rent, Operation & Maintenance Charges	1,202.01	1,054.88
<b>Total</b>	<b>117,972.97</b>	<b>110,072.64</b>

**(B) Revenue from contracts with customers disaggregated based on geography**

Domestic	104,401.04	100,028.84
Export	10,273.89	6,808.29
<b>Total</b>	<b>114,674.93</b>	<b>106,837.13</b>

**(C) Reconciliation of gross revenue with the revenue from contracts with customers**

Gross revenue	114,742.54	106,948.38
Less: discounts	(67.60)	(111.25)
<b>Total</b>	<b>114,674.93</b>	<b>106,837.13</b>

**(D) Receivables, contract assets and contract liabilities from contracts with customers**

Trade receivables*	14,163.41	11,962.07
Contract balances		
- Advances from customers **	(253.72)	(1,009.99)
<b>Total</b>	<b>13,909.69</b>	<b>10,952.07</b>

\* 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.

(Rs.in Lakhs)		
25. OTHER INCOME		
Particulars	For the year ended March 31st, 2023	For the year ended March 31st, 2022
Interest Income on Bank Deposits & Others	73.82	87.40
Dividend Income On Investments	0.24	0.72
Gain / (Loss) on sale of investments (Net) on Investments	275.87	105.81
Profit/ (Loss) on property, plant and equipment sold / discarded (Net)	(11.28)	7.20
Other Non-Operating income	367.83	3.63
<b>Total</b>	<b>706.48</b>	<b>204.75</b>

(Rs.in Lakhs)		
26. COST OF MATERIALS CONSUMED		
Particulars	For the year ended March 31st, 2023	For the year ended March 31st, 2022
Raw Material	70,230.84	56,434.35
<b>Total</b>	<b>70,230.84</b>	<b>56,434.35</b>

(Rs.in Lakhs)		
27. PURCHASE OF GOODS TRADED		
Particulars	For the year ended March 31st, 2023	For the year ended March 31st, 2022
Purchase of Stock in Trade	605.76	930.80
<b>Total</b>	<b>605.76</b>	<b>930.80</b>

(Rs.in Lakhs)		
28. CHANGE IN INVENTORIES		
Particulars	For the year ended March 31st, 2023	For the year ended March 31st, 2022
<b>Opening inventories</b>		
Traded Goods	165.40	35.08
Work in progress	1,012.00	749.80
Finished Goods	1,520.96	1,898.08
	<b>2,698.36</b>	<b>2,682.97</b>
<b>Less: Closing Inventories</b>		
Traded Goods	45.82	165.40
Work in progress	1,422.39	1,012.00
Finished Goods	2,205.31	1,520.96
	<b>3,673.52</b>	<b>2,698.36</b>
<b>Total</b>	<b>(975.16)</b>	<b>(15.39)</b>

(Rs.in Lakhs)		
29. EMPLOYEE BENEFITS EXPENSES		
Particulars	For the year ended March 31st, 2023	For the year ended March 31st, 2022
Salaries and Wages	2,988.77	3,363.50
Contribution to Provident and Other Funds	98.34	82.83
Employee Welfare	180.75	183.77
<b>Total</b>	<b>3,267.86</b>	<b>3,630.10</b>

(Rs.in Lakhs)		
30. FINANCE COST		
Particulars	For the year ended March 31st, 2023	For the year ended March 31st, 2022
Interest & Charges on Bank borrowing for working Capital	606.29	424.29
Interest on Term and Other Loans	6.44	5.44
Interest Expenses recognised on Redeemable Preference Shares	-	66.25
<b>Total</b>	<b>612.73</b>	<b>495.97</b>

(Rs.in Lakhs)		
31. DEPRECIATION AND AMORTIZATION EXPENSES		
Particulars	For the year ended March 31st, 2023	For the year ended March 31st, 2022
Depreciation on Property, Plant and Equipment	2,871.53	3,238.48
Amortisation on Intangible Assets	1.96	2.42
<b>Total</b>	<b>2,873.49</b>	<b>3,240.90</b>

**32. OTHER EXPENSES**
**(Rs.in Lakhs)**

Particulars	For the year ended March 31st, 2023	For the year ended March 31st, 2022
Process Chemicals & Consumables	7,403.60	7,189.27
Stores, Spare Parts & Packing	4,964.99	4,290.41
Power and Fuel	15,796.98	13,806.46
Repair & Maintenance:		
-Building	2.11	14.69
-Plant & Machinery	640.17	1,347.57
Rates and Taxes	149.80	401.12
Rent	121.77	119.84
Printing and Stationary	40.31	32.10
Advertisement and Publicity	5.80	11.88
Subscription and Membership fees	10.30	12.65
Travelling Expenses	180.69	150.91
Legal and Professional Expenses	226.72	249.86
Payment to Auditors*	8.65	8.86
Communication Charges	58.25	51.45
Repair and Maintenance	31.52	31.04
Insurance	128.46	116.15
Donation	15.20	5.37
Corporate Social Responsibility expenses	151.02	85.66
Miscellaneous Expenses	18.51	17.92
Allowance for Doubtful trade receivables	12.21	-
Commission & Discount	172.68	186.10
Freight and Forwarding Expenses	5,710.01	5,864.25
Others Selling Expense	194.08	87.43
<b>Total</b>	<b>36,043.83</b>	<b>34,081.01</b>
<b>* Details of Auditors Remuneration are as follows:</b>		
Statutory Audit Fees	6.90	7.11
Limited Review Fee	1.25	1.25
Reimbursement of expenses		
Other Management Services, Consultancy and certification Charges	0.50	0.50
	<b>8.65</b>	<b>8.86</b>

**33. INCOME TAX**
**A. Amounts recognized in Consolidated Profit or Loss**
**(Rs. in lakhs)**

Particulars	March 31st, 2023	March 31st, 2022
<b>Tax Expense</b>		
Current year	1,450.51	3,079.67
<b>Deferred Tax (Expense)/Gain</b>		
Property, plant and equipment	51.41	(124.91)
<b>Total Tax Expense</b>	<b>1,501.92</b>	<b>2,954.76</b>

**B. Movement in deferred tax balances**
**(Rs. in lakhs)**

Particulars	As at 31-Mar-22	Recognized in P&L	Recognized in OCI	As at 31-Mar-23
<b>Deferred Tax Liabilities/(Assets)</b>				
Property, Plant and Equipements	1,359.68	51.41	-	1,411.09
Investment and defined benefit obligation	(22.77)	-	(17.60)	(40.37)
<b>Deferred Tax Liabilities</b>	<b>1,336.91</b>	<b>51.41</b>	<b>(17.60)</b>	<b>1,370.72</b>

**(Rs. in lakhs)**

Particulars	As at 31-Mar-21	Recognized in P&L	Recognized in OCI	As at 31-Mar-22
<b>Deferred Tax Liabilities/(Assets)</b>				
Property, Plant and Equipements	1,484.59	(124.91)	-	1,359.68
Investment and defined benefit obligation	(43.42)	-	20.65	(22.77)
<b>Deferred Tax Liabilities</b>	<b>1,441.17</b>	<b>(124.91)</b>	<b>20.65</b>	<b>1,336.91</b>

**34. Earning Per Share**

		(Rs. in Lakhs)	
Particulars		March 31st, 2023	March 31st, 2022
1	Net Profit After Tax	4,518.18	8,524.89
2	Weighted Average of number of Equity Share outstanding during the year	51,975,489	51,975,489
3	Basic Earning Per Share of Re.1/- each	8.69	16.40
4	Diluted Earning Per Share of Re.1/- each	8.69	16.40

**35. 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 46.98 Lakhs (Previous year INR 42.56 Lakhs) is recognized as an expense and included in Employee Benefit expenses Note No 29.

**ii) Defined Benefit Plan**
**Gratuity**

The group 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 group makes contributions to LIC through a trust, which funds defined benefit plan for qualifying employees.

Expected contribution to gratuity plan for the year 2023-24 is Rs. 111.94 Lakhs.

**A Reconciliation of present value of defined benefit obligation**
**(Rs. in Lakhs)**

Particulars	Gratuity (Funded)	
	March 31st, 2023	March 31st, 2022
<b>Change in the Present value of obligation</b>		
<b>Balance at the beginning of the year</b>	<b>354.04</b>	<b>308.39</b>
Benefits paid	(33.95)	(30.22)
Current service cost	47.12	40.51
Interest cost	25.54	20.94
Past Service cost		-
<b>Actuarial (gains) losses recognised in Consolidated Profit and Loss:</b>		
-Changes in demographic assumptions		-
<b>Actuarial (gains) losses recognised in OCI:</b>		
-Changes in demographic assumptions		-
-Changes in financial assumptions	(9.69)	(18.94)
-Experience adjustments	79.85	33.36
<b>Balance at the end of the year</b>	<b>462.91</b>	<b>354.04</b>

**B Changes in the Fair Value of Plan Assets**
**(Rs. in Lakhs)**

Particulars	Gratuity (Funded)	
	March 31st, 2023	March 31st, 2022
<b>Change in the fair value of plan asset</b>		
<b>Balance at the beginning of the year</b>	<b>375.84</b>	<b>352.04</b>
Contributions paid into the plan	-	31.44
Benefits paid	-	(30.22)
Expected Return on Plan Asset	23.92	22.58
<b>Balance at the end of the year</b>	<b>399.76</b>	<b>375.84</b>
<b>Net Defined Benefit Asset/(Liability)</b>	<b>(63.15)</b>	<b>21.80</b>

**C Expense recognized in Consolidated Profit or Loss**
**(Rs. in Lakhs)**

Particulars	Gratuity (Funded)	
	March 31st, 2023	March 31st, 2022
Current service cost	47.12	40.51
Interest cost	(1.57)	(2.96)
Actuarial (Gain)/Loss	-	-
<b>TOTAL</b>	<b>45.55</b>	<b>37.55</b>

**D Expense recognized in Other Comprehensive Income** (Rs. in Lakhs)

Particulars	Gratuity (Funded)	
	March 31st, 2023	March 31st, 2022
Actuarial (gains) / losses		
- change in demographic assumptions	-	-
- change in financial assumptions	(9.69)	(18.94)
- experience variance (i.e. Actual experience vs assumptions)	79.85	33.36
- return on plan assets, excluding amount recognized in net interest expense	3.19	1.32
<b>TOTAL</b>	<b>73.36</b>	<b>15.74</b>

**E Plan Assets comprise of the following:**

Particulars	March 31st, 2023	March 31st, 2022
Equities	0%	0%
Bonds	0%	0%
Gilts	0%	0%
Pooled assets with an insurance company	100%	100%
Others	0%	0%
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>

**F Actuarial assumptions**

Particulars	Gratuity (Funded)	
	March 31st, 2023	March 31st, 2022
<b>Economic assumptions:</b>		
Discount Rate (Per annum)	7.45%	7.22%
Future Salary increase	6.50%	6.50%
<b>Demographic assumptions:</b>		
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 reporting period is 9 years (31st March 2022 : 17.49 years)

**G Sensitivity Analysis** (Rs. in Lakhs)

Particulars	Gratuity (Funded)	
	March 31st, 2023	March 31st, 2022
<b>Present Value of Obligation at the end of the period</b>	<b>462.91</b>	<b>354.04</b>
a) Discount rate-100 basis points	44.69	44.13
b) Discount rate+100 basis points	(38.68)	(40.73)
c) Salary Growth Rate -100 basis points	(39.34)	(41.29)
d) Salary Growth Rate+100 basis points	44.67	44.33

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 recognized 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 in not therefore offset by increased 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)	
	March 31st, 2023	March 31st, 2022
Year 1	54.02	34.97
Years 2-5	133.97	45.7
Years 6-10	178.59	22.92
Beyond 10	692.19	250.46

**36. Financial instruments and risk management**
**I Financial instruments by category as at March 31, 2023**

(Rs. in Lakhs)

Particulars	Carrying Value	Fair Value through Profit and Loss	Fair Value through Other comprehensive Income	Amortised Cost
<b>Financial assets</b>				
Investments				
- in equity instruments	226.15	-	226.15	-
- mutual funds	2,047.81	2,047.81	-	-
Trade Receivable	14,163.41	-	-	14,163.41
Security deposits	712.13	-	-	712.13
Term deposit with banks	244.25	-	-	244.25
Cash and cash equivalents	515.69	-	-	515.69
Bank balances other than above	61.45	-	-	61.45
Other financial assets	269.54	-	-	269.54
<b>Total financial assets</b>	<b>18,240.43</b>	<b>2,047.81</b>	<b>226.15</b>	<b>15,966.47</b>
<b>Financial liabilities</b>				
Terms Loans from bank	12,750.00	-	-	12,750.00
Lease liability	489.40	-	-	489.40
Working capital loans	7,796.68	-	-	7,796.68
Trade payables	8,042.30	-	-	8,042.30
Current maturities of long-term debt	4,250.00	-	-	4,250.00
Unclaimed dividends	61.45	-	-	61.45
Capital liabilities	1,930.23	-	-	1,930.23
Expenses payable	2,709.85	-	-	2,709.85
<b>Total financial liabilities</b>	<b>38,029.92</b>	-	-	<b>38,029.92</b>

**Financial instruments by category as at March 31, 2022**

(Rs. in Lakhs)

Particulars	Carrying Value	Fair Value through Profit and Loss	Fair Value through Other comprehensive Income	Amortised Cost
<b>Financial assets</b>				
Investments				
- in equity instruments	109.52	-	109.52	-
- mutual funds	2,476.15	2,476.15	-	-
Trade Receivable	11,962.07	-	-	11,962.07
Security deposits	691.85	-	-	691.85
Term deposit with banks	347.53	-	-	347.53
Cash and cash equivalents	11,260.83	-	-	11,260.83
Bank balances other than above	1,047.24	-	-	1,047.24
Other financial assets	211.54	-	-	211.54
<b>Total financial assets</b>	<b>28,106.72</b>	<b>2,476.15</b>	<b>109.52</b>	<b>25,521.05</b>
<b>Financial liabilities</b>				
Terms Loans from bank	4,731.22	-	-	4,731.22
Lease liability	493.61	-	-	493.61
Working capital loans	6,141.13	-	-	6,141.13
Trade payables	5,780.17	-	-	5,780.17
Current maturities of long-term debt	323.24	-	-	323.24
Unclaimed dividends	72.31	-	-	72.31
Capital liabilities	742.41	-	-	742.41
Expenses payable	1,334.11	-	-	1,334.11
<b>Total financial liabilities</b>	<b>19,618.19</b>	-	-	<b>19,618.19</b>

Note: Refer note 46

## 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:

(Rs. in Lakhs)				
As at 31 March 2023	Note No.	Level 1	Level 2	Level 3
<b>Financial Assets</b>				
Financial instruments at FVTPL				
Investments in mutual funds	6/6A	2,047.81	-	-
Financial instruments at FVTOCI				
Quoted equity instruments	6	48.88	-	-
Unquoted equity instruments	6	-	-	177.27
<b>Total financial assets</b>		<b>2,096.69</b>	-	<b>177.27</b>
<b>As at 31 March 2022</b>				
<b>Financial Assets</b>				
Financial instruments at FVTPL				
Investments in mutual funds	6/6A	2,476.15	-	-
Financial instruments at FVTOCI				
Quoted equity instruments	6	67.56	-	-
Unquoted equity instruments	6	-	-	41.95
<b>Total financial assets</b>		<b>2,543.71</b>	-	<b>41.95</b>

**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 mutual funds, quoted equity shares etc.

**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 group 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 carried at approximate carrying amount measured under Level III hierarchy.

The fair value of the financial assets are determined at the amount that would be received on sell of an financial asset in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:

**Investments in 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.

**Quoted equity investments:** Fair value is determined by reference to quotes from the active market.

**Unquoted equity investments:** Fair value is the book value of the instrument.

(Rs. in Lakhs)	
Particulars	Unlisted equity instruments
<b>As at 01 April 2021</b>	<b>41.95</b>
Acquisition/(Dispose of)	-
Gains/(losses) recognized	-
- in other comprehensive income	-
<b>As at 31 March 2022</b>	<b>41.95</b>
Acquisition/(Dispose of)	135.32
Gains/(losses) recognized	-
- in other comprehensive income	-
<b>As at 31 March 2023</b>	<b>177.27</b>

Note: Refer note 46

## 37. Financial risk management

The Group's activities expose it to market risk, liquidity risk and credit risk. The Group's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Group's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Group, 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 Group's activities. The Board of Directors and the Audit Committee is responsible for overseeing the Group'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	Rolling cash flow forecasts	Forward foreign exchange contracts
	Recognized financial assets and liabilities not denominated in Indian rupee	Cash flow forecasting	
Market risk - security prices	Investments in equity instruments and debt mutual funds	Sensitivity analysis	Portfolio diversification

#### 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 Group periodically assesses the financial reliability of customers, taking into account the financial conditions, economic trends, analysis of historical bad debts and aging of such receivables. The Group computes an allowance for impairment of trade receivables for unrelated parties based on a simplified approach that represents its expected credit losses. The Group 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 Group results in material concentration of credit risks.

#### Expected credit loss for trade receivables under simplified approach

The Group recognizes lifetime expected credit losses on trade receivables using a simplified approach, wherein the Group 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, 2023

(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	12,921.55	1,104.92	-	18.37	52.39	173.19	14,270.42
Expected loss rate	0.00%	0.50%	0.50%	10.00%	25.00%	50.00%	
Expected credit loss (Loss allowance provision)	-	5.47	-	1.84	13.10	86.60	107.01
Carrying amount of trade receivables (net of impairment)	12,921.55	1,099.44	-	16.53	39.29	86.60	14,163.41

#### As at March 31, 2022

(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	11,440.52	231.93	158.11	-	177.08	49.23	12,056.87
Expected loss rate	0.19%	0.19%	0.19%	-	26.94%	50.00%	
Expected credit loss (Loss allowance provision)	21.74	0.44	0.30	-	47.71	24.61	94.80
Carrying amount of trade receivables (net of impairment)	11,418.78	231.49	157.81	-	129.37	24.62	11,962.07

#### Reconciliation of loss allowance provision – Trade and other receivables

Particulars	31-Mar-23	31-Mar-22
Opening balance	94.80	98.31
Provision made/(reverse) during the year	12.21	(3.51)
<b>Closing balance</b>	<b>107.01</b>	<b>94.80</b>

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.

### ii. Liquidity risk

Liquidity risk refers to the risk that the Group 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 Group mitigates liquidity risk by way of formulation of cash budget and comparison of actual cash flows with budget on a continuous basis.

<b>Maturity profile</b>		(Rs. in Lakhs)			
Particulars	Contractual cash flows				
	31-Mar-23	< 1 year	2 to 5 Years	5 years <	
<b>Non-derivative financial liabilities</b>					
Borrowings	24,796.68	12,046.68	12,750.00	-	
Trade Payables	8,042.30	8,042.30	-	-	
Lease liability	489.40	43.94	26.14	419.32	
Other financial liabilities	4,701.54	4,701.54	-	-	
<b>Total non-derivative liabilities</b>	<b>38,029.92</b>	<b>24,834.46</b>	<b>12,776.14</b>	<b>419.32</b>	

<b>Maturity profile</b>		(Rs. in Lakhs)			
Particulars	Contractual cash flows				
	31-Mar-22	< 1 year	2 to 5 Years	5 years <	
<b>Non-derivative financial liabilities</b>					
Borrowings	11,195.59	6,464.37	4,731.50	-	
Trade Payables	5,780.17	5,780.17	-	-	
Lease liability	493.61	43.51	6.49	443.60	
Other financial liabilities	2,148.83	2,148.83	-	-	
<b>Total non-derivative liabilities</b>	<b>19,618.20</b>	<b>14,436.88</b>	<b>4,737.99</b>	<b>443.60</b>	

### 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 Group 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 carrying amounts of the Group's foreign exchange monetary items as at the end of reporting period are as follows:

Particulars	Currency	3/31/2023		3/31/2022	
		Foreign Currency (in Lakhs)	INR (in Lakhs)	Foreign Currency (in Lakhs)	INR (in Lakhs)
<b>Transaction currency</b>					
<b>--&gt; Financial assets</b>					
Cash and Cash Equivalent	AED	0.27	6.00	-	-
Trade receivables	USD	21.90	1,800.24	11.67	883.32
<b>--&gt; Financial Liability</b>					
Trade Payables	CNY	1.57	18.80	-	-
<b>Net statement of financial position Exposure</b>			<b>1,787.44</b>		<b>883.32</b>

**Note:** Foreign currency assets and liabilities are natural hedged as at the year end.

#### Sensitivity analysis

The Group'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/ (loss)	
	10% Increase	10% Decrease
<b>31st March 2023</b>		
AED	0.60	(0.60)
USD	180.02	(180.02)
CNY	(1.88)	1.88
<b>31st March 2022</b>		
USD	88.33	(88.33)

**b. Interest rate risk**

The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. Any rise in market rate of interest effecting valuation of financial instruments, financial assets and financial liabilities have been regularly analyzed for mitigation measure.

**Exposure to interest rate risk:**

Particulars	(Rs. in Lakhs)	
	Carrying Amount	
	March 31st, 2023	March 31st, 2022
<b>Financial Assets/Liabilities</b>		
<b>Variable-rate instruments</b>		
Borrowings	24,796.68	11,195.58
<b>Profit/ (loss)</b>		
Rate of interest increased by 0.5%	(123.98)	(55.98)
Rate of interest decreased by 0.5%	123.98	55.98

**Fair value sensitivity analysis for fixed-rate instruments**

The Group 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. Price Risk**

The Group's exposure to Investments securities price risk arises from investments held by the Group and classified in the balance sheet at fair value through profit and loss. To manage its price risk arising from investments in mutual funds, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

**Sensitivity Analysis**

The table below summarizes the impact of increases/decreases in the BSE Index on the Group's Investments and resultant Profit/ Loss for the period. The analysis is based on the assumption that the Index has increased by 10 % or decreased by 10 % with all other variables held constant, and that all the Group's Investments moved in line with the Index. A change of 10% in market index would have following impact on profit before tax

Particulars	(Rs. in Lakhs)	
	Carrying Amount	
	March 31st, 2023	March 31st, 2022
<b>Financial Assets</b>		
Investment fair valued through profit and loss	2,047.81	2,476.15
<b>Profit or (loss)</b>		
Increase in price of investment by 10%	204.78	247.62
Decrease in price of investment by 10%	(204.78)	(247.62)

**38. Capital Management**

For the purpose of the Group's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders of the parent. The Group'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 to other stakeholders and
- maintain an optimal capital structure to reduce the cost of capital.

The Group 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 Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and short-term deposits.

Particulars	(Rs. in Lakhs)	
	March 31st, 2023	March 31st, 2022
Interest-bearing loans and borrowings (Note No 16 & 20)	24,796.68	11,195.59
Trade and other payables (Note 17, 21 & 22)	13,233.23	8,422.61
Less: cash and short-term deposits (Note 11)	(515.69)	(11,260.83)
<b>Net debt</b>	<b>37,514.23</b>	<b>8,357.37</b>
Reserve & Surplus (Note 15)	56,967.35	53,019.23
Equity (Note 14)	519.75	519.75
<b>Total Capital</b>	<b>57,487.10</b>	<b>53,538.99</b>
Capital and net debt	95,001.33	61,896.36
<b>Gearing ratio</b>	<b>39.49%</b>	<b>13.50%</b>

In order to achieve this overall objective, the Group'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 2023 and 2022.

### 39. Details of dues to micro and small enterprises as defined under the Micro Small and Medium Enterprises Development Act, 2006 ["MSMED Act"]:

S.No.	Particulars	(Rs. in Lakhs)	
		March 31st, 2023	March 31st, 2022
1	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	2,061.02	585.00
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	-	-

### 40. Leases

#### Group as a lessee

The Group 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 recognizing right-of-use assets and corresponding lease liabilities. Recognition and Carrying value of right-of-use assets during the year:

Particulars	(Rs. in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
<b>Balance as at beginning of the period</b>	2,167.45	1,012.06
Right of use asset recognized during the period	60.65	1,190.31
Remeasurement of liability	(14.66)	-
Depreciation charged during the period	(48.49)	(34.92)
<b>Total</b>	<b>2,164.95</b>	<b>2,167.45</b>

The following is the break-up of current and non-current lease liabilities:

Particulars	(Rs. in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Current lease liabilities	43.94	43.51
Non-current lease liabilities	445.46	450.10
<b>Total</b>	<b>489.40</b>	<b>493.61</b>

The following is the movement in lease liabilities during the year:

Particulars	(Rs. in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Balance as at beginning of the period	493.61	146.86
Remeasurement of liability	(14.66)	-
Lease liability recognized during the period	8.18	349.31
Finance cost accrued during the period	43.27	19.85
Lease rent paid/payable during the period	(41.00)	(22.41)
<b>Lease liability at the end of the period</b>	<b>489.40</b>	<b>493.61</b>

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	(Rs. in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Not later than one year	44.40	43.51
Later than one year and not later than five years	177.59	174.04
Later than five years	2,108.13	2,167.95

The Group has incurred Rs. 121.77 (Previous year : 119.84) for the period ended March 31, 2023 towards expense relating to short-term leases which has not been considered to be recorded as lease liability.

**Group as a lessor**

Leases in which the Group 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.

**41. a. Contingent Liabilities in respect of:**

- (i) Claims against the Group not acknowledged as debts:-
  - Tax matters in dispute under appeal of Rs. 882.70 Lakhs (Previous year 733.15 Lakhs).
- (ii) 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 Group extended to GIDC by Industrial Development Finance Corporation (IDFC) for laying the common pipe line for treated water from industrial units.

**b. Commitments**

- (i) Estimated amounts of contracts remaining to be executed on capital account and not provided for Rs. 5,534.67 Lakhs (Previous year Rs. 10,640.47 Lakhs).
- (ii) Bank guarantees of Rs. 1,651.30 Lakhs (Previous Year 839.09 Lakhs) includes Financial and Performance guarantees issued in favor of Statutory Authorities, PSU, Government bodies and Corporates.

**42. Related Party Transactions:**

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 Private Limited (merged with Gulshan Polyols Limited from appointed date April 01, 2020 and effective date March 30, 2022)
- (ii) Subsidiary Company Gulshan overseas- FZCO

(b) Name of related party and nature of related party relationship other than those referred to in (a) above having transaction with the Group:

- (i) Joint Venture Nil
- (ii) Key Management Personnel :
  - Dr. Chandra Kumar Jain, Chairman and Managing Director
  - Mrs. Arushi Jain, Joint Managing Director
  - Mrs. Aditi Pasari, Joint Managing Director
  - Mr. Ashwani Kumar Vats, CEO & Whole Time Director
  - Mr. Rajiv Gupta, CFO
  - Ms. Asha Mittal, CS
- (iii) Relative of KMP
  - Mrs. Mridula Jain
  - Mrs. Archana Vats
  - Ms. Alka Maheshwari
  - Mr. Rahul Jain
  - Mr. Ankur Pasari
  - Ms. Anubha Gupta

(iv) Non-Executive/Independent Directors  
 Mr. Akhilesh Kumar Maheshwari  
 Mr. Jeevan Jyoti Bhagat (Discontinued with effect from August 5, 2022)  
 Mr. Rakesh Kapoor (Appointed with effect from August 9, 2022)  
 Mr. Rakesh Kumar Gupta  
 Ms. Archana Jain

(v) Entities over which key Management personnel are able to exercise significant influence:

Gulshan Sugars and Chemicals Ltd.  
  
 Gulshan Lamee Pack Private Limited  
 Gulshan Family Benefit Trust  
 Chandra Holding Trust  
 Mridula Family Trust (Formerly Known as Gulshan Holding Trust)  
 Lotus Holding Trust  
 Daara Commercials LLP  
 A Cube Impex  
 Reliance Expovision Private Limited  
 ARP Developers Private Limited  
 Gulshan Care Foundation  
 Daara Commercials  
 Houzilla Interiors Pvt. Ltd.  
 Genus Paper & Boards limited  
 Sumit Kochar

(c) Transactions with related parties (Rs. in Lakhs)

Particulars	2022-23	2021-22
<b>(a) Key Managerial Personnel</b>		
<b>Remuneration to Key Personnel:</b>		
- Salaries & Perks	615.39	599.31
- Commission on Profits to executive Directors	-	690.00
- Commission on Profits and Conveyance to Non-executive Directors	20.00	20.12
- Sitting Fees	3.80	4.70
<b>Rent Paid</b>		
- Dr. Chandra Kumar Jain	108.00	108.00
- Mrs. Mridula Jain, Relative	9.60	9.60
<b>Equity Share Dividend</b>		
Directors and others	695.22	
<b>Loan towards Incorporation expenses</b>		
Gulshan Overseas FZCO	15.92	-
<b>Preference Share Dividend/Interest-</b>		
Dr. Chandra Kumar Jain	-	66.25
<b>(b) Others</b>		
Gulshan Lamee Pack Pvt. Ltd.- Product Sales	69.45	46.21
Genus Paper & Boards Limited - Product Sales	1,922.87	-

(d) Balances with related parties (Rs. in Lakhs)

Particulars	2022-23	2021-22
<b>Trade Recievables</b>		
Gulshan Lamee Pack Pvt. Ltd.	7.39	8.62
Genus Paper & Boards Limited	776.66	0
<b>Trade Payable</b>		
Sumit Kochar	2.08	-



**43. Information on segment reporting pursuant to Ind AS 108:**
**Operating segments:**

- Mineral Processing
- Grain Processing
- Ethanol (Bio-Fuel)/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.

Particulars	Ethanol (Bio-Fuel)/ Distillery		Grain Processing		Mineral Processing		Total	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Revenue								
External sales	18,910.04	19,729.30	87,481.73	80,915.33	11,581.20	9,409.63	<b>117,972.97</b>	<b>110,054.26</b>
Unallocated							-	<b>18.38</b>
<b>Total Revenue</b>	<b>18,910.04</b>	<b>19,729.30</b>	<b>87,481.73</b>	<b>80,915.33</b>	<b>11,581.20</b>	<b>9,409.63</b>	<b>117,972.97</b>	<b>110,072.65</b>
Results								
Segment results before interest and Finance cost	(29.40)	2,453.27	3,327.90	8,140.83	2,940.27	1,278.56	<b>6,238.76</b>	<b>11,872.67</b>
Un-allocable Income	-	-	-	-	-	-	<b>394.08</b>	<b>102.96</b>
<b>Operating Profit</b>	<b>-29.40</b>	<b>2,453.27</b>	<b>3,327.90</b>	<b>8,140.83</b>	<b>2,940.27</b>	<b>1,278.56</b>	<b>6,632.85</b>	<b>11,975.62</b>
Interest Expenses							<b>612.73</b>	<b>495.97</b>
Current Tax (Net of MAT)							<b>1,450.51</b>	<b>3,079.67</b>
Deferred Tax Charge							<b>51.41</b>	<b>(124.91)</b>
<b>Net Profit</b>							<b>4,518.18</b>	<b>8,524.89</b>

**Other Information**

Particulars	Ethanol (Bio-Fuel)/ Distillery		Grain Processing		Mineral Processing		Total	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Segment Assets	49,244.12	25,432.33	40,369.23	34,325.09	5,953.66	5,635.45	95,567.01	65,392.88
Unallocated Assets / Others							3,206.07	12,001.28
<b>Total Assets</b>	<b>49,244.12</b>	<b>25,432.33</b>	<b>40,369.23</b>	<b>34,325.09</b>	<b>5,953.66</b>	<b>5,635.45</b>	<b>98,773.08</b>	<b>77,394.15</b>
Segment Liabilities	23,495.18	9,171.33	15,370.47	11,636.47	822.03	1,385.90	39,687.68	22,193.70
Unallocated Liabilities & Provisions							1,598.30	1,661.47
<b>Total Liabilities</b>	<b>23,495.18</b>	<b>9,171.33</b>	<b>15,370.47</b>	<b>11,636.47</b>	<b>822.03</b>	<b>1,385.90</b>	<b>41,285.98</b>	<b>23,855.17</b>

**44. Additional Information as required by Schedule III of Companies Act, 2013, of Enterprises Consolidated as Subsidiary/Joint Venture/ Associates**

Additional information for the year ended 31st March 2023

Particulars	Net Assets (Total Assets minus Total Liabilities)		Share in Profit and Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	Amount in Lakhs	Percentage	Amount in Lakhs	Percentage	Amount in Lakhs	Percentage	Amount in Lakhs	Percentage
<b>Parent Company :</b>								
Gulshan Polyols Limited	57,505.93	100.03%	4,536.18	100.40%	(48.02)	98.31%	4,488.16	100.42%
<b>Foreign Subsidiary :</b>								
Gulshan Overseas FZCO	3.92	0.01%	(18.00)	-0.40%	(0.83)	1.69%	(18.82)	-0.42%
<b>Total</b>	<b>57,509.85</b>	<b>100.04%</b>	<b>4,518.18</b>	<b>100.00%</b>	<b>(48.85)</b>	<b>100.00%</b>	<b>4,469.34</b>	<b>100.00%</b>
Adjustments arising out of Consolidation	(22.74)	-0.04%	-	0.00%	-	0.00%	(0.01)	-0.00%
<b>Total</b>	<b>57,487.10</b>	<b>100.00%</b>	<b>4,518.18</b>	<b>100.00%</b>	<b>(48.85)</b>	<b>100.00%</b>	<b>4,469.33</b>	<b>100.00%</b>

Additional information for the year ended 31st March 2022

Particulars	Net Assets (Total Assets minus Total Liabilities)		Share in Profit and Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	Amount in Lakhs	Percentage	Amount in Lakhs	Percentage	Amount in Lakhs	Percentage	Amount in Lakhs	Percentage
<b>Parent Company :</b>								
Gulshan Polyols Limited	53,538.98	100.00%	8,524.89	100.00%	5.83	100.00%	8,530.72	100.00%
<b>Foreign Subsidiary :</b>								
Gulshan Overseas FZCO	-	0.00%	-	0.00%	-	0.00%	-	0.00%
<b>Total</b>	<b>53,538.98</b>	<b>100.00%</b>	<b>8,524.89</b>	<b>100.00%</b>	<b>5.83</b>	<b>100.00%</b>	<b>8,530.72</b>	<b>100.00%</b>
Adjustments arising out of Consolidation	(0.00)	0.00%	-	0.00%	-	0.00%	-	0.00%
<b>Total</b>	<b>53,538.98</b>	<b>100.00%</b>	<b>8,524.89</b>	<b>100.00%</b>	<b>5.83</b>	<b>100.00%</b>	<b>8,530.72</b>	<b>100.00%</b>

**45. Business combination (merger)**

- a) The Board of Directors of the Parent Company in its meeting held on August 06, 2020 had approved a Composite Scheme of arrangement under section 230 to 232 and other applicable provisions of the Companies Act 2013 and the provisions of other applicable laws, amongst Company (Transferee Company), Gulshan Holdings Private Limited (erstwhile holding company) (Transferor Company 1), East Delhi Importers and Exporters Private Limited (Transferor Company 2) and their respective creditors and shareholders ("the Scheme"). The Scheme provides for the amalgamation of Transferor Company 1 and Transferor Company 2 into Transferee Company. The Scheme has been approved by the Hon'ble National Company Law Tribunal, Allahabad Bench, Prayagraj ("NCLT") vide its order dated March 09, 2022. The certified copy of the order has been filed with "The Registrar of Companies, Uttar Pradesh, Kanpur" on 30 March 2022 and the Scheme has come into effect on the said date. The Ind AS financial statements of the Parent Company for the year ended March 31, 2021 were approved by shareholders in its Annual General Meeting held on September 18, 2021 and subsequently to give effect of the Scheme, the comparative financial statements for the year ended March 31, 2021 have been restated and approved by the Board of Directors in their meeting held on May 20, 2022 and approved by shareholders in Annual General Meetings held on 28 September 2022. From the date scheme become effective, the Company does not have any holding company. In terms of the Scheme, the Parent Company has issued and allotted 2,99,82,536 equity shares (2,81,72,536 and 18,10,000 equity shares to the shareholders of Transferor company 1 and Transferor Company 2 respectively) whose names appear in the register of members as on record date, April 14, 2022. Consequently, 2,73,40,067 equity shares of the Transferee Company held by the Transferor Company 1 and Transferor Company 2 shall be deemed to be extinguished and are in the process of cancellation. As stated above, pursuant to the requirements of Ind AS 103 "Business Combination", the Company has accounted merger by using pooling of interest method in the financial results in line with the Scheme. Accordingly, the financial information presented for the prior periods has been restated as per Ind AS-103.

- (b) The certain necessary steps and formalities in respect of transfers of properties, investments, trademark & licenses, approvals and modification of charges in pursuant to the Scheme are under process.
- (c) The details of total purchase consideration and net assets purchased at the appointed date i.e. April 01, 2020 are as follows:

Particulars	(Rs. in Lakhs)	
	Gulshan Holdings Private Limited	East Delhi Importers and Exporters Private Limited
Investment Property	139.52	136.73
Investments	2,984.33	463.30
Cash and Cash equivalents	1,079.60	76.56
Other assets less other liabilities	154.43	(6.55)
General Reserve	(313.62)	(70.00)
Retained earnings	(4,037.19)	(599.04)
<b>Total net assets at book value</b>	<b>7.07</b>	<b>1.00</b>
Purchase consideration	(13,525.63)	(868.98)
<b>Capital reserve on business combination</b>	<b>(13,518.56)</b>	<b>(867.98)</b>

The Group recognized the excess of purchase consideration over net assets acquired as capital reserve arising from business combination under common control under shareholders' equity in the financial statements.

- (d) Following assets which are acquired under scheme of merger are under process of transfer on the name of Parent Company:

Relevant line item in the Balance sheet	Description of item of property	Gross Carrying value	Title deeds held in the name of	Is title deed holder, promoter, director or relative of Promoter/ Director or employee of Promoter/ Director	Property held since which date	Reason for not being held in the name of the Parent Company
Investment Property	Land and Buildings remaining idle at Muzaffarnagar	139.52	Gulshan Holdings Private Limited	NA	30-Mar-22	Refer note "b" above
Investment Property	Land and Buildings remaining idle at Muzaffarnagar	136.73	East Delhi Importers and Exporters Private Limited	NA	30-Mar-22	Refer note "b" above

- 46** The Parent Company has issued and allotted 24,16,000 equity shares of Re. 1 each to Qualified Institutional Buyers on March 24, 2022 at an issue price of 326.48 (including 325.48 securities premium per equity share) which is at a discount of 5 % (i.e. ₹17.18 per Equity Share), to the Floor Price of ₹343.66 per Equity Share determined, as per the formula prescribed under Regulations 176(1) of the SEBI Regulations, aggregating to ₹ 78,87,75,680. Pursuant to the allotment of equity shares under Qualified Institutional Placement, the paid up share capital of the Company stands increased by Rs. 24.16 Lakhs. In line with Ind AS, the Company has also recognized direct issue expenses for the placement in other equity as share issue expenses. The proceeds of QIP is being utilized as per the objects of the placement.

**47. Interest in Other Entities**

The details of subsidiaries as at 31 March 2023 are set out below

Particulars	Place of Business/ Country of incorporation	Ownership interest held by the Parent	Ownership interest held by Non-Controlling interests	Principal Activity
Gulshan Overseas FZCO	United Arab Emirates	100%	0%	Carry on all such business within the area of in the IFZA Dubai in the Free Zone as the Dubai Silicon Oasis Authority may permit.

**48. Figures for the previous period have been regrouped/ rearranged wherever necessary to make them comparable with current figure.**

**49. Standards issued but not yet effective**

**(i) New and amended standards adopted by the Group**

The Ministry of Corporate Affairs had vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective 1 April 2022. These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

**(ii) New and amended standards issued but not effective**

The Ministry of Corporate Affairs has vide notification dated 31 March 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective 1 April 2023.

The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Group's accounting policy already complies with the now mandatory treatment.

**50. Additional Regulatory Information**

- (i) The Group has not revalued any of its Property, Plant & Equipment and Intangible assets.
- (ii) The Group has not given any Loans or Advances in the nature of loans to promoters, directors, KMP's, & related parties.
- (iii) The Group does not have any Benami Property.
- (iv) Quarterly returns or statements of current assets filed by the Group with banks or financial Institution are in agreement with the books of accounts.
- (v) The Group is not declared as a willful defaulter by Banks or financial Institution or any other lender.
- (vi) The Group do not have any transaction with struck off companies.
- (vii) There are no charges or satisfaction pending for registration with ROC beyond the statutory period.
- (viii) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- (ix) There is no transaction which is not recorded in the books of accounts that has been surrendered or disclosed as Income during the year in the tax assessment under the Income Tax act 1961.
- (x) The Group has not traded or invested in Crypto currency during the financial year.

**51. Corporate Social Responsibility**

**(Rs. in Lakhs)**

<b>Particulars</b>	<b>2022-23</b>	<b>2021-22</b>
Amount required to be spent by the Group during the year	156.68	80.00
Amount of expenditure incurred	151.02	85.66
Utilisation of excess expenditure incurred in previous year	5.66	-
Shortfall / (excess) at the end of the year	-	(5.66)
Total of previous years shortfall	-	-
Reason of shortfall	NA	NA
Nature of CSR Activities	Multiple activities as per Schedule VII of Companies Act 2013	Multiple activities as per Schedule VII of Companies Act 2013
Details of Related party transaction	Nil	Nil
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	Nil	Nil

**As per our report of even date attached**

**For RAJEEV SINGAL & CO.**

Chartered Accountants  
(Registration No.008692C)

(CA Sunil Kumar)  
Partner  
Membership no: 408730

**Date: May 12, 2023**  
**Place : Delhi**  
**UDIN: 23408730BGQDYB3220**

**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

## NOTICE

(PURSUANT TO SECTION 101 OF THE COMPANIES ACT, 2013)

Dear Member,

**NOTICE IS HEREBY GIVEN THAT THE TWENTY THIRD (23<sup>RD</sup>) ANNUAL GENERAL MEETING ('AGM') OF THE MEMBERS OF GULSHAN POLYOLS LIMITED (the 'Company') WILL BE HELD ON FRIDAY, THE 29<sup>TH</sup> DAY OF SEPTEMBER, 2023 AT 1.00 P.M. (IST) AT THE SOLITAIRE INN HOTEL, 6 MILE STONE, MEERUT ROAD, NATIONAL HIGHWAY 58, MUZAFFARNAGAR, UTTAR PRADESH-251001 TO TRANSACT THE FOLLOWING BUSINESSES:**

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2023 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint Ms. Aditi Pasari (DIN:00120753), who retires by rotation, and being eligible, offers herself for reappointment as a Director.
3. To declare a Final Dividend of ₹ 0.50 per equity share of the face value of ₹ 1 each (50%) on Equity Shares for the financial year ended March 31, 2023.

**SPECIAL BUSINESS:****4. RATIFICATION OF REMUNERATION OF COST AUDITORS APPOINTED BY THE BOARD OF DIRECTORS FOR THE FINANCIAL YEAR 2023-2024**

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

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') read with the Companies (Audit and Auditors) Rules, 2014 (including any amendment(s), statutory modification(s) and/or re-enactment(s) thereof for the time being in force), the remuneration of M/s. MM & Associates, Cost Accountants (Firm Registration No. 000454), appointed by the Board of Directors of the Company as Cost Auditors to conduct the audit of the cost records of the Company, as applicable, for the financial year 2023-2024, amounting to ₹ 85,000/- (Rupees Eighty Five Thousand Only) plus applicable taxes as approved by the Board of Directors be and is hereby ratified.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof) be and are hereby authorised to do all such acts, deeds, matters and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

**5. REAPPOINTMENT OF MS. ARUSHI JAIN (DIN:00764520) AS A JOINT MANAGING DIRECTOR OF THE COMPANY**

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

**"RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act'), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (Rules) and the rules framed thereunder read with Schedule V to the Act and Regulation 17 and other applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (including any amendment(s), statutory modification(s) and/or re-enactment(s) thereof for the time being in force) and the Articles of Association of the Company and the Board of Directors based on the recommendations by the Nomination, Remuneration and Compensation Committee (NRC) of the Company and in respect of whom the Company has received a notice in writing in terms of Section 160 of the Act, approval of the members of the Company be and is hereby accorded to reappoint Ms. Arushi Jain (DIN:00764520) as Joint Managing Director of the Company, for a period effective from **April 1, 2024 to September 30, 2028** and shall be liable to retire by rotation, on such terms and conditions, inclusive of the following:

**1. Gross Salary per month:**

Gross Salary: Rs.8,64,000/- per month (Rupees Eight Lakh Sixty Four Thousand Only) (with such annual/ special increments within stipulated limits as may be decided by the Board, on the recommendations of NRC as per applicable provisions of law).

2. **Commission on Profits**, as decided by the Board of Directors upon the recommendations of NRC, subject to the overall ceiling stipulated in Section 197 and 198 read with Schedule V of the Act and Regulation 17 of the Listing Regulations for each financial year calculated with reference to net profits of the Company.

**3. Perquisites & Other Benefits**

1. Company's contribution towards Provident Fund, Gratuity and Encashment of accumulated Leaves as per rules of the Company. The Gratuity shall not exceed an amount equal to half month's salary for each completed year of service. However, all these shall

not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act.

- II. Company's Car for use on Company's business purpose with chauffeur and telephone at residence and Mobile phone will be provided but shall not be considered as perquisites.
- III. Reimbursement of actual medical expenses incurred in India and abroad for self and family. The total cost of travel to and fro and also for the stay in the foreign country of the patient, an attendant and medical supervision, if required, shall be borne by the Company.
- IV. Club Memberships: Subscription or reimbursement of membership fees for two clubs in India and/or abroad, including admission and life membership fees.
- V. Leave Travel Allowance (LTA) including Domestic and Foreign travel.
- VI. Other benefits as per the rules of the Company.

**RESOLVED FURTHER THAT** the Board of Directors on the recommendations of the NRC be and are hereby severally authorized to revise, amend, alter and vary such terms of reappointment and remuneration including upward revision so as to not exceed the limits specified in Schedule V of the Act and Regulation 17 of the Listing Regulations, as may be agreed to by the Board of Directors and Ms. Arushi Jain, on the recommendations of NRC, without any further reference to the members in the General Meeting.

**RESOLVED FURTHER THAT** the remuneration by way of Salary, Perquisites and Allowances, as approved in the aforesaid resolution, shall be treated as minimum remuneration for the period of her abovementioned tenure ending on September 30, 2028 and in case where in any financial year, during the said tenure of Ms. Arushi Jain as Joint Managing Director, if the Company has no profits or its profits are inadequate, then subject to the limits and conditions prescribed under Schedule V of the Act as may be amended from time to time.

**RESOLVED FURTHER THAT** any of the Board of Director(s), Chief Financial Officer and Company Secretary/Compliance Officer of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the members of the Company to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

## 6. REAPPOINTMENT OF MS. ADITI PASARI (DIN:00120753) AS A JOINT MANAGING DIRECTOR OF THE COMPANY

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

**"RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act'), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (Rules) and the rules framed thereunder read with Schedule V to the Act and Regulation 17 and other applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (including any amendment(s), statutory modification(s) and/or re-enactment(s) thereof for the time being in force) and the Articles of Association of the Company and the Board of Directors based on the recommendations by the Nomination, Remuneration and Compensation Committee (NRC) of the Company and in respect of whom the Company has received a notice in writing in terms of Section 160 of the Act, approval of the members of the Company be and is hereby accorded to reappoint Ms. Aditi Pasari (DIN: 00120753) as Joint Managing Director of the Company, for a period effective from **April 1, 2024 to September 30, 2028** and shall be liable to retire by rotation, on such terms and conditions, inclusive of the following:

### 1. Gross Salary per month:

Gross Salary: Rs.8,64,000/- per month (Rupees Eight Lakh Sixty Four Thousand Only) (with such annual/ special increments within stipulated limits as may be decided by the Board, on the recommendations of NRC as per applicable provisions of law).

2. **Commission on Profits**, as decided by the Board of Directors upon the recommendations of NRC, subject to the overall ceiling stipulated in Section 197 and 198 read with Schedule V of the Act and Regulation 17 of the Listing Regulations for each financial year calculated with reference to net profits of the Company.

### 3. Perquisites & Other Benefits

- I. Company's contribution towards Provident Fund, Gratuity and Encashment of accumulated Leaves as per rules of the Company. The Gratuity shall not exceed an amount equal to half month's salary for each completed year of service. However, all these shall not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act.
- II. Company's Car for use on Company's business purpose with chauffeur and telephone at residence and mobile phone will be provided but shall not be considered as perquisites.
- III. Reimbursement of actual medical expenses incurred in India and abroad for self and family. The total cost of travel to and fro and also for the stay in the foreign country of the patient, an attendant and medical supervision, if required, shall be borne by the Company.

- IV. Club Memberships: Subscription or reimbursement of membership fees for two clubs in India and/or abroad, including admission and life membership fees.
- V. Leave Travel Allowance (LTA) including Domestic and Foreign travel.
- VI. Other benefits as per the rules of the Company.

**RESOLVED FURTHER THAT** the Board of Directors on the recommendations of the NRC be and are hereby severally authorized to revise, amend, alter and vary such terms of reappointment and remuneration including upward revision so as to not exceed the limits specified in Schedule V of the Act and Regulation 17 of the Listing Regulations, as may be agreed to by the Board of Directors and Ms. Aditi Pasari, on the recommendations of NRC, without any further reference to the members in the General Meeting.

**RESOLVED FURTHER THAT** the remuneration by way of Salary, Perquisites and Allowances, as approved in the aforesaid resolution, shall be treated as minimum remuneration for the period of her abovementioned tenure ending on September 30, 2028 and in case where in any financial year, during the said tenure of Ms. Aditi Pasari as Joint Managing Director, if the Company has no profits or its profits are inadequate, then subject to the limits and conditions prescribed under Schedule V of the Act as may be amended from time to time.

**RESOLVED FURTHER THAT** any of the Board of Director(s), Chief Financial Officer and Company Secretary/Compliance Officer of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the members of the Company to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

**7. REAPPOINTMENT OF MR. ASHWANI KUMAR VATS (DIN:00062413) AS A WHOLE TIME DIRECTOR DESIGNATED AS CEO OF THE COMPANY**

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

**"RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act'), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (Rules) and the rules framed thereunder read with Schedule V to the Act and Regulation 17 and other applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (including any amendment(s), statutory modification(s) and/or re-enactment(s) thereof for the time being in force) and the Articles of Association of the Company and the Board of Directors based on the recommendations by the Nomination, Remuneration and Compensation Committee (NRC) of the Company and in respect of whom the Company has received a notice in writing in terms of Section 160 of the Act, approval of the members of the Company be and is hereby accorded to reappoint Mr. Ashwani Kumar Vats (DIN:00062413) as Whole Time Director designated as CEO of the Company, for a period effective from **April 1, 2024 to September 30, 2028** and shall be liable to retire by rotation, on such terms and conditions, inclusive of the following:

**1. Gross Salary per month:**

Gross Salary: Rs. 6,28,570/- per month (Rupees Six Lakh Twenty Eight Thousand Five Hundred and Seventy Only) (with such annual/special increments within stipulated limits as may be decided by the Board, on the recommendations of NRC as per applicable provisions of law).

**2. Perquisites and allowances:**

House Rent Allowance: 45% of Basic

Medical Allowance: 5% of Basic

Ex-Gratia: 8.33% of Basic

**3. Other perquisites:**

In addition to the perquisites and allowances as aforesaid, he shall also be entitled to the following benefits which will not be included in computation of the ceiling of remuneration specified in Para 1 and 2 above.

- I. Gratuity: Gratuity payable as per the rules of the Company.
- II. Leave: Leaves as per the rules of the Company.
- III. Company Car and telephone: Use of the Company's Car and telephone at the residence for official purposes as per rules of the Company.
- IV. Other benefits as per rules of the Company.

**RESOLVED FURTHER THAT** the Board of Directors on the recommendations of the NRC be and are hereby severally authorized to revise, amend, alter and vary such terms of reappointment and remuneration including upward revision so as to not exceed the limits specified in Schedule V of the Act and Regulation 17 of the Listing Regulations, as may be agreed to by the Board of Directors and Mr. Ashwani Kumar Vats, on the recommendations of NRC, without any further reference to the members in the General Meeting.

**RESOLVED FURTHER THAT** the remuneration by way of Salary, Perquisites and Allowances, as approved in the aforesaid resolution, shall be treated as minimum remuneration for the period of his abovementioned tenure ending on September 30, 2028 and in case where in

any financial year, during the said tenure of Mr. Ashwani Kumar Vats as Whole Time Director, if the Company has no profits or its profits are inadequate, then subject to the limits and conditions prescribed under Schedule V of the Act as may be amended from time to time.

**RESOLVED FURTHER THAT** any of the Board of Director(s), Chief Financial Officer and Company Secretary/Compliance Officer of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the members of the Company to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

**8. APPOINTMENT OF MR. NITESH GARG (DIN: 10257604) AS A NON-EXECUTIVE INDEPENDENT DIRECTOR OF THE COMPANY**

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

**“RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the ‘Act’), the Companies (Appointment and Qualifications of Directors) Rules, 2014 read with Schedule IV of the Act, Regulation 16(1) (b) and other applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force), the Articles of Association of the Company and the Nomination and Remuneration Policy of the Company and based on the recommendations of Nomination, Remuneration and Compensation Committee and of the Board of Directors, Mr. Nitesh Garg (DIN:10257604) who has submitted a declaration that he meets the criteria for independence as provided under the Act and Listing Regulations and who is eligible for appointment and whose period of office shall not liable to retire by rotation and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Non-Executive Independent Director to hold office for a term, effective from **April 1, 2024 to September 30, 2028**.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 197 and other applicable provisions of the Act and the Rules made thereunder, Mr. Garg shall be entitled to receive the remuneration/fees/commission as permitted to be received in the capacity of Non-Executive Independent Director under the Act and Listing Regulations, as recommended by the Nomination, Remuneration and Compensation Committee and approved by the Board of Directors, from time to time.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof) be and are hereby authorized to do all such acts, deeds, matters and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

**9. APPOINTMENT OF MR. SOUMYAJIT MITRA (DIN: 10262167) AS A NON-EXECUTIVE INDEPENDENT DIRECTOR OF THE COMPANY**

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

**“RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the ‘Act’), the Companies (Appointment and Qualifications of Directors) Rules, 2014 read with Schedule IV of the Act, Regulation 16(1) (b) and other applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force), the Articles of Association of the Company and the Nomination and Remuneration Policy of the Company and based on the recommendations of Nomination, Remuneration and Compensation Committee and of the Board of Directors, Mr. Soumyajit Mitra (DIN:10262167) who has submitted a declaration that he meets the criteria for independence as provided under the Act and Listing Regulations and who is eligible for appointment and whose period of office shall not liable to retire by rotation and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Non-Executive Independent Director to hold office for a term, effective from **April 1, 2024 to September 30, 2028**.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 197 and other applicable provisions of the Act and the Rules made thereunder, Mr. Mitra shall be entitled to receive the remuneration/fees/commission as permitted to be received in the capacity of Non-Executive Independent Director under the Act and Listing Regulations, as recommended by the Nomination, Remuneration and Compensation Committee and approved by the Board of Directors, from time to time.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof) be and are hereby authorized to do all such acts, deeds, matters and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

**10. TO MAKE INVESTMENT, GIVE LOANS, GUARANTEES AND PROVIDE SECURITIES UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

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

**“RESOLVED THAT** pursuant to the provisions of Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time and other applicable provisions of the Companies Act, 2013 (including any amendment(s), statutory modification(s) and/or re-enactment(s) thereof for the time being in force), if any, the consent of the Members be and is hereby accorded to the Board of Directors of the Company (“Board”) (which term shall include any committee constituted by the Board or any person(s) authorized by the Board) to (i) Give any Loan to any person or other Body corporate; or (ii) Give any Guarantee or provide any Security in connection with a Loan to any other Body Corporate or person; and (iii) Acquire by way of Subscription, Purchase or otherwise, the Securities of any other Body Corporate, as the Board may in its absolute discretion deems beneficial in the interest of the Company, subject to maximum aggregate of the Loans and Investments so far made in and the amount for which Guarantees or Securities have so far been provided to all persons or Body Corporates along with the additional Investments, Loans, Guarantees or Securities proposed



to be made or given or provided by the Company, from time to time, in future, may exceed over and above the limits of higher of 60% of the Paid up Share Capital, Free Reserves and Securities Premium Account of the Company or 100% of Free Reserves and Securities Premium Account of the Company, as prescribed under Section 186 of the Companies Act, 2013, but shall not exceed a sum of **Rs. 100,00,00,000/- (Rupees One Hundred Crores only)**.

**RESOLVED FURTHER THAT** any of the Board of Director(s), Chief Financial Officer and Company Secretary/Compliance Officer of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

**11. TO INCREASE THE LIMITS OF THE COMPANY TO CREATE PLEDGE/ CHARGE/ MORTGAGE/ HYPOTHECATION ON THE MOVABLE AND IMMOVABLE PROPERTIES OF THE COMPANY, BOTH PRESENT AND FUTURE, IN RESPECT OF BORROWINGS, PURSUANT TO SECTION 180(1)(A) OF THE COMPANIES ACT, 2013**

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

**"RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 and all other applicable provisions of the Act, if any, Rules made thereunder (including any statutory modifications, re-enactments or amendment thereof) ("Act") for the time being in force), and the Articles of Association of the Company, the consent of the Members be and is hereby accorded to the Board of Directors of the Company ("Board") (which term shall include any committee constituted by the Board or any person(s) authorized by the Board) to create charge, Pledge, Mortgage, Hypothecation or create any security interest, in addition to the mortgage, hypothecation, pledge and / or charge already created, on all or any of the movable and/ or immovable properties of the Company, whosoever situated, both present and future and /or any other assets or properties, either tangible or intangible, of the Company and/or the whole or part of any of the undertakings in favour of the Lender(s), Agent(s) created by the Company on such ranking and terms as Board may determine for securing any Loan obtained from Banks, Financial Institutions or any person or Body Corporate from time to time including any interest, cost, expense or any other monies payable by the Company, notwithstanding, the total amount secured at any time shall not exceed the maximum limit of **Rs. 1500,00,00,000/- (Rupees One Thousand and Five Hundred Crores Only)**.

**RESOLVED FURTHER THAT** any of the Board of Director(s), Chief Financial Officer and Company Secretary/Compliance Officer of the Company be and are hereby severally authorized to finalize the terms and conditions, execute and sign the requisite agreements/ documents/deeds/papers/ and writings in order to secure the borrowings of the Company, and to do all such acts, deeds, matters and things as may be required including filing of necessary e-form(s), if any, with the Registrar of Companies in this regard and to take such steps and actions as may be considered necessary and expedite in order to give effect to the aforesaid resolution."

**12. TO INCREASE THE BORROWING LIMITS OF THE COMPANY IN EXCESS OF THE LIMITS PRESCRIBED UNDER SECTION 180(1)(C) OF THE COMPANIES ACT, 2013**

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

**"RESOLVED THAT** pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 and all other applicable provisions of the Act, if any, Rules made thereunder (including any statutory modifications, re-enactments or amendment thereof) ("Act") for the time being in force), and the Articles of Association of the Company, the consent of the Members be and is hereby accorded to the Board of Directors of the Company ("Board") (which term shall include any committee constituted by the Board or any person(s) authorized by the Board) for borrowing monies as and when required, in one or more tranches, from Banks, Financial Institutions or any Body Corporate on such interest, repayment, security, terms for the purpose of business of the Company notwithstanding that the money to be borrowed together with the monies already borrowed by the Company, (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of Paid-up Share Capital, Free Reserves and Securities Premium of the Company provided further that the total amount upto which the moneys may be borrowed shall not exceed the sum of **Rs. 1500,00,00,000/- (Rupees One Thousand and Five Hundred Crores Only)** at any time.

**RESOLVED FURTHER THAT** any of the Board of Director(s), Chief Financial Officer and Company Secretary/Compliance Officer of the Company be and are hereby severally authorized to finalise, sign and execute requisite deeds, documents, papers and writings and to do all such acts, deeds, matters and things as may be required including filing of necessary e-form(s), if any, with the Registrar of Companies in this regard and to take such steps and actions as may be considered necessary and expedite in order to give effect to the aforesaid resolution."

**13. TO APPROVE IN CONTINUATION OF PAYMENT OF REMENUERATION TO EXECUTIVE DIRECTORS WHO ARE PROMOTERS OR MEMBER OF THE PROMOTER GROUP IN EXCESS OF THRESHOLD LIMITS AS PRESCRIBED UNDER SEBI (LODR) REGULATIONS, 2015 AND COMPANIES ACT, 2013**

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

**"RESOLVED THAT** pursuant to the provisions of Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, ("Listing Regulations") and the provisions of Section 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any Statutory modification(s) or re-enactment(s) thereof for the time in being force) ("Act") and the Rules made thereunder and the Articles of Association of the Company and the Board of Directors based on the recommendations by the Nomination, Remuneration and Compensation Committee (NRC) of the Company, the consent of the Members be and is hereby accorded to the Board of Directors of the Company ("Board") (which term shall include any committee constituted by the Board or any

person(s) authorized by the Board) for the continuation of payment of remuneration, which falls in excess of threshold limits as prescribed under Listing Regulations to Dr. Chandra Kumar Jain, Chairman and Managing Director (Promoter), Ms. Arushi Jain, Executive Director– Joint Managing Director (Promoter) and Ms. Aditi Pasari, Executive Director -Joint Managing Director (Promoter) as per existing terms and conditions as approved by the shareholders in their 22<sup>nd</sup> Annual General Meeting held on September 28, 2022 and 20<sup>th</sup> Annual General Meeting held on September 19, 2020 respectively till the expiry of their current terms.

**RESOLVED FURTHER THAT** the consent of the Members be and is hereby accorded for the continuation of payment of remuneration, which falls in excess of threshold limits as prescribed under Listing Regulations to Ms. Arushi Jain, Executive Director – Joint Managing Director (Promoter) and Ms. Aditi Pasari, Executive Director -Joint Managing Director (Promoter) as per terms and conditions to be approved by the shareholders in ensuing 23<sup>rd</sup> Annual General Meeting to be held on September 29, 2023 till the expiry of their terms.

**RESOLVED FURTHER THAT** the extent and scope of salary and perquisites of the Board of Directors of the Company be altered, enhanced, widened or varied by the Board of Directors in accordance with the provisions of the Companies Act, 2013 and other applicable provisions.

**RESOLVED FURTHER THAT** any of the Board of Director(s), Chief Financial Officer, Company Secretary/Compliance Officer of the Company be and are hereby severally authorized to take all steps as may be necessary, proper and expedient to give effect to this Resolution.”

#### 14. TO APPROVE RAISING OF FUNDS AND ISSUANCE OF SECURITIES BY THE COMPANY

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

**“RESOLVED THAT** pursuant to the provisions of Section 23, Section 42, Section 62, Section 71, Section 179 and other applicable provisions of the Companies Act, 2013, read with rules and regulations made thereunder (including any amendment(s), statutory modification(s) and/or re-enactment(s) thereof for the time being in force) (“collectively, the “Companies Act”), the provisions of the memorandum of association and articles of association of the Company, all other applicable laws, rules and regulations, including the provisions of the Foreign Exchange Management Act, 1999 as amended and rules and regulations framed thereunder (including Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, as amended) (collectively, “FEMA”), the current Consolidated FDI Policy issued by the Department for Promotion of Industry and Internal Trade, Government of India, as amended and replaced from time to time (“FDI Policy”), the applicable provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“SEBI ICDR Regulations”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI Listing Regulations”), the listing agreements entered into by the Company with the BSE Limited (“BSE”), National Stock Exchange of India Limited (“NSE”) and such other statutes, clarifications, rules, regulations, circulars, notifications, guidelines, if any, as may be applicable, as amended from time to time issued by the Government of India (“Government of India”), the Ministry of Corporate Affairs (“MCA”), the Securities and Exchange Board of India (“SEBI”), the Reserve Bank of India (“RBI”), BSE Limited (“BSE”), National Stock Exchange of India Limited (“NSE”), and together, (the “Stock Exchanges”) where the equity shares of the Company of face value of ₹ 1 (Rupee One only) each (“Equity Shares”) are listed, and any other appropriate authority under any other applicable laws and subject to all other approval(s), consent(s), permission(s) and/or sanction(s) as may be required from various regulatory and statutory authorities, including the Government of India, the RBI, SEBI, MCA and the Stock Exchanges (hereinafter singly or collectively referred to as “Appropriate Authorities”), and subject to such terms, conditions and modifications as may be prescribed by any of the Appropriate Authorities while granting any such approval, permission and sanction, the approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to mean and include any duly constituted committee thereof for the time being exercising the powers conferred by the Board) and the Board be and is hereby authorised on behalf of the Company to create, issue, offer and allot (including with provisions for reservations on firm and/or competitive basis, or such part of issue and for such categories of persons as may be permitted) such number of Securities (as defined hereinafter), for cash, in one or more tranches, whether denominated in Indian currency or in foreign currency, for an aggregate amount upto ₹ 250 Crores (Rupees Two Hundred and Fifty Crore Only), by way of one or more private offerings, and/or a qualified institutions placement (“QIP”) to “qualified institutional buyers” as defined in the SEBI ICDR Regulations, and/or any other permitted modes through issue of an offer document and/or a private placement offer letter and/or placement document including preliminary placement document and/or such other documents/writings/ circulars/memoranda in such a manner, in such tranche or tranches, by way of an issue of Equity Shares or by way of an issue of and/or any other “Eligible Securities”(hereinafter referred to as “Eligible Securities” within the meaning rendered to such term under Regulation 171(a) of the SEBI ICDR Regulations) (instruments listed under Regulation 171(a) of the SEBI ICDR Regulations collectively with the Equity Shares to be hereinafter referred to as the “Securities”) with or without premium as may be fixed on Securities, to be subscribed in Indian and/or any foreign currencies, by way of private placement through one or more qualified institutions placement in accordance with Chapter VI of the SEBI ICDR Regulations or through any other permissible mode or any combination thereof mentioned above (the “Issue”), by eligible investors, including, residents or non-resident investors/whether institutions, foreign portfolio investors and/or incorporated bodies or otherwise/qualified institutional buyers, mutual funds/pension funds/venture capital funds/banks/alternate investment funds/Indian and/or multilateral financial institutions, insurance companies and/or any other category of persons or entities who are authorised to invest in the Securities of the Company, being eligible “qualified institutional buyers” as defined in Regulation 2(1) (ss) of the SEBI ICDR Regulations (“QIBs”) in accordance with Chapter I of the SEBI ICDR Regulations, to all or any of them, jointly or severally, whether or not are existing members of the Company (collectively called “Investors”), through an offer/placement document and/or offer letter or circular, on such terms and conditions considering the prevailing market conditions and other relevant factors wherever necessary in one or more tranche or tranches, at such price or prices, (whether at prevailing market price(s) or at permissible discount or premium to market price(s) in terms of applicable regulations), with authority to retain over subscription up to such percentage as may be permitted

under applicable regulations, including the discretion to determine the categories of Investors to whom the offer, issue and allotment of Securities shall be made to the exclusion of others, in such manner, exercised by the Company, and where necessary in consultation with the global coordinator(s), book running lead manager(s) or lead manager(s) and/or other advisors or otherwise on such terms and conditions, including issue of Securities as fully or partly paid, making of calls and manner of appropriation of application money or call money, in respect of different class(es) of investor(s) and/or in respect of different Securities, deciding of other terms and conditions like number of securities to be issued, face value, number of Equity Shares to be allotted on conversion/redemption/ extinguishment of debt(s), rights attached to the warrants, terms of issue, period of conversion, fixing of record date or book closure terms if any, as the Board may in its absolute discretion decide, in each case subject to applicable laws and on such terms and conditions as may be determined and deemed appropriate by the Board in its absolute discretion at the time of such issue and allotment considering the prevailing market conditions and other relevant factors in consultation with the merchant banker(s) and/or book running lead manager or lead manager to be appointed by the Company so as to enable the Company to list on any stock exchange in India or having overseas jurisdictions.

**RESOLVED FURTHER THAT** in case of issue and allotment of Securities by way of QIP in terms of Chapter VI of the SEBI ICDR Regulations (hereinafter referred to as "Eligible Securities" within the meaning rendered to such term under Regulation 171(a) of the SEBI ICDR Regulations):

1. the allotment of Securities shall only be made to qualified institutional buyers as defined in the SEBI ICDR Regulations;
2. the Eligible Securities to be so created, offered, issued, and allotted, shall be subject to the provisions of the memorandum of association and articles of association of the Company;
3. the allotment of the Eligible Securities, or any combination of the Eligible Securities as may be decided by the Board and subject to applicable laws, shall be completed within 365 days from the date of passing of the special resolution of the members of the Company or such other time as may be allowed under the SEBI ICDR Regulations;
4. the Equity Shares issued and allotted under the Issue or allotted upon conversion of the equity linked instruments issued in QIP shall rank pari passu in all respects including with respect to entitlement to dividend, voting rights or otherwise with the existing Equity Shares of the Company in all respects;
5. the number and/or price of the Eligible Securities or the underlying Equity Shares issued on conversion of Eligible Securities convertible into Equity Shares shall be appropriately adjusted for corporate actions such as bonus issue, right issue, stock split, merger, demerger, transfer of undertaking, sale of division, reclassification of equity shares into other securities, issue of equity shares by way of capitalisation of profit or reserves, or any such capital or corporate restructuring;
6. the Eligible Securities (excluding warrants) under the QIP shall be issued and allotted as fully paid up securities;
7. in the event Equity Shares are issued, the "relevant date" for the purpose of pricing of the Eligible Securities to be issued, shall be the date of the meeting in which the Board or the committee of directors authorised by the Board decides to open the proposed issue of such Equity Shares, subsequent to the receipt of members' approval in terms of provisions of Companies Act and other applicable laws, rules, regulations and guidelines in relation to the proposed issue of the Equity Shares;
8. in the event that Eligible Securities issued are eligible convertible securities, the relevant date for the purpose of pricing of the convertible securities to be issued, shall be, either the date of the meeting which the Board or a committee of directors authorised by the Board decides to open the proposed issue or the date on which the holders of such eligible convertible securities become entitled to apply for Equity Shares, as decided by the Board;
9. the tenure of the convertible or exchangeable Eligible Securities issued through the QIP shall not exceed sixty months from the date of allotment;
10. issue of Eligible Securities made by way of a QIP shall be at such price which is not less than the price determined in accordance with Regulation 176(1) under Chapter VI of the SEBI ICDR Regulations (the "QIP Floor Price"). The Board may, however, at its absolute discretion in consultation with the book running lead managers or lead manager, issue Eligible Securities at a discount of not more than five percent or such other discount as may be permitted under applicable regulations to the QIP Floor Price;
11. no single allottee shall be allotted more than fifty per cent of the issue size and the minimum number of allottees shall be as per the SEBI ICDR Regulations;
12. no allotment shall be made, either directly or indirectly, to any QIB who is a promoter, or any person related to the promoters of the Company; and
13. the Eligible Securities allotted in the QIP shall not be eligible for sale by the respective allottees, for a period of one year from the date of allotment, except on a recognised stock exchange or except as may be permitted from time to time by the SEBI ICDR Regulations.

**RESOLVED FURTHER THAT** for the purpose, Board is authorised to do all such acts, deeds, matters and things including but not limited to finalisation and approval of the offer document(s), private placement offer letter, determining the form and manner of the issue, including the class of investors to whom the Securities are to be issued and allotted, number of Securities to be allotted, issue price, face value, fixing the record date, execution of various transaction documents, as the Board may in its absolute discretion deem fit and to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Securities and utilisation of the proceeds as it may in its

absolute discretion deem fit.

**RESOLVED FURTHER THAT** without prejudice to the generality of the above, the aforesaid Securities may have such features and attributes or any terms or combination of terms in accordance with international practices to provide for the tradability and free transferability thereof as per the prevailing practices and regulations in the capital markets including but not limited to the terms and conditions in relation to payment of dividend, issue of additional Equity Shares, variation of the conversion price of the Securities or period of conversion of Securities into Equity Shares during the duration of the Securities and the Board be and is hereby authorised, in its absolute discretion, in such manner as it may deem fit, to dispose-off such of the Securities that are not subscribed.

**RESOLVED FURTHER THAT** the Securities to be created, issued, allotted and offered in terms of this resolution shall be subject to the provisions of the memorandum of association and articles of association of the Company and the fully paid-up Equity Shares that may be issued by the Company (including issuance of Equity Shares pursuant to conversion of any Securities as the case may be in accordance with the terms of the offering) shall rank *pari passu* with the existing Equity Shares of the Company in all respects.

**RESOLVED FURTHER THAT** for the purpose of giving effect to any offer, issue, or allotment of Securities or instruments representing the same, as described above, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation, the determination of the nature of the issuance, terms and conditions for the issuance of Securities including the number of Securities that may be offered in domestic markets and proportion thereof, issue price and discounts permitted under applicable law, premium amount on issue/conversion of the Securities, if any, rate of interest, timing for issuance of such Securities and shall be entitled to vary, modify or alter any of the terms and conditions as it may deem expedient, opening and maintaining bank accounts, entering into and executing arrangements for managing, underwriting, marketing, listing, trading and entering into and executing arrangements with merchant bankers, lead managers, legal advisors, depository, custodian, registrar, paying and conversion agent, trustee, escrow agent and executing other agreements, including any amendments or supplements thereto, as necessary or appropriate and to finalise, approve and issue any document(s) or agreements including but not limited to the placement document and filing such documents (in draft or final form) with any Indian or foreign regulatory authority or stock exchanges and sign all deeds, documents and writing and to pay any fees, commissions, remuneration, expenses relating thereto and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Securities and take all steps which are incidental and ancillary in this connection, including in relation to utilisation of the issue proceeds, as it may in its absolute discretion deem fit without being required to seek further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** in respect of the Issue, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its sole and absolute discretion consider necessary, desirable or appropriate, including submitting the relevant application to the Stock Exchange(s) for obtaining in-principle approvals, listing of the Securities, filing of requisite documents/making declarations with the MCA, ROC, RBI, SEBI and any other statutory/regulatory authority(ies), and any other deed(s), document(s), declaration(s) as may be required under the applicable laws.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate (to the extent permitted by law) all or any of the powers conferred by this resolution herein, to any committee of directors formed, Directors or one or more executives/officers of the Company to give effect to the above resolutions, in accordance with applicable law and to generally do all such acts, deeds, matters and things as may be required in connection with the aforesaid resolutions, including making necessary filings with the Stock Exchange(s) and statutory/regulatory authorities and execution of any deeds and documents for and on behalf of the Company and to represent the Company before any governmental authorities, to give effect to this resolution."

**By the order of the Board of Directors**

**Dr. Chandra Kumar Jain**  
Chairman & Managing Director  
DIN:00062221

Delhi, August 04, 2023

**NOTES:**

1. Information pursuant to the provisions of Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (herein after referred as 'Listing Regulations') and Secretarial Standard-2 on "General Meetings" issued by 'The Institute of Company Secretaries of India' as applicable for Item No.(s) 2, 5 to 9 in respect of Directors seeking appointment/reappointment at the ensuing 23<sup>rd</sup> Annual General Meeting (AGM) are annexed as **Annexure A** to this notice. Requisite declarations have been received from Directors for seeking appointment/reappointment, as applicable.  
The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 (the 'Act') setting out material facts concerning the special business(es) to be transacted under Item Nos. 4 to 14 of this Notice, is provided herein. The Board of Directors of the Company at its meeting held on August 04, 2023, considered special businesses mentioned under Item Nos. 4 to 14 and recommending to the members to transact at the 23<sup>rd</sup> AGM of the Company.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF / HERSELF. A PROXY NEED NOT BE A MEMBER.**  
**THE INSTRUMENT APPOINTING THE PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED IN ORIGINAL AT THE REGISTERED OFFICE OF THE COMPANY, DULY COMPLETED AND SIGNED, NOT LESS THAN FORTY EIGHT HOURS (48) BEFORE THE COMMENCEMENT OF THE MEETING. MEMBERS / PROXIES SHOULD FILL THE ATTENDANCE SLIP FOR ATTENDING THE MEETING.**  
Pursuant to the provisions of Section 105 of the Act, a person can act as a proxy on behalf of members, not exceeding fifty (50), and holding in the aggregate not more than ten percent (10%) of the total Share Capital of the Company carrying voting rights. However, a member holding more than ten percent (10%) of the total Share Capital of the Company, carrying voting rights, may appoint a single person as a proxy and such person shall not act as a proxy for any other person or member.
3. Corporate members/Institutional Investors (i.e. other than Individuals, HUF's, NRI's, etc.) intending to send their authorized representative(s) to attend the Meeting in terms of Section 113 of the Companies Act, 2013 are requested to send a certified copy of the Board Resolution/Power of Attorney/Authority Letter authorizing their representative(s) with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by email at [scrutinizer.dmk@gmail.com](mailto:scrutinizer.dmk@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) and to the Company at [investorsrelation@gulshanindia.com](mailto:investorsrelation@gulshanindia.com) and/or [cs@gulshanindia.com](mailto:cs@gulshanindia.com) for attending and voting on their behalf at the Meeting. Corporate Members/ Institutional investors (i.e. other than individuals, HUF's, NRI's etc.) can also upload their Board Resolution/Power of Attorney/Authority Letter etc. by clicking on "Upload Board Resolution/Authority Letter" displayed under "e-Voting" tab in their login.
4. Members /Proxies /Authorised Representatives are requested to bring the attendance slip duly filled in for attending the Meeting and shall handover at the entrance for attending the meeting. Members who hold shares in dematerialised form are requested to write their client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number on the attendance slip for attending the Meeting. Members of the Company under the category of Corporate members/ Institutional Investors are encouraged to attend and participate in the AGM.
5. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
6. The Notice of AGM [along with Attendance Slip, Proxy Form and Route Map and Annual Report] will be sent to those Members / beneficial owners whose name will appear in the Register of Members / list of Beneficial Owners received from the Depositories as on **Cut Off date i.e. Friday, August 25, 2023**. These documents are being sent electronically to the members whose E-mail IDs are registered with the Company/ Depository Participant(s) unless any member has requested for a physical copy of the same. For members who have requested physical copy or who have not registered their email address, physical copies of the Notice and Annual Report (as applicable) are being sent through permitted mode. In case member wish to get a physical copy of the Annual Report, member may send their request at [investorsrelation@gulshanindia.com](mailto:investorsrelation@gulshanindia.com) and/or [cs@gulshanindia.com](mailto:cs@gulshanindia.com) and/or [ramap@alankit.com](mailto:ramap@alankit.com) mentioning their Folio No./DP ID and Client ID. Pursuant to SEBI Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023 read with SEBI Circular dated May 12, 2020, requirement of sending Annual Report to members holding shares in physical form has been dispensed and relaxed upto September 30, 2023, stipulated under Regulation 36 (1) (b) of the Listing Regulations which requires sending hard copy of annual report containing salient features of all the documents prescribed in Section 136 of the Act to the members who have not registered their email addresses.
7. **Members may note that the Notice of the 23<sup>rd</sup> AGM and Annual Report for 2022-23 will also be available on Company's website at [www.gulshanindia.com](http://www.gulshanindia.com), websites of the stock exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and on the website of National Securities Depository Limited ('NSDL') at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).**
8. All the documents referred in the Notice and accompanying explanatory statement are open for inspection at the Registered Office of the Company on all working days between 11:00 a.m. to 1:00 p.m. upto the date of the AGM and at the venue of the meeting in the duration of the meeting. Further, the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Act and Certificate received from the Secretarial Auditors of the Company certifying that GPL Employees Stock Option Scheme 2018 have been implemented in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014 read with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, will be available for inspection by the members at the AGM.

9. During the period, beginning 24 hours, before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, members would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than 3 (three) days written notice is given to the Company.
10. Members are encouraged to submit their queries in advance concerning the financial statements or any other matter to be placed at the AGM, from their registered email address, mentioning their name, DP ID and Client ID number /folio number and mobile number, to reach the Company's email address at [cs@gulshanindia.com](mailto:cs@gulshanindia.com) and/or [investorsrelation@gmail.com](mailto:investorsrelation@gmail.com), a week before the date of AGM i.e. by **Friday, September 22, 2023**. Queries that remain unanswered at the AGM will be appropriately responded to the members by the Company at the earliest, post conclusion of the AGM. The members are requested to bring their attendance slip at the meeting.
11. The Company has a dedicated E-mail address(s) i.e. [investorsrelation@gulshanindia.com](mailto:investorsrelation@gulshanindia.com) and [cs@gulshanindia.com](mailto:cs@gulshanindia.com) for members to mail their queries or lodge grievances, if any via email or at the address of Corporate Office of the Company. We will endeavor to reply the queries at the earliest. The Company's website i.e. [www.gulshanindia.com](http://www.gulshanindia.com) has a dedicated section for Investors under the tab of Investors relations. It also answers your Frequently Asked Questions (FAQs).
12. All the share(s) and dividend(s) related correspondence may be sent to Registrar and Share Transfer Agent of the Company, Alankit Assignments Limited (hereinafter referred as 'RTA' or 'Alankit') at the following address:  
 Alankit Assignments Limited (Unit: Gulshan Polyols Limited)  
 Alankit House, 4E/2, Jhandewalan Extension, New Delhi - 110 055, India  
 Mobile: +91-89 29 955318 Phone: +91-11-42541234/ 42541951/955; Fax: +91-11-42541201, +91-11-2355 2001  
 E-mail(s): [rta@alankit.com](mailto:rta@alankit.com), [ramap@alankit.com](mailto:ramap@alankit.com), [info@alankit.com](mailto:info@alankit.com)  
 In all correspondence, please quote your DP ID & Client ID or Folio Number.

**13. Book Closure and Dividend:**

- i. **The Register of Members and the Share Transfer Books of the Company will be closed from Saturday, September 23, 2023 to Friday, September 29, 2023, both days inclusive, for the purpose of Dividend and AGM.**

The dividend of ₹ 0.50/- per share (i.e. 50%) on the Equity Shares of the Company of ₹ 1 each, if declared by the Members at the 23<sup>rd</sup> AGM, will be paid subject to deduction of income tax at source ('TDS') on or after **Tuesday, October 03, 2023** as under:

Shares held in electronic form	Shares held in physical form
To all the Beneficial Owners as at the end of the day on <b>Friday, September 22, 2023</b> in the list of beneficial owners to be furnished by National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL')	To all Members in respect of shares held in physical form after giving effect to valid transmission and transposition requests lodged with the Company at the close of business hours on <b>Friday, September 22, 2023</b> .

Members who are unable to receive the dividend(s) directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the dividend warrant/ Bankers' cheque/ demand draft to such Members.

- ii. Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the shareholders and the Company is required to deduct TDS from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 ('IT Act'). In general, to enable compliance with TDS requirements, Members are requested to complete and/or update their Residential Status, Permanent Account Number ('PAN'), category as per the IT Act with their Depository Participants ('DPs') or in case shares are held in physical form, with the Company or RTA by sending documents through e-mail or by sending hard copies at dedicated addresses mentioned above by **Monday, September 11, 2023** to determine the appropriate TDS / withholding tax rate applicable. No communication relating to determination/ deduction received after that date shall be considered. For the detailed process, the information is available on the Company's website at [www.gulshanindia.com](http://www.gulshanindia.com).

In case tax on dividend is deducted at a higher rate in the absence of receipt of the aforesaid mentioned details/documents, you would still have the option of claiming refund of the excess tax paid at the time of filing your income tax return. No claim shall lie against the Company for taxes so deducted at higher rate.

iii. **Updation of mandate for receiving dividends directly in bank account through Electronic Clearing System or any other means in a timely manner:**

Shares held in physical form	Shares held in electronic form
<p>Members are requested to send the following documents in original to RTA latest by <b>Monday, September 11, 2023</b>:</p> <ol style="list-style-type: none"> <li>Form ISR-1 duly filled and signed by the holders stating their name, folio number, complete address with Pin code, details relating to the bank account, etc. along with the supporting documents. The said form is available on the website of the Company at <a href="https://www.gulshanindia.com/shareholders-form.html">https://www.gulshanindia.com/shareholders-form.html</a></li> <li>Original cancelled cheque bearing the name of the Member or first holder, in case shares are held jointly. In case, name of the holder is not available on the cheque, kindly submit the following documents:- i) cancelled cheque in original. ii) bank attested legible copy of the first page of the Bank Passbook / Bank Statement bearing the names of the account holder, address, with same bank account number and type as on the cheque leaf and the full address of the Bank branch;</li> <li>Self-attested copy of the PAN Card of all the holders; and</li> <li>Self-attested copy of any document (such as Aadhaar Card, Driving Licence, Election Identity Card, Passport) in support of the address of the first holder as registered with the Company.</li> </ol>	<p>Members may please note that their bank details as furnished by the respective Depositories to the Company will be considered for remittance of dividend as per the applicable regulations of the Depositories and the Company will not be able to accede to any direct request from such Members for change/addition/deletion in such bank details. Accordingly, the Members holding shares in demat form are requested to update their Electronic Bank Mandate with their respective DPs by <b>Monday, September 11, 2023</b>.</p>

Please note that instructions, if any, already given by the Members in respect of shares held in physical form, will not be automatically applicable to the dividend paid on shares held in electronic form.

**14. Unpaid/Unclaimed Dividend**

Pursuant to the provisions of Section 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), all the shares on which dividends remain unpaid or unclaimed for a period of seven (7) consecutive years or more shall be transferred to the demat account of the IEPF Authority as notified by the MCA. The said requirement does not apply to the shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares. Accordingly, the unclaimed dividend with respective shares in respect of Financial Year 2015-16 (Final) is due for transfer to the IEPF fund.

The due date to transfer unpaid/unclaimed dividend amount on shares is **on or before October 26, 2023**. Members are requested to claim their unpaid/unclaimed dividends on shares before such transfer. In case valid claim is not received, the Company will proceed to transfer the unclaimed/unpaid dividends alongwith the respective shares to the IEPF Account in accordance with the procedure prescribed under the IEPF Rules.

The details of unpaid/unclaimed dividend amount lying with Company and respective shares as at March 31, 2023 are available on the website of the Company i.e. [www.gulshanindia.com](http://www.gulshanindia.com).

The Company has transferred the unpaid/unclaimed dividend declared for financial years until 2015-16(Interim) to the designated Demat Account of IEPF established by the Central Government within a period of thirty days of such shares becoming due to be transferred to the IEPF Account and the same can be accessed through the link: [www.gulshanindia.com](http://www.gulshanindia.com). The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: [www.iepf.gov.in](http://www.iepf.gov.in).

In addition to above and pursuant to the provisions of IEPF Rules, the Company has also transferred the equity shares in respect of which dividend had remained unpaid or unclaimed for seven (7) consecutive years or more on or before the due date of transfer, within the stipulated time. Details of shares so far transferred to the IEPF Authority are available on the website of the Company on [www.gulshanindia.com](http://www.gulshanindia.com) and on the website of the IEPF Authority on [www.iepf.gov.in](http://www.iepf.gov.in).

Members/Claimants whose shares and unpaid/unclaimed dividends, sale proceeds of fractional shares, etc. have been transferred to the IEPF Authority can claim the same by making an application to the IEPF Authority in e-Form IEPF-5 (available at [www.iepf.gov.in](http://www.iepf.gov.in)) and sending duly signed physical copy of the same to the Company along with requisite documents as prescribed in the instruction kit of e-Form IEPF-5. For smooth process, members are requested to email copy of documents before dispatching the original set of documents for verification at dedicated email ID's as mentioned above for successful filing and approval of claim. Link to e-Form IEPF-5 is also available on the website of the Company at [www.gulshanindia.com](http://www.gulshanindia.com). For further details, the concerned shareholders are advised to visit the weblink

of the IEPF Authority <http://www.iepf.gov.in/IEPF/refund.html> or may contact Company's RTA. No claims shall lie against the Company for the amounts transferred to IEPF.

#### **15. Updation of PAN and other details**

SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSDPoD-1/P/CIR/2023/37 dated March 16, 2023, has made it mandatory for the holders of physical securities to furnish PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers on or before October 1, 2023 to the RTA of the Company. Folios wherein any of the above document(s)/details are not furnished on or before the said date, shall be frozen by the RTA. After December 31, 2025 the frozen folios shall be referred by the RTA/Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002.

Further, the holders of physical securities are requested to ensure that their PAN is linked to Aadhaar as per the date specified by the Central Board of Direct Taxes to avoid freezing of folio.

The security holder(s) whose folio(s) have been frozen shall be eligible to lodge grievance or avail any service request from the RTA only after furnishing the complete documents / details as mentioned above and to receive any payment including dividend, in respect of such frozen folios, only through electronic mode after they comply with the above stated requirements. Relevant details and forms prescribed by SEBI in this regard are available on the website of the Company at <https://www.gulshanindia.com/shareholders-form.html>

Members are also requested to intimate changes, if any, pertaining to their name, postal address, email address, mobile number, PAN, registration of nomination, power of attorney registration, bank mandate details, etc. to their DPs in case the shares are held in electronic form and to the RTA at [kycupdate@alankit.com](mailto:kycupdate@alankit.com) and [ramap@alankit.com](mailto:ramap@alankit.com) in case the shares are held in physical form, quoting their folio number. Changes intimated to the DP will then be automatically reflected in the Company's records maintained with RTA.

- 16.** In accordance with Regulation 40 of the Listing Regulations, as amended, the Company has stopped accepting any fresh transfer requests for securities held in physical form. Members holding shares of the Company in physical form are requested to kindly get their shares converted into demat/electronic form to get inherent benefits of dematerialisation. Further, Members may note that SEBI vide its Circular dated January 25, 2022 mandated listed companies to issue securities in demat form only while processing any service requests viz. issue of duplicate securities certificate; claim from Unclaimed Suspense Account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the website of the Company at <https://www.gulshanindia.com/request-shareholders-form.html>

- 17.** Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates and self-attested copies of the PAN card of the holders for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes. The consolidation will be processed in demat form.

#### **18. Nomination facility**

As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form SH-13. If a Member desires to cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form SH-14. Members who are either not desiring to register Nomination or would want to opt out, are requested to fill and submit Form No. ISR-3. The said forms can be downloaded from the website of the Company at <https://www.gulshanindia.com/shareholders-form.html> Members are requested to submit the requisite form to their DPs in case the shares are held in electronic form and to the Company's Registrar & Transfer Agent in case the shares are held in physical form, quoting their folio number.

- 19.** To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the RTA/Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DPs and holdings should be verified from time to time.

#### **A. GENERAL INSTRUCTIONS AND GUIDELINES FOR ACCESSING AND PARTICIPATING IN THE 23<sup>rd</sup> AGM**

- I. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by 'The Institute of Company Secretaries of India' (ICSI) and Regulation 44 of Listing Regulations, the Company is providing Remote E-Voting facility to its Members in respect of the business to be transacted at the 23<sup>rd</sup> AGM and facility for those Members participating in the 23<sup>rd</sup> AGM to cast vote through ballot paper/poll paper during the 23<sup>rd</sup> AGM.

For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL), as the Authorized e-voting agency, for facilitating voting through electronic means. The facility of casting votes by a member using remote e-voting as well as voting through ballot papers/ poll paper on the date of the AGM will be provided.



- II. A person who has acquired the shares and has become a member of the Company and whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories after the dispatch of the Notice of the AGM and prior to the **Cut-off date i.e. Friday, September 22, 2023**, shall be entitled to avail the facility of remote e-voting before 23<sup>rd</sup> AGM as well as voting through ballot papers on the date of the AGM at the Venue. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice for information purpose only.
- III. The remote e-voting period begins on **Tuesday, September 26, 2023 at 9:00 A.M.** and ends on **Thursday, September 28, 2023 at 5:00 P.M.** The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. **Friday, September 22, 2023**, may cast their vote electronically.
- IV. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.
- V. The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date i.e. **Friday, September 22, 2023**.
- VI. The facility for voting through Poll would be made available at the AGM and the members attending the meeting who have not cast their votes by remote e-voting shall be able to exercise their right at the meeting through Poll Paper. The members who have already cast their vote by remote e-voting prior to the meeting, may also attend the Meeting, but shall not be entitled to cast their vote again.
- VII. The members can opt for only one mode of voting i.e. remote e-voting or physical voting through poll paper at the meeting. In case of voting by both the modes, vote cast through remote e-voting, will be considered final and voting through physical voting at the meeting will not be considered.
- VIII. The Board of Directors of the Company has appointed CS Deepak Kukreja, Practicing Company Secretary (Membership No. F4140 & CP No. 8265) and/or CS Monika Kohli, Practicing Company Secretary (Alternate Scrutinizer) (Membership No. F5480 & CP No. 4936) Partners of M/s. DMK Associates, Company Secretaries, New Delhi, as Scrutinizer to scrutinize the remote e-Voting process and voting through ballot/poll papers during the meeting, in a fair and transparent manner.
- IX. The Scrutinizer shall after the conclusion of voting at the 23<sup>rd</sup> AGM, unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer's report of the total votes casted in favor or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report shall then be sent to the Chairman or a person authorized by him, within the time prescribed under the Listing Regulations and / or the Act, who shall then countersign and declare the result of the voting forthwith.
- X. The Chairman shall, at the end of discussion on the resolutions placed at the AGM on which voting is to be held, allow voting with the assistance of the Scrutinizer, by use of Polling Paper for all those members/ proxies who are present at the AGM but have not cast their votes by availing the remote e-Voting facility.
- XI. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at [www.gulshanindia.com](http://www.gulshanindia.com) and on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately after the declaration of Results by the Chairman or a person authorized by him. The results shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited. The results shall be displayed at the Registered Office at 9<sup>th</sup> K.M., Jansath Road, Muzaffarnagar, Uttar Pradesh - 251001 and the Corporate Office at G-81, Preet Vihar, Delhi- 110092.

**B. OTHER INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:**

In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, Login method for Remote e-Voting for Individual Members ("You") holding securities in Demat mode (NSDL/ CDSL) is given below:

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




The way to vote electronically on NSDL e-Voting system consists of 'Two Steps' which are mentioned below:

**Step 1: ACCESS TO NSDL E-VOTING SYSTEM**

**A) Login method for e-Voting for Individual members holding securities in demat mode**

Pursuant to above said SEBI Circular on e-Voting facility provided by Company, Individual members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and email address in their demat accounts in order to access e-Voting facility.

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

Type of Members	Login Method
Individual members holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer, Laptop or on a Mobile. On the e-Services home page click on the <b>"Beneficial Owner"</b> icon under <b>"Login"</b> which is available under <b>'IDeAS'</b> section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value Added Services. Click on <b>"Access to e-Voting"</b> under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select <b>"Register Online for IDeAS Portal"</b> or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a>.</li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer, Laptop 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 hold 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 company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> <li>Members can also download NSDL Mobile App "<b>NSDL Speede</b>" facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>    </div>
Individual Members holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Members (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. 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 company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p>

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

Login type	Helpdesk details
Individual Members holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Members holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cDSLindia.com">helpdesk.evoting@cDSLindia.com</a> or contact at toll free no. 1800 22 55 33

**B) Login Method for e-Voting for members other than Individual Members holding securities in demat mode and members holding securities in physical mode.**
**How to Log-in to NSDL e-Voting website?**

- 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.
- 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, 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.*
- Your User ID details are given below

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
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*****.
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*****
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***

- Password details for members other than Individual members are given below:
  - If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - 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.
  - How to retrieve your 'initial password'?
    - 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'.
    - If your email ID is not registered, please follow steps mentioned below in process for those members whose email ids are not registered.
- If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - 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](http://www.evoting.nsdl.com).
  - Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto: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.

Process for those members 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:**

- In case shares are held in **physical mode** please provide Folio No., Name of members, 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 NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- 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 NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). If you are an Individual members holding securities in demat mode, you are requested to refer to the login method explained at **Step 1 (A)** i.e. **Login method for e-Voting for Individual members holding securities in demat mode.**

## **Step 2: Cast your vote electronically on NSDL eVoting system**

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

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

### **General Guidelines:**

- 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](http://www.evoting.nsdl.com) to reset the password.
- In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 022-4886-7000 and 022-2499 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

**EXPLANATORY STATEMENT****ITEM NO. 4****(Disclosure Pursuant to Section 102 of the Act and Secretarial Standard (SS-2) on General Meetings)**

As per the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 (Rules), as amended from time to time, the Company is required to maintain cost records as specified by the Central Government as per Section 148(1) of the Act and the rules framed thereunder, and the Company has made and maintained such cost accounts and records.

Accordingly, the Board had, at its Meeting held on May 12, 2023, on the recommendations of the Audit Committee, appointed M/s MM & Associates, Cost Accountants (Firm Registration No. 000454), being eligible, to conduct Cost Audit for the products covered under section 148 of the Act read with rules framed thereunder as the Cost Auditors of the Company for auditing the cost accounts of your Company for the financial year 2023-2024 at a remuneration of ₹ 85,000/- (Rupees Eighty Five Thousand Only) plus applicable taxes.

In accordance with the provisions of Section 148(3) of the Act read with the rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the remuneration as mentioned above, payable to the Cost Auditors has to be ratified by the members of the Company.

Accordingly, the consent of the members is sought for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2024.

None of the Director(s) or Key Managerial Personnel(s) of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

The Board recommends ratification of payment of remuneration to the Cost Auditors for approval of the members through Ordinary Resolution set out at Item No. 4 of the Notice.

**ITEM NO. 5****(Disclosure Pursuant to Section 102 of the Act, Regulation 36(3) of Listing Regulations and Secretarial Standard (SS-2) on General Meetings)**

Ms. Arushi Jain (DIN:00764520) was appointed as Whole Time Director in the 20<sup>th</sup> Annual General Meeting of the Company held on 19<sup>th</sup> September 2020, for a period effective from January 01, 2021 upto March 31, 2024. However, the designation of Ms. Arushi Jain was changed from Whole Time Director to Joint Managing Director of the Company by the approval of the shareholders in the 22<sup>nd</sup> Annual General Meeting of the Company held on 28<sup>th</sup> September, 2022. Her tenure will be expired on March 31, 2024. Consequently, the Board of Directors of the Company at their meeting held on August 4, 2023, based on the recommendations of the Nomination, Remuneration and Compensation Committee (NRC), has approved the proposal of reappointment of Ms. Arushi Jain as the Joint Managing Director of the Company for a period effective from April 1, 2024 to September 30, 2028 upon such terms and conditions as approved by the Board of Directors on the recommendations of NRC in mutual consent with Ms. Jain, subject to the approval of the members in the ensuing AGM of the Company.

Ms. Jain's continued efforts being Joint Managing Director is immensely benefitting in the growth of the Company. Ms. Jain is having more than two decades of core experience in matter related to Operations, Marketing, production etc. She has been a director on our Board since January 1, 2010. She is having a dedicated experience in the sector and industry, the GPL works in. She has been associated with the Company over two decades and manage business policies, strategic decisions making, business development, day-today affairs, operations etc. She also has experience in market research and baking industry. Given her rich, varied and relative experience, contribution and keen efforts, the Board considers it is requisite and in the interest of the Company to reappoint her.

In terms of provisions contained under Section 160 of the Act and the rules made thereunder, a person who is not a retiring director in terms of Section 152 of the Act shall, subject to the provisions of this Act, be eligible for reappointment to the Office of Director at any General Meeting, if he or some member intending to propose him as a Director, has, not less than fourteen days before the meeting, left at the Registered Office of the company, a notice in writing under his/her hand signifying his candidature as a Director, or the intention of such member to propose him as a candidate for that office, as they case may be, along with deposit of one lakh rupees. However, as per the amended proviso to Section 160 of the Act, the requirements of deposit of amount shall not apply in case of reappointment of a Director if place before the NRC. Accordingly, there is no requirement of submission of requisite deposit. The Company has received a notice from a member proposing candidature of Ms. Jain for the office of Director in terms of Section 160 of the Act.

Ms. Jain has confirmed that she is neither disqualified from being reappointed as a director under provisions of Section 164 of the Act, nor debarred from holding the office of director by virtue of any SEBI order or any other such authority and has given her consent to act as a Director of the Company.

The disclosures including brief resume and other details prescribed under Regulation 36(3) of the Listing Regulations read with the provisions of the Secretarial Standard-2 on General Meetings issued by 'The Institute of Company Secretaries of India' are provided in **Annexure A** to this notice.

Except Ms. Jain being appointee and Dr. Chandra Kumar Jain and Ms. Aditi Pasari, Directors of the Company, being in blood relation, none of the other Director(s) or Key Managerial Personnel(s) of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

The Board recommends the reappointment of Ms. Arushi Jain (DIN: 00764520) effective from April 1, 2024 to September 30, 2028 for approval of the members through Special Resolution set out at Item No. 5 of the Notice.

**ITEM NO. 6****(Disclosure Pursuant to Section 102 of the Act, Regulation 36(3) of Listing Regulations and Secretarial Standard (SS-2) on General Meetings)**

Ms. Aditi Pasari (DIN:00120753) was appointed as Whole Time Director in the 20<sup>th</sup> Annual General Meeting of the Company held on 19<sup>th</sup> September 2020, for a period effective from January 01, 2021 upto March 31, 2024. However, the designation of Ms. Aditi Pasari was changed from Whole Time Director to Joint Managing Director of the Company by the approval of the shareholders in the 22<sup>nd</sup> Annual General Meeting of the Company held on 28<sup>th</sup> September, 2022. Her tenure will be expired on March 31, 2024. Consequently, the Board of Directors of the Company at their meeting held on August 4, 2023, based on the recommendations of the Nomination, Remuneration and Compensation Committee (NRC), has approved the proposal of reappointment of Ms. Aditi Pasari as the Joint Managing Director of the Company for a period effective from April 1, 2024 to September 30, 2028 upon such terms and conditions as approved by the Board of Directors on the recommendations of NRC in mutual consent with Ms. Pasari, subject to the approval of the members in the ensuing AGM of the Company.

Ms. Pasari's continued efforts being Joint Managing Director is immensely benefitting in the growth of the Company. Ms. Pasari is having more than two decades of core experience in matter related to Finance, Stakeholders Relations and Operations etc. She has been a director on our Board since January 1, 2010. She has the experience of setting up a packaging unit in Haridwar, under the umbrella of GPL. She has supervisory responsibilities for Finance and Human Resources functions and leads various strategic and fund raising initiatives in the smooth operation of the Company. Given her rich, varied and relative experience, contribution and keen efforts, the Board considers it is requisite and in the interest of the Company to reappoint her.

In terms of provisions contained under Section 160 of the Act and the rules made thereunder, a person who is not a retiring director in terms of Section 152 of the Act shall, subject to the provisions of this Act, be eligible for reappointment to the Office of Director at any General Meeting, if he or some member intending to propose him as a Director, has, not less than fourteen days before the meeting, left at the Registered Office of the company, a notice in writing under his/her hand signifying his candidature as a Director, or the intention of such member to propose him as a candidate for that office, as they case may be, along with deposit of one lakh rupees. However, as per the amended proviso to Section 160 of the Act, the requirements of deposit of amount shall not apply in case of reappointment of a Director if place before the NRC. Accordingly, there is no requirement of submission of requisite deposit. The Company has received a notice from a member proposing candidature of Ms. Pasari for the office of Director in terms of Section 160 of the Act.

Ms. Pasari has confirmed that she is neither disqualified from being reappointed as a director under provisions of Section 164 of the Act, nor debarred from holding the office of director by virtue of any SEBI order or any other such authority and has given her consent to act as a Director of the Company.

The disclosures including brief resume and other details prescribed under Regulation 36(3) of the Listing Regulations read with the provisions of the Secretarial Standard-2 on General Meetings issued by 'The Institute of Company Secretaries of India' are provided in **Annexure A** to this notice.

Except Ms. Pasari being appointee and Dr. Chandra Kumar Jain and Ms. Arushi Jain, Directors of the Company, being in blood relation, none of the other Director(s) or Key Managerial Personnel(s) of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

The Board recommends the reappointment of Ms. Aditi Pasari (DIN:00120753) effective from April 1, 2024 to September 30, 2028 for approval of the members through Special Resolution set out at Item No. 6 of the Notice.

**ITEM NO. 7****(Disclosure Pursuant to Section 102 of the Act, Regulation 36(3) of Listing Regulations and Secretarial Standard (SS-2) on General Meetings)**

Mr. Ashwani Kumar Vats (DIN:00062413) was appointed as a Whole Time Director designated as Chief Executive Officer of the Company in the Annual General Meeting of the Company (AGM), held on September 19, 2020, for a period effective from April 01, 2020 upto March 31, 2024. His tenure will be expired on March 31, 2024. Consequently, the Board of Directors of the Company at their meeting held on August 4, 2023, based

on the recommendations of the Nomination, Remuneration and Compensation Committee (NRC), has approved the proposal of reappointment of Mr. Ashwani Kumar Vats as the Joint Managing Director of the Company for a period effective from April 1, 2024 to September 30, 2028 upon such terms and conditions as approved by the Board of Directors on the recommendations of NRC in mutual consent with Mr. Vats, subject to the approval of the members in the ensuing AGM of the Company.

Mr. Vats's continued efforts being Whole Time Director designated as Chief Executive Officer of the Company is immensely benefitting in the growth of the Company. Mr. Vats is having over 36 years of core experience in matter related to Marketing and Production. Further, he is having dedicated experience in the sector and industry, the GPL works in. He has been associated with the Company over three decades and responsible for operating, business development, marketing etc. Given his rich, varied and relative experience, contribution and keen efforts, the Board considers it is requisite and in the interest of the Company to reappoint him.

In terms of provisions contained under Section 160 of the Act and the rules made thereunder, a person who is not a retiring director in terms of Section 152 of the Act shall, subject to the provisions of this Act, be eligible for reappointment to the Office of Director at any General Meeting, if he or some member intending to propose him as a Director, has, not less than fourteen days before the meeting, left at the Registered Office of the Company, a notice in writing under his/her hand signifying his candidature as a Director, or the intention of such member to propose him as a candidate for that office, as they case may be, along with deposit of one lakh rupees. However, as per the amended proviso to Section 160 of the Act, the requirements of deposit of amount shall not apply in case of reappointment of a Director if place before the NRC. Accordingly, there is no requirement of submission of requisite deposit. The Company has received a notice from a member proposing candidature of Mr. Vats for the office of Director in terms of Section 160 of the Act.

Mr. Vats has confirmed that he is neither disqualified from being reappointed as a director under provisions of Section 164 of the Act, nor debarred from holding the office of director by virtue of any SEBI order or any other such authority and has given his consent to act as a Director of the Company.

The disclosures including brief resume and other details prescribed under Regulation 36(3) of the Listing Regulations read with the provisions of the Secretarial Standard-2 on General Meetings issued by 'The Institute of Company Secretaries of India' are provided in **Annexure A** to this notice.

Except Mr. Vats being appointee, none of the other Director(s) or Key Managerial Personnel(s) of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

The Board recommends the reappointment of Mr. Ashwani Kumar Vats (DIN:00062413) effective from April 1, 2024 to September 30, 2028 for approval of the members through Special Resolution set out at Item No. 7 of the Notice.

#### **ITEM NO. 8**

#### **(Disclosure Pursuant to Section 102 of the Act, Regulation 36(3) of Listing Regulations and Secretarial Standard (SS-2) on General Meetings)**

Mr. Nitesh Garg (DIN:10257604) has been appointed by the Board as an Director in the capacity of Non-Executive Independent Director of the Company in the Board Meeting dated August 04, 2023 on the recommendations of Nomination, Remuneration and Compensation Committee with effect from April 1, 2024 to September 30, 2028 in terms of provisions of the Act rules made thereunder, subject to the approval of the members in the ensuing AGM of the Company.

In terms of provisions contained under Section 160 of the Act and the rules made thereunder, a person who is not a retiring director in terms of Section 152 of the Act shall, subject to the provisions of this Act, be eligible for appointment to the Office of Director at any General Meeting, if he or some member intending to propose him as a Director, has, not less than fourteen days before the meeting, left at the Registered Office of the company, a notice in writing under his/her hand signifying his candidature as a Director, or the intention of such member to propose him as a candidate for that office, as they case may be, along with deposit of one lakh rupees. However, as per the amended proviso to Section 160 of the Act, the requirements of deposit of amount shall not apply in case of appointment of Independent Director. Since, Mr. Garg is an Independent Director of the Company, there is no requirement of submission of requisite deposit.

The Company has received a notice from a member proposing candidature of Mr. Garg for the office of Director in terms of Section 160 of the Act. Mr. Garg has also given a declaration to the company that he meets criteria of independence as prescribed under Section 149 (6) of the Act read with Rule 5 of Companies (Appointment & Qualification of Directors) Rules, 2014 and relevant Listing Regulations. He does not hold any shares in the Company.

In the opinion of the Board, Mr. Garg is a person of integrity, possesses the relevant expertise/experience and balance of skills, and fulfills the conditions specified in the Act and the Listing Regulations for appointment as a Non-Executive Independent Director and he is independent of the management. In terms of Regulation 25(8) of Listing Regulations, Mr. Garg has confirmed that he is not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties with an objective independent judgment and without any external influence.

Accordingly, the Board of directors proposing his candidature for the office of Director of the Company in the capacity of Non-Executive

Independent Director to hold office for a term of four and half years , effective from April 01, 2024 to September 30, 2028.

Mr. Garg is not disqualified from being appointed as a Director under provisions of Section 164 of the Act nor debarred from holding the office of director by virtue of any SEBI order or any other such authority and has given his consent to act as a Director of the Company.

The disclosures including brief resume and other details prescribed under Regulation 36(3) of the Listing Regulations read with the provisions of the Secretarial Standard-2 on General Meetings issued by 'The Institute of Company Secretaries of India' are provided in **Annexure A** to this Notice.

Except Mr. Garg being appointee, none of the Director(s) or Key Managerial Personnel(s) of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

The Board recommends the appointment of Mr. Nitesh Garg (DIN: 10257604) effective from April 01, 2024 to September 30, 2028 for approval of the members through Special Resolution set out at Item No. 8 of the Notice.

#### **ITEM NO. 9**

#### **(Disclosure Pursuant to Section 102 of the Act, Regulation 36(3) of Listing Regulations and Secretarial Standard (SS-2) on General Meetings)**

Mr. Soumyajit Mitra (DIN:10262167) has been appointed by the Board as a Director in the capacity of Non-Executive Independent Director of the Company in the Board Meeting dated August 04, 2023 on the recommendations of Nomination, Remuneration and Compensation Committee with effect from April 1, 2024 to September 30, 2028 in terms of provisions of the Act rules made thereunder.

In terms of provisions contained under Section 160 of the Act and the rules made thereunder, a person who is not a retiring director in terms of Section 152 of the Act shall, subject to the provisions of this Act, be eligible for appointment to the Office of Director at any General Meeting, if he or some member intending to propose him as a Director, has, not less than fourteen days before the meeting, left at the Registered Office of the company, a notice in writing under his/her hand signifying his candidature as a Director, or the intention of such member to propose him as a candidate for that office, as they case may be, along with deposit of one lakh rupees. However, as per the amended proviso to Section 160 of the Act, the requirements of deposit of amount shall not apply in case of appointment of Independent Director. Since, Mr. Mitra is an Independent Director of the Company, there is no requirement of submission of requisite deposit.

The Company has received a notice from a member proposing candidature of Mr. Mitra for the office of Director in terms of Section 160 of the Act. Mr. Mitra has also given a declaration to the company that he meets criteria of independence as prescribed under Section 149 (6) of the Act read with Rule 5 of Companies (Appointment & Qualification of Directors) Rules, 2014 and relevant Listing Regulations. He does not hold any shares in the Company.

In the opinion of the Board, Mr. Mitra is a person of integrity, possesses the relevant expertise/experience and balance of skills, and fulfills the conditions specified in the Act and the Listing Regulations for appointment as a Non-Executive Independent Director and he is independent of the management. In terms of Regulation 25(8) of Listing Regulations, Mr. Mitra has confirmed that he is not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties with an objective independent judgment and without any external influence.

Accordingly, the Board of directors proposing his candidature for the office of Director of the Company in the capacity of Non-Executive Independent Director to hold office for a term of four and half years, effective from April 01, 2024 to September 30, 2028.

Mr. Mitra is not disqualified from being appointed as a Director under provisions of Section 164 of the Act nor debarred from holding the office of director by virtue of any SEBI order or any other such authority and has given his consent to act as a Director of the Company.

The disclosures including brief resume and other details prescribed under Regulation 36(3) of the Listing Regulations read with the provisions of the Secretarial Standard-2 on General Meetings issued by 'The Institute of Company Secretaries of India' are provided in **Annexure A** to this Notice.

Except Mr. Mitra being appointee, none of the Director(s) or Key Managerial Personnel(s) of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

The Board recommends the appointment of Mr. Soumyajit Mitra (DIN: 10262167) effective from April 01, 2024 to September 30, 2028 for approval of the members through Special Resolution set out at Item No. 9 of the Notice.

#### **ITEM NO.10**

#### **(Disclosure Pursuant to Section 102 of the Act and Secretarial Standard (SS-2) on General Meetings)**

In order to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make use of the same by making investment in other bodies corporate or granting loans, giving guarantee or providing security to other persons or other body corporate as and when required.



Members may note that pursuant to Section 186 of the Companies Act, 2013 ("Act"), the Company can give loan or give any guarantee or provide security in connection with a loan to any other body corporate or person and acquire securities of any other body corporate, in excess of 60% of its paid up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is more, with approval of Members by special resolution passed at the general meeting.

In view of the aforesaid, it is proposed to take approval under Section 186 of the Companies Act, 2013, by way of special resolution, up to a limit of Rs.100 Crores, as proposed in the Notice.

The above proposal is in the interest of the Company and the Board recommends the Resolution as set out at item No. 10 for approval by the members of the Company.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned with or interested, financially or otherwise in the resolution at item no. 10 of the accompanying notice. The Board recommends the resolution at item no. 10 to be passed as Special Resolution.

#### **ITEM NO. 11& 12**

##### **(Disclosure Pursuant to Section 102 of the Act and Secretarial Standard (SS-2) on General Meetings)**

Keeping in view the Company's long term strategic and business objectives, the Company may need additional funds. For this purpose, the Company may, from time to time, raise finance from various Banks and/or Financial Institutions and/ or any other lending institutions and/or Bodies Corporate and/or such other persons/ individuals as may be considered fit, which, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in ordinary course of business) may exceed the aggregate of the paid-up capital and free reserves of the Company. Pursuant to Section 180(1)(c) of the Companies Act, 2013, the Board of Directors cannot borrow more than the aggregate amount of the paid-up capital of the Company and its free reserves at any one time except with the consent of the members of the Company in a general meeting. In order to facilitate securing the borrowing made by the Company, it would be necessary to create charge on the assets or whole or part of the undertaking of the Company. Further, Section 180(1)(a) of the Companies Act, 2013 provides for the power to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company subject to the approval of members in the General Meeting.

In this regard, the Company received the approval of the members in the 14<sup>th</sup> Annual General Meeting of the Company held on 20 September, 2014 to exceed the limits prescribed under Section 180 of Companies Act, 2013 **upto Rs. 500,00,00,000/- (Rupees Five Hundred Crores only)**.

Keeping in view the increased fund requirements, the Board of Directors at their Meeting held on 04 August, 2023 have proposed to increase the aforesaid limit **from Rs. 500,00,00,000/- (Rupees Five Hundred Crores Only) to Rs. 1500,00,00,000/- (Rupees Fifteen Hundred Crores Only)** for which approval of members is required by way of Special Resolution.

The above proposal is in the interest of the Company and the Board recommends the Resolution as set out at item nos. 11 & 12 for approval by the members of the Company.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned with or interested, financially or otherwise in the resolution at item nos. 11 & 12 of the accompanying notice. The Board recommends the resolution at item nos. 11 & 12 to be passed as Special Resolution.

#### **ITEM NO. 13**

##### **(Disclosure Pursuant to Section 102 of the Act and Secretarial Standard (SS-2) on General Meetings)**

As per Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015, the fees or compensation payable to executive directors who are promoters or members of the promoter group shall be subject to the approval of the shareholders by special resolution in general meeting, if:

- (a) The annual remuneration payable to such executive director exceeds Rs. 5 Crores or 2.5 per cent of the net profits of the Company (calculated as per the provisions of Section 198 of the Companies Act, 2013), whichever is higher; or
- (b) Where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5 per cent of the net profits of the Company (calculated as per Section 198 of the Companies Act, 2013).

Currently, there are three executive directors in the Board of the Company who are promoters and members of the promoter group. Dr. Chandra Kumar Jain, Chairman and Managing Director, Ms. Arushi Jain, Executive Director-Joint Managing Director and Ms. Aditi Pasari, Executive Director -Joint Managing Director are the promoters of the Company. The shareholders have approved their remuneration and any alterations in the remuneration payable to them within the limits as prescribed at that time under Companies Act, 2013 in their 22<sup>nd</sup> Annual General Meeting held on September 28, 2022 and 20<sup>th</sup> Annual General Meeting held on September 19, 2020 respectively till the expiry of their current terms.

The remuneration of the above mentioned Executive Directors in aggregate falls in excess of 5 percent of the net profits of the Company in aggregate. This necessitates seeking fresh approval of the shareholders by way of special resolution for retaining the all existing terms and conditions of appointment of aforesaid executive directors including remuneration payable to them till the expiry of their terms in order to

comply with the above mentioned Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015.

The Board approved the above proposal in their meeting held on August 04, 2023 after considering the contributions of Dr. Chandra Kumar Jain, Ms. Arushi Jain and Ms. Aditi Pasari towards the overall growth and development of the Company.

The Board recommends the resolution as set out in item no. 13 of the Notice for approval by the members as Special Resolution.

Except Dr. Chandra Kumar Jain, Ms. Arushi Jain and Ms. Aditi Pasari, none of the Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, except their shareholding, if any, in the Company, in the proposed resolution set out at item no. 13 of the Notice.

#### **ITEM NO. 14**

##### **(Disclosure Pursuant to Section 102 of the Act and Secretarial Standard (SS-2) on General Meetings)**

The Company, with a view to capitalize on available growth opportunities, continues to evaluate avenues for organic and inorganic growth. The proceeds from the Issue will be utilized for augmenting long term cash resources, expansion of business, funding the organic or inorganic growth opportunities in the area of the Company's operations, ongoing and future capital expenditure requirements of our Company, working capital requirements and adjacencies, growing existing businesses or entering into new businesses in line with the strategy of the Company, pre-payment and / or repayment of outstanding borrowings, or for any other general purposes as may be permissible under the applicable law and approved by the Board of directors of the Company in their meeting dated August 04, 2023. As Company is continuously moving towards its expansion plans, hence to meet the expenditure requirements pertaining to expansions, the company may require to raise the funds again.

The Company has been exploring various avenues for raising funds by way of issue of Equity Shares or by way of an issue of and/or any other "Eligible Securities" (hereinafter referred to as "Eligible Securities" within the meaning rendered to such term under Regulation 171(a) of the SEBI ICDR Regulations) (instruments listed under Regulation 171(a) of the SEBI ICDR Regulations collectively with the Equity Shares to be hereinafter referred to as the "Securities") for an aggregate amount of up to ₹ 250 Crores (Rupees Two Hundred and Fifty Crore Only) through qualified institutions placement (the "QIP") to qualified institutional buyers (the "QIBs") as defined in SEBI ICDR Regulations or private placement or through any other permissible mode and/or combination thereof as may be considered appropriate under applicable law. The issue of Securities may be consummated in one or more tranches at such time or times at such price, at a discount or premium to market price or prices in such manner and on such terms and conditions as the Board may in its absolute discretion decide, taking into consideration prevailing market conditions and other relevant factors and wherever necessary in consultation with advisors, lead managers and such other authority or authorities as may be necessary and as applicable, to the SEBI ICDR Regulations, the Depository Receipts Scheme, 2014 and other applicable guidelines, notifications, rules and regulations, each as amended.

Accordingly, the Board, at its meeting held on August 04, 2023, subject to the approval of the members of the Company, approved the issuance of Securities at such price and on such terms and conditions as may be deemed appropriate by the Board, taking into consideration market conditions and other relevant factors and wherever necessary, in consultation with the book running lead manager or lead manager and/or other advisor(s) appointed in relation to the Issue, in accordance with applicable laws, and subject to regulatory approvals (as necessary). The Securities allotted will be listed and traded on stock exchange(s) where Equity Shares are currently listed, subject to obtaining necessary approvals. The offer, issue, allotment of the Securities shall be subject to obtaining of regulatory approvals, if any by the Company.

Pursuant to Section 23, 42 and 62 of the Companies Act, 2013, as amended read with applicable rules notified thereunder, including Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended and the SEBI ICDR Regulations, a company offering or making an invitation to subscribe to Securities is required to obtain prior approval of the members by way of a special resolution.

The proposed Special Resolution is an enabling resolution and therefore the proposal seeks to confer upon the Board (including a committee thereof), the absolute discretion to determine the terms of the aforementioned issuance of Securities, including the exact price, proportion and timing of such issuance, based on an analysis of the specific requirements and market conditions. The detailed terms and conditions of such issuance will be determined by the Board or a committee thereof, considering prevailing market conditions, practices and in accordance with the applicable provisions of law and other relevant factors. Accordingly, the Board (including a committee thereof) may, in its discretion, adopt any one or more of the mechanisms prescribed above to meet its objectives as stated in the aforesaid paragraphs without the need for fresh approval from the Members of the Company.

In the event of issuance of Securities by way of a QIP, as per the provisions of the SEBI ICDR Regulations, an issue of Securities shall be made at a price not less than the floor price calculated in accordance with Chapter VI of the ICDR Regulations. The Board or Committee of Directors duly authorised by the Board will be authorised to offer a discount of not more than 5% (five percent) on such price determined in accordance with the pricing formula provided under Regulation 176 of the SEBI ICDR Regulations or such other discount as may be permitted in accordance with applicable law.

Further, in the event that such issuance of Securities is undertaken by way of a QIP, the allotment of Securities shall be completed within a period of 365 days from passing the Special Resolution by the Members or such other time as may be permitted under the SEBI ICDR Regulations from

time to time. The aforesaid issue of Securities will be subject to receipt of requisite approvals from appropriate authorities, as may be applicable. Further, no allotment shall be made, either directly or indirectly to any QIB who is a promoter, or any person related to promoters in terms of the SEBI ICDR Regulations.

Further, the Company is yet to identify the investor(s) and decide the quantum of Equity Shares to be issued to them. Hence, the details of the proposed allottees, percentage of their post – Issue shareholding and the shareholding pattern of the Company are not provided. The proposal, therefore, seeks to confer upon the Board, the absolute discretion and adequate flexibility to determine the terms of the Issue, including but not limited to the identification of the proposed investors in the Issue and quantum of Equity Shares to be issued and allotted to each such investor, in accordance with the provisions of the SEBI ICDR Regulations, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Companies Act, 2013, the Foreign Exchange Management Act, 1999 and the regulations made thereunder, including the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, the Consolidated FDI Policy issued by the Department for Promotion of Industry & Internal Trade, Ministry of Commerce and Industry, Government of India from time to time, each as amended, and other applicable law.

The approval of the members is being sought to enable the Board to decide on the Issue, to the extent and in the manner stated in the special resolution, as set out in item no. 14 of this notice, without the need for any fresh approval from the members of the Company in this regard.

Pursuant to the above, the Company may, in one or more tranches, issue and allot Equity Shares on such date as may be determined by the Board but not later than 365 days from the date of passing of the resolution or such other period as may be permitted under applicable law. The aforesaid issue of Securities will be subject to receipt of requisite approvals from appropriate authorities, as may be applicable.

Equity Shares, proposed to be issued, shall in all respects, rank pari passu with the existing Equity Shares of the Company.

The Securities allotted as above would be listed on BSE Limited and/or National Stock Exchange of India Limited or other stock exchanges outside India. The offer/issue/allotment would be subject to the regulatory approvals, if any. The conversion of Securities, if any, held by foreign investors into Equity Shares would be subject to the applicable foreign investment cap, if any, and the applicable foreign exchange regulations. As and when the Board or a committee thereof takes a decision on matters pertaining to the proposed fund raise, on which it has the discretion, necessary disclosures will be made to the Stock Exchanges as may be required under the provisions of the Listing Regulations.

If the Issue is made through a QIP, the Promoters including Promoter Group will not participate in the Issue.

None of the Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, except their shareholding, if any, in the Company, in the proposed resolution set out at Item No. 14 of the Notice.

The proposed Issue is in the interest of the Company and the Board recommends the resolution set out at Item no. 14 of the notice for the approval of the members as a special resolution.

**By the order of the Board of Directors**

**Dr. Chandra Kumar Jain**  
Chairman & Managing Director  
DIN:00062221

Delhi, August 04, 2023

**Annexure A to this Notice**

**ADDITIONAL INFORMATION OF DIRECTOR(S) SEEKING APPOINTMENT/REAPPOINTMENT/ AT THE ANNUAL GENERAL MEETING**

**(Information as per Regulation 36(3) of Listing Regulations and Secretarial Standard-2 on “General Meetings”)**

<b>Resolution No.</b>	2 & 6	5
<b>Name of Director</b>	Ms. Aditi Pasari	Ms. Arushi Jain
<b>Director Identification Number(DIN)</b>	00120753	00764520
<b>Designation</b>	Joint Managing Director	Joint Managing Director
<b>Age</b>	44 years	46 years
<b>Nationality</b>	Indian	Indian
<b>Date of First Appointment on the Board (DD/ MM/YYYY)</b>	01/10/2010	01/10/2010
<b>Qualification</b>	She holds a degree of master of business administration from University of Wales, United Kingdom.	She holds a degree of master of science from City University of New York, United States of America.
<b>Brief resume including experience, expertise in specific functional areas</b>	Ms. Pasari is having more than two decades of core experience in matter related to Finance, Stakeholders Relations and Operations etc. She has been a director on our Board since January 1, 2010. She has the experience of setting up a packaging unit in Haridwar, under the umbrella of GPL. She has supervisory responsibilities for Finance and Human Resources functions and leads various strategic and fund raising initiatives in the smooth operation of the company.	Ms. Jain is having more than two decades of core experience in matter related to Operations, Marketing, Production etc. She has been a director on our Board since January 1, 2010. She is having a dedicated experience in the sector and industry, the GPL works in. She has been associated with the Company over two decades and manage business policies, strategic decisions making, business development, day-to-day affairs, operations etc. She also has experience in market research and baking industry.
<b>Number of Equity Shares held (including shareholding as a beneficial owner by Non-Executive Director(s))</b>	1662762 (2.67%)	1662762 (2.67%)
<b>Terms and Conditions of Appointment</b>	Reappointment as Joint Managing Director of the Company to hold office for a period effective from April 1, 2024 to September 30, 2028.	Reappointment as Joint Managing Director of the Company to hold office for a period effective from April 1, 2024 to September 30, 2028.
<b>Number of Board Meetings attended during the F.Y 2022-23</b>	Ms. Pasari attended six out of six meetings of Board of Directors of the Company.	Ms. Jain attended six out of six meetings of Board of Directors of the Company.
<b>Directorships held in other Companies</b>	She is currently on the board of directors of companies including Gulshan Sugars and Chemicals Limited, Gulshan Lamee Pack Private Limited, Reliance Expovision Private Limited, ARP Developers Private Limited, PHD Chamber of Commerce and Industry and Gulshan Care Foundation.	She is currently on the board of directors of companies including Gulshan Sugars and Chemicals Limited, Houzilla Interiors Private Limited and Gulshan Care Foundation.
<b>Chairmanships of Committees</b>	Allotment of Share Committee of Gulshan Polyols Limited	Risk Management Committee of Gulshan Polyols Limited
<b>Memberships of Committees</b>	Stakeholders Relationship Committee, Sustainability and Corporate Social Responsibility Committee, and Finance Committee of Gulshan Polyols Limited.	Stakeholders Relationship Committee, Sustainability and Corporate Social Responsibility Committee and Allotment of Share Committee of Gulshan Polyols Limited
<b>Relationships with other Directors and KMPs</b>	Dr. Chandra Kumar Jain, Ms. Arushi Jain & Ms. Aditi Pasari are the Promoters and Executive Directors of the Company. Further, Ms. Arushi Jain and Ms. Aditi Pasari are daughters of Dr. Chandra Kumar Jain. Therefore, Ms. Arushi Jain and Ms. Aditi Pasari being daughters of Dr. Chandra Kumar Jain and being sisters are related to each other. Except these, there are no other inter-se relationships among the Directors.	Dr. Chandra Kumar Jain, Ms. Arushi Jain & Ms. Aditi Pasari are the Promoters and Executive Directors of the Company. Further, Ms. Arushi Jain and Ms. Aditi Pasari are daughters of Dr. Chandra Kumar Jain. Therefore, Ms. Arushi Jain and Ms. Aditi Pasari being daughters of Dr. Chandra Kumar Jain and being sisters are related to each other. Except these, there are no other inter-se relationships among the Directors.
<b>Remuneration last drawn</b>	₹8.64 Lakh p.m. plus yearly profit linked variable commission subject to prescribed limit. However, salary drawn for FY 2022-23 is mentioned in the Annual Report under section of Corporate Governance Report.	₹ 8.64 Lakh p.m. plus yearly profit linked variable commission subject to prescribed limit. However, salary drawn for FY 2022-23 is mentioned in the Annual Report under section of Corporate Governance Report.

Resolution No.	7	8	9
<b>Name of Director</b>	Mr. Ashwani Kumar Vats	Mr. Nitesh Garg	Mr. Soumyajit Mitra
<b>Director Identification Number(DIN)</b>	00062413	10257604	10262167
<b>Designation</b>	Whole time Director & CEO	Non-Executive-Independent Director	Non-Executive-Independent Director
<b>Age</b>	61 years	37 years	43 years
<b>Nationality</b>	Indian	Indian	Indian
<b>Date of First Appointment on the Board (DD/ MM/ YYYY)</b>	30/10/2008	Not Applicable	Not Applicable
<b>Qualification</b>	Mr. Ashwani Kumar Vats is a graduate in Commerce and having Diploma in Marketing and Management.	He is a member of the Institute of Chartered Accountant of India("ICAI")	He holds a degree of Bachelor of legislative law from Symbiosis Society's Law College, Pune.
<b>Brief resume including experience, expertise in specific functional areas</b>	Mr. Ashwani Kumar Vats is having over 36 years of core experience in matter related to Marketing and Production. Further, he is having dedicated experience in the sector and industry, the GPL works in. He has been associated with the Company over three decades and responsible for operating, business development, marketing etc.	Mr. Nitesh Garg is a practicing Chartered Accountant holding the membership from the ICAI. He also holds certificate of Diploma in IFRS from ACCA UK and certificate course on valuation from ICAI. He is having 8 years of experience with Big 4 (PWC and EY) and extensive experience in auditing, Ind AS, business valuation and management reporting across sectors like healthcare, advertisement, real estate, manufacturing etc.	Mr. Soumyajit Mitra is a corporate lawyer with an experience spanning more than 18 years. His practice mainly encompasses advising and handling several Fortune 100, Fortune 500 clients including Indian entities in the area of Mergers & Acquisitions, Joint Ventures, Capital Markets (both in equity and debt), banking and finance, private equity investments, foreign collaborations and technology transfers, securities, complex due diligences/audits including other various commercial transactions.
<b>Number of Equity Shares held</b> (including shareholding as a beneficial owner by Non- Executive Director(s))	74080 (0.12%)	NIL	NIL
<b>Terms and Conditions of Appointment</b>	Reappointment as Whole time Director & Chief Executive Officer of the Company to hold office for a period effective from April 1, 2024 to September 30, 2028 and shall be liable to retire by rotation.	As Independent Director of the Company to hold office for a period starting from April 1,2024 to September 30, 2028 and shall not be liable to retire by rotation.	As Independent Director of the Company to hold office for a period starting from April 1,2024 to September 30, 2028 and shall not be liable to retire by rotation.
<b>Number of Board Meetings attended during the F.Y 2022-23</b>	Mr. Vats attended five out of six meetings of Board of Directors of the Company.	Not Applicable	Not Applicable

<b>Directorships held in other Companies</b>	None	None	None
<b>Chairmanships of Committees</b>	None	None	None
<b>Memberships of Committees</b>	Risk Management Committee, Allotment of Share Committee, and Finance Committee of Gulshan Polyols Limited.	None	None
<b>Relationships with other Directors and KMPs</b>	None	None	None
<b>Remuneration last drawn</b>	₹ 6,28,570 p.m. However, salary drawn for FY 2022-23 is mentioned in the Annual Report under section of Corporate Governance Report.  'variable commission subject to prescribed limit. However, salary drawn for FY 2022-23 is mentioned in the Annual Report under section of Corporate Governance Report.	Not Applicable	Not Applicable

**By the order of the Board of Directors**

**Dr. Chandra Kumar Jain**

Chairman & Managing Director

DIN:00062221

Delhi, August 04, 2023

Form No. MGT-11  
PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name & Address of Member .....

Regd. Folio No.: .....D.P. ID / Client ID.....

E-mail Id:.....

I / We, being a member(s) of \_\_\_\_\_ equity shares of the above named Company, hereby appoint

Name: \_\_\_\_\_ Email: \_\_\_\_\_

Address: \_\_\_\_\_

Signature: \_\_\_\_\_ or failing him/her

Name: \_\_\_\_\_ Email: \_\_\_\_\_

Address: \_\_\_\_\_

Signature: \_\_\_\_\_ or failing him/her

Name: \_\_\_\_\_ Email: \_\_\_\_\_

Address: \_\_\_\_\_

Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 23<sup>rd</sup> Annual General Meeting of the Company to be held on Friday, September 29, 2023 at 1.00 P.M (IST) at The Solitaire INN Hotel, 6 Mile Stone, Meerut Road, National Highway 58, Muzaffarnagar, Uttar Pradesh-251001 and at any adjournment thereof in respect of such resolutions as are indicated below:

**Ordinary Business:**

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2023 together with the Reports of the Board of Directors and Auditors thereon
2. To appoint Ms. Aditi Pasari (DIN:00120753), who retires by rotation, and being eligible, offers herself for reappointment as a Director
3. To declare a Final Dividend of ₹ 0.50 per equity share of the face value of ₹ 1 each (50%) on Equity Shares for the financial year ended March 31, 2023.

**Special Business:**

4. Ratification of remuneration of Cost Auditors appointed by the Board of Directors for the Financial Year 2023- 2024
5. Reappointment of Ms. Arushi Jain (DIN:00764520) as a Joint Managing Director of the Company
6. Reappointment of Ms. Aditi Pasari (DIN:00120753) as a Joint Managing Director of the Company
7. Reappointment of Mr. Ashwani Kumar Vats (DIN:00062413) as a Whole Time Director designated as CEO of the Company
8. Appointment of Mr. Nitesh Garg (DIN:10257604) as a Non-Executive Independent Director of the Company
9. Appointment of Mr. Soumyajit Mitra (DIN:10262167 ) as a Non-Executive Independent Director of the Company
10. To make investment, give loans, guarantees and provide securities under Section 186 of the Companies Act, 2013
11. To increase the limits of the company to create pledge/ charge/ mortgage/ hypothecation on the movable and immovable properties of the company, both present and future, in respect of borrowings, pursuant to section 180(1)(a) of the Companies Act, 2013
12. To increase the borrowing limits of the Company in excess of the limits prescribed under Section 180(1)(c) of the Companies Act, 2013
13. To approve in continuation of payment of remuneration to executive directors who are promoters or member of the promoter group in excess of threshold limits as prescribed under SEBI(LODR) Regulations, 2015 and Companies Act, 2013
14. To approve raising of funds and issuance of securities by the Company.

Signed this ..... day of .....2023.

Signature of Shareholder: \_\_\_\_\_

Signature of Proxy holder(s): \_\_\_\_\_

Note: This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company not less than 48 hours before the commencement of the Meeting.

**Affix  
Revenue  
Stamp**

## Attendance Slip for attending the 23<sup>rd</sup> Annual General Meeting

Full name of the member attending.....

Full name of the joint-holder .....

(To be filled, if first named Joint- holder does not attend meeting)

Name of Proxy .....

(To be filled, if Proxy Form has been duly deposited with the Company)

I hereby record my presence at the 23<sup>rd</sup> Annual General Meeting held at The Solitaire INN Hotel, 6 Mile Stone, Meerut Road, National Highway 58, Muzaffarnagar, Uttar Pradesh-251001 on Friday, September 29, 2023 at 1.00 PM IST.

Folio No \_\_\_\_\_ DP ID No. \* \_\_\_\_\_ Client ID No.\* \_\_\_\_\_

*\*Applicable for members holding shares in electronic form.*

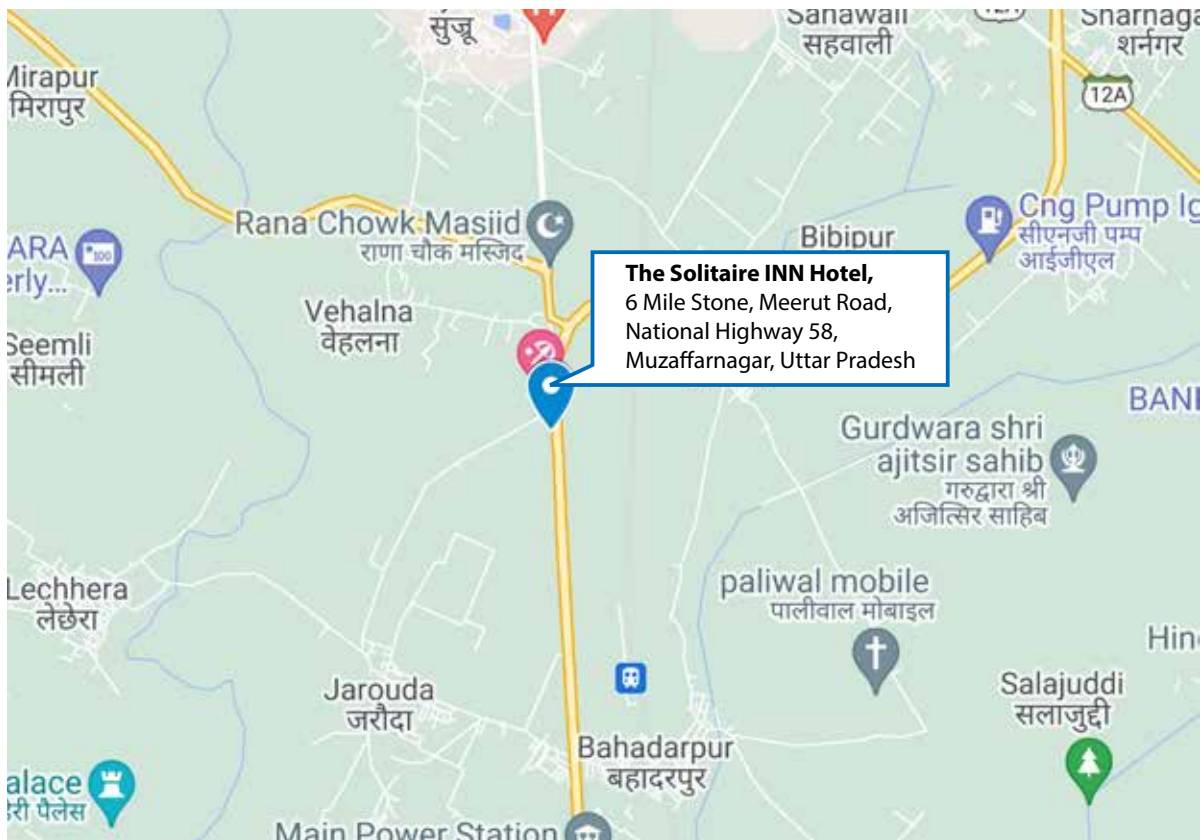
No. of Share(s) held \_\_\_\_\_

Member's / Proxy's Signature

### ROUTE MAP TO THE VENUE

**OF THE 23<sup>rd</sup> AGM TO BE HELD ON FRIDAY, SEPTEMBER 29, 2023**

**Venue:** The Solitaire INN Hotel, 6 Mile Stone, Meerut Road, National Highway 58, Muzaffarnagar, Uttar Pradesh-251001







## PLANT LOCATION

MUZAFFARNAGAR, U.P. | BHARUCH, GUJARAT  
CHHINDWARA, M.P. | DHAULA KUAN, H.P.  
ABU ROAD, RAJASTHAN | GOALPARA, ASSAM  
TRIBENI, W.B. | AMLAI, M.P.

Corporate Office:  
G-81, Preet Vihar, Delhi-110092  
Phone: (011) 49999200  
[www.gulshanindia.com](http://www.gulshanindia.com)