BOARDS' REPORT

To
The Members of,
Gramos Chemicals India Private Limited

The Directors of the Company take pleasure in presenting the 35th Annual Report together with the Audited Financial Statements for the year ended 31st March, 2020.

FINANCIAL RESULTS
The financial performance of your Company for year 2019-20 & 2018-19 is as summarized below:

Particulars	Amount (₹ in lakhs)	
	2019-20	2018-19
Revenue from operations	767.23	771.91
Profit/(Loss) for the year	42.49	181.10
Add: Balance as per last year	474.24	294.12
Total	**516.73**	**475.22**
Appropriation		
General Reserves	249.75	249.75
Set off of Dividend Tax in respect of dividend from Subsidiary Company.		-
Other Comprehensive Income	0.53	(1.21)
Tax on Other Comprehensive Income	(0.10)	0.23
Interim Dividend	25.00	-
Tax on Interim Dividend	5.14	-
Proposed Dividend	-	-
Tax on Proposed Dividend	-	-
Balance carried to Balance Sheet	**736.76**	**723.98**

HIGHLIGHTS OF PERFORMANCE
Revenue from operations for F.Y. 2019-20 decreased to ₹ 767.23 lakhs from ₹ 771.91 lakhs in F.Y. 2018-19. The Profit for the F.Y. 2019-20 is ₹ 42.49 lakhs as compared to ₹ 181.10 lakhs in F.Y 2018-19.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186
Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

AMOUNTS, IF ANY, PROPOSED TO BE CARRIED TO ANY RESERVES
The Company has not transferred any amount for the current financial year (previous year: nil) to General Reserve.

DIVIDEND
During the year 2019-2020, the Company declared an interim dividend of ₹ 52.08/- per equity share aggregating to ₹ 25 lakhs.

The Board of Directors has not recommended any final dividend (previous year ₹ Nil) for the financial year ended 31st March 2020.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO

Considering the Company's existing business activities, your Directors have nothing to state in connection with Conservation of Energy and technology Absorption.
During the period under review, the foreign exchange earnings and out-go were as under:

(i)	Foreign Exchange earnings	:	₹ 262.39 lakhs
(ii)	Foreign Exchange spent	:	Nil

PARTICULARS OF EMPLOYEES

None of the employee has received remuneration exceeding the limit as stated in rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

EXTRACT OF THE ANNUAL RETURN

Details forming part of the extract of the Annual Return as provided under sub-section (3) of Section 92 in form MGT-9 is annexed herewith as Annexure 1.

NUMBER OF BOARD MEETINGS

During the year, five (5) Board Meetings were convened and held. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

CHANGES IN SHARE CAPITAL STRUCTURE

During the year under review there has been no change in the share capital structure of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them and in terms of Section 134(3) (c) of the Companies Act, 2013, Directors on the Board state that:

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

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments during the period under review which may affect the financial position of the Company.

DIRECTORS OR KEY MANAGERIAL PERSONNEL
There was no change in Directors and Key Managerial Personnel during the year in the Company.

POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION
The Company has put in place appropriate policy on Directors' appointment and remuneration and other matters provided in Section 178(3) of the Act.

DEPOSITS
Details relating to deposits, covered under Chapter V of the Act are given below:

I. Accepted during the year:
The Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and rules framed thereunder.

II. Remained unpaid or unclaimed as at the end of the year:
The Company has repaid all deposits and no deposits are remaining unpaid or unclaimed as at that date.

III. Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved (i) at the beginning of the year (ii) maximum during the year (iii) at the end of the year:
There has been no default in the repayment of deposits or payment of interest thereon.

Details of deposits which are not in compliance with the requirements of chapter v of the act:
The Company has not received any deposit during the year under review.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE
No significant and material order has been passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS (IFC) WITH REFERENCE TO THE FINANCIAL STATEMENTS
For the year ended 31st March, 2020, the Board is of the opinion that the Company has sound IFC commensurate with the nature and size of its business operations; wherein controls are in place and operating effectively and no material weaknesses have been noticed. The Company has a process in place to continuously monitor the existing controls and identify gaps, if any, and implement new and/or improved controls wherever the effect of such gaps would have a material effect on the Company's operation.

RISK MANAGEMENT
The Company does not have any Risk Management Policy as the element(s) of risk threatening the Company's existence is very minimal.

CORPORATE SOCIAL RESPONSIBILITY
Corporate Social Responsibility as stated in Section 135 of the Companies Act, 2013 is not applicable to your Company.

AUDITOR AND AUDITORS REPORT
M/s. Kastury & Talati, Chartered Accountants were appointed as the Statutory Auditors of the Company at the 33rd Annual General Meeting (AGM) of the Company held on 24th July, 2018, to hold office for a period of five years i.e. till the conclusion of 38th AGM of the Company to be held in the year 2023.

RELATED PARTY TRANSACTIONS
All transactions entered into with Related Parties as defined under the Companies Act, 2013 during the financial year were in the ordinary course of business and on an arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. Suitable disclosure as required by the Indian Accounting Standards (Ind AS - 24) has been made in the notes to the Financial Statements.

PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT OF WOMEN
Your Company has adopted the Policy for prevention of Sexual Harassment of Women at Workplace as required under the Act. During the year no complaints were received.

ACKNOWLEDGEMENTS
Your Board takes this opportunity to express its gratitude to the customers, vendors, shareholders, and bankers for their assistance and co-operation during the year. Your Directors also place on record their sincere appreciation of the contribution of its employees for their competence, hard work, and cooperation.

For and on behalf of the Board of Directors of
Gramos Chemicals India Private Limited

Sharad K. Wagle
Managing Director
DIN:00371023

Sameer V. Shah
Director
DIN: 00105721

Gramos Chemicals India Private Limited

Mumbai
28th May, 2020

ANNEXURE 1

ANNEXURE TO THE BOARDS' REPORT
EXTRACT OF THE ANNUAL RETURN
as on the financial year ended 31.03.2020
[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014
FORM MGT-9

I. Registration and other details

CIN	U99999MH1985PTC035486
Registration Date	26th February, 1985
Name of the Company	Gramos Chemicals India Private Limited
Category / Sub-Category of the Company	Company having Share Capital
Address of the Registered Office and Contact details	W-268, TTC Industrial Area, Village Rabale, Thane, Maharashtra - 400701
Whether listed Company	No
Name, address and contact details of Registrar and Transfer Agent, if any	N.A.

II. Principal Business Activities of the Company

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacturing of Chemically treated Tak Rag Cloth	Division 32 Group 329	100

III. Particulars of Holding, Subsidiary and Associate Companies:

Sr. No.	Name and address of the Company	CIN/GLN	Holding/ subsidiary/ associate	% of shares held	Applicable section
1	Phiroze Sethna Private Limited Royal Insurance Building, First Floor, 14 Jamshedji Tata Road, Mumbai 400020	U25209MH1975PTC018396	Holding Company	100 %	2(46)

IV. Shareholding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2019				No. of Shares held at the end of the year 31.03.2020				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	0	1	1	0.002	0	1	1	0.002	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt.(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	0	47999	47999	99.998	0	47999	47999	99.998	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A) (1):-	**0**	**48000**	**48000**	**100**	**0**	**48000**	**48000**	**100**	**0**
(2) **Foreign**									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other - Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**0**	**48000**	**48000**	**100.00**	**0**	**48000**	**48000**	**100.00**	**0**
B. **Public Shareholding**									
1. **Institutions** a) Mutual Funds b) Banks / FI c) Central Govt d) State Govt(s) e) Venture Capital Funds f) Insurance Companies g) FIIs h) Foreign Venture Capital Funds i) Others (specify)									
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. **Non-Institutions** a) Bodies Corp. i) Indian ii) Overseas b) Individuals i) Individual shareholders holding nominal share capital									

upto Rs. 1 lakh ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh c) Others (specify) **Sub-total (B)(2):-** Total Public Shareholding (B)=(B)(1)+ (B)(2)									
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	48000	48000	100.00	0	48000	48000	100.00	0

(ii)*Shareholding of Promoters*

Sr. No	**Shareholder's Name**	**Shareholding at the beginning of the year 01.04.2019**			**Shareholding at the end of the year 31.03.2020**			
		No. of Shares	**% of Shares Pledged / encumbered to total shares**	**% of total Shares of the company**	**No. of Shares**	**% of total Shares of the company**	**% of Shares Pledged / encumbered to total shares**	**% change in share holding during the year**
1	Phiroze Sethna Private Limited	47999	0	99.998	47999	99.998	0	0
2	Sameer V. Shah Jtly with Shilpa S. Shah*	1	0	0.002	1	0.002	0	0
	Total	**48000**	**0**	**100.00**	**48000**	**100.00**	**0**	**0**

***Nominee shareholder of Phiroze Sethna Private Limited**

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

Sr No.	**Name of the Shareholder** **Date** **Reason**	**Shareholding at the beginning of the year 01.04.2019**		**Cummulative Shareholding during the year**	
		No.of Shares	**% of total Shares of the company**	**No.of Shares**	**% of total Shares of the company**
	At the beginning of the year	No Change			
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat At the End of the year	No Change			
	At the end of the year	No Change			

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

Sr. No.		Shareholding at the beginning of the year 01.04.2019		Cumulative Shareholding during the year	
	For Each of the Top 10 Shareholders	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	No Change during the year			
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	No Change during the year			
	At the End of the year (or on the date of separation, if separated during the year)	No Change during the year			

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the year 01st April, 2019		Shareholding at the end of the year 31st March, 2020	
	Name of the Director/KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Sameer V Shah Jtly with Shilpa S. Shah*	1	0.002	1	0.002

***Nominee shareholder of Phiroze Sethna Private Limited.**

V. INDEBTEDNESS

There are Nil debts as on 31st March, 2020.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director (MD), Whole-time Directors (WTD) and/or Manager:

Sr. No.	Particulars of Remuneration	Sharad K. Wagle	Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil
2.	Stock Option	NA	NA
3.	Sweat Equity	NA	NA
4.	Commission - as % of profit - others, specify...	NA	NA
5.	Others, please specify	NA	NA
	Total (A)	Nil	Nil
	Ceiling as per the Act	NA	NA

B. Remuneration to other Directors:

Sr. No.	Particulars of Remuneration	Sharad Wagle	Aspi Godrej	Sameer Shah	Nirmal Shah	Rashmi Gavli
	Independent Directors Fee for attending board / committee meetings, Commission, Others, please specify	NA	NA	NA	NA	NA
	Total (1)	NA	NA	NA	NA	NA
	Other Non-Executive Directors Fee for attending board / committee meetings Commission, Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil	Nil	Nil
	Total (B) = (1+2)	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**
	Total Managerial Remuneration (A+B)	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**
	Overall Ceiling as per the Act	11% of Net Profits				

Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	**CS**	**CFO**	**Total**
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NA	NA	NA	NA
2.	Stock Option	NA	NA	NA	NA
3.	Sweat Equity	NA	NA	NA	NA
4.	Commission as % of profit, others, specify…	NA	NA	NA	NA
5.	Others, please specify	NA	NA	NA	NA
	Total	NA	NA	NA	NA

VII. Penalties / Punishment/ Compounding of Offences:
No penalties/punishment/compounding of offences were levied on the Company or Director or any of its officers during the year under review.

For and on behalf of the Board of Directors of
Gramos Chemicals India Private Limited

Sharad K. Wagle
Managing Director
DIN: 00371023

Sameer V. Shah
Director
DIN: 00105721

Gramos Chemicals India Private Limited

Place: Mumbai
Date: 28th May, 2020

INDEPENDENTAUDITOR'S REPORT

To the Members of

Gramos Chemicals India Private Limited

1. Opinion

We have audited the accompanying financial statements of **Gramos Chemicals India Private Limited** ("the Company"), which comprises the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, Statement of Changes in equity and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its Profit, Changes in equity and its Cash Flows for the year ended on that date.

2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Emphasis of Matter

We draw attention to note no 33 of the standalone financial statements, which describes the extent to which the COVID -19 pandemic will impact the Company's results will depend on future developments, which being highly uncertain, the said note narrates management's proposed future actions based on its assessment of internal and external factors and macro level developments. Our opinion is not modified in respect of this matter.

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS MUMBAI-2

4. Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements to give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process

5. Auditor's Responsibility for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS MUMBAI-2

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

6. Report on Other Legal and Regulatory Requirements

A) As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

B) 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 and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.

M/S. KASTURY TALATI CHARTERED ACCOUNTANTS MUMBAI-2

d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e. On the basis of written representations received from the Directors as on March 31, 2019and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.

g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact if any of pending litigations on its financial position in its financial statements.

   ii. In our opinion and as per the information and explanations provided to us the Company has not entered into any long-term contracts including derivative contracts, requiring provision under applicable laws or accounting standards for material foreseeable losses; and

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For M/s Kastury & Talati
Chartered Accountants
Firm's Registration No: 104908W

Dhiren P. Talati: Partner
Membership No: F/41867

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS MUMBAI-2

Place: Mumbai
Date: 28th May,2020

"Annexure A" to the Independent Auditors' Report

The Annexure Referred to in paragraph 6A of the Independent Auditor's Report of even date to the members of Gramos Chemicals India Private Limited on the Financial Statements for the year ended March 31, 2020.

1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of its Fixed Assets by which Fixed Assets are verified in a phased manner over a period of three years. In accordance with this programme, certain Fixed Assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion this periodicity of physical verification is reasonable having regard to the size of Company and the nature of its Assets.

(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 are held in the name of the company.

2) The management has conducted the physical verification of inventory at reasonable intervals. The discrepancies noticed on physical verification of the inventory as compared to books records were not material.

3) (a) The Company has granted loans to Companies covered in the register maintained under Section 189 of the Act. In our Opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loans are prima facie not prejudicial to the interest of the Company.

(b) According to the information and explanations given to us, the principal amounts of these loans are repayable on call or demand. The interest has been charged and received regularly by the Company.

(c) As stated above, there is no repayment schedule; hence we are unable to comment in respect of overdue amount.

4) The company has not given loans, made investments, given guarantees and provided securities covered by provisions of section 185 and 186 of the Companies Act, 2013. Therefore, clause 3(iv) of the aforesaid Order is not applicable to the Company.

5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS MUMBAI-2

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6) As informed to us, the maintenance of Cost Records has not been prescribed by the Central Government under Sub Section (1) of Section 148 of the Act, in respect of the activities carried on by the Company

7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Goods and Service Tax, Cess and other material statutory dues with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2020 for a period of more than six months from the date they become payable.

(b) According to the information and explanation given to us and the records of the company examined by us, as at March 2020, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, Goods and Service Tax, cess and other material statutory dues which have not been deposited on account of any dispute except the following :-

Name of the Statute	Nature of Dues	Amount (Rs. In Lacs)	Period to which matter relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	1.18	A.Y. 2007 – 2008	CPC, Bangalore
Income Tax Act, 1961	Income Tax	9.53	A.Y. 2008 – 2009	Assessing Officer, Mumbai
Income Tax Act, 1961	Income Tax	0.09	A.Y. 2009 – 2010	CPC, Bangalore
Income Tax Act, 1961	Income Tax	3.20	A.Y. 2012 – 2013	CPC, Bangalore
Income Tax Act, 1961	Income Tax	0.26	A.Y. 2013 – 2014	CPC, Bangalore
Income Tax Act, 1961	Income Tax	1.96	A.Y. 2014 – 2015	CPC, Bangalore
Income Tax Act, 1961	Income Tax	0.07	A.Y. 2016 – 2017	CPC, Bangalore

8) According to the information and explanations given to us and the records of the company examined by us, the Company has not taken any loans or borrowings from banks, Financial Institutions, Government and Debenture Holders. Therefore, the provisions of clause 3(viii) of the Order are not applicable to the Company.

9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable to the Company.

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS MUMBAI-2

10) Based upon the audit procedures performed and the information and explanations given by the management, no material fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;

12) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.

13) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act and details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.

14) Based upon the audit procedures performed and the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the Company.

15) Based upon the audit procedures performed and the information and explanations given to us and based on our examination of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.

16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company.

For M/s Kastury & Talati
Chartered Accountants
Firm's Registration No: 104908W

Dhiren P. Talati: Partner
Membership No: F/41867

Place: Mumbai
Date: 28th May,2020

M/S. KASTURY & TALATI
CHARTERED ACCOUNTANTS
MUMBAI-2

"Annexure B" to the Independent Auditors' Report

The Annexure Referred to in paragraph 6B(f) of the Independent Auditor's Report of even date to the members of Gramos Chemicals India Private Limited on the Financial Statements for the year ended March 31, 2020.

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

We have audited the internal financial controls over financial reporting of Gramos Chemicals India Private Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS MUMBAI-2

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For M/s Kastury & Talati
Chartered Accountants
Firm's Registration No: 104908W

Dhiren P. Talati: Partner
Membership No: F/41867

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS MUMBAI-2

Place: Mumbai
Date: 28th May,2020

Gramos Chemicals India Private Limited
Balance Sheet as at March 31st, 2020

Particulars	Notes	As At March 31, 2020	As at March 31, 2019
ASSETS			
1. Non-current assets			
Property, plant and equipment	2	183.34	193.55
Financial Assets			
i)Investments	3	245.93	283.43
Deferred Tax Asset (Net)	4	-	21.81
Other non-current assets	5	3.10	2.95
IncomeTax (Net)	6	140.31	137.12
Total non-current assets		**572.68**	**638.86**
II.Current assets			
Inventories	7	29.88	61.23
Financial Assets			
i)Trade receivables	8	93.68	89.73
ii)Cash and cash equivalents	9	22.16	11.66
iii)Other bank balances	10	2.25	2.25
Current Tax (Net)	11	20.17	(6.64)
Other Current assets	12	101.60	21.22
Total current assets		**269.73**	**179.44**
Total Assets		842.41	818.30
EQUITY AND LIABILITIES			
Equity			
Share capital	13	48.00	48.00
Other equity	14	736.76	723.98
Deferred Tax Liability (Net)	15	10.14	-
Total equity		**794.90**	**771.98**
I.Current liabilities			
Financial liabilities			
i)Trade payables	16	38.39	40.55
Other current liabilities	17	9.13	5.76
Total current liabilities		**47.51**	**46.32**
Total Equity and Liabilities		**842.41**	**818.30**

Summary of Significant Accounting Policies 1

Notes referred to above form an integral part of the Balance Sheet and should be read in conjunction therewith 1 -33

As per our report of even date attached
For Kastury & Talati
Chartered Accountants
Firm Registration No.

C.A.Dhiren P.Talati
Partner
Membership No. 41867
Mumbai, 28th May, 2020

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS MUMBAI-2

On behalf of the Board of Directors

S.K.Wagle
Director

Sameer V. Shah
Director

A.P.Godrej
Director

Rashmi S. Gavli
Director

GRAMOS CHEMICALS INDIA PRIVATE LIMITED MUMBAI

Gramos Chemicals India Private Limited
Statement of Profit and Loss for the year ended 31st March, 2020

Particulars	Notes	As At 2019-2020	As At 2018-2019
Revenue From Operations	18	767.23	771.91
Other Income	19	16.33	30.43
Total Revenue (I+II)		783.56	802.34
Expenses :			
Cost of Materials Consumed	20	399.15	428.07
Changes in Inventories of Finished goods, Work-in-progress and Stock-in-Trade	21	8.54	(2.58)
Employee Benefits Expense	22	26.55	36.14
Depreciation and Amortisation expense	2	11.75	14.16
Other Expenses	23	247.52	144.37
Total Expenses		693.51	620.16
Profit before Exceptional items and Tax		90.05	182.18
Exceptional Items	24		-
Profit before Tax		90.05	182.18
Tax Expense			
Current Tax		15.60	35.82
Deferred Tax		31.95	(34.74)
Short/(Excess) provision of Income Tax of earlier years (net)			
Total Tax Expense		47.56	1.08
Profit for the Year		**42.49**	**181.10**
Other Comprehenshive Income			
i) Items that will not be reclassified to profit or loss		0.53	(1.21)
ii) Income Tax relating to items that will not be reclassified to profit or loss		(0.10)	0.23
i) Items that will be reclassified to profit or loss			
ii) Income Tax relating to items that will be reclassified to profit or loss			
Other Comprehensive Income (1+2)		0.43	(0.98)
Total Comprehensive Income (IX+X)		**42.92**	**180.12**
Earning Per Equity Share of Face Value of Rs. 100 each			
Basic (in Rs.)		88.52	377.29
Diluted (in Rs.)		88.52	377.29

Summary of Significant Accounting Policies 1

Notes referred to above form an integral part of the Balance Sheet and should be read in conjunction therewith 1 -33

As per our report of even date attached
For Kastury & Talati
Chartered Accountants
Firm Registration No.

C.A.Dhiren P.Talati
Partner
Membership No. 41867
Mumbai, 28th May, 2020

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS MUMBAI-2

On behalf of the Board of Directors

S.K.Wagle
Director

Sameer V. Shah
Director

A.P.Godrej
Director

Rashmi S. Gavli
Director

Date:- 28th May, 2020

GRAMOS CHEMICALS INDIA PRIVATE LIMITED MUMBAI

Gramos Chemicals India Private Limited

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2020

(a) Equity share capital for the year ended 31st March 2020

	No. of Shares	Amount
Balance as at 31st March 2019	48,000	48,00,000
Changes in equity share capital	-	-
Balance as at 31 March 2020	48,000	48,00,000

(a) Equity share capital for the year ended 31st March 2019

	No. of Shares	Amount
Balance as at 31st March 2018	48,000	48,00,000
Changes in equity share capital	-	-
Balance as at 31 March 2019	48,000	48,00,000

(b) Other Equity for the year ended 31st March 2020

	Reserves and Surplus			Statement of other comprehensive Income	
Particulars	**General Reserve**	**Securities premium**	**Retained earnings/Profit & Loss Account**	**Remeasurements of the net defined benefit Plans**	**Total other equity**
Balance as at 31st March 2019	**2,49,74,562**	**-**	**4,75,21,563**	**(97,759)**	**7,23,98,367**
Total Comprehensive					
Profit for the year			42,49,006	53,034	43,02,040
Other comprehensive income for the year				(10,108)	(10,108)
Income Tax of Earlier Years					
Transactions with owners of the company					
Interim Dividend on Equity Shares					
Interim Dividend Distribution Tax					
Dividend on Equity Shares			(25,00,000)		(25,00,000)
Dividend Distribution Tax			(5,13,882)		(5,13,882)
Premium on allotment of shares by way of right issue					-
Transferred to General Reserve					
Transferred from Retained Earnings					
Balance as at 31st March 2020	**2,49,74,562**	**-**	**4,87,56,688**	**(54,833)**	**7,36,76,417**

(b) Other Equity for the year ended 31st March 2019

	Reserves and Surplus		Statement of other comprehensive Income		
Particulars	**General Reserve**	**Securities premium**	**Retained earnings/Profit & Loss Account**	**Remeasurements of the net defined benefit Plans**	**Total other equity**
Balance as at 31st March 2018	**2,49,74,562**		**2,94,11,752**	**-**	**5,43,86,315**
Total Comprehensive					
Profit for the year			1,81,09,811	(1,20,779)	1,79,89,032
Other comprehensive income for the year				23,020	23,020
Income Tax of Earlier Years					
Transactions with owners of the company					
Interim Dividend on Equity Shares					
Interim Dividend Distribution Tax					
Dividend on Equity Shares					
Dividend Distribution Tax of earlier year					
Transferred to General Reserve					
Transferred from Retained Earnings					
Balance as at 31st March 2019	**2,49,74,562**	**-**	**4,75,21,563**	**(97,759)**	**7,23,98,367**

As per our attached report of even date.
For M/s Kastury & Talati
Chartered Accountants

Dhiren P. Talati
Partner
Membership No. 41867
Mumbai, 28th May, 2020

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS MUMBAI-2

On behalf of the Board of Directors

S.K.Wagle
Director

Sameer V. Shah
Director

A.P.Godrej
Director

Rashmi S. Gavli
Director

Date:- 28th May, 2020

GRAMOS CHEMICALS INDIA PRIVATE LIMITED MUMBAI

Gramos Chemicals India Private Limited

CASH FLOW STATEMENT

(Rs. In Lakhs)

	Particulars	2019-2020		2018-2019	
A	**Cash Flow from Operating Activities**				
	Profit before tax		90.04		182.18
	Adjustments for :				
	Depreciation and amortisation	11.75		14.16	
			11.75		14.17
	Less :				
	Net Gain on Investments	(1.00)		-	
			1.00		(0.00)
	Operating Profit before working capital changes		102.79		196.33
	Adjustments for :				
	Trade and Other Receivables	(84.48)		(10.27)	
	Inventories	31.35		(6.59)	
	Trade and Other Payables	1.63		(3.42)	
			(51.51)		(20.26)
	Cash generated from operations		51.29		176.07
	Income taxes paid (Net of Refund)		(45.61)		(27.85)
	Net Cash from Operating Activities (A)		5.68		148.21
B	**Cash Flow from Investing Activities**				
	Payment to acquire Property, plant & equipments		(1.54)		(0.37)
	Purchase of Investment		6.49		(160.00)
	Sale of Investment		30.00		-
	Net Cash used in Investing Activities (B)		34.95		(160.37)
C	**Cash Flow from Financing Activites**				
	Dividend paid		(25.00)		-
	Tax on dividend paid		(5.14)		-
	Net Cash from Financing Activities (C)		(30.14)		-
	Net (Decrease)/Increase in Cash & Cash Activities (A+B+C)		10.50		(12.16)
	Cash and Cash Equivalents and Other Bank Balances as on Opening		13.91		26.07
	Cash and Cash Equivalents and Other Bank Balances as on Closing (Refer Note 10,11)		24.41		13.91

As per our report of even date attached
For Kastury & Talati
Chartered Accountants
Firm Registration No,

C.A.Dhiren P.Talati
Partner
Membership No. 41867
Mumbai, 28th May, 2020

On behalf of the Board of Directors

S.K.Wagle
Director

Sameer V. Shah
Director

A.P.Godrej
Director

Rashmi S. Gavli
Director

Mumbai, 28th May, 2020

M/S. KASTURY & TALATI
CHARTERED ACCOUNTANTS
MUMBAI-2

GRAMOS CHEMICALS INDIA PRIVATE LIMITED
MUMBAI

Notes to the Financial Statements

For the year ended March 31, 2020

COMPANY INFORMATION:

Gramos Chemicals India Private Limited (the Company) is a private limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged in manufacturing of chemically treated Tak-Rag/ Dust-free Cloth.

1. SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

1.1 Basis of preparation of financial statements

The financial statements of the Company are prepared in Compliance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and other relevant provisions of the Act. The Statements are prepared under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values.

The accounting policies have been applied consistently over all the periods presented in these financial statements except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

1.2 Functional and presentation Currency

The financial statements are prepared in INR, which is the company's functional currency.

1.3 Current / Non-Current Classification:

For the purpose of current / non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as 12 months and other criteria set out in the Schedule III to the Companies Act, 2013. This is based on the nature of product/services and the time taken between the acquisition of assets for processing and their realization in cash and cash equivalents.

1.4 Use of Estimates

The preparation of Financial Statements is in conformity with Ind AS and requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosures of contingent liabilities on the date of Financial Statements and reported amounts of revenues and expenses during the period. Accounting estimates can change from period to period. Appropriate changes in estimates are made as the Management becomes aware of the changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made, and if material, their effects are disclosed in the notes to the financial statements.

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS MUMBAI-2

GRAMOS CHEMICALS INDIA PRIVATE LIMITED MUMBAI

1.5 Summary of significant accounting policies:

a) Property, Plant and Equipment

Measurement at recognition:

Free Hold Land is carried at Historical Cost. All other items of Property, plant and equipment (PPE) are stated at historical cost less accumulated depreciation and accumulated impairment losses if any.

Historical cost comprises of its purchase price including taxes (other than those subsequently recoverable from tax authorities), duties, freight and other directly attributable costs related to the acquisition or construction of the respective assets. Profit or Loss on disposal of tangible assets is recognised in the Statement of Profit and Loss.

Subsequent Measurement:

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 associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Intangible Assets:

Intangible Assets are stated at historical cost less accumulated amortisation and accumulated impairment loss, if any. Profit or Loss on disposal of intangible assets is recognised in the Statement of Profit and Loss.

Capital Work in Progress & Capital Advances:

Capital work-in-progress comprises the cost of assets that are yet not ready for their intended use at the balance sheet date. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are classified as Capital Advances under Other Non-Current Assets.

Depreciation and Amortization:

Depreciation on PPE* (other than free hold and lease hold land) has been provided on Written Down Value basis at the rates prescribed in Schedule II of the Companies Act, 2013,
Freehold land is not depreciated. Leasehold land is amortized over the primary period of lease.

b) Revenue Recognition

Revenue is measured at the fair value of consideration received or receivable. Amounts disclosed as revenue are inclusive of Goods and Service Tax (GST) and net of returns, trade discount or rebates and applicable taxes and duties collected on behalf of the government and which are levied on such sales.

The Company recognises revenue when the amount of revenue can be reliably measured, and it is probable that future economic benefits will flow to the Company.

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS MUMBAI-2

GRAMOS CHEMICALS INDIA PRIVATE LIMITED MUMBAI

i. Revenue from sale of goods is recognised on transfer of all significant risks and rewards of ownership to the buyer as per terms of Contract.
ii. Revenue from services is recognised pro-rata as and when services are rendered.

iii. Interest income is recognised using effective interest method on time proportion basis taking in to account the amount outstanding.
iv. Dividend income is recognised when the Company's right to receive is established by the reporting date, which is generally when shareholders approve the dividend.

c) Lease Accounting

Leases are classified as finance leases whenever the terms of the lease, transfers substantially all risks and rewards of ownership to the lessee. All other leases are classified as operating leases. Lease rentals on assets and premises taken on operating lease are recognised as expense in the Statement of Profit and Loss on an accrual basis over the lease term.

d) Inventory

Inventories are valued at lower of the cost determined on weighted average basis or net realisable value. The comparison of cost and net realisable value is made on an item-by-item basis. Damaged, unserviceable and inert stocks are valued at net realizable value.

Cost of raw materials, packing materials and stores spares and consumables Stocks is determined so as to exclude from the cost, taxes and duties which are subsequently recoverable from the taxing authorities.

Cost of finished goods and work-in-progress includes the cost of direct materials, direct labour, an appropriate allocation of production overheads, and other costs incurred in bringing the inventories to their present location and condition.

e) Impairment of Assets

i) Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured based on lifetime ECL. For all other financial assets, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or Reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

ii) Impairment of non-financial assets

At Balance Sheet date, an assessment is done to determine whether there is any indication of impairment in the carrying amount of the Company's fixed assets. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

An assessment is also done at each Balance Sheet date whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. The carrying amount of the fixed asset is increased to the revised estimate of its recoverable amount so that the increased carrying amount does not exceed the carrying amount that would have been

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS MUMBAI-2

GRAMOS CHEMICALS INDIA PRIVATE LIMITED MUMBAI

determined had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss is recognised in the Statement of Profit and Loss for the year.

After recognition of impairment loss or reversal of impairment loss as applicable, the depreciation charge for the asset is adjusted in future periods to allocate the asset's revised carrying amount on Written Down Value basis.

f) 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 instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, futures and currency options.

i) Financial Assets

Initial recognition and measurement:

All financial assets are recognised initially at fair value plus, in the case of financial assets that are not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset, except for trade receivables which are initially measured at transaction price. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Purchase and sale of financial assets are accounted at trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement:

For purposes of subsequent measurement, the Company classifies its financial assets in the following measurement categories:

- Amortised cost.
- Fair value through other comprehensive income (FVOCI) and
- Fair value through Profit or Loss (FVTPL).

The classification depends on the entity's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset.

ii) Debt instruments measured at Amortized cost

This category applies to cash and bank balances, trade receivables, loans and other financial assets of the Company. Such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is recognized in the profit or loss. The losses arising from impairment are recognized in the profit or loss.

iii) Debt instruments, derivatives and equity instruments measured at FVTOCI:

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVTOCI).

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS MUMBAI-2

GRAMOS CHEMICALS INDIA PRIVATE LIMITED MUMBAI

Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to

profit and loss and recognised in other gains/(losses). Interest and dividend income from these financial assets is included in other income using the effective interest rate method.

iv) Equity instruments measured at (FVTPL)

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

v) Financial Liabilities

Classification as liability or equity:

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Initial recognition and measurement:

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortized cost unless at initial recognition, they are classified as fair value through profit or loss.

Subsequent measurement:

Financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognized in the statement of profit and loss.

vi) Derecognition of financial instruments

A financial asset is derecognized only when:

- The rights to receive cash flows from the financial asset have expired, contract is discharged, cancelled or expires and the transfer qualifies for derecognition under Ind AS 109.

- Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized.

- Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

- In that case, the Company also recognizes an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained,

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS MUMBAI-2

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Derecognition of Financial Liability

A financial liability is derecognized when the obligation under the liability is discharged, 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 de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

g) 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 are usually unsecured. Trade and other payables are presented as current liabilities unless payment is not due within twelve months after the reporting period. They are recognised initially at their fair value.

h) Provisions:

The Company recognizes a provision when there is a present (legal or constructive) obligation as a result of a past event that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

i) Contingent Liability:

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote.

j) Foreign Currency Translation:

Initial recognition:
Transactions in foreign currencies entered into by the Company are accounted in the functional currency at the exchange rates prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the statement of profit and loss.

Measurement of foreign currency items at the Balance Sheet date:
Foreign currency denominated monetary assets and liabilities of the Company are restated at the year-end closing exchange rates. Non-monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these translations are charged to the statement of profit and loss.

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k) Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less impairment losses.

l) Income Taxes

Income tax expenses comprises of current and deferred tax expense and is recognized in the statement of profit or loss except to the extent that it relates to items recognized directly in equity or in OCI.

a. Current tax:

Current tax is the amount of expected tax payable or recoverable on the taxable profit or loss for the year and any adjustment to the tax payable or recoverable in respect of previous years. It is measured using tax rates enacted or substantively enacted by the end of reporting period. 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.

b. Deferred tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income Tax Act, 1961. However, in case of temporary differences that arise from initial recognition of asset or liability in a transaction (other than in a business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences (if any) to the extent it is probable that future taxable profits will be available against which they can be utilized.

Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized. Such reductions are reversed when the probability of the future taxable profits improves.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Deferred tax assets and liabilities are offset only if they relate to income taxes levied by the same taxation authority on the same taxable entity.

Current and deferred tax is recognized in statement of profit or loss, except to the extent that it relates to items recognized in OCI or directly in equity, in which case, the tax is also recognized in OCI or directly in equity respectively.

m) Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash in hand, demand deposits with banks, other short term highly liquid investments with original maturities of three months or less that are readily convertible to

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known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown in current liabilities in the balance sheet.

n) 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 and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

b) Post-Employment Benefits:

I. Defined Contribution Plans:

Defined contribution plans is employee state insurance scheme for all applicable employees for eligible employees.

Recognition and measurement of defined contribution plans:

The Company recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Company during the reporting period. If the contributions payable for services received from employees before the reporting date exceeds the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

II. Defined Benefit Plans:

Provident Fund scheme:

The Company makes specified monthly contributions towards Employee Provident Fund scheme in accordance with the statutory provisions.

Gratuity scheme:

The Company operates a defined benefit gratuity plan for employees. The Company contributes to a separate entity (a fund) administered by LIC, towards meeting the Gratuity obligation.

Recognition and measurement of Defined Benefit plans:

The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability / (asset) are recognized in the statement of profit and loss. Remeasurements of the net defined benefit liability/ (asset) comprising actuarial gains and losses and the return on the plan assets (excluding

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amounts included in net interest on the net defined benefit liability/asset), are recognized in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

The Company presents the above liability/(asset) as current and non-current in the Balance Sheet as per actuarial valuation by the independent actuary; however, the entire liability towards gratuity is considered as current as the Company will contribute this amount to the gratuity fund within the next twelve months.

Other Long-Term Employee Benefits:
The Company does not allow any accumulation of leave balance or encashment thereof.

o) Borrowing Cost:

Borrowing costs, that are, directly attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the costs of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are expensed in the period in which they occur.

Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs

p) Segment Reporting:

The Company has determined that it operates in a single business segment, namely "Manufacturing of chemically treated Takrag/ Dust-free Cloth.". Consequently, the Company has, in its primary segment, only one reportable business segment. As per IND AS-108 'Operating Segments', if a financial report contains both the consolidated financial statements of a parent that is within the scope of Ind AS-108 as well as the parent's separate financial statements, segment information is required only in the consolidated financial statements. Accordingly, information required to be presented under Ind AS-108 Operating Segments has been given in the consolidated financial statements.

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Gramos Chemicals India Private Limted

Note 2 :

(a) Property, Plant & Equipment
Tangible assets

	Gross Block				Accumulated Depreciation		
	As at April 1, 2019	Additions during the Year	Deletions during the Year	As at Mar 31, 2020	As at April 1, 2019	Additions during the Year	Deletions during the Y
Land - Leasehold*	0.95	-	-	0.95	0.03	-	-
Freehold Land	63.45			63.45		-	
Building							
Factory	163.48			163.48	41.37	10.80	-
Non-Factory	5.17		-	5.17	2.46		-
Plant & Machinery	1.94			1.94	0.85	0.16	
Electrical Installations	2.79			2.79	1.58		
Office Equipment	0.91	0.51		1.42	0.40	0.14	
Computer Equipment	2.80	1.04		3.84	1.98	0.58	
Furniture & Fixtures	0.88			0.88	0.51	0.02	
Vehicles	3.73		-	3.73	3.36	0.06	-
Total	**246.10**	**1.55**	**-**	**247.65**	**52.55**	**11.75**	**-**

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GRAMOS CHEMICALS INDIA PRIVATE LIMITED MUMBAI

Gramos Chemicals India Private Limited
Notes forming part of financial statements for the period ended March 31, 2020

Note 3: Financial Assets

Particulars	As At March 31, 2020	As at March 31, 2019
(i) Investment		
Investment in Mutual Fund carried at fair value through Profit and Loss		
(i) 440958.165(211414.931) Units Kotak Standard Multicap Fund-Growth	149.56	156.44
(ii) 248158.061(69722.504) Units Mirae Asset India Equity Fund-Growth	96.37	126.98
Total	245.93	283.43

a) Aggregate value of Investments

Particulars	As At March 31, 2020	As at March 31, 2019
Market Value	245.93	283.43

Note:- 4 Deferred Tax Assets

Particulars	As At March 31, 2020	As at March 31, 2019
Mat Credit		34.61
Fixed Assets		(12.80)
Gratuity		-
Fair Value Investment		-
	-	21.81

Note 5: Other non-current assets

Particulars	As At March 31, 2020	As at March 31, 2019
Security Deposits :		
Deposit with MIDC	0.13	0.13
Deposit with MSEB	0.43	0.43
Deposit with MSEDCO	0.69	0.69
Gratuity	1.85	1.70
Total	3.10	2.95

Note 6: Income tax assets (net)

Particulars	As At March 31, 2020	As at March 31, 2019
Tax Paid in advance (Net of Provision)	140.31	137.12
Total	140.31	137.12

Note 7 : Inventories

Particulars	As At March 31, 2020	As at March 31, 2019
CLOSING STOCK OF RAW MATERIALS	19.72	41.92
CLOSING STOCK OF PACKING MATERIALS	2.55	3.16
CLOSING STOCK OF FINISHED GOODS	7.61	16.15
Total	29.88	61.23

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GRAMOS CHEMICALS INDIA PRIVATE LIMITED MUMBAI

Gramos Chemicals India Private Limited
Notes forming part of financial statements for the period ended March 31, 2020

Note 8: Financial Assets

Particulars		As At March 31, 2020	As at March 31, 2019
(i) Trade receivables			
Secured, considered good			
Unsecured, considered good		93.68	89.73
Doubtful		4.93	4.93
		98.61	94.65
Less : Provision for doubtful receivables		(4.93)	(4.93)
Total		93.68	89.73

Note 9:

Particulars		As At March 31, 2020	As at March 31, 2019
(ii)Cash and cash equivalents			
Balance with banks :			
In current accounts		21.43	11.37
Cash on hand		0.72	0.29
Total		22.16	11.66

Note 10:

Particulars		As At March 31, 2020	As at March 31, 2019
(iii) Bank balance other than (ii) above			
Deposit held as Margin Money against Bank Guarantee		2.25	2.25
Total		2.25	2.25

Note 11: Current tax assets (net)

Particulars		As At March 31, 2020	As at March 31, 2019
Tax Paid in advance (Net of Provision)		20.17	(6.64)
Total		20.17	(6.64)

Note 12: Other Current Assets

Particulars		As At March 31, 2020	As at March 31, 2019
GST Receivable (net)		10.36	20.08
Prepaid Expenses		1.03	0.93
Accrued Interest on Bank Deposit		0.19	0.19
Capital Advances		90.00	-
Others		0.02	0.02
			-
Total		101.60	21.22

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GRAMOS CHEMICALS INDIA PRIVATE LIMITED MUMBAI

Gramos Chemicals India Private Limited
Notes forming part of financial statements for the period ended March 31, 2020

Note 13: Share capital

Particulars		As At March 31, 2020	As at March 31, 2019
Authorised share capital 1,00,000, (Previous years: 1,00,000) Equity Shares of Rs. 100 each		100.00	100.00
Issued, subscribed and paid-up share capital 48,000 (Previous years: 48,000) Equity Shares of Rs.100 each		48.00	48.00
Total issued, subscribed and paid-up share capital		**48.00**	**48.00**

a. Reconciliation of shares outstanding as at 31st March, 2020

Equity shares	No. of shares	March 31, 2020	March 31, 2019
Outstanding at the beginning of the year	48,000	48.00	48.00
Add: Issued during the year for cash	-		-
Less : Bought Back during the year	-		-
Outstanding at the end of the year	**48,000**	**48.00**	**48.00**

Name of Shareholders	% of Holding	March 31, 2020	March 31, 2019
Phiroze Sethna Private Limited	100%	**48,000**	**48,000**

Note 14: Other Equity

Particulars		As At March 31, 2020	As at March 31, 2019
General Reserve			
Opening Balance		249.75	249.75
Add : amount transferred from surplus balance in the statement of profit and loss			-
Add / (Less) : Adjustment of Mutual Fund fair Value			-
Closing balance		249.75	**249.75**
Retained earnings: Surplus in the statement of profit and loss			
Opening Balance		474.24	294.12
Less: Profit / (Loss) for the period		42.49	181.10
Net surplus / (deficit) in the statement of profit and loss		516.73	**475.22**
Less: Appropriation			
Other Ocmprehensive Income		0.53	**(1.21)**
Tax on OCI		(0.10)	**0.23**
Dividend on equity shares for the year		(25.00)	
Dividend distribution tax on dividend		(5.14)	
Balance at the end of the year		487.02	**474.24**
Total		736.76	**723.98**

Note 15 : Deferred Tax Liabilities (Net)

Particulars		As At March 31, 2020	As at March 31, 2019
Mat Credit		(4.41)	
Fixed Assets		15.06	
Gratuity		(0.52)	
Fair Value Investment			
		10.14	**-**

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GRAMOS CHEMICALS INDIA PRIVATE LIMITED MUMBAI

Gramos Chemicals India Private Limited
Notes forming part of financial statements for the period ended March 31, 2020

Note 16: Financial Liabilities

Particulars		As At March 31, 2020	As at March 31, 2019
(i) **Trade Payables** - other than micro enterprises and small enterprises Trade Payables		38.39	40.55 -
Total	-	38.39	40.55

For Related party transaction Refer Note No.29
The Company has no amounts due to suppliers under the Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 as at the year end.This has been relied upon by auditors.

Note 17 : Other Current Liability

Particulars		As At March 31, 2020	As at March 31, 2019
Statutory Dues :			
TDS		0.40	1.31
Profession tax		0.43	0.08
Accrued Expenses		5.35	3.62
Payable to Employees		0.27	0.75
Advances from Customers		2.69	
Total		9.13	5.76

Note 18 : Revenue from operations

Particulars		2019-2020	2018-2019
Sale of Products : Manufactured Goods		767.23	771.91
Total		767.23	771.91

Note 19 : Other income

Particulars		2019-2020	2018-2019
Rent Received		12.26	5.40
Interest Received on Bank Deposit		-	0.11
Interest Received Other		5.08	0.00
Profit/(Loss) on Sale of Mutual Fund		(1.00)	
Fair value of investments (Gain)		-	24.92
Total		16.33	30.43

For Related party transaction Refer Note No.29

Note 20 : Cost of Materials Consumed

Particulars		2019-2020	2018-2019
Raw Materials Consumed		378.20	407.83
Packing Material		20.95	20.24
Total		399.15	428.07

Note 21 : Changes in Inventories of Finished goods, Work-in-progress and Stock-in-Trade

Particulars		2019-2020	2018-2019
Stock at the end of the year			
Finished goods		7.61	16.15
		7.61	**16.15**
Stock at the beginning of the year			
Finished goods		16.15	13.57
		16.15	**13.57**
(Increase) / Decrease in stocks		**8.54**	**(2.58)**

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GRAMOS CHEMICALS INDIA PRIVATE LIMITED MUMBAI

Gramos Chemicals India Private Limited
Notes forming part of financial statements for the period ended March 31, 2020

Note 22 : Employee benefits expense

Particulars		2019-2020	2018-2019
Salaries, Incentives and Bonus		22.74	32.53
Contribution to provident and other funds		2.22	1.90
Welfare and training expenses		1.58	1.71
Total		26.55	36.14

For Related party transaction Refer Note No.29
The Company's obligation towards the Gratuity Fund is a Defined Benefit Plan.
Details of actuarial Valuation are as follows:

Particulars		2019-20 (Rs. In lakhs)	2018-19 (Rs. In lakhs)
Opening defined benefit obligation		1.47	2.58
Current service cost		0.54	0.46
Interest on defined benefit obligation		0.12	0.19
(Benefits paid)			(2.10)
Actuarial loss / (gain) arising from change in financial assumptions			(0.10)
Actuarial loss / (gain) arising from changes in demographic assumptions			-
Actuarial loss / (gain) arising on account of exprience changes		1.38	0.44
Closing defined benefit obligation		**3.50**	**1.47**
Changes in the fair value of assets in case of Gratuity representing reconcilintion of opening and closing balances thereof:			
Opening fair value of plan assets		3.83	2.86
Employer Contributions		0.02	3.00
Amount not recognised due to Asset limit (P.Y)		(0.66)	
Equitable Fund transfer in		1.95	
Interest on plan asets		0.25	0.21
Actual return on plan assets less interest on plan assets		(0.04)	(0.14)
Benefit paid		-	(2.10)
Closing fair value of plan assets		**5.35**	**3.83**
Acturial assumption:			
Discount rate		6.75%	7.85%
Salary escalation		5%	7.00%
Profit & Loss Account Expense			
Current service cost		0.54	0.42
Interest on net defined benefit liability / (assets)		(0.13)	-
(Gains) / losses on settlement			
Closing fair value of plan assets		**0.40**	**0.42**
Reconcilation of Net Liablity / Asset			
Opening net defined benefit liabilty / (asset)		(1.70)	(0.28)
Expense charged to profit & loss account		0.40	0.44
Amount recognized outside profit & loss account		(0.53)	1.14
Employer contributions		(0.02)	(3.00)
Closing fair value of plan assets		**(1.85)**	**(1.70)**
Movement in Benefit Obligations			
Opening net defined benefit obligation		1.47	2.58
Current Serice Cost		0.54	0.46
Interest on defined benefit obligation		0.12	0.19
Remeasurements due to :			
Actuarial loss / (gain) arising from change in financial assumptions			(0.10)
Actuarial loss / (gain) arising from changes in demographic assumptions			-
Actuarial loss / (gain) arising on account of exprience changes		1.38	0.44
Benefit paid		-	(2.10)
Closing fair value of plan assets		**3.50**	**1.47**

The Management has relied on the overall actuarial valuation conducted by the actuary. However experience adjustments on plan liabilities and assets are not readily available and hence not disclosed. The expected return on plan assets is as furnished by the Actuary appointed by the Company.

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GRAMOS CHEMICALS INDIA PRIVATE LIMITED MUMBAI

Gramos Chemicals India Private Limited
Notes forming part of financial statements for the period ended March 31, 2020

Note 23 : Other expenses

Particulars		2019-2020	2018-2019
Electricity Charges		13.39	7.79
Labour charges for Manufacturing		16.27	16.09
Repairs :			
(i) To Machinery		1.73	2.88
(ii) To Building		5.97	5.38
(iii) To Others		2.41	1.81
Printing and Stationery		1.07	1.94
Rates and taxes		3.13	0.40
Insurance		1.91	2.22
Director's Sitting Fees		-	0.50
Travelling Expenses		2.08	6.16
Conveyance		7.64	6.32
Telephone Expenses		1.56	0.54
Bank Charges		0.08	0.36
Carriage and Freight		19.74	20.61
Management Consultancy Fees		58.02	41.04
Legal and Professional Fees		1.41	3.31
Payment to Auditors :			
(i) Audit Fees		1.22	1.05
(ii) Tax Audit Fees		0.58	0.53
Cash Discount		1.16	1.12
Foreign Exchange Fluctuation		4.02	2.56
Fair value of investments (Loss)		81.49	-
Export Expenses		-	0.24
Water Charges		0.46	0.49
Vehicle Expenses		0.88	1.50
Sales Tax Expenses		2.08	1.20
Security Charges		14.69	13.88
Filing Fees		0.05	0.12
Inspection Charges		0.05	
Interest Paid on late Payment of Taxes		-	0.00
Miscellaneous Expenses		4.43	4.32
Total		247.52	144.37

For Related party transaction Refer Note No.29

Note 24 : Exceptional Items

Particulars		2019-2020	2018-2019
Professional fess paid to Consultants			
Ex- gratia payments to Employees			
Total		-	-

Note 25 :

Particulars		2019-2020	2018-2019
Value of Imports calculated on C.I.F.basis			
Raw Materials		Nil	Nil

Note 26 :

Particulars		2019-2020	2018-2019
Expenditure in foreign currency (Travel)		Nil	Nil

Note 27 :

Particulars		2019-2020	2018-2019
F.O.B.Value of Exports		262.39	202.77

Note 28 : Earnings Per Share

Particulars		2019-2020	2018-2019
Net Profit available to Equity Shareholders (Rs. In Lakhs)		42.49	181.10
Total number of Equity Shares (Face value of Rs. 100/- each fully paid up)		48000	48000
Weighted No. of Equity Shares		48000	48000
Basic Earnings per Share (in Rupees)		88.52	377.29
Diluted No. of Equity Shares		48000	48000
Diluted Earnings per Share (in Rupees)		88.52	377.29

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Gramos Chemicals India Private Limited

Note:30. Related Party Disclosures, as required by Ind AS 24, "Relates Party Disclosures", are given below :

a) Relationship:
i. Ultimate Holding Company :
Chembond Chemicals Limited

ii. Holding Company :
Phiroze Sethna Private Limited

iii. Key Management Personnel and their relatives (KMP)
Key Management Personnel :
Mr.Sameer V Shah
Mr.Nirmal V Shah
Mrs.Rashmi Gavli
Mr.Sharad Wagle
Mr.Aspi Godrej

Relatives :
Padma V Shah, Dr.Shilpa S. Shah, Mamta N. Shah, Alpana S. Shah, Zarna K Shah, Amrita S Shah, Malika S Shah.

Entities over which Key Mangement Personnel are able to exercise influence :
Balu Investment Services Pvt Ltd
Bullows India Private Limited
Phiroze Sethna & Company
CCL Opto Electronics Private Limited
Finor Piplaj Chemicals Limited
S and Venturs Limited
GTK Intermediates Private Limited
Visan Holdings and Financial Services Private Limited
Oriano Clean Energy Private Limited

The following transactions were carried out with related parties in the ordinary course of business :

For the year ended as on	31.03.2020				31.03.2019			
Description of the nature of transactions	**UltimateHolding**	**Holding**	**Subsidiary**	**KMP**	**UltimateHolding**	**Holding**	**Subsidiary**	**KMP**
Management Fees paid								
Phiroze Sethna Private Limited		57.24				41.04	-	
Rent Received								
Phiroze Sethna Private Limited		11.45				5.40	-	
Chembond Material Technologies				0.81				
Interest Received								
Phiroze Sethna Private Limited		4.77						
Trade Receivables								
Phiroze Sethna Private Limited		1.08						
Chembond Material Technologies				0.15				
Loans Given								
Phiroze Sethna Private Limited		90.00						
Purchase of Goods								
Phiroze Sethna Private Limited		1.16				1.07		
Chembond Chemicals Limited	-				0.66			
Chembond Material Technologies Pvt Ltd				9.65				0.61
Trade Payables								
Phiroze Sethna Private Limited		10.75				0.20		
Chembond Material Technologies Pvt Ltd				5.46				0.47
Chembond Chemicals Ltd	0.65						-	
Mediclaim Recovered								
Chembond Chemicals Ltd	0.55							

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GRAMOS CHEMICALS INDIA PRIVATE LIMITED MUMBAI

30 Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Particulars	As at 31 March 2020							
	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amotised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents (Including other bank balances)			24.41	24.41				-
Investments								
- Mutual Funds	245.93			245.93	245.93			245.93
- Equity Shares (Quoted)				-	-			-
- Equity Shares (Unquoted)				-				-
- Preference shares and bonds				-				-
Trade and other receivables			93.68	93.68				-
Loans			-	-				-
Other financial assets			-	-				-
TOTAL	245.93	-	118.09	364.02	245.93	-	-	245.93
Financial liabilities								
Long term borrowings (Including current maturity of Long term borrowings)			-	-				
Short term borrowings			-	-				-
Trade and other payables			38.39	38.39				-
Other financial liabilities			-	-				-
TOTAL	-	-	38.39	38.39	-	-	-	-

Particulars	As at 31 March 2019							
	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amotised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents (Including other bank balances)			13.91	13.91				-
Investments								
- Mutual Funds	283.43			283.43	283.43			283.43
- Equity Shares (Quoted)				-	-			-
- Equity Shares (Unquoted)				-				-
- Preference shares and bonds				-				-
Trade and other receivables			89.73	89.73				-
Loans				-				-
Other financial assets			-	-				-
TOTAL	283.43	-	103.64	387.07	283.43	-	-	283.43
Financial liabilities								
Long term borrowings (Including current maturity of Long term borrowings)			-	-				
Short term borrowings			-	-				-
Trade and other payables			40.55	40.55				-
Other financial liabilities			-	-				-
TOTAL	-	-	40.55	40.55	-	-	-	-

Fair values for financial instruments carried at amortised cost approximates the carrying amount, accordingly the fair values of such financial assets and financial liabilities have not been disclosed separately.

B. Measurement of fair values

[illegible] fair-value-hierarchy (which reflects the significance of inputs used in the measurements). The hierarchy gives the highest priority to un-adjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to un-observable inputs (Level 3 measurements). Fair value of derivative financial assets and liabilities are estimated by discounting expected future contractual cash flows using prevailing market interest rate curves. The three levels of the fair-value-hierarchy under Ind AS 107 are described below:

Level 1: Heirarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market are determined using valuation techniques which maximise 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.

Level 3: If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3. e.g. unlisted equity securities.

Transfers between Levels

There are no transfers betweeen the levels

C. Financial risk management

The Company's activities expose it to Credit risk, liquidity risk and market risk.

i. Risk management framework

Risk Management is an integral part of the Company's plans and operations. The Company's board of directors has overall responsibility for the establishment and oversight of the Company risk management framework. The board of directors is responsible for developing and monitoring the Company risk management policies.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

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ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities, cash and cash equivalents, mutual funds, bonds etc.

The carrying amount of financial assets represents the maximum credit exposure.

Trade and other receivables

Credit risk is the risk of possible default by the counter party resulting in a financial loss.
The Company manages credit risk through various internal policies and procedures setforth for effective control over credit exposure. These are managed by way of setting various Based on prior experience and an assessment of the current economic environment, management believes that sufficient provision is mad for credit risk wherever credit is extended to customers.

Cash and cash equivalents
Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. Investment of surplus funds are made in mainly in Other than trade and other receivables, the Company has no other financial assets that are past due but not impaired.

iii. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

The Company has obtained fund and non-fund based working capital lines from various banks. The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

iv. Market risk
Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates). Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of its investments. Thus, the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

a) Currency risk

The Compnay is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchase, and other expenses are denominated and the functional currency of the Company. The functional currency of the Company is Indian Rupees (INR). The currencies in which these transactions are primarily denominated are EURO and USD.
Exposure to currency risk
The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows:

a The Company has entered into forward contracts to hedge the foreign currency risks arising from amounts designated in foreign currency. The counter party to such forward contract is a bank. Forward contracts outstanding at the year end are:

Currency	Exposure to buy/sell	As at 31/03/2020		As at 31/3/2019	
		Foreign Currency	Indian Currency	Foreign Currency	Indian Currency
USD	Buy	-	-	-	-

b Foreign Currency Exposures at the year end not hedged by derivative instruments:

		As at 31/03/2020		As at 31/3/2019	
		Foreign Currency	Indian Currency	Foreign Currency	Indian Currency
US Dollars	Buy	0.00	0.00	0.00	0.00
Euro	Buy	0.00	0.00	0.00	0.00
US Dollars	Sell	0.00	0.00	0.00	0.00

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Investment committee manages and constantly reviews the interest rate movements in the market. This risk is mitigated by the Company by investing the funds in varioustenors depending on the liquidity needs of the Company. The Company's exposures to interest rate risk is not significant.

			2019-2020	2018-2019
31		**Tax Reconciliation**		
	(a)	The income tax expense consists of the followings:	(Rs. In lakhs)	(Rs. In lakhs)
		Particulars		
		Current Income Tax	15.60	35.82
		Deferred Tax Expense	31.95	-34.74
		Tax expense for the year	47.55	1.08
	(b)	Reconciliation of tax expense and the accounting profit multiplied by India's tax Rate		
		Profit before income tax expense	90.05	182.18
		Indian statutory income tax rate	27.82%	19.24%
		Expected Income Tax expenses	25.05	35.05
		Part A		
		Tax effect of amounts which are not deductible (allowable) in calculating taxable income:		
		Income exempt from income taxes	15.19	0.00
		Additional allowances/deduction	5.66	0.00
		Transition gain	(30.30)	0.77
		Others		
		Current Tax (A)	-9.45	0.77
		Part B		
		Deferred Tax Effect at the rate of:	19.24%	19.24%
		Depreciation	2.27	12.80
		Investments at Fair Value	-	(12.93)
		Gratuity	(0.52)	-
		MAT Credit	30.20	(34.61)
		Other Deferred tax Asset	-	-
		Provision for Doubtful Debts		
		Deferred Tax (B)	31.95	(34.74)
		Tax Expense (A+B)	47.55	1.08

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COVID-19 Assessment:

The COVID-19 pandemic is an evolving human tragedy declared a global pandemic by the World Health Organisation with adverse impact on economy and business globally. Supply Chain disruptions in India as a result of the outbreak started with restrictions on movement of goods, closure of borders etc. in several states followed by a nationwide lockdown announced by the Indian Government, to stem the spread of COVID-19. This has impacted normal business operations of the Company. Manufacturing, supply chain, cashflows etc. have been disrupted. All plants of the Company were shut down on 23rd March, 2020 only to restart at considerably lower productivity during the period 8th April, 2020 and 25th April, 2020 in a phased manner. We have implemented the necessary precaution measures to ensure hygiene, safety and wellbeing of all our employees at all plants and locations. The Company has considered the possible effects COVID-19 may have on the recoverability and carrying value of its assets comprising Property Plant and Equipment, Investments, Inventories and Trade Receivables. Based on current indicators of future economic conditions the Company expects to recover the carrying amount of these assets and there is no significant impact on its standalone financial statements as on 31st March, 2020. The situation is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future impact of the COVID-19 which may be different from that estimated as at the date of approval of these standalone financial statements. The Company will continue to closely monitor any material changes arising of future economic conditions and impact on its business.

33 The previous year figures have been regrouped, reallocated or reclassified wherever necessary to conform to current year classification and presentation.

Signature to Notes 1 to 34

As per our report of even date attached.
For Kastury & Talati
Chartered Accountants
Firm Registration No. 104908W

CA Dhiren P.Talati
Partner
Membership No. 41867
Mumbai, 28th May, 2020

M/S. KASTURY & TALATI CHARTERED ACCOUNTANTS MUMBAI-2

On behalf of the Board of Directors

S.K.Wagle
Director

Sameer V. Shah
Director

A.P.Godrej
Director

Rashmi S. Gavli
Director

Date:- 28th May, 2020

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