

MARPOL PRIVATE LIMITED

NOTICE OF 36th ANNUAL GENERAL MEETING

NOTICE is hereby given that the 36th Annual General Meeting of the Shareholders of Marpol Private Limited will be held on **Friday, September 27, 2019** at **11 a.m.** at the Registered Office of the Company at Panandiker Chambers, 1st Floor, M.L. Furtado Road, Margao, Goa, India – 403601, to transact the following business:

ORDINARY BUSINESS:

Item No. 1- Adoption of Financial Statements for the Financial year ended 31st March, 2019:

To receive, consider, approve and adopt the Financial Statements of the Company comprising the audited Balance Sheet as at 31st March, 2019, Statement of Profit and Loss and Cash Flow Statement and Notes thereto for the financial year ended on that date and the Reports of the Board of Directors and the Auditors thereon.

Item No. 2- Re-appointment of Statutory Auditors:

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

“RESOLVED that pursuant to the provisions of Sections 139, 141 and 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory amendment(s) or re-enactment(s) thereof, for the time being in force), M/s Ganesh Daivajna & Co, Chartered Accountants (Registration No. 103054W), be and are hereby re-appointed as Statutory Auditors of the Company, to hold office from the conclusion of the 36th meeting until the conclusion of the 41st Annual General Meeting of the Company and that their remuneration be fixed by the Board in addition to the reimbursement of tax and out of pocket expenses, if any incurred by them in connection with the audit of accounts of the Company for the financial year ending 31st March, 2019.”

Item No. 3 – Reappointment of Mr. G.T Govindarajan retiring by rotation :

To appoint a Director in place of Mr. G.T Govindarajan (DIN: 08105268), who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

Item No. 4 – To consider and if thought fit, with or without modification(s), the following as a Special Resolution :

Resolved that pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 (“Act”) read with rules made thereunder and pursuant to all other applicable provisions of the Act, applicable rules, regulations, guidelines, circulars etc. issued by the Reserve Bank of India and/ or any other appropriate authority, if any, and other applicable statutes and laws, if any (including any statutory modification or re-enactment thereof, for the time being in force), consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall include any duly constituted Committee(s) thereof or such other person(s) authorised by the Board) for borrowing from time to time, any sum or sums of money at its discretion, from any one or more Banks, Financial

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Institutions and other Persons, Firms, Bodies Corporate, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may, at any time, exceed the aggregate of the paid-up share capital and free reserves (i.e. reserves not set apart for any specific purpose) of the Company at such time, subject to such aggregate borrowings not exceeding the amount, which is Rs. 30,00,00,000/- (Rupees Thirty Crore only), over and above the aggregate of the paid-up share capital and free reserves (i.e. reserves not set apart for any specific purpose) of the Company at any relevant time and that the Board be and is hereby empowered and authorised to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, security or otherwise as it may, in its absolute discretion, think fit.

Further resolved that for the purpose of giving effect to this resolution, the Board be and is hereby authorized and empowered to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper, or desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution, to execute all such documents, instruments and writings as may be required."

Item No. 5 - To consider and if thought fit, with or without modification(s), the following as a Special Resolution :

Resolved that pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 ("Act") read with rules made thereunder and pursuant to all other applicable provisions of the Act, applicable rules, regulations, guidelines, circulars etc. issued by the Reserve Bank of India and/ or any other appropriate authority, if any, and other applicable statutes and laws, if any (including any statutory modification or re-enactment thereof, for the time being in force) and provisions of the Articles of Association of the Company, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any duly constituted Committee(s) thereof or such other person(s) authorised by the Board), for creation of charge/ mortgage/ pledge/ hypothecation/ security, in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the moveable and/or immovable properties, tangible and/or intangible assets of the Company, both present and future and/or the whole or any part of the undertakings of the Company, as the case may be in favour of the lenders, agents and trustees, for securing the borrowings availed/ to be availed by the Company by way of loan(s) (in foreign currency and/ or rupee currency) and securities (comprising fully/ partly convertible debentures and/or Non-Convertible Debentures with or without detachable or non-detachable warrants and/or secured premium notes and/ or floating rate notes/bonds or other debt instruments), issued/ to be issued by the Company (including deferred sales tax loans availed/ to be availed by the Company) from time to time, subject to the limits approved under Section 180(1)(c) of the Act, together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premium on pre-payment, remuneration of the Agents/ Trustees, premium (if any) on redemption, all other costs, charges and expenses, including any increase as a result of devaluation/ revaluation/ fluctuation in the rates of exchange and all other monies payable by the Company, in terms of the loan agreement(s)/ trust deeds(s)/ other Agreement(s)/ any other document, entered into/ to be entered into between the Company and the lenders/ agents/ trustees/ state government/ agency(ies) representing various state

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government and/ or other agencies etc. in respect of the said loans/ borrowings/ debentures/ bonds/ or other securities/ deferred sales tax loans and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board and the lenders/ agents/ trustees/ state governments/ agency(ies), etc. from time to time.

Further resolved that the charge/ mortgage/ pledge/ hypothecation/ security to be created by the Company as aforesaid may rank prior/ pari passu/ subservient with/ to the charge/ mortgage/ pledge/ hypothecation/ security already created or to be created in future by the Company or in such other manner and ranking as may be thought expedient by the Board and as may be agreed to between the concerned parties.

Further resolved that for the purpose of giving effect to this resolution, the Board be and is hereby authorised to negotiate, finalise, settle, and execute such documents/ deeds/ writings/ papers/ agreements as may be required and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating charge/ mortgage/ pledge/ hypothecation/ security as aforesaid and to delegate all or any of these powers herein conferred to any Committee and/or Directors and/or officials of the Company.

For and on behalf of the Board

Marpol Private Limited



P.D Pai
Chairman
DIN: 08115481

Date : April 26, 2019
Place: Margao, Goa

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND SUCH A PROXY NEED NOT BE A MEMBER. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten (10) percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder. The instrument of Proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the Meeting.

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EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item Nos. 4 and 5

In view of the Company's business requirements and financial position, approval of the members of the Company is sought for fixing the overall borrowing limits of the Company, in terms of the provisions of Section 180 (1) (c) of the Companies Act, 2013 ("Act").

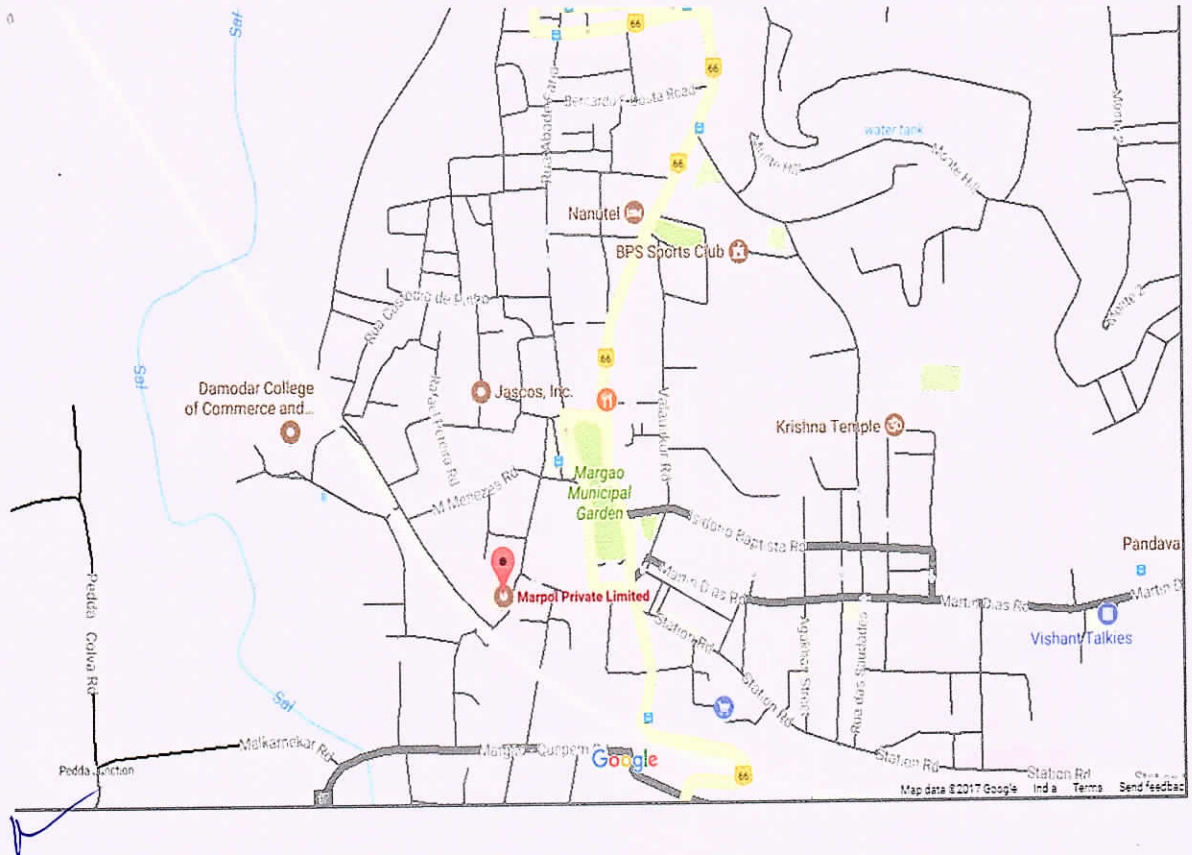
Further approval of the members of the Company is also sought, in terms of the provisions of Section 180 (1) (a) of the Act, for authorising creation of security or charge on all or any of the movable and/ or immovable assets of the Company, to secure the borrowing, if necessitated, in such form, manner and ranking as may be determined by the Board of Directors, from time to time.

The Directors recommend the Special Resolution as set out at Item Nos. 3 and 4 of the accompanying Notice, for approval of the Members.

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Special Resolution except to the extent of their shareholding in the Company.

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A route map showing directions to reach the venue of the 36th AGM of the Company as per the requirement of the Secretarial Standards - 2 on General Meetings is given below.



ANNEXURE "B-1"
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DIRECTORS' REPORT

To the Members,
Marpol Private Limited.

Your Directors have pleasure in submitting their 36th Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March 2019;

1. FINANCIAL RESULTS :

The Company's financial performance for the year under review along with previous year figures is given hereunder:

(In Rs.)

Particulars	For the year ended 31 st March, 2019	For the year ended 31 st March, 2018
Net Sales /Income from Business Operations(net)	68,90,38,289	59,39,73,909
Other Income	4,63,175	27,03,223
Total Income	68,95,01,463	59,66,77,132
Total Expenditure	66,97,25,000	62,84,40,904
Profit before Exceptional Item and Tax	1,97,76,464	(3,17,63,793)
Exceptional Item		4,33,08,587
Profit after Exceptional Item and Before Tax	1,97,76,464	(7,50,72,379)
Less Total tax expenses	29,24,536	(2,43,883)
Net Profit after Tax	1,68,51,928	(7,48,28,476)
Earnings per share Basic & Diluted	5.63	(24.98)

2. REVIEW OF BUSINESS OPERATIONS :

Your Directors wish to present the details of Business operations done during the year under review:

The net revenue from operations for the year ended on March 31, 2019 was Rs. 68,95,01,463 as compared to Rs. 59,66,77,132 for the previous year ended on March 31, 2018.

The Profit/ (Loss) before Exceptional Item and tax for the year ended on March 31, 2019 was Rs. 1,97,76,464 as compared to Rs. (3,17,63,772) for the year ended on March 31, 2018. The Profit/ (Loss) after Tax stood at Rs. 1,68,51,928 for the year ended on March 31, 2019 as compared to Rs. (7,48,28,476) for the previous year ended on March 31, 2018.

3. TRANSFER TO RESERVE:

No amount was transferred to the reserves during the financial year ended 31st March, 2018.

4. DIVIDEND :

No Dividend was declared for the current financial year due to conservation of Profits.

5. DETAILS OF JOINT VENTURE/ ASSOCIATE OR SUBSIDIARY COMPANIES :

There are no Joint Venture/ Associate or Subsidiary Companies of the Company as on 31st March, 2019.

Certified True Copy
For MARPOL PRIVATE LIMITED

[Signature]
Director



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6. DETAILS OF FRAUD REPORT BY AUDITOR:

As per auditors' report, no fraud u/s 143(12) reported by the auditor.

7. BOARD'S COMMENT ON THE AUDITORS' REPORT :

The observations of the Statutory Auditors, when read together with the relevant notes to the accounts and accounting policies are self explanatory and do not call for any further comment.

8. MATERIAL CHANGES AND COMMITMENT IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT :

There has been no material changes and commitment, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

9. DIRECTORS AND KEY MANAGERIAL PERSONNEL :

There has been no change in the constitution of the Board during the year under review i.e. the structure of the Board remains the same.

10. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION:

(A) Conservation of energy-

- (i) The steps taken or impact on conservation of energy: The utilization of Electricity is continuously monitored and steps are taken to reduce the consumption.
- (ii) The steps taken by the company for utilizing alternate sources of energy: Nil
- (iii) The capital investment on energy conservation equipments: Nil

(B) Technology absorption-

- (i) the efforts made towards technology absorption:
As we are aware, Polyester Resin is at the heart of any pure polyester/TGIC and PP/Primid based powder system. Super-durable powder systems are known to have excellent QUV weathering properties and poor mechanical properties. The Automotive industry is slowly moving towards Powder Paints as its final top coat for small Vehicles. Marpol has done extensive research in creating a Super -Durable resin with excellent mechanical and weathering properties. Marpol is the only Company in the world today that has the capability of manufacturing Pure Polyester Super Durable Resin with excellent mechanical properties (passing more than 184 kg/cm ASTM on a white system) and excellent retention of gloss at 20 degrees (more than 80% retention of gloss under stringent QUV B313 exposure of 500 hours). This project was specifically undertaken for Tata Motors Dharwad, India, where we have succeeded in becoming a key vendor for supply of the PP Super-durable powder.
- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution:
The Automotive industry in India is growing at a fast pace. The need for high quality powder systems has significantly increased, as a result, we have focused on creating cost effective high end powders for automotive component manufacturers such as Gabriel India Ltd. (Anand Group), BMW motorrad through TVS Motors etc. In order to achieve cost effective quality powder systems, we have further improved our PP TGIC (93/7) resin to pass the stringent 100 kg/cm ASTM impact in our regular pure polyester powder systems without affecting the cost structure of the resin system. This has helped us provide better quality products to the high end Automotive market at a very competitive price.



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(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) : NA

(a) the details of technology imported: No technology is imported however equipments are imported on a regular basis.

(b) the year of import: NA

(c) whether the technology been fully absorbed: NA

(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof: NA and

(iv) the expenditure incurred on Research and Development: Nil

11. FOREIGN EXCHANGE EARNINGS AND OUTGO:

The total imports during the financial year ended 31st March, 2019 were Rs.12,74,72,756/- compared to Rs.16,87,69,716/- during the last financial year. The total earning in foreign current during the financial year was Rs. 15,95,633/- as compared to Rs. 31318/- during the previous financial year.

12. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY:

The Company does not have any Risk Management Policy as the elements of risks threatening the Company's existence are very minimal. Necessary internal checks and controls are duly installed. The management reviews these checks and controls with reference to their findings and accordingly remedial actions are taken by the Management in the best interests of the Company and its employees and stakeholders. In the opinion of the Board of Directors there are no elements of risk currently which may threaten the existence of the Company.

13. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

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

There are no Loans / Advances , Guarantees or Investments made under section 186 of the Companies Act 2013.

15. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

There were no Related party transactions entered into during the financial year on arm's length basis and were in ordinary course of business. There are no materially significant related party transactions made by the Company which may have potential conflict with the interest of the Company. As per Annexure-C in Form AOC-2.

There are no material related party transactions which are not in ordinary course of business or which are not on arm's length basis and hence there is no information to be provided as required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014.

16. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Directors



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qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

17. EXTRACT OF ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in Annexure A in Form MGT-9 and is attached to this Report.

18. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW :

During the year 2018-19 under review, 6 Board meetings were held on April 7, 2018, April 20, 2018, June 27, 2018, September 27, 2018, December 24, 2018 and January 30, 2019.

19. DIRECTORS RESPONSIBILITY STATEMENT :

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

(a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the Profit of the company for that period;

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

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

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

20. DETAIL OF FRAUD AS PER AUDITORS REPORT :

There is no fraud in the Company during the F.Y. ended 31st March, 2019. This is also being supported by the report of the auditors of the Company as no fraud has been reported in their audit report for the F.Y. ended 31st March, 2019.

21. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES :

The Company does not have any Subsidiary, Joint venture or Associate Company.

22. DEPOSITS :

The Company has neither accepted nor renewed any deposits during the year under review.

23. DECLARATION OF INDEPENDENT DIRECTORS :

The provisions of Section 149 pertaining to the appointment of Independent Directors do not apply to our Company.

24. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM :

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 is not applicable to the Company.



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25. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no significant material orders passed by the courts/regulators or tribunals impacting the going concern status and company's operations in future.

26. SHARES :

A. Buy back of securities

The Company has not bought back any of its securities during the year under review.

B. Sweat equity

The Company has not issued any Sweat Equity Shares during the year under review.

C. Bonus shares

No Bonus Shares were issued during the year under review.

D. Employees Stock Option Plan

The Company has not provided any Stock Option Scheme to the employees.

27. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS :

There were no qualifications, reservations or adverse remarks made by the Auditors in their report.

28. CONSTITUTION OF COMMITTEE – SEXUAL HARASSMENT AT WORKPLACE :

The Company has constituted committee under the sexual harassment of women at workplace (prevention, prohibition and Redressal) Act, 2013 and However, company has complied with the provisions of the same.

29. COST RECORD :

The provision of Cost audit as per section 148 applicable on the Company and company has maintained proper records and account of the same as required under the act.

30. STATUTORY AUDITOR :

M/s. Ganesh Daivajna & Co., Chartered Accountants(Firm Registration No. 103054W), being the statutory auditors of the Company shall be holding office until the conclusion of the sixth Annual General Meeting of the Company ending on March 31, 2024.

31. CONSOLIDATED FINANCIAL STATEMENTS :

Company doesn't have any subsidiaries so there is no need to prepare consolidated financial statement for the F. Y. 2018-19.

32. PARTICULARS OF EMPLOYEES :

No employee was in receipt of remuneration in excess of the limits prescribed under Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and hence the prescribed information not required to be given.



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33. ACKNOWLEDGEMENTS :

Your Directors place on record their sincere thanks to Bankers, Employees, Business Associates, Auditor, and various Government Authorities for their continued support extended to the Company.

FOR AND ON BEHALF OF THE BOARD

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P.D Pai
Chairman
DIN: 08115481

Date : April 26, 2019
Place: Margao, Goa



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Annexure-A

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31/03/2019

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	CIN:	U24222GA1983PTC000532
ii.	Registration Date	05/04/1983
iii.	Name of the Company	Marpol Private Limited
iv.	Category / Sub-Category of the Company	Company Limited by Shares
v.	Address of the Registered office and contact details	1st Floor, Panandiker Chambers, M.L. Furtado Road, Margao, Goa - 403601. Tel +91 8322713056 Fax +91 832 2733124 Email:- marpol@marpolind.com
vi.	Whether listed company:	NO
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	NA

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:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
I	Manufacturers of Powder Coatings	2022	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	Kansai Nerolac Paints Ltd. Nerolac House, Ganpatrao Kadam Marg, Lower Parel, Mumbai-400013. Contact No: 022-2499-2807	L24202MH1920PLC0008 25	Holding	100	2 (46)



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IV. SHARE HOLDING 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				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters (1) Indian									
g) Individual/HUF	-	-	-	-	-	1135000	1135000	37.89	-
h) Central Govt	-	-	-	-	-	-	-	-	-
i) State Govt	-	-	-	-	-	-	-	-	-
j) Bodies Corp.	-	2995200	2995200	100.00	-	1080000	1080000	36.06	-
k) Banks / FI	-	-	-	-	-	-	-	-	-
l) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	-	2995200	2995200	100.00	-	2215000	2215000	73.95	-
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	111000	111000	3.71	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	669200	669200	22.34	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-



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Sub-total (A) (2):- Total shareholding of Promoter (A) = (A)(1)+(A)(2)	-	-	-	-	-	780200	780200	26.05	-
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) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
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)	-	-	-	-	-	-	-	-	-



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Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	2995200	2995200	100	-	2995200	2995200	100	-

(ii) Shareholding of Promoters

Sl No	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Kansai Nerolac Paints Limited							
	At the beginning of the year	-	-	-	2995200	100	-	100
	At the end of the year	2995200	100	-				
	Total	2995200	100	--	2995200	100	--	



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

Sr. No.	Name of the shareholders	Shareholding at the beginning of the year (01-04-2018)/ At the end of the year the end of the year (31-03-2019)		Datewise increase/ decrease in shareholding during the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date	Reason for increase/ decrease	No. of shares	% of total shares of the company
1.	Shanu Atmaram Pai Panandiker						
	At the beginning of the year	55200	1.84	07.04.2018	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year	-	-				
2.	Ramchandra Pai Panandiker (HUF)						
	At the beginning of the year	268800	8.97	07.04.2018	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year	-	-				
3.	Shanu Pai Panandiker (HUF)						
	At the beginning of the year	268800	8.97	07.04.2018	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year	-	-				
4.	Vishwanath Pai Panandiker (HUF)						



	At the beginning of the year	360000	12.02	07.04.2018	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year	-	-				
5.	Kamlesh Pai Panandiker (HUF)						
	At the beginning of the year	399200	13.33	07.04.2018	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year	-	-				
6.	Shambhu Pai Panandiker (HUF)						
	At the beginning of the year	270000	9.01	07.04.2018	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year	-	-				
7.	Rohan R Pai Panandiker						
	At the beginning of the year	25800	0.86	07.04.2018	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year	-	-				
8.	Rohit R Pai Panandiker						
	At the beginning of the year	25800	0.86	07.04.2018	Transfer of 25799 shares to Kansai Nerolac Paints Ltd	-	-
				07.04.2018	Transfer of 1 share to Kansai Nerolac Paints Ltd jointly held with Mr. Prashant Pai		
	At the end of the year	-	-				



9.	Ravi V Pai Panandiker						
	At the beginning of the year	12000	0.40	07.04.2018	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year	-	-				
10.	Rahool Pai Panandiker						
	At the beginning of the year	12000	0.40	07.04.2018	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year						
11.	Raj S Pai Panandiker						
	At the beginning of the year	12000	0.40	07.04.2018	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year						
12.	Manisha Pai Panandiker						
	At the beginning of the year	12000	0.40	07.04.2018	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year	-	-				
13.	Ramchandra Pai Panandiker Trading & Investment Company Pvt. Ltd.						
	At the beginning of the year	198000	6.61	07.04.2018	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year	-	-				



14.	Atmaram Pai Panandiker Trading & Investment Company Private Limited						
	At the beginning of the year	182400	6.09	07.04.2018	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year	-	-				
15.	Vishwanath Pai Panandiker Trading & Investment Company Pvt. Ltd.						
	At the beginning of the year	259200	8.65	07.04.2018	Transfer of shares to Kansai Nerolac Paints Ltd		
	At the end of the year	-	-				
16.	Shanu Pai Panandiker Trading & Investment Company Pvt. Ltd.						
	At the beginning of the year	198000	6.61	07.04.2018	Transfer of shares to Kansai Nerolac Paints Ltd		
	At the end of the year	-	-				
17.	Veda Pai Panandiker Trading & Investment Company Pvt. Ltd.						
	At the beginning of the year	242400	8.09	07.04.2018	Transfer of shares to Kansai Nerolac Paints Ltd		



	At the end of the year	-	-				
18.	Kunda S. Pai Panandiker						
	At the beginning of the year	500	0.02	07.04.2018	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year	-	-				
19.	Anjali Pai Panandiker						
	At the beginning of the year	500	0.02	07.04.2018	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year	-	-				
20.	Veda K. Pai Panandiker						
	At the beginning of the year	500	0.02	07.04.2018	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year	-	-				
21.	Kaya K. Pai Panandiker						
	At the beginning of the year	500	0.02	07.04.2018	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year	-	-				
22.	Mangala Pai Panandiker						
	At the beginning of the year	500	0.02	07.04.2018	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year	-	-				
23.	Rajani Pai Panandiker						
	At the beginning of the year	28100	0.94	07.04.2018	Transfer of shares to Kansai Nerolac Paints Ltd	-	-



	At the end of the year	-	-				
24.	Atman S Pai Panandiker						
	At the beginning of the year	1000	0.03	07.04.2018	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year	-	-				
25.	Vishwanath Pai Panandiker						
	At the beginning of the year	54000	1.80	07.04.2018	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year	-	-				
26.	Kamlesh Pai Panandiker						
	At the beginning of the year	54000	1.80	07.04.2018	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year	-	-				
27.	Shambhu Pai Panandiker						
	At the beginning of the year	54000	1.80	07.04.2018	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year	-	-				
28.	Kansai Nerolac Paints Limited						
	At the beginning of the year	-	-	07.04.2018	Transfer of following shares from i) Shanu Atmaram Pai Panandiker - 55200 ii) Ramchandra Pai	-	-



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					Panandiker (HUF) - 268800 iii) Shanu Pai Panandiker (HUF)- 268800 iv) Vishwanath Pai Panandiker (HUF) - 360000 v) Kamlesh Pai Panandiker (HUF) - 399200 vi) Shambhu Pai Panandiker (HUF) - 270000 vii) Rohan R Pai Panandiker - 25800 viii) Rohit R Pai Panandiker - 25800 ix) Ravi V Pai Panandiker - 12000 x) Raheel Pai Panandiker - 12000 xi) Raj S Pai Panandiker - 12000 xi) Manisha Pai Panandiker - 12000 xii) Ramchandra Pai Panandiker Trading & Investment Company - 198000 xiii) Atmaram Pai Panandiker Trading & Investment		
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					Company Private Limited - 182400 xiv) Vishwanath Pai Panandiker Trading & Investment Company Pvt. Ltd. - 259200 xv) Shanu Pai Panandiker Trading & Investment Company Pvt. Ltd. - 198000 xvi) Veda Pai Panandiker Trading & Investment Company Pvt. Ltd. - 242400 xvii) Kunda S. Pai Panandiker- 500 xviii) Anjali Pai Panandiker - 500 xix) Veda K. Pai Panandiker - 500 xx) Kaya K Pai Panandiker- 500 xxi) Mangala Pai Panandiker - 500 xxii) 500 xxiii) Rajani Pai Panandiker - 28100 xxiv) Atman S Pai Panandiker - 1000 xxv) Vishwanath Pai Panandiker - 54000 xxvi) Kamlesh	
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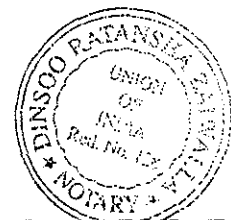
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					Pai Panandiker - 54000 xxvii) Shambhu Pai Panandiker - 54000		
	At the end of the year	2995200	100.00				

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

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



(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Rohit Pai Panandiker				
	At the beginning of the year	25800	0.86	25800	0.86
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc): <i>Transfer of 25799 shares to Kansai Nerolac Paints Limited on August 7, 2018</i> <i>Transfer of 1 share to Kansai Nerolac Paints Limited jointly held with Mr. Prashant Pai on August 7, 2018</i>				
	At the end of the year	-	-	-	-

V: INDEBTEDNESS

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

	Secured Loans excluding deposits (in Rs.)	Unsecured Loans (in Rs.)	Deposits (in Rs.)	Total Indebtedness (in Rs.)
Indebtedness at the beginning of the financial year	14,96,14,961.00	NIL	--	14,96,14,961
i) Principal Amount	14,96,14,961.00			14,96,14,961
ii) Interest due but not paid	NIL	NIL		
iii) Interest accrued but not due				



Total (i+ii+iii)	14,96,14,961.00			14,96,14,961
Change in Indebtedness during the financial year	NIL	NIL		
□ Addition	3,68,11,090.00	---		3,68,11,090
□ Reduction				
Net Change	75,37,177.00			75,37,177.00
Indebtedness at the end of the financial year	NIL	NIL		
i) Principal Amount	11,28,03,871.00	NIL		11,28,03,871.00
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	11,28,03,871.00			11,28,03,871.00

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

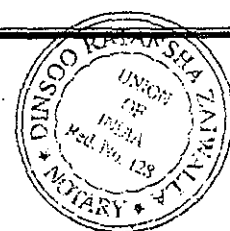
Sr. no.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Rohit Pai Panandiker	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Rs. 22,53,000	Rs. 22,53,000
2	Stock Option	NIL	-
3	Sweat Equity	NIL	-
4	Commission - as % of profit	NIL	-



	- others, specify...		
5	Others, please specify (HRA, LTA, Contribution. To P.F, Medical Expenses	Rs. 1,56,120 -	Rs. 1,56,120
	Total	Rs. 24,09,120 -	24,09,120
	Ceiling as per the Act	NIL	

B. Remuneration to other directors:

Sr. no.	Particulars of Remuneration	Name of Directors				Total Amount
		---	---	---	---	
1.	Independent Directors Fee for attending board / committee meetings Commission Others, please specify	NIL	-	-	-	---
	Total (1)					
	Other Non-Executive Directors Fee for attending board / committee meetings Commission Others, please specify	NIL	-	-	-	-
	Total (2)	NIL	-	-	-	-
	Total (B)=(1+2)	NIL	-	-	-	-
	Total Managerial Remuneration	NIL	-	-	-	-
	Overall Ceiling as per the Act	—	-	-	-	-




C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	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	-	-	NIL	
2	Stock Option	NIL	NIL	NIL	
3	Sweat Equity	NIL	NIL	NIL	
4	Commission - as % of profit - others, specify...	NIL	NIL	NIL	
5	Others, please specify	NIL	NIL	NIL	
	Total				

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties, punishments, compounding of offences for the year ended March 31, 2019.

For and on behalf of the Board


 P.D. Pai
 Chairman
 DIN: 08115481

April 26, 2019
 Margao, Goa

NB



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ANNEXURE B- Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part A Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

The Company does not have any Subsidiary as on the Financial year ended 31st March, 2019

1. Sl. No.
2. Name of the subsidiary
3. The date since when subsidiary was acquired
4. Reporting period for the subsidiary concerned, if different from the holding company's reporting period.
5. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.
6. Share capital
7. Reserves and surplus
8. Total assets
9. Total Liabilities
10. Investments
11. Turnover
12. Profit before taxation
13. Provision for taxation
14. Profit after taxation
15. Proposed Dividend
16. Extent of shareholding (in percentage)

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations
2. Names of subsidiaries which have been liquidated or sold during the year.



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Part B Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

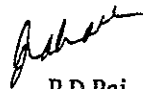
The Company does not have any Associates and/ or Joint Ventures as on the Financial year ended 31st March, 2019

Name of Associates or Joint Ventures	Name 1	Name 2	Name 3
1. Latest audited Balance Sheet Date			
2. Date on which the Associate or Joint Venture was associated or acquired			
3. Shares of Associate or Joint Ventures held by the company on the year end			
No.			
Amount of Investment in Associates or Joint Venture			
Extent of Holding (in percentage)			
4. Description of how there is significant influence			
5. Reason why the associate/joint venture is not consolidated			
6. Networth attributable to shareholding as per latest audited Balance Sheet			
7. Profit or Loss for the year			
i. Considered in Consolidation			
ii. Not Considered in Consolidation			

1. Names of associates or joint ventures which are yet to commence operations.
2. Names of associates or joint ventures which have been liquidated or sold during the year.

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified".

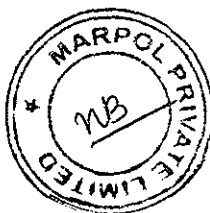
For and on behalf of the Board
Marpol Private Limited



P.D Pai
Chairman
DIN: 08115481

Date : April 26, 2019

Place: Margao, Goa



ANNEXURE C- FORM NO. AOC.2

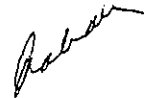
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis : NA
 - (a) Name(s) of the related party and nature of relationship
 - (b) Nature of contracts/arrangements/transactions
 - (c) Duration of the contracts/arrangements/transactions
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any
 - (e) Justification for entering into such contracts or arrangements or transactions
 - (f) Date of approval by the Board
 - (g) Amount paid as advances, if any:
 - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

2. Details of material contracts or arrangement or transactions at arm's length basis : NIL

For and on behalf of the Board
Marpol Private Limited



P.D Pai
Chairman
DIN: 08115481

Margao, Goa, April 26, 2019



THE COMPANIES ACT, 1956
COMPANY LIMITED BY SHARES

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MEMORANDUM OF ASSOCIATION
OF
MARPOL PRIVATE LIMITED

- I. The name of the Company is MARPOL PRIVATE LIMITED.
- II. The Registered Office of the Company will be situated in the Union Territory of Goa, Daman and Diu.
- III. The Objects for which the Company is established are:

(A) THE MAIN OBJECTS TO BE PURSUED BY THE COMPANY
ON ITS INCORPORATION:-

1. To manufacture, mix, buy, sell, refine, prepare, import, export and carry on the business in Alkyd Resins, Acrylic Resins, Polyester Resins, Polyurethane, Silicone, Fluoropolymer, Polycarbonate, Isocyanate Alkyds, Powder coating Paints, Epoxies, Acrylics, epoxy polyester paints, electrophoretic paints, highsolid coatings, water borne coatings, water reducible coatings and non-aqueous dispersions.
2. To buy, manufacture, mix, sell, refine, prepare, import, export, and to carry on any business in minerals, methylated and rectified spirits, dry or other colours, raw materials, pigments, dyes, paints, synthetic paints and thinners, coloured or other cements, varnishes, synthetic resins, enamels, lacquers, distempers, disinfectants, oil, wood preservative, fruit or vegetable or other preservatives, printings and marking inks, writing inks, polishes, crayons, powders, electroplating, abrasive and its chemicals, shoe dressing, greases, vaselines, creams, glue, gelatine, and other glue preparations.
3. To refine, sell, mix, prepare for market, import, export and manufacture, prepare and extract, all kinds of turpentine including Canada turpentine from fine larchfir, pistachio and other trees and to prepare various oils, chemicals, drugs and different other products from the same.
4. To manufacture, produce, refine, process, formulate, buy, sell, export, import, or otherwise deal in all types of heavy and light chemicals, chemical elements and compounds, including without limiting the generality of the foregoing, laboratory, and scientific chemicals of any nature used or capable of being used in the paint industry, agricultural chemicals, fertilisers, petro-chemicals, industrial chemicals or any mixtures, derivatives and compounds thereof and its deal in all types of chemicals, pharmaceuticals and biological preparations, drugs, vaccines, injections, acids, alcohols, wine or wine syrups, cordials, mineral waters, liquors, soaps, restorative tonics, antiseptic, antiseptic cotton and dressing and other allied products and by-products thereof.



- 5 To carry on the business as manufacturers and dealers in Pharmaceutical, medical, Chemical, industrial and other preparative and articles, compounds, oils, paints, pigments and varnishes, drugs, dyeware and dealers in proprietary articles of all kinds of electrical, chemicals, photographical, surgical and scientific apparatus and materials.

(B) OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS:

- 6 To carry on any other business in connection with the above mentioned business that is at any time customary or usually carried on in connection therewith or incidental thereto.
- 7 To acquire and undertake the whole or any part of the goodwill, business, concern, undertaking, properties, rights, assets, and liabilities from any individual, firm, association, trust, society, company or corporation carrying on any business which this Company is authorised to carry on or purchase any property suitable for the purpose of this Company and to pay for the same by shares in or debentures of this Company or by cash or in satisfaction of the Company's claim, loans, advances or otherwise or partially in one way and partially in the other way and to conduct, expand and develop and wind up, liquidate such business and purchase and to take steps for the acquisition of existing or new licences in connection with any such business.
- 8 To acquire by purchase or otherwise or other build, construct, alter, maintain, enlarge, pull down, demolish, remove, or replace and to work, manage and control any lands, buildings, offices, factories, mills, ships, machinery, engines, roadways, tramways, sidings, bridges, wharves reservoirs, water courses, electric works, and other works and conveniences which may seem calculated directly or indirectly to advance the interests of the Company and to join with any other person or company in doing any of these things.
- 9 To acquire from any person or company within or out of India technical information knowhow, processes, engineering, manufacturing and operating data, plans, lay-outs and blue prints, useful for any of the business of the Company and to acquire any grant of licence and other rights and benefits in the foregoing matters and things.
- 10 To sell, exchange, mortgage, let on lease, royalty or tribute, grant licences, easements, options and other rights over and in any other manner deal with or dispose of the whole or any of the undertakings, property, assets, rights and effects of the Company for such consideration as may be thought fit and in particular for stocks or shares, whether fully or partly paid up, or securities of any other company.
- 11 To pay for any rights or property acquired by the Company and to remunerate any person or company rendering services to the Company either by cash payment or by allotment to him or them of shares or securities of the Company as paid up in full or in part or otherwise.
- 12 To draw, make, accept, endorse, discount, negotiate, execute, and issue Bills of Exchange, Promissory Notes, Bills of Lending, Warrants, debentures and other negotiable or transferable instruments or securities.
- 13 To undertake financial and commercial obligations, transactions and operations of all kinds in connection with any of the business of the Company.



MARPOL PRIVATE LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2019

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In Rupees

	Note	As at 31st March, 2019	As at 31st March, 2018
ASSETS			
Non-current Assets			
Property, Plant and Equipment	2	4,08,56,876	4,98,22,131
Capital Work-in-progress		1,62,53,206	-
Other Intangible Assets	3	7,96,405	9,86,474
		5,79,06,487	5,08,08,604
Financial Assets:			
Investments	4	-	5,00,000
		-	5,00,000
Other Non-current Assets	5	1,62,016	20,55,247
Total Non-current Assets		5,80,68,503	5,33,63,851
Current Assets			
Inventories	6	12,69,39,564	8,86,33,753
Financial Assets:			
Trade Receivables	7	15,65,61,249	12,08,11,416
Cash and Cash Equivalents	8	7,67,541	4,27,27,215
Bank Balances other than Cash and Cash	9	32,73,054	19,35,340
Loans	10	10,97,356	18,56,412
		16,16,99,201	16,73,30,383
Other Current Assets	11	75,18,472	1,01,54,567
Total Current Assets		29,61,57,236	26,61,18,704
Total Assets		35,42,25,739	31,94,82,555
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	12	2,99,52,000	2,99,52,000
Reserves and Surplus	13	6,26,57,091	4,58,05,164
Total Equity		9,26,09,091	7,57,57,164
Liabilities			
Non-current Liabilities			
Financial Liabilities:			
Borrowings	14	-	10,23,811
Deferred Tax Liabilities (Net)	15	2,03,154	16,78,616
Total Non-current Liabilities		2,03,154	27,02,429
Current Liabilities			
Financial Liabilities:			
Borrowings	16	10,50,05,546	14,85,91,150
Trade Payables	17	14,52,29,344	8,37,25,690
Other Financial Liabilities	18	32,94,339	30,94,339
		25,35,29,230	23,54,11,179
Other Current Liabilities	19	46,33,466	45,64,695
Provisions	20	32,50,798	10,47,089
Total Current Liabilities		26,14,13,494	24,10,22,962
Total Liabilities		26,16,16,648	24,37,25,391
Total Equity and Liabilities		35,42,25,739	31,94,82,555

Significant Accounting Policies

The notes referred to above form an integral part of Financial Statements

As per our Report of even date
For Ganesh Dalvajna & Co.
Chartered Accountants
Firm Reg No. 103054W

Naveen G Dalvajna
Partner
M. No. 126231

Place : Margao , Goa

Date : 26th April 2019



For and on behalf of the Board

Rohit Pai Panandiker
Director
DIN - 00559055

Place : Margao , Goa

Date : 26th April 2019



G.T. Govindarajan
Director
DIN - 08105268

P.D. Pai
Director
DIN - 08115481



MARPOL PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH, 2019

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	Note	Period ended 31st March, 2019	Year ended 31st March, 2018
In Rupees			
Income			
Revenue from Operations	21	68,90,38,289	59,39,73,909
Other Income	22	4,63,175	27,03,223
Total Income		68,95,01,463	59,66,77,132
Expenses			
Cost of Materials Consumed	23	51,06,50,202	39,02,71,619
Changes in Inventories of Finished Goods, Stock-in-trade and Work-In-progress	24	(1,32,62,224)	1,44,57,195
Excise Duty on Sale of Goods		-	1,89,44,223
Employee Benefits Expense	25	4,89,01,943	6,05,81,052
Finance Costs		95,11,242	1,29,05,635
Depreciation and Amortisation Expenses	26	1,00,42,011	1,04,58,504
Other Expenses	27	10,38,81,825	12,08,22,697
Total Expenses		66,97,25,000	62,84,40,925
Profit/(Loss) Before Exceptional Item and Tax		1,97,76,464	(3,17,63,793)
Exceptional Item		-	4,33,08,587
Profit/(Loss) After Exceptional Item and Before Tax		1,97,76,464	(7,50,72,379)
Tax Expense			
Current Tax		44,00,000	-
Deferred Tax		(14,75,464)	(2,43,883)
Total Tax Expense		29,24,536	(2,43,883)
Profit/(Loss) for the Year		1,68,51,928	(7,48,28,496)
Earnings per Share:			
Basic and Diluted		5.63	(24.98)

Significant Accounting Policies

1

The notes referred to above form an integral part of Financial Statements

As per our Report of even date
For Ganesh Daivajna & Co.
Chartered Accountants
Firm Reg No. 103054W

Naveen G. Daivajna
Partner
M. No. 126231



Place : Margao , Goa
Date : 26th April 2019

For and on behalf of the Board

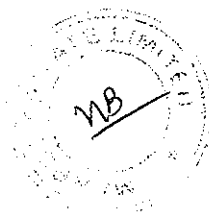


Rohit Pai Panandiker
Director
DIN - 00559055

G.V. Govindarajan
Director
DIN - 08105268

P.D. Pai
Director
DIN - 08115481

Place : Margao , Goa
Date : 26th April 2019



MARPOL PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY

97

A – Equity Share Capital

	Rs. in Crores
Balance as at 1st April, 2018	2,99,52,000
Changes in Equity Share Capital during 2018–2019	-
Balance as at 31st December, 2018	2,99,52,000

B – Other Equity

	Rs. in Crores		
	General Reserve	Retained Earnings	Total
Balance as at 1st April, 2018	83,92,356	3,74,10,430	4,58,02,786
Total Comprehensive Income for the Year	-	1,68,51,928	1,68,51,928
Transaction with Owners in their Capacity as Owners, recorded directly in equity			
Dividends	-	-	-
Dividend Distribution Tax	-	-	-
	-	-	-
Transfer from Retained Earnings	-	-	-
Transfer to General Reserve	-	-	-
Balance as at 31st March, 2019	83,92,356	5,42,62,357	6,26,54,713



MARPOL PRIVATE LIMITED
STANDALONE STATEMENT CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2019

98

	Year ended 31st March, 2019
Cash Flow From Operating Activities	
Profit Before Tax	1,97,76,463.80
Adjustments for:	
Depreciation and Amortisation Expenses	1,00,42,011.00
Fair Value Gain on Financial Instruments recognised through FVTPL	-
Unrealised Foreign Exchange Gain (Net)	-
Profit on Sale of Current Investments (Net)	-
Interest Income	(1,95,169.58)
Insurance Claim Receivable	(2,68,005.00)
(Profit)/Loss on Sale of Property, Plant and Equipment (Net)	-
Provisions for Doubtful Debts and Bad Debts	-
Reversal of Indirect Tax Provisions	-
Interest Expense	95,11,242.06
	<u>95,78,836.42</u>
Operating Profit Before Working Capital Changes	2,93,55,300.22
(Increase) in Trade and Other Receivables	(3,00,10,205.39)
(Increase) in Inventories	(3,83,05,811.00)
Decrease in Trade Payables, Other Financial Liabilities and Provisions	6,39,07,363.72
	<u>(44,08,652.67)</u>
Cash Generated from Operations	2,49,46,647.55
Direct Taxes Paid (Net of Refunds)	(25,06,769.00)
Net Cash Flows generated from Operating Activities	2,24,39,878.55
Cash Flow from Investing Activities	
Purchase of Property, Plant and Equipment and Other Intangible Assets (including Adjustments on Account of Capital Work-in-progress, Capital Creditors and Capital Advances)	(9,39,652.00)
Payment for CWP	(1,62,53,205.50)
Proceeds from Sale of Property, Plant and Equipment	32,47,906.00
Purchase of Current Investments	-
Proceeds from Sale / Redemption of Current Investments	5,00,000.00
Purchase of Investments in Subsidiaries	-
Interest Received	1,95,169.58
Insurance Claim Receivable	2,68,005.00
Proceeds from Fixed Deposits on Maturity	-
Net Cash Flows (used in) from Investing Activities	(1,29,81,776.92)
Cash Flows from Financing Activities	
Repayment of long-term borrowings	(4,46,09,414.63)
Interest Paid	(95,11,242.05)
Tax on Proposed Dividend	-
Net Cash Flows (used in) Financing Activities	(5,41,20,656.69)
Net Increase / (Decrease) in Cash and Cash Equivalents	<u>(4,46,62,555.06)</u>

MARPOL PRIVATE LIMITED
STANDALONE STATEMENT CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2019 (contd.)

	Year ended 31st March, 2019
Cash and Cash Equivalents at beginning of the year, the components being:	
Cash on Hand	45,003.39
Cheques on hand	4,26,82,211.59
Balances with Banks on Current, Margin and Fixed Deposit Accounts	19,35,340.08
Effect of exchange rate fluctuation	-
	<u>4,46,62,555.06</u>
Cash and Cash Equivalents at end of the year, the components being:	
Cash on Hand	61,745.70
Cheques on hand	7,05,795.73
Balances with Banks on Current, Margin and Fixed Deposit Accounts	32,73,053.97
Effect of exchange rate fluctuation	-
	<u>40,40,595.40</u>
Net Increase / (Decrease) as disclosed above	<u>(4,06,21,959.66)</u>



As per our Report of even date
For Ganesh Daivajna & Co.
Chartered Accountants
Firm Reg No. 103054W

Naveen G. Daivajna
Partner
M.No.126231

Place: Margao, Goa
Date: 27th June, 2018



For and on behalf of the Board

Ronit Pal Panandiker
Director
DIN - 00559055

G.T. Govindarajan
Director
DIN - 08105268

P.D. Pal
Director
DIN - 08115481



Note A: Corporate Information

Marpol Private Limited (the 'Company') is a private limited company domiciled in India and incorporated under the provisions of the Companies Act. The registered office of the Company is located at Margao, Goa. The Company is principally engaged in the manufacturing of Powder.

The Standalone Financial Statements for the year ended 31st March, 2019 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on .

Note B: Basis of preparation

1 Statement of compliance

The Standalone Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

Details of the Company's Accounting Policies are included in Note 1.

2 Functional and Presentation currency

The Standalone Financial Statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest crores, unless otherwise indicated.

3 Basis of measurement

The Standalone Financial Statements have been prepared on the historical cost basis except for investments in mutual funds, non-trade equity shares, bonds and provision for employee defined benefit plans.

4 Use of estimates and judgements

Critical accounting judgments and key sources of estimation uncertainty:

The preparation of the financial statements in conformity with the Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures as at date of the financial statements and the reported amounts of the revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different assumptions and conditions.

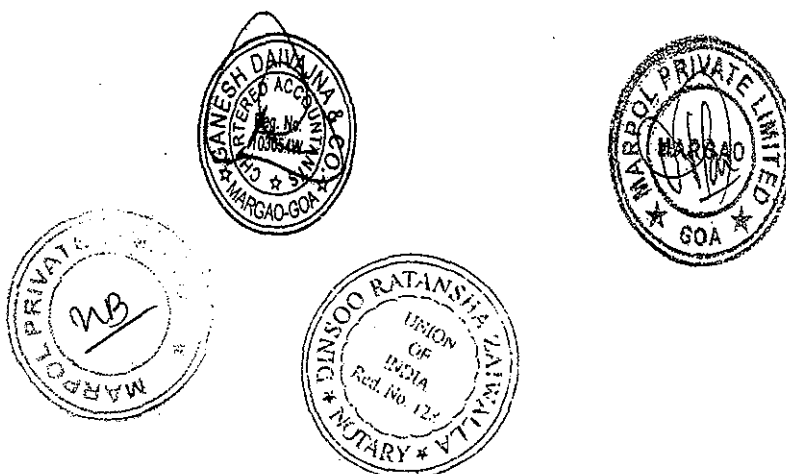
The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

i) Critical Judgments

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amount recognised in the financial statements.

Discount rate used to determine the carrying amount of the Company's defined benefit obligation.

In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.



Contingences and Commitments

In the normal course of business, contingent liabilities may arise from litigations and other claims against the Company. Where the potential liabilities have a low probability of crystallising or are very difficult to quantify reliably, we treat them as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings, we do not expect them to have a materially adverse impact on our financial position or profitability.

ii) Key Sources of Estimation Uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Useful Lives of Property, Plant and Equipment

As described in Note 1(3)(c), the Company reviews the estimated useful lives and residual values of property, plant and equipment at the end of each reporting period. During the current financial year, the management determined that there were no changes to the useful lives and residual values of the property, plant and equipment.

Allowances for Doubtful Debts

The Company makes allowances for doubtful debts based on an assessment of the recoverability of trade and other receivables. The identification of doubtful debts requires use of judgments and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.

Allowances for Inventories

Management reviews the inventory age listing on a periodic basis. This review involves comparison of the carrying value of the aged inventory items with the respective net realizable value. The purpose is to ascertain whether an allowance is required to be made in the financial statements for any obsolete and slow-moving items. Management is satisfied that adequate allowance for obsolete and slow-moving inventories has been made in the financial statements.

Liability for Sales Return

In making judgment for liability for sales return, the management considered the detailed criteria for the recognition of revenue from the sale of goods set out in Ind AS 18 and in particular, whether the Company had transferred to the buyer the significant risk and rewards of ownership of the goods. Following the detailed quantification of the Company's liability towards sales return, the management is satisfied that significant risk and rewards have been transferred and that recognition of the revenue in the current year is appropriate, in conjunction with the recognition of an appropriate liability for sales return.

Accruals for estimated product returns, which are based on historical experience of actual sales returns and adjustment on account of current market scenario is considered by Company to be reliable estimate of future sales returns.



Note C: Recent Accounting Pronouncement

Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 has notified the following new and amendments to Ind AS which the Company has not applied as they are effective for annual period beginning on or after 1 April 2019.

Ind AS 116 – Leases

Ind AS 116 – Leases

The Company is required to adopt Ind AS 116, Leases from 1 April 2019. Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard - i.e. lessors continue to classify leases as finance or operating leases. It replaces existing leases guidance, Ind AS 17, Leases.

The Company has completed an initial assessment of the potential impact on its standalone financial statements but has not yet completed its detailed assessment. The quantitative impact of adoption of Ind AS 116 on the consolidated financial statements in the period of initial application is not reasonably estimable as at present.

Following impacts are expected:

- the total assets and liabilities on the balance sheet will increase with a decrease in net total assets, due to the depreciation of right of use assets being on a straight-line basis whilst the lease liability reduces by the principal amount of repayments;
- Interest expense will increase due to the unwinding of the effective interest rate implicit in the lease liability. Interest expense will be greater earlier in a lease's life, due to the higher principal value, causing profit variability over the term of lease. This effect may be partially mitigated due to the number of leases held by Cochlear at various stages of their terms; and
- operating cash flows will be higher and financing cash flows will be lower, as repayment of the principal portion of all lease liabilities will be classified as financing activities.

In addition to the above, the following amendments to existing standards have been issued, are not yet effective and are not expected to have a significant impact on the standalone financial statements:

- Amendments to Ind AS 103, Business Combinations, and Ind AS 111, Joint Arrangements: This interpretation clarifies how an entity accounts for increasing its interest in a joint operation that meets the definition of a business.

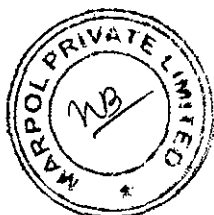
- Amendments to Ind AS 109, Financial Instruments: amendments relating to the classification of particular prepayable financial assets

- Amendments to Ind AS 12, Income Taxes, clarify that all income tax consequences of dividends (including payments on financial instruments classified as equity) are recognized consistently with the transactions that generated the distributable profits - i.e. in profit or loss, other comprehensive income or equity. Further Appendix C, uncertainty over income tax treatments has been added to clarify how entities should reflect uncertainties over income tax treatments, in particular when assessing the outcome a tax authority might reach with full knowledge and information if it were to make an examination.

- Amendment to Ind AS 19, Employee Benefits - The amendment to Ind AS 19 clarifies that on amendment, curtailment or settlement of a defined benefit plan, the current service cost and net interest for the remainder of the annual reporting period are calculated using updated actuarial assumptions - i.e. consistent with the calculation of a gain or loss on the plan amendment, curtailment or settlement. This amendment also clarifies that an entity first determines any past service cost, or a gain or loss on settlement, without considering the effect of the asset ceiling. This amount is recognized in profit or loss. The entity then determines the effect of the asset ceiling after plan amendment, curtailment or settlement. Any change in that effect is recognized in other comprehensive income (except for amounts included in net interest).

- Amendments to Ind AS 23, Borrowing Costs, clarify that the general borrowings pool used to calculate eligible borrowing costs excludes only borrowings that specifically finance qualifying assets that are still under development or construction.

- Amendments to Ind AS 28, Investments in Associates and Joint Ventures: When applying the equity method, a non-investment entity that has an interest in an investment entity associate or joint venture can elect to retain the fair value accounting applied by the associate or joint venture to its subsidiaries. Venture capital and other qualifying organizations can elect to measure investments in associates or joint ventures at fair value through profit or loss instead of applying the equity method. The amendments clarify that both these elections apply for each investment entity associate or joint venture separately.



MARPOL PRIVATE LIMITED

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

Note III Significant Accounting Policies

1 Classification of Assets and Liabilities

Schedule III to the Act, requires assets and liabilities to be classified as either Current or Non-current.

- (a) An asset shall be classified as current when it satisfies any of the following criteria:
 - (i) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
 - (ii) it is held primarily for the purpose of being traded;
 - (iii) it is expected to be realised within twelve months after the reporting date; or
 - (iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.
- (b) All assets other than current assets shall be classified as non-current.
- (c) A liability shall be classified as current when it satisfies any of the following criteria:
 - (i) it is expected to be settled in the Company's normal operating cycle;
 - (ii) it is held primarily for the purpose of being traded;
 - (iii) it is due to be settled within twelve months after the reporting date; or
 - (iv) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.
- (d) All liabilities other than current liabilities shall be classified as non-current.

2 Operating Cycle

An operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company has ascertained the operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

3 Property, Plant and Equipment

(a) Recognition and Measurement

An item of Property, Plant and Equipment that qualifies for recognition as an asset is initially measured at its cost and then carried at the cost less accumulated depreciation and accumulated impairment, if any.

The cost of an item of Property, Plant and Equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is included in the cost of an item of property, plant and equipment.

The cost of a self-constructed item of Property, Plant and Equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Tangible Property, Plant and Equipment under construction are disclosed as Capital Work-in-progress. Item of Capital Work-in-progress is carried at cost using the principles of valuation of item of property, plant and equipment till it is ready for use, the manner in which intended by management.



Note III: Significant Accounting Policies (contd.)

3 Property, Plant and Equipment (contd.)

(b) Subsequent Expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

(c) Depreciation

The depreciable amount of an item of Property, Plant and Equipment is allocated on a systematic basis over its useful life. The Company provides depreciation on the straight line method. The Company believes that straight line method reflects the pattern in which the asset's future economic benefits are expected to be consumed by the Company. Based on internal technical evaluation, the management believes useful lives of the assets are appropriate. The depreciation method is reviewed at least at each financial year-end and, if there has been a significant change in the expected pattern of consumption of the future economic benefits embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors.

Each part of an item of Property, Plant and Equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each period is recognised in the Standalone Statement of Profit and Loss unless it is included in the carrying amount of another asset.

The residual value and the useful life of an asset is reviewed at least at each financial year-end and, if expectations differ from previous estimates, the change(s) is accounted for as a change in an accounting estimate in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors. The estimated useful lives for the current and comparative periods are as follows:

Asset Class	Useful Lives - (in years) - as per Companies Act, 2013	Useful Lives (in years) - as estimated by the Company
Buildings	30-60	30-60
Plant and Equipments	10-20	10-25
Furniture and Fixtures	10	10
Vehicles	10	10
Office Equipments	5	5
Computers	3-6	3-6
Assets for Scientific Research	10-20	20
Assets on Operating Lease	NA	5

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed off).

Depreciation charge for the year is displayed as depreciation on the face of Standalone Statement of Profit and Loss.

Leasehold lands and leasehold improvements are amortised over the primary period of lease.

(d) Disposal

The carrying amount of an item of Property, Plant and Equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of Property, Plant and Equipment is included in Standalone Statement of Profit and Loss when the item is derecognised.



Note III: Significant Accounting Policies (contd.)

4 Investment Property

(a) Recognition and Measurement

Land or building held to earn rentals or for capital appreciation or both rather than for use in the production or supply of goods or services or for administrative purposes; or sale in the ordinary course of business is recognised as Investment Property. Land held for a currently undetermined future use is also recognised as Investment Property.

An investment property is measured initially at its cost. The cost of an investment property comprises its purchase price and any directly attributable expenditure. After initial recognition, the Company carries the investment property at the cost less accumulated depreciation and accumulated impairment, if any.

(b) Depreciation

After initial recognition, the Company measures all of its investment property in accordance with Ind AS 16 - Property, Plant and Equipment requirements for cost model. The depreciable amount of an item of investment property is allocated on a systematic basis over its useful life. The Company provides depreciation on the straight line method. The Company believes that straight line method reflects the pattern in which the asset's future economic benefits are expected to be consumed by the Company. Based on internal technical evaluation, the management believes useful lives of the assets are appropriate. The depreciation method is reviewed at least at each financial year-end and, if there has been a significant change in the expected pattern of consumption of the future economic benefits embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors.

The depreciation charge for each period is generally recognised in the Standalone Statement of Profit and Loss.

The residual value and the useful life of an asset is reviewed at least at each financial year-end and, if expectations differ from previous estimates, the change(s) is accounted for as a change in an accounting estimate in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors. The estimated useful lives for the current and comparative periods are as follows:

Asset Class	Useful Lives (in years) - as per Companies Act, 2013	Useful Lives (in years) - as estimated by the Company
Buildings	30-60	30-60

(c) Fair Value

Fair value of investment property is based on a valuation by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued. The fair value of investment property is disclosed in the Note 3.

(d) Gain or loss on Disposal

Any gain or loss on disposal of an Investment Property is recognised in the Standalone Statement of Profit and Loss.



Note III: Significant Accounting Policies (contd.)

5 Other Intangible Assets

(a) Recognition and Measurement

An intangible asset is an identifiable non-monetary asset without physical substance. Intangible assets are initially measured at its cost and then carried at the cost less accumulated amortisation and accumulated impairment, if any.

Research and Development

Research is original and planned investigation undertaken with the prospect of gaining new scientific or technical knowledge and understanding. Expenditure incurred on research of an internal project is recognised as an expense in Standalone Statement of Profit and Loss, when it is incurred.

Development is the application of research findings or other knowledge to a plan or design for the production of new or substantially improved materials, devices, products, processes, systems or services before the start of commercial production or use. An intangible asset arising from development is recognised if, and only if, the following criteria are met:

- (a) it is technically feasible to complete the intangible asset so that it will be available for use or sale.
- (b) the Company intends to complete the intangible asset and use or sell it.
- (c) the Company has ability to use or sell the intangible asset.
- (d) the Company can demonstrate how the intangible asset will generate probable future economic benefits.
- (e) the Company has adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.
- (f) the Company has ability to measure reliably the expenditure attributable to the intangible asset during its development.

Expenditure on research activities is recognised in Standalone Statement of Profit and Loss as incurred.

(b) Subsequent Expenditure

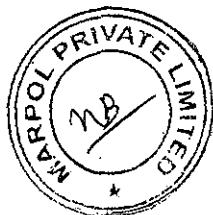
Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in Standalone Statement of Profit and Loss as incurred.

(c) Amortisation

The Company amortises Other Intangible Assets on the straight line method. The Company believes that straight-line method reflects the pattern in which the asset's future economic benefits are expected to be consumed by the Company. The amortisation method is reviewed at least at each financial year-end and, if there has been a significant change in the expected pattern of consumption of the future economic benefits embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors.

The residual value and the useful life of an asset is reviewed at least at each financial year-end and, if expectations differ from previous estimates, the change(s) is accounted for as a change in an accounting estimate in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors. The estimated useful lives as estimated by management are as follows:

Asset Class	Useful Lives (in years) - as estimated by the Company
Software	3 Years



Note III: Significant Accounting Policies (contd.)

6 Non-current assets or disposal group held for sale

Non-current assets, or disposal groups comprising assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any resultant loss on a disposal group is allocated first to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, and biological assets, which continue to be measured in accordance with the Company's other accounting policies. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in Standalone Statement of Profit and Loss.

Once assets classified as held-for-sale, then Property, Plant and Equipment, Investment Property and Other Intangible Assets are no longer required to be depreciated or amortised.

7 Employee Benefits

(a) Short-term Employee Benefits:

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(b) Post-Employment Benefits:

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

(i) Provident and Family Pension Fund

The eligible employees of the Company are entitled to receive post employment benefits in respect of provident and family pension fund, in which both the employees and the Company make monthly contributions at a specified percentage of the employees' eligible salary (currently 12% of employees' eligible salary). The contributions are made to the Regional Provident Fund Commissioner (RPFC) which are charged to the Standalone Statement of Profit and Loss as incurred.

In respect of contribution to RPFC, the Company has no further obligations beyond making the contribution, and hence, such employee benefit plan is classified as Defined Contribution Plan. The Company's contribution is recognised as an expense in the Standalone Statement of Profit and Loss.



Note III: Significant Accounting Policies (contd.)

7 Employee Benefits (contd.)

(b) Post-Employment Benefits (contd.):

Defined contribution plans (contd.)

(ii) Superannuation

The eligible employees of the Company are entitled to receive post employment benefits in respect of superannuation fund in which the Company makes annual contribution at a specified percentage of the employees' eligible salary (currently 15% of employees' eligible salary). The contributions are made to the Life Insurance Corporation of India (LIC). Superannuation is classified as Defined Contribution Plan as the Company has no further obligations beyond making the contribution. The Company's contribution is recognised as an expense in the Standalone Statement of Profit and Loss.

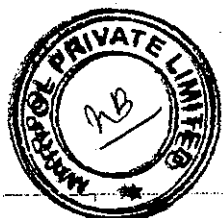
Defined Benefit Plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other Comprehensive Income. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Standalone Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.



Note III: Significant Accounting Policies (contd.)

7 Employee Benefits (contd.)

Defined Benefit Plans (contd.)

Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days to one month salary payable for each completed year of service or part thereof in excess of six months depending upon category of employee. Vesting occurs upon completion of five years of service. The Company has obtained insurance policies with the Life Insurance Corporation of India (LIC) and makes an annual contribution to LIC for amounts notified by LIC. The Company accounts for gratuity benefits payable in future based on an independent external actuarial valuation carried out at the end of the year using the projected unit credit method. Actuarial gains and losses are recognised as Other Comprehensive Income.

Provident Fund Trust

In respect of contribution to the trust set up by the Company, since the Company is obligated to meet interest shortfall, if any, with respect to covered employees, such employee benefit plan is classified as Defined Benefit Plan. Any obligation in this respect is measured on the basis of independent actuarial valuation.

(c) Other Long-term Employee Benefits - Compensated Absences

The Company provides for encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment / availment. The Company makes provision for compensated absences based on an independent actuarial valuation carried out at the end of the year. Actuarial gains and losses are recognised in the Standalone Statement of Profit and Loss.

8 Inventories

(a) Measurement of Inventory

The Company measures its inventories at the lower of cost and net realisable value.

(b) Cost of Inventories

The cost of inventories shall comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The costs of purchase of inventories comprise the purchase price, import duties and other taxes (other than those subsequently recoverable by the entity from the taxing authorities), and transport, handling and other costs directly attributable to the acquisition of finished goods, materials and services. Trade discounts, rebates and other similar items are deducted in determining the costs of purchase.

The costs of conversion of inventories include costs directly related to the units of production and a systematic allocation of fixed and variable production overheads that are incurred in converting materials into finished goods.

Other costs are included in the cost of inventories only to the extent that they are incurred in bringing the inventories to their present location and condition.

The cost of inventories is assigned by weighted average cost formula. The Company uses the same cost formula for all inventories having a similar nature and use to the Company.



Note III: Significant Accounting Policies (contd.)

8 Inventories (Contd.)

(c) Net realisable value

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Net realisable value is ascertained for each item of inventories with reference to the selling prices of related finished products.

The practice of writing inventories down below cost to net realisable value is consistent with the view that assets should not be carried in excess of amounts expected to be realised from their sale or use. Inventories are usually written down to net realisable value item by item. Estimates of net realisable value of finished goods and stock-in-trade are based on the most reliable evidence available at the time the estimates are made, of the amount the inventories are expected to realise. These estimates take into consideration fluctuations of price or cost directly relating to events occurring after the end of the period to the extent that such events confirm conditions existing at the end of the period. Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. However, when a decline in the price of materials indicates that the cost of the finished products exceeds net realisable value, the materials are written down to net realisable value.

Amount of any reversal of write-down of inventories shall be recognised as an expense as when the event occurs.

A new assessment is made of net realisable value in each subsequent period. When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the amount of the write-down is reversed. Amounts such reversed shall be recognised as a reduction in the amount of inventories recognised as an expense in the period in which reversal occurs.

(d) Valuation of Spare parts, stand-by equipments and servicing equipments

Spare parts, stand-by equipment and servicing equipment are recognised as Property, Plant and Equipment if and only if it is probable that future economic benefits associated with them will flow to the Company and their cost can be measured reliably. Otherwise such items are classified and recognised as Inventory.

9 Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. For an investment to qualify as a cash equivalent it must be readily convertible to a known amount of cash and be subject to an insignificant risk of changes in value. Therefore, an investment normally qualifies as a cash equivalent only when it has a short maturity of, say, three months or less from the date of acquisition. Bank overdrafts which are repayable on demand form an integral part of the Company's cash management, hence bank overdrafts are included as a component of cash and cash equivalents.

10 Government Grants

Government grants are assistance by government in the form of transfers of resources to the Company in return for past or future compliance with certain conditions relating to the operating activities of the Company. Government grants are not be recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and the grants will be received. Government grants are recognised in Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.



Note III: Significant Accounting Policies (contd.)

11 Provisions and Contingent Liabilities

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Warranties

A provision for warranties is recognised when the underlying products or services are sold. The provision is based on technical evaluation, historical warranty data and a weighting of all possible outcomes by their associated probabilities.

Restructuring

A provision for restructuring is recognised when the Company has approved a detailed formal restructuring plan, and the restructuring either has commenced or has been announced publicly.

Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with that contract.

12 Revenue Recognition

Effective 1 April, 2018, the Company has adopted Ind AS 115 'Revenue from contracts with customers'.

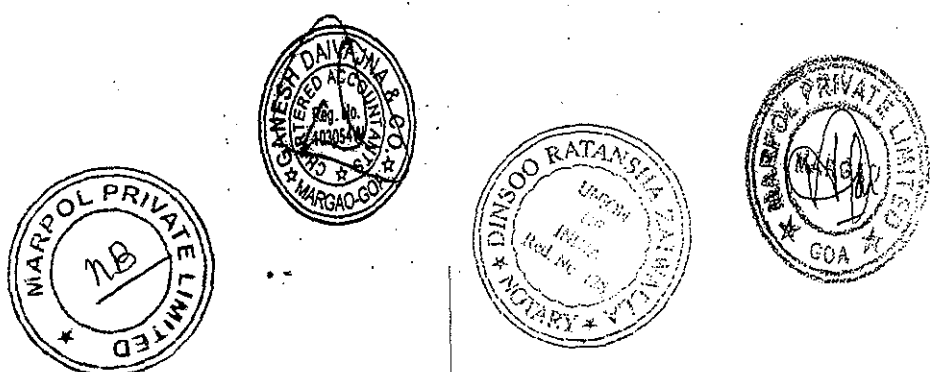
Revenue is recognised to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Revenue is adjusted for estimated customer returns, rebates and other similar allowances. Revenue from sale of goods is recognized as per below 5 step model:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligation in contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under Ind AS 115, revenue is recognized when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer, i.e. at which time all the following conditions are satisfied:

- The company has transferred to the buyer the significant risk & rewards of the ownership of the goods
- The company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold
- The amount of revenue can be measured reliably
- It is probable that economic benefits associated with the transaction will flow to the company and

The costs incurred or to be incurred in respect of the transaction can be measured reliably.



Note III: Significant Accounting Policies (contd.)

12 Revenue Recognition (contd.)

Interest Income

Interest income is recognised using the effective interest method as set out in Ind AS 109 – Financial Instruments: Recognition and Measurement, when it is probable that the economic benefits associated with the transaction will flow to the Company and the amount of the revenue can be measured reliably. The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period.

Royalty Income

Royalty income is recognised on an accrual basis in accordance with the substance of the relevant agreement when it is probable that the economic benefits associated with the transaction will flow to the Company and the amount of the revenue can be measured reliably.

Dividend Income

Dividend income is recognised when right to receive payment is established and it is probable that the economic benefits associated with the transaction will flow to the Company and the amount of the revenue can be measured reliably.

13 Foreign Currency Transactions

Functional currency is the currency of the primary economic environment in which the Company operates whereas presentation currency is the currency in which the financial statements are presented. Indian Rupee is the functional as well as presentation currency for the Company.

A foreign currency transaction is recorded, on initial recognition in the functional currency, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of each reporting period, foreign currency monetary items are translated using the closing rate whereas non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous Financial Statements are recognised in the Standalone Statement of Profit and Loss in the period in which they arise. When a gain or loss on a non-monetary item is recognised in Other Comprehensive Income, any exchange component of that gain or loss is recognised in Other Comprehensive Income. Conversely, when a gain or loss on a non-monetary item is recognised in Standalone Statement of Profit and Loss, any exchange component of that gain or loss is recognised in Standalone Statement of Profit and Loss.



Note III: Significant Accounting Policies (contd.)

14 Taxation

Income tax

Income tax comprises current tax and deferred tax expense. It is recognised in Standalone Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised directly in Equity or in Other Comprehensive Income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- a temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- b taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets - unrecognised or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.



Note III: Significant Accounting Policies (contd.)

15 Lease

Leases of Property, Plant and Equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or the financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the Standalone Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

At inception of an arrangement, it is determined whether the arrangement is or contains a lease. At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values. If it is concluded for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. The liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the incremental borrowing rate.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to Standalone Statement of Profit and Loss on straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.



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Note III: Significant Accounting Policies (contd.)

16 Financial Instruments

(a) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual terms of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at Fair Value through Profit and Loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

(b) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is measured at

- amortised cost;
- Fair Value through Other Comprehensive Income (FVOCI) - debt investment;
- Fair Value through Other Comprehensive Income - equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI - equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.



Note III: Significant Accounting Policies (contd.)

16 Financial Instruments (contd.)

(b) Classification and subsequent measurement (contd.)

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Standalone Statement of Profit and Loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in Standalone Statement of Profit and Loss. Any gain or loss on derecognition is recognised in Statement of Profit and Loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in Standalone Statement of Profit and Loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to Standalone Statement of Profit and Loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in Standalone Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to Standalone Statement of Profit and Loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Standalone Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Standalone Statement of Profit and Loss.

(c) Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

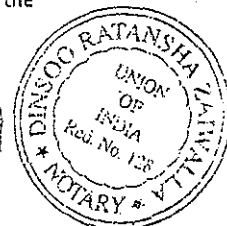
Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in Standalone Statement of Profit and Loss.

(d) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.



Note III: Significant Accounting Policies (contd.)

17 Borrowing Cost

The Company capitalises borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. The Company recognises other borrowing costs as an expense in the period in which it incurs them. Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds including exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

18 Earnings Per Share

Basic earnings per share

The Company calculates basic earnings per share amounts for profit or loss attributable to ordinary equity holders and, if presented, profit or loss from continuing operations attributable to those equity holders.

Basic earnings per share is calculated by dividing profit or loss attributable to ordinary equity holders (the numerator) by the weighted average number of ordinary shares outstanding (the denominator) during the period.

The weighted average number of ordinary shares outstanding during the period and for all periods presented shall be adjusted for events, other than the conversion of potential ordinary shares, that have changed the number of ordinary shares outstanding without a corresponding change in resources.

Diluted earnings per share

The Company calculates diluted earnings per share amounts for profit or loss attributable to ordinary equity holders and, if presented, profit or loss from continuing operations attributable to those equity holders.

For the purpose of calculating diluted earnings per share, the Company adjusts profit or loss attributable to ordinary equity holders, and the weighted average number of shares outstanding, for the effects of all dilutive potential ordinary shares, if any.

For the purpose of calculating diluted earnings per share, the weighted average number of ordinary shares calculated for calculating basic earnings per share and adjusted the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares. Dilutive potential ordinary shares are deemed to have been converted into ordinary shares at the beginning of the period or, if later, the date of the issue of the potential ordinary shares.



Note III: Significant Accounting Policies (contd.)

19 Impairment Loss

Impairment of Financial Assets

The Company recognises loss allowances for expected credit losses on:

- financial assets measured at amortised cost; and
- financial assets measured at FVOCI- debt investments.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'creditimpaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

In accordance with Ind AS 109 - Financial Instruments, the Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime expected credit loss at each reporting date, right from its initial recognition.

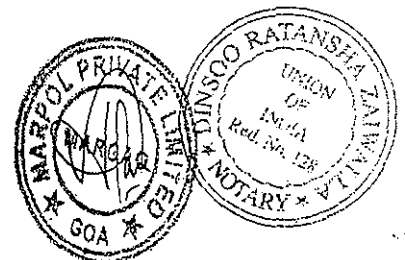
The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Impairment of Non Financial Assets

An impairment loss is the amount by which the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate.

The Company assesses at the end of each reporting period whether there is any indication that an asset is impaired. In assessing whether there is any indication that an asset may be impaired, the Company considers External as well as Internal Source of Information. If any such indication exists, the Company estimates the recoverable amount for the individual asset. If, and only if, the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the asset is carried at revalued amount in accordance with another Standard.

If it is not possible to estimate the recoverable amount of the individual asset, the Company determines the recoverable amount of the cash generating unit to which the asset belongs (the asset's cash-generating unit). A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. The Company recognises impairment loss for a cash-generating unit if, and only if, the recoverable amount of the cash-generating unit is less than the carrying amount of the cash-generating unit. The Company allocates impairment loss of cash-generating units first to the carrying amount of goodwill allocated to the cash-generating units, if any, and then, to the other assets of the cash-generating units pro rata on the basis of the carrying amount of each asset in the cash-generating unit. These reductions in carrying amounts shall be treated as impairment losses on individual assets and recognised accordingly.



Part III: Significant Accounting Policies (contd.)**20 Measurement of fair values**

A number of the Companies accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Chief Financial Officer.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

21 Investment in Subsidiaries

A subsidiary is an entity that is controlled by the Company.

The Company accounts for the investments in equity shares of subsidiaries at cost in accordance with Ind AS 27 - Separate Financial Statements.



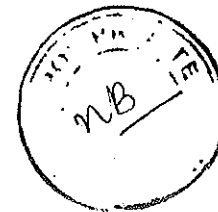
MARPOL PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

Note 2: Property, Plant and Equipment

In Rupees

Description	Gross Block			Accumulated Depreciation				Net Block	
	As at 1st April, 2018	Additions	Deductions	As at 31st March, 2019	As at 1st April, 2018	Additions	Deductions	As at 31st March, 2019	As at 31st March, 2019
Leasehold Land	29,98,799 (43,71,607)	-	- (13,72,808)	29,98,799 (29,98,799)	6,14,047 (7,51,189)	48,913 (61,215)	- (1,98,357)	6,62,960 (6,14,047)	23,35,839 (23,84,752)
Buildings	3,28,23,838 (3,95,74,783)	5,09,652	- (67,50,945)	3,33,33,490 (3,28,23,838)	1,73,08,874 (1,89,66,564)	11,32,553 (13,58,813)	- (30,16,503)	1,84,41,427 (1,73,08,874)	1,48,92,063 (1,55,14,964)
Plant and Equipments	20,36,84,548 (20,52,02,227)	- (32,81,435)	- (47,99,114)	20,36,84,548 (20,36,84,548)	17,31,19,406 (17,00,04,761)	76,15,717 (77,11,428)	- (45,96,782)	18,07,35,123 (17,31,19,406)	2,29,49,425 (3,05,65,142)
Furniture and Fixtures	70,48,971 (70,48,971)	-	-	70,48,971 (70,48,971)	69,91,683 (69,60,397)	24,118 (31,286)	-	70,15,801 (69,91,683)	33,170 (57,288)
Vehicles	42,95,152 (55,74,462)	-	32,47,906 (12,79,310)	10,47,246 (42,95,152)	40,31,498 (43,91,110)	85,250 (2,87,554)	31,94,952 (6,47,166)	9,21,796 (40,31,498)	1,25,450 (2,63,654)
Office Equipments	81,80,304 (82,86,677)	- (24,500)	- (1,30,873)	81,80,304 (81,80,304)	77,36,545 (76,44,939)	2,22,722 (2,22,479)	- (1,30,873)	79,59,267 (77,36,545)	2,21,037 (4,43,759)
Computers	63,39,122 (93,99,194)	4,30,000 (3,14,816)	- (33,74,889)	67,69,122 (63,39,122)	57,46,550 (87,15,847)	7,22,679 (4,05,592)	- (33,74,889)	64,69,230 (57,46,550)	2,99,892 (5,92,571)
Total Tangible Assets	26,53,70,735 (27,94,57,922)	9,39,652 (36,20,751)	32,47,906 (1,77,07,938)	26,30,62,481 (26,53,70,735)	21,55,48,604 (21,74,34,807)	98,51,952 (1,00,78,367)	31,94,952 (1,19,64,570)	22,22,05,604 (21,55,48,604)	4,08,56,876 (4,98,22,131)

- 2.1. Figures in the brackets are the corresponding figures in respect of the previous year.
2.2. No items of Property, Plant and Equipment were pledged as security for liabilities during any part of the current and comparative periods.
2.3. Nil amount of borrowing costs is capitalised during the current and comparative periods.
2.4. Nil amount of impairment loss is recognised during the current and comparative periods.



MARPOL PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

In Rupees

Note 3: Other Intangible Assets

Description	Gross Block			Accumulated Amortisation			Net Block		
	As at 1st April, 2018	Additions	Deductions	As at 31st March, 2019	As at 1st April, 2018	Additions	Deductions	As at 31st March, 2019	As at 31st March, 2019
Software	31,30,375 (19,52,375)	- (11,78,000)	- -	31,30,375 (31,30,375)	21,43,901 (17,63,764)	1,90,069 (3,80,138)	- -	23,33,970 (21,43,901)	7,96,405 (9,86,474)
Total Other Intangible Assets	31,30,375 (19,52,375)	- (11,78,000)	- -	31,30,375 (31,30,375)	21,43,901 (17,63,764)	1,90,069 (3,80,138)	- -	23,33,970 (21,43,901)	7,96,405 (9,86,474)

- 3.1. Figures in the brackets are the corresponding figures in respect of the previous year.
 3.2. Nil amount of borrowing costs is capitalised during the current and comparative periods.
 3.3. Nil amount of impairment loss is recognised during the current and comparative periods.

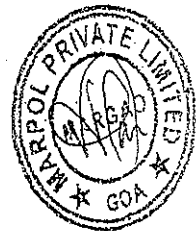


MARPOL PRIVATE LIMITED
 NOTES TO THE FINANCIAL STATEMENTS

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Note 4: Non-current Investments

	As at 31st March, 2019	In Rupees As at 31st March, 2018
Investments in Equity Instruments:		
i. Others		
Goa Urban Co-op. Bank	-	5,00,000
Nil (10,000 Equity Shares of Rs. 50 each)		
Total Non-current Investments	-	5,00,000
Aggregate book value of unquoted investments	-	5,00,000
Aggregate market value of unquoted investments	-	5,00,000
Aggregate amount of unquoted investments	-	-
Aggregate amount of impairment in value of investments	Nil	Nil



MARPOL PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

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In Rupees

Note 5: Other non-current assets

	As at 31st March, 2019	As at 31st March, 2018
Unsecured and Considered Good		
Capital Advances	-	-
Income Tax Paid (Net of Provisions)	1,62,016	20,55,247
	<u>1,62,016</u>	<u>20,55,247</u>

Note 6: Inventories

Raw Materials	5,35,48,330	3,61,68,424
Work-in-progress	87,57,553	1,22,16,234
Finished Goods	4,03,24,577	2,36,03,672
Stores and Spares	2,43,09,104	1,66,45,423
	<u>12,69,39,564</u>	<u>8,86,33,753</u>



MARPOL PRIVATE LIMITED
 NOTES TO THE FINANCIAL STATEMENTS

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In Rupees

Note 7: Trade Receivables

	As at 31st March, 2019	As at 31st March, 2018
Overdue for a Period Exceeding Six Months:		
Secured, Considered Good	-	-
Unsecured, Considered Good	19,35,944	5,81,827
Doubtful	1,37,61,429	1,40,04,122
	<u>1,56,97,373</u>	<u>1,45,85,949</u>
Less: Provision for Bad and Doubtful Debts	1,37,61,429	1,40,04,122
	<u>19,35,944</u>	<u>5,81,827</u>
Other Receivables:		
Secured, Considered Good	-	-
Unsecured, Considered Good	15,46,25,305	12,02,29,590
Doubtful	-	-
	<u>15,46,25,305</u>	<u>12,02,29,590</u>
Less: Provision for Bad and Doubtful Debts	-	-
	<u>15,46,25,305</u>	<u>12,02,29,590</u>
	<u>15,65,61,249</u>	<u>12,08,11,416</u>



MARPOL PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

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In Rupees

Note 8: Cash and cash equivalents

	As at 31st March, 2019	As at 31st March, 2018
Cash on hand	61,746	45,003
Banks Balances	7,05,796	4,26,82,212
	<u>7,67,541</u>	<u>4,27,27,215</u>

Note 9: Bank Balance other than Cash and cash equivalents

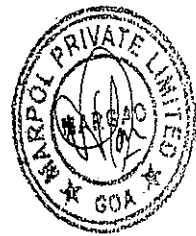
Fixed Deposit with Bank	32,73,054	19,35,340
	<u>32,73,054</u>	<u>19,35,340</u>

Note 10: Loans

Unsecured and Considered Good Security Deposits	10,97,356	18,56,412
	<u>10,97,356</u>	<u>18,56,412</u>

Note 11: Other Current Assets

Unsecured and Considered Good		
Balances with Indirect Tax Authorities	32,46,136	16,85,160
Trade Advances	16,15,133	59,56,113
Prepaid Expenses	19,78,350	19,18,590
Fixed Deposit with Bank (Maturity more than 12 Months)	6,65,151	5,89,045
Other Receivable	13,702	5,660
	<u>75,18,472</u>	<u>1,01,54,567</u>



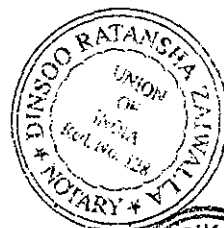
MARPOL PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

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In Rupees

Note 12: Share Capital

	As at 31st March, 2019	As at 31st March, 2018
1. Authorised Share Capital (Rs)	5,00,00,000	5,00,00,000
Par Value per Share (Rs)	10	10
Number of Equity Shares	<u>50,00,000</u>	<u>50,00,000</u>
2. Issued, Subscribed and Fully Paid up (Rs)	2,99,52,000	2,99,52,000
Par Value per Share (Rs)	10	10
Number of Equity Shares	<u>29,95,200</u>	<u>29,95,200</u>
3. Details of Shareholders holding more than 5% of		
	%	%
	No of Shares	No of Shares
Kansai Nerolac Paints Limited	100%	-
Kamlesh A. Pai Panandiker (HUF)	-	13.33%
Vishvanath A. Pai Panandiker (HUF)	-	12.02%
Shambhu A. Pai Panandiker (HUF)	-	9.01%
Shanu A. Pai Panandiker (HUF)	-	8.97%
Ramchandra A. Pai Panandiker (HUF)	-	8.97%
Vishvanath P Panandiker Tdg. & Inv.Co. Pvt. Ltd.	-	8.65%
Veda P Panandiker Tdg. & Inv. Co. Pvt. Ltd.	-	8.09%
Shanu P Panandiker Trdg. & Inv. Co. Pvt. Ltd.	-	6.61%
Ramchandra P Panandiker Tdg. & Inv.Co.Pvt.Ltd.	-	6.61%
Atmaram P Palondicar Trdg. & Inv. Co. Pvt. Ltd.	-	6.09%
4. Aggregated number of bonus share issued during the period of five years immediately preceding the reporting date by capitalisation of security premium reserve	Nil	Nil
5. The Company has issued one class of shares, i.e. equity shares, which enjoys similar rights in respect of voting, payment of dividend and repayment of capital. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.		
6. Reconciliation of the number of shares outstanding:		
Number of shares at the beginning of the year	29,95,200	29,95,200
Issued during the year	-	-
Number of shares at the end of the year	<u>29,95,200</u>	<u>29,95,200</u>
7. Capital Management:		
For the purpose of the Company's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders of the Company. The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital, as well as the levels of dividends to equity shareholders. The Company is not subject to any externally imposed capital requirements.		



Note 13 - Reserves and Surplus

In Rupees			
	General Reserve	Retained Earnings	Total
Balance as at 1st April, 2017	83,92,356	11,22,41,283	12,06,33,639
Profit for the year	-	(7,48,28,476)	(7,48,28,476)
Balance as at 31st March, 2018	83,92,356	3,74,12,808	4,58,05,164

In Rupees			
	General Reserve	Retained Earnings	Total
Balance as at 1st April, 2018	83,92,356	3,74,12,808	4,58,05,164
Profit for the period	-	1,68,51,928	1,68,51,928
Balance as at 31st March, 2019	83,92,356	5,42,64,735	6,26,57,091



MARPOL PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

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Note 14: Borrowings

	In Rupees	
	As at 31st March, 2019	As at 31st March, 2018
a. Term Loans From Banks and Financial Institution	-	10,23,811
	-	10,23,811



MARPOL PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

Note 15: Income Taxes:

In Rupees
Year ended 31 March, 2019
Year ended 31 March, 2018

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The major components of income tax expense for the year are as under:

	Year ended 31 March, 2019	Year ended 31 March, 2018
(f) Income tax recognised in the Standalone Statement of Profit and Loss:		
Current tax:		
In respect of current year	44,00,000	-
Deferred tax:		
In respect of current year	(14,75,464)	(2,43,833)
Income tax expense recognised in the Standalone Statement of Profit and Loss	29,24,536	(2,43,833)
(g) Income tax expense recognised in OCI:		
Deferred tax expense on remeasurements of defined benefit plans	-	-
Income tax expense recognised in OCI	-	-
8. Reconciliation of tax expense and the accounting profit for the year is as under:		
Profit before tax	1,97,76,464	(7,50,72,379)
Income tax expense calculated at 34.944%	69,10,688	(2,62,70,828)
Others	(39,86,152)	2,60,26,995
Total	29,24,536	(2,43,833)
Tax expense as per Standalone Statement of Profit and Loss	29,24,536	(2,43,833)

The tax rate used for reconciliation above is the corporate tax rate of 34.944% payable by corporate entities in India on taxable profits under Indian tax law. The company pays tax under Minimum Alternate Tax.

C. The major components of deferred tax (liabilities) / assets arising on account of timing differences are as follows:

Particulars	Balance Sheet	Profit and Loss	OCI	Balance Sheet
	01.04.2018	2018-2019	2018-2019	31.03.2019
Difference between written down value / capital work in progress of Property, Plant and Equipment as per the books of accounts and Income Tax Act, 1961.	16,78,518	(14,75,464)	-	2,03,154
Deferred tax (expense) / Income				
Net Deferred tax liabilities	16,78,518	(14,75,464)	-	2,03,154

Particulars	Balance Sheet	Profit and Loss	OCI	Balance Sheet
	01.04.2017	2017-2018	2017-2018	31.03.2018
Difference between written down value / capital work in progress of Property, Plant and Equipment as per the books of accounts and Income Tax Act, 1961.	19,22,501	(2,43,883)	-	16,78,618
Deferred tax (expense) / Income				
Net Deferred tax liabilities	19,22,501	(2,43,883)	-	16,78,618



MARPOL PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

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In Rupees

Note 16: Borrowings

	As at 31st March, 2019	As at 31st March, 2018
Short-term Term Loan	-	17,55,108
Working Capital Loan	10,50,05,546	14,68,36,042
	<u>10,50,05,546</u>	<u>14,85,91,150</u>

Note 17: Trade Payables

	As at 31st March, 2019	As at 31st March, 2018
Trade Payables		
Payables to Micro and Small Enterprises*	-	-
Payables to Others	14,52,29,344	8,37,25,690
	<u>14,52,29,344</u>	<u>8,37,25,690</u>

*Based on the information and explanation available with management, there are no amounts due to the suppliers covered under the Micro, Small and Medium Enterprises Development Act, 2006.

Note 18: Other Financial Liabilities

Trade Deposits	32,94,339	30,94,339
	<u>32,94,339</u>	<u>30,94,339</u>

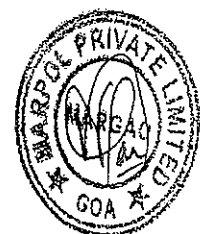
*There is no amount due and outstanding to be credited to Investor Education and Protection Fund.

Note 19: Other Current Liabilities

Other Statutory Payables	36,38,698	43,52,061
Trade Receivables with Credit Balance	9,94,768	2,12,634
	<u>46,33,466</u>	<u>45,64,695</u>

Note 20: Provisions

Provision for Compensated Absences	7,60,095	10,47,089
Provision for Gratuity	24,90,703	-
	<u>32,50,798</u>	<u>10,47,089</u>



MARPOL PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

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In Rupees

<u>Note 21: Revenue from Operations</u>	Period ended 31st March, 2019	Year ended 31st March, 2018
Sale of Products (including excise duty)		
Sales	68,64,87,186	59,27,85,151
Less: Rebates	-	-
Total Sale of Products	68,64,87,186	59,27,85,151
Other Operating Revenues		
Sale of Scrap	25,06,611	7,26,523
Others	44,492	4,62,234
	25,51,103	11,88,757
Revenue from Operations	68,90,38,289	59,39,73,909
<u>Note 22: Other Income</u>		
Dividend Income		
Dividend from Investment	-	15,000
	-	15,000
Interest Income		
Interest on Loans and Deposit	1,95,170	2,46,293
	1,95,170	2,46,293
Other Non operating Income		
Profit on Sale of Property, Plant and Equipment	-	5,13,775
Foreign Exchange Gain (Net)	-	19,28,156
Insurance Claims Received	2,68,005	-
	2,68,005	24,41,931
	4,63,175	27,03,223



MARPOL PRIVATE LIMITED.
NOTES TO THE FINANCIAL STATEMENTS

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In Rupees

Note 23: Cost of Materials Consumed

	Period ended 31st March, 2019	Year ended 31st March, 2018
Raw Material Consumed		
Opening Stock	3,56,23,098	3,20,62,461
Add: Purchase	51,19,51,705	37,92,61,524
Less: Sales	-	-
Less: Closing Stock	5,21,87,161	3,56,23,078
	49,53,87,642	37,57,00,908
Packing Material Consumed		
Opening Stock	5,45,346	9,94,808
Add: Purchase	1,60,78,403	1,41,21,249
Less: Closing Stock	13,61,189	5,45,346
	1,52,62,560	1,45,70,711
	51,06,50,202	39,02,71,619

Note 24: Changes in Inventories of Finished Goods,
Stock-in-trade and Work-in-progress

Opening Stock		
Finished Goods	2,36,03,672	3,45,61,584
Work-in-progress	1,22,16,234	1,62,77,894
	3,58,19,906	5,08,39,478
Less: Closing Stock		
Finished Goods	4,03,24,577	2,36,03,652
Work-in-progress	87,57,553	1,22,16,234
	4,90,82,130	3,58,19,886
Add: Excise Duty Related to the Difference between the Closing Stock and Opening Stock of Finished Goods	-	(5,62,397)
	(1,32,62,224)	1,44,57,195



MARPOL PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

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In Rupees

Note 25: Employee Benefits Expense

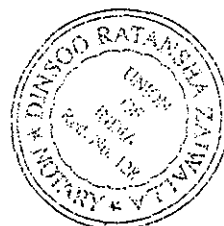
	Period ended 31st March, 2019	Year ended 31st March, 2018
Salaries and Wages	4,05,59,612	5,19,45,372
Contribution to Provident and Other Funds	56,69,164	45,48,084
Staff Welfare Expense	26,73,167	40,87,596
	<u>4,89,01,943</u>	<u>6,05,81,052</u>

Note 26: Depreciation and Amortisation

Depreciation on Property, Plant and Equipment	98,51,952	1,00,78,367
Amortisation on Other Intangible Assets	1,90,069	3,80,138
	<u>1,00,42,021</u>	<u>1,04,58,504</u>

Note 27: Other Expenses

Consumption of Stores and Spare Parts	1,63,20,926	2,20,21,905
Power and Fuel	2,88,26,058	2,37,11,848
Repairs to Buildings	1,63,073	4,89,898
Repairs to Machinery	49,60,524	46,03,158
Freight and Forwarding Charges	2,38,81,351	2,05,59,148
Advertisement and Sales Promotion	2,18,602	3,70,712
Rent	16,90,494	54,94,880
Insurance	7,47,722	11,67,927
Miscellaneous Expenses	2,70,73,077	4,24,03,222
	<u>10,38,81,825</u>	<u>12,08,22,697</u>



MARPOL PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

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₹ in Crores

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Note 31.1: Payments to Auditors'		
Auditors' Remuneration excluding Service Tax/GST (Included in Miscellaneous Expenses in Note 31)		
As Auditor		
Statutory Audit	459233.00	459233.00
Report under Section 44AB of the Income-tax Act, 1961		
Limited Review of Quarterly Results		
In other capacity		
Certification	32700.00	
Other Matters		
Reimbursements of Expenses		
	4,91,933.00	459233.00

Note 31.2: Research and Development Expenses

Revenue Expenditure on Research and Development recognised in Standalone Statement of Profit and Loss is nil



MARPOL PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

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₹ in Crores

Note 32: Contingent Liabilities and commitments
(to the extent not provided for)

Year ended 31st March, 2019	Year ended 31st March, 2018
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Claims against the Company not acknowledged as debt:

Sales Tax & Income Tax

8736975	8736975
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The Company has made adequate provisions in the accounts for claims against the Company related to direct and indirect taxes matters, except for certain claims not acknowledged as debts,

Sales Tax

Amount totalling to Rs. 59,66,949/- from the Sales Tax Authorities, a demand of sales tax for non-submission of Form 'C' for the year 2004-05.

Income Tax

Amount totalling to Rs. 27,70,026/- from the Income Tax Authorities, a demand notice for assessment year 2003-2004 Rs. 14,57,756/- and 2010-11 Rs. 13,12,270/-

The Company's management is of the opinion that ultimate liability in respect of these litigations shall not exceed the amount provided in books of account, and shall not have any material adverse effect on the Company's operation and financial position.

2750923.00

Excise

Appeal No. E/115/2011 and E/579/2011 Against OIA No. GOA/CEX/GSK/113 & 114 Dt.30.11.10 -- Excise duty difference of Himachal Pradesh Baddi

Corporate guarantee

Corporate guarantee given to Bank – Bank Guarantee & letter of Credit

15752418.00	8782863.00
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27240316.00	17519838.00
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Note 33: Earnings Per Equity Share

Numerator:

Profit attributable to Equity Shareholders (₹ in Crores)

1,68,51,928	(7,48,28,496)
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Denominator:

Weighted Average Number of ordinary shares at the beginning and end of the year

29,95,200.00	29,95,200.00
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Basic and Diluted Earnings per Equity Share (in ₹)

5.63

(24.98)



MARKPOL PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

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Note 34: Related Party Disclosures

A related party is a person or entity that is related to the entity that is preparing its financial statements.

- (a) A person or a close member of that person's family is related to a reporting entity if that person:
 - (i) has control or joint control of the reporting entity;
 - (ii) has significant influence over the reporting entity; or
 - (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

(b) An entity is related to a reporting entity if any of the following conditions applies:

- (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

Parent and ultimate controlling entity

Name	% Shareholding		Type	Principal Activities	Place of Incorporation
	2019	2018			
Kansai Paints Co. Ltd. Japan			Ultimate Controlling Authority	Manufacturing Paints	Japan
Kansai Nerolac Paints Ltd.	100	0	Parent	Manufacturing Paints	India

Kansai Paints Co., Ltd. is the immediate and ultimate holding company of Kansai Nerolac Paints Ltd. and is based and listed in Japan. Financial Statements of Kansai Paints Co., Ltd. are available in public domain.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity. Key management personnel includes (1) Mr. P. D. Pai, Director (2) Mr. G. T. Govindarajan, Director, and (3) Rohit Pal Panandiker, Director.

Related Party Transactions:

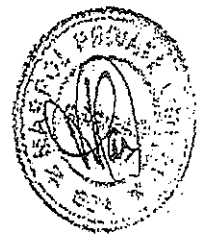
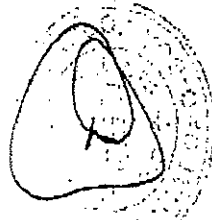
Transaction Type	Relation	Amount in ₹	
		2019	2018
Sale of finished goods/Intermediates -Kansai Nerolac Paints Ltd.	Parent entity	6,03,09,941.00	-
Purchase of Goods -Kansai Nerolac Paints Ltd.	Parent entity	4,81,45,325.00	-

Related Party Transactions:

Transaction Type	Relation	Amount in ₹	
		2019	2018
Receivable as at Year End Kansai Nerolac Paints Ltd.	Parent entity	62,38,265.00	-
Payable as at Year End Kansai Nerolac Paints Ltd.	Parent entity	4,85,54,648.00	-
Key Management Personnel (a) short-term employee benefits		24,09,120.00	-

Related Party Transactions:

Related party transactions were made on terms equivalent to those that prevail in an arm's length transactions.



Note 36: Segment Reporting

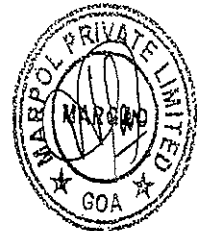
The Management Committee of the Company, approved by the Board of Directors and Audit Committee performs the function of allotment of resources and assessment of performance of the Company. Considering the level of activities performed, frequency of their meetings and level of finality of their decisions, the Company has identified that Chief Operating Decision Maker function is being performed by the Management Committee. The financial information presented to the Management Committee in the context of results and for the purposes of approving the annual operating plan is on a consolidated basis for various products of the Company. As the Company's business activity falls within a single business segment viz. 'Paints' and the sales substantially being in the domestic market, the financial statement are reflective of the information required by Ind AS 108 "Operating Segments".

Note 37: Corporate Social Responsibilities

During the year, the Company has spent Nil (2017-2018 Nil) towards 'Corporate Social Responsibility Activities' (CSR Activities).

- (a) Gross amount required to be spent by the Company during the year Nil.
- (b) Amount spent during the year on:

		₹ in Crores		
		In Cash	Yet to be paid in cash	Total
(i)	Construction/acquisition of any asset	-	-	-
(ii)	On purposes other than (i) above			



Note 38: Financial Instruments: Fair values and Risk Management

(A) Accounting Classifications 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

	Year	At FVTPL	Other financial assets / liabilities - Amortised cost	Level 1	Level 2	Level 3	Total
Financial Assets measured at Fair Value							
Non-current Assets: Investments (Note 5)	2019		1,62,016.00				1,62,016.00
	2018		20,55,247.00				20,55,247.00
Current Assets: Investments (Note 4)	2019		-				-
	2018		5,00,000.00				5,00,000.00
Financial Assets not measured at Fair Value							
Non-current Assets: Other Financial Assets (Note 6)	2019	-	12,69,39,564.00				12,69,39,564.00
	2018	-	8,86,33,753.00				8,86,33,753.00
Current Assets: Trade Receivables (Note 7)	2019	-	15,65,61,249.00				15,65,61,249.00
	2018	-	12,08,11,416.00				12,08,11,416.00
Current Assets: Cash and Cash Equivalent (Note 8)	2019	-	7,67,541.00				7,67,541.00
	2018	-	4,27,27,215.00				4,27,27,215.00
Current Assets: Bank Balances other than Cash	2019	-	32,73,054.00				32,73,054.00
	2018	-	19,35,340.00				19,35,340.00
Current Assets: Loans (Note 10)	2019	-	10,97,356.00				10,97,356.00
	2018	-	18,56,412.00				18,56,412.00
Current Assets: Other Financial Assets (Note 11)	2019	-	75,18,472.00				75,18,472.00
	2018	-	1,01,54,567.00				1,01,54,567.00
Financial Liabilities not measured at Fair Value							
Non-current Liabilities: Borrowings (Note 16)	2019	-	10,50,05,546.00				10,50,05,546.00
	2018	-	14,85,91,150.00				14,85,91,150.00
Current Liabilities: Trade Payable (Note 17)	2019	-	14,52,29,344.00				14,52,29,344.00
	2018	-	8,37,25,690.00				8,37,25,690.00
Current Liabilities: Other Financial Liabilities (Note 18)	2019	-	32,94,339.00				32,94,339.00
	2018	-	30,94,339.00				30,94,339.00



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Note 38: Financial Instruments: Fair values and Risk Management (contd.)

(B) Financial Risk Management

The Company has exposure to the following risks arising from financial instruments:

- Credit Risk
- Liquidity Risk
- Market Risk

(i) Risk Management Framework

Risk Management Committee oversees the management of these risks. Management is supported by Risk Management Committee that advises or financial risks and the appropriate financial risk governance framework for the Company. The Risk Management Committee provides assurance to the management that Company's risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

The Company's Risk Management Policies are established to identify and analyses the risks faced by the Company to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk Management Policies and Systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

(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, loans and investments in debt securities. The carrying amounts of financial assets represent the maximum credit risk exposure.

Trade Receivables and Loans:

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Risk Management Committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes financial statements, credit agency information, industry information and in some cases bank references. Sales limits are established for each customer and reviewed constantly. Any sales exceeding those limits require approval from the management.

Financial Instruments and Cash Deposits

Credit risks from balances with banks and financial institutions is managed by the Company's Treasury Department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

(iii) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Maturities of Financial Liabilities:

The table below analyse the Company's financial liabilities into relevant maturing grouping based on their contractual maturities:

₹ in Crores								
	Year ended	On demand	Upto 3 months	3 months to 6 months	6 months to 1 year	1 year to 2 years	3 years and above	Total
Borrowings	31-03-2019	10,50,05,546.00						10,50,05,546.00
	31-03-2018	14,85,91,150.00						14,85,91,150.00
Trade Payables	31-03-2019		14,52,29,344.00					14,52,29,344.00
	31-03-2018		8,37,25,690.00					8,37,25,690.00
Other Financial Liabilities	31-03-2019						32,94,339.00	32,94,339.00
	31-03-2018						30,94,339.00	30,94,339.00

(iv) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market price comprises three types of risks: interest rate risk, currency risk and other price risk, such as equity price risk and commodity price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. In respect of monetary assets and liabilities denominated in foreign currencies, the Company's policy is to ensure that its net exposure is kept to an acceptable level.



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Note 38: Financial Instruments: Fair values and Risk Management (contd.)

(iv) Market Risk (contd.)

Exposure to Currency Risk:

The summary quantitative data about the Company's exposure to currency risk is as follows:

		Amount in ₹								
Financial Assets		CHF	EURO	JPY	SGD	GBP	ZAR	USD	INR	Total
Trade Receivables	31-03-2019							15,92,669.00	15,49,68,580.00	15,65,61,249.00
	31-03-2018								12,08,11,416.00	12,08,11,416.00
Trade Advances	31-03-2019								16,15,133.00	16,15,133.00
	31-03-2018								59,56,113.00	59,56,113.00
Financial Liabilities										
Trade Payables	31-03-2019	6,89,322.00						84,03,222.00	13,61,35,800.00	14,52,29,344.00
	31-03-2018	26,09,750.00						58,35,513.00	7,52,80,427.00	8,37,25,690.00
Net exposure to Foreign Currency Risk (Liabilities)	31-03-2019	(6,89,322.00)						(68,10,553.00)	7,04,46,913.00	1,29,47,038.00
	31-03-2018	(26,09,750.00)						(58,35,513.00)	5,14,87,102.00	4,30,41,839.00

(v) Foreign Currency Sensitivity Analysis

The following table demonstrate the sensitivity to a reasonable possible change in CHF, EURO, JPY and USD exchange rates, with all other variable held constant.

	Profit or Loss		Equity net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31st March, 2019				
CHF (5% movement)				
EURO (5% movement)				
JPY (5% movement)				
SGD (5% movement)				
USD (5% movement)				
31st March, 2018				
CHF (5% movement)				
EURO (5% movement)				
JPY (5% movement)				
USD (5% movement)				

(C) Valuation techniques and significant unobservable inputs

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Other Non-current assets: Investment measured at amortised cost	Discounted cash flows: The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates.	- Forecast Annual revenue growth - Forecast EBITDA growth margin - Risk adjustment discounted rate	Generally, a changes in the annual revenue growth rate is accompanied similar change in EBITDA margin.
Current Investments - in mutual funds	The fair values of Investments in mutual fund units is based on the net asset value (NAV) as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the Investors	Not applicable	Not applicable

The Company determined the fair value measurements of Investments -unquoted categorised in Level 2 based on price agreed in a sale transaction between unrelated parties.

Carrying amounts of cash and cash equivalents, trade receivables, loans and trade payables as at 31st March, 2019 and 31st March, 2018 approximate the fair value. Difference between carrying amounts and fair values of bank deposits, earmarked balances with banks, other financial assets, other financial liabilities and borrowings subsequently measured at amortised cost is not significant in each of the years presented.

As per our Report of even date
For Ganesh Dalvaja & Co.

For and on behalf of the Board

Chartered Accountants

Firm Reg No. 103054W

Naveen G. Dalvaja
Partner
M. No. 126231

Place : Margao , Goa
Date : 26th April 2019



Rohit Pal Panandiker
Director
DIN - 00559055

Place : Margao , Goa
Date : 26th April 2019



G.T. Govindarajan
Director
DIN - 08105268

P.D. Pai
Director
DIN - 08115481

