

LAPOX POLYMERS LTD

Directors' Report

Dear Members,

The Board of Directors (Board) presents the Annual Report of Lapox Polymers Ltd together with the audited Financial Statements for the year ended March 31, 2020.

01. Financial results

	2019-20	2018-19
Revenue from operations	13.31	11.52
Other income	0.10	0.06
Total revenue	13.41	11.58
Profit before tax	0.70	0.67
Tax	0.18	0.18
Profit for the year	0.52	0.49

02. Performance

During 2019-20 the Company generated revenue from operations of ₹ 13.31 cr. The Company has made profit of ₹ 0.52 cr.

03. Dividend

The Board does not recommend any dividend on the equity shares for the financial year ended March 31, 2020.

04. Conservation of energy, technology absorption, foreign exchange earnings and outgo

Information required under Section 134 (3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014, as amended from time to time, forms a part of this Report which is given as Annexure.

05. Insurance

The Company has taken adequate insurance to cover the risks to its employees, property (land and building), plant, equipment, other assets and third parties.

06. Risk Management

The Company has identified risks and has initiated a mitigation plan for the same.

07. Internal Financial Controls

The Management assessed the effectiveness of the Internal Financial Controls over financial reporting as of March 31, 2020, and the Board believes that the controls are adequate.

08. Fixed deposits

During 2019-20, the Company did not accept any fixed deposits.

09. Prevention of Sexual Harassment of Women at Workplace

Pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013, the Company has framed a Policy on Prevention of Sexual Harassment of Women at Workplace and constituted Internal Complaints Committee. No complaint was received during 2019-20.

10. Loans, guarantees, investments and security

During 2019-20, the Company has not given any loans, provided guarantees. The Company has made investments in group companies during the year.

11. Subsidiary, associate and joint venture company

The Company have following associate companies.

- Atul Ayurveda Ltd
- Atul Clean Energy Ltd
- Atul Crop Care Ltd
- Atul Elkay Polymers Ltd
- Atul (Retail) Brands Ltd

12. Related Party Transactions

All the transactions entered into with the Related Parties were in ordinary course of business and on arm's length basis. Details of such transactions are given at note number 19. No transactions were entered into by the Company which required disclosure in Form AOC-2.

Annexure to the Directors' Report

1. Conservation of energy, technology absorption and foreign exchange earnings and outgo

1.1 Conservation of energy

1.1.1 Measures taken

No major steps were taken during the current year in view of very low usage of utilities in business activities.

1.2 Technology absorption

No major steps were taken during the current year.

1.3 Total foreign exchange used and earned

Nil

2. Extract of the Annual Return

Form number MGT – 9

Extract of the Annual Return as on March 31, 2020

{Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014}

2.1 Registration and other details

- » CIN: U51434GJ2009PLC056053
- » Registration date: February 05, 2009
- » Name of the company: Lapox Polymers Ltd
- » Category | Sub-category of the company: Company limited by shares
- » Address of the registered office and contact details: Anand Darshan, Nr Post Office Atul Valsad 396020
- » Telephone: (+91 2632) 230000
- » Whether listed company: No
- » Name, address and contact details of Registrar and Transfer Agent: not applicable

2.2 Principal business activities of the Company

All the business activities contributing 10% or more of the total revenue of the company will be started

No.	Name and description of main products services	National Industrial Classification code of the product service	% to total revenue of the Company
1.	Manpower Services	783	100

2.3 Particulars of the holding, the subsidiary and the associate companies

No.	Name and address of the Company	Corporate Identification Number	Holding subsidiary associate	% of shares held	Applicable section
1.	Atul Polymers Product Ltd (Formerly known as Atul Elkay Polymers Ltd) E-7, Post Atul, Valsad 396020	U24100GJ2011PLC065979	Associate	50.00	2(6)
2.	Atul Crop Care Ltd RS 3, Hillside Colony - 4, At & Post Atul, Valsad 396020	U01403GJ2010PLC061909	Associate	29.34	2(6)
3.	Atul Ayurveda Ltd E-7, Atul, Post Atul, Valsad 396020	U24233GJ2010PLC062028	Associate	27.78	2(6)
4.	Atul (Retail) Brands Ltd E-7 Post Atul Valsad 396020	U24233GJ2010PLC059517	Associate	16.67	2(6)
5.	Atul Clean Energy Ltd E-7 Post Atul Valsad 396020	U40106GJ2010PLC059498	Associate	16.67	2(6)

h)	Trusts	-	-	-	-	-	-	-	-	-
	Sub total (B)(1)	-	-	-	-	-	-	-	-	-
02.	Non-institutions									
a)	Bodies corporate									
i)	Indian	-	-	-	-	-	-	-	-	-
ii)	Overseas	-	-	-	-	-	-	-	-	-
b)	Individuals									
i)	Shareholders holding nominal share capital up to ₹ 1 lakh	-	-	-	-	-	-	-	-	-
ii)	Shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
c)	Non-resident Indians (NRI)									
i)	NRI repatriable	-	-	-	-	-	-	-	-	-
ii)	NRI non-repatriable	-	-	-	-	-	-	-	-	-
iii)	Foreign bodies	-	-	-	-	-	-	-	-	-
iv)	Foreign nationals	-	-	-	-	-	-	-	-	-
d)	Any other	-	-	-	-	-	-	-	-	-
	Sub total (B)(2)	-	-	-	-	-	-	-	-	-
	Total public shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
	Total (A)+(B)	50,000	-	50,000	100.00	50,000	-	50,000	100.00	-
C.	Shares held by custodians and against which depository receipts have been issued									
01.	Promoter and promoter group	-	-	-	-	-	-	-	-	-
02.	Public	-	-	-	-	-	-	-	-	-
	Sub total (C)	-	-	-	-	-	-	-	-	-
	Grand total (A)+(B)+(C)	50,000	-	50,000	100.00	50,000	-	50,000	100.00	-

2.4.2 Shareholding of the promoters

No.	Name of the Shareholder	Shareholding as at April 01, 2019			Shareholding as at March 31, 2020			% change in shareholding during the year
		Number of shares held	% of total shares of the Company	% of shares pledged encumbered to total number of shares	Number of shares held	% of total shares of the Company	% of shares pledged encumbered to total number of shares	
1.	Atul Bio Space Ltd	10,000	20.00	-	10,000	20.00	-	-
2.	Atul Crop Care Ltd	10,000	20.00	-	10,000	20.00	-	-
3.	Atul Seeds Ltd	10,000	20.00	-	10,000	20.00	-	-
4.	Osia Dairy Ltd	10,000	20.00	-	10,000	20.00	-	-
5.	Jayati Infrastructure Ltd	10,000	20.00	-	10,000	20.00	-	-

2.4.3 Change in the promoters' shareholding

No.	Particulars	Reason for change	Shareholding as at April 01, 2019		Cumulative shareholding during 2019-20	
			Number of shares	% of total shares of the Company	Number of shares	% of total shares of the Company
A.	Companies					
	At the beginning of the year		50,000	100.00	50,000	100.00
	Increase Decrease during the year		-	-	-	-
	At the end of the year		50,000	100.00	50,000	100.00

2.4.4 Shareholding pattern of top 10 Shareholders (other than the Directors, the promoters and the holders of American Depository Receipts and Global Depository Receipts)
Nil

2.4.5 Shareholding of the Directors and the Key Managerial Personnel
Nil

2.5 Indebtedness

Nil

2.6 Remuneration of the Directors and the Key Managerial Personnel

2.6.1 Remuneration to the Managing Director, the Whole-time Directors and | or the Manager
Nil

2.6.2 Remuneration to the other Directors
Nil

2.6.3 Remuneration to the Key Managerial Personnel other than the Managing Director | the Manager | the Whole-time Director
Nil

2.7 Penalties | Punishment | Compounding of offences

There were no penalties | punishment | compounding of offences for the year ending March 31, 2020.

G R Parekh

B. Sc., F C A, A C S

Ghanshyam Parekh & Co.

Chartered Accountants

203, Akar Complex 1

Tithal Road,

Valsad 396001

INDEPENDENT AUDITOR'S REPORT

To the Members of Lapox Polymers Limited Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

1. We have audited the accompanying Standalone Ind AS financial statements of Lapox Polymers Limited ("the Company"), which comprise the Balance sheet as at March 31, 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of changes in equity and Statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

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

Management's Responsibility for the Standalone Ind AS Financial Statements

3. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate Accounting Policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of

accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

4 In preparing the Standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting. Board of Directors is also responsible for overseeing the Company's financial reporting process

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

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

Report on Other Legal and Regulatory Requirements

6 As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

7 As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

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

- i. The Company has no pending litigations on March 31, 2020;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For GHANSHYAM PAREKH & CO.
Chartered Accountants
(Firm's Registration No. 131167W)

G. R. Parekh
Proprietor
(Membership No. 030530)
UDIN 20030530AAAAAW2374

Atul,
Dated: April 16, 2020

Annexure A to the Independent Auditor's Report

Referred to in paragraph 7(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date.

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

1. We have audited the Internal Financial Controls over financial reporting of Lapox Polymers Ltd (the Company) as of March 31, 2020 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

Management's responsibility for Internal Financial Controls

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

Auditor's responsibility

3. Our responsibility is to express an opinion on the Internal Financial Controls of the Company over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls. These Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls system over financial reporting and their operating effectiveness. Our audit of Internal Financial Controls over financial reporting included obtaining an understanding of Internal Financial Controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the Auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Internal Financial Controls system over financial reporting of the Company.

Meaning of Internal Financial Controls over financial reporting

6. The Internal Financial Control over financial reporting of a company is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with Generally Accepted Accounting Principles. Internal Financial Control over financial reporting of a Company includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with Generally Accepted Accounting Principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of Management and Directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the assets of the Company that could have a material effect on the Financial Statements.

Inherent limitations of Internal Financial Controls over financial reporting

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

Opinion

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

For Ghanshyam Parekh & Co.
Chartered Accountants
Firm Registration Number: 131167W

G. R. Parekh
Proprietor
Membership Number: 030530
UDIN **20030530AAAAAW2374**

Place: Atul
Date: April 16, 2020

Annexure B to Independent Auditors' Report:

Referred to in paragraph 10 of the Independent Auditors' Report of the even date to the members of LAPOX POLYMERS LIMITED for the year ended March 31, 2020.

- i. (a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets;
- (b) As explained to us, fixed assets, according to the practice of the Company, are physically verified by the management at reasonable intervals, which, in our opinion, is reasonable, looking to the size of the Company and the nature of its business. According to the information and explanations given to us, discrepancies noticed on physical verification have been adjusted in the books of account;
- (c) The Company does not have any immovable property, therefore the Clause is not applicable..
- ii. The Company does not hold any inventory, therefore Clause 3(ii) of the Order is not applicable..
- iii. The Company has not granted any loan secured or unsecured to Companies, Firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- iv. The Company has not granted any loans, or made any investments or provided guarantee or security to parties covered under Section 185 and 186 of the Companies Act, 2013, therefore the provisions of clause 3(iv) of the said order are not applicable to the Company.
- v. The company has not accepted any deposits from public within the meaning of sections 73, 74, 75 and 76 of the Act and the Rules framed thereunder.
- vi. The Central Government has not prescribed maintenance of Cost Records under Section 148(1) of the companies Act, 2013.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues including Provident Fund, Income tax, Sales tax, wealth tax, service tax, duty of Customs, duty of Excise, value added tax, cess, GST and other statutory Dues as applicable with the appropriate authorities.

According to the explanation given to us there are no arrears of statutory dues which have remained outstanding at the last date of financial year, for a period of more than six months from the date they became payable;

(b) According to the information and explanation given to us, there are no dues of sales tax, income tax, duty of customs, wealth tax, service tax, duty of excise, value added tax, GST or cess which have not been deposited on account of any dispute.
- viii. According to the record of the Company examined by us and information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution or bank or government or debenture holders as at the Balance Sheet date.

- ix The Company has not raised any money by way of public issue/ follow-on offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the order are not applicable.
- X During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on Company by its officers or employees, noticed or reported during the year nor have we been informed of any such case by the Management.
- xi. No managerial remuneration has been paid / provided;
- xii. The Company is not a Nidhi Company therefore the clause 3(xii) of the Order is not applicable.
- xiii. All the transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc as required by the accounting standards and Companies Act, 2013.
- xiv. The company has not made preferential allotment / private placement of shares during the year under review.
- xv. The company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

Atul

For Ghanshyam Parekh & Co.
Chartered Accountants
(Firm Registration No. 131167W)

Date : April 16, 2020

(G. R. Parekh)
Proprietor
Membership No.: 030530
UDIN **20030530AAAAW2374**

Lapox Polymers Limited

Balance Sheet as at March 31, 2020

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Particulars	Note	As at	As at
		March 31, 2020	March 31, 2019
A ASSETS			
1 Non-current assets			
a) Property, plant and equipment	2	5,448	8,235
		5,448	8,235
b) Investment in subsidiary and associates	3	13,17,187	11,28,287
c) Deferred tax assets (net)	20	11,28,673	8,66,772
d) Other non-current assets	4	10,53,921	11,33,973
Total non-current assets		35,05,229	31,37,267
2 Current assets			
a) Financial assets			
i) Trade receivables	5	1,40,55,555	1,42,13,281
ii) Cash and cash equivalents	6	18,36,299	12,17,256
iii) Bank balances other than cash and cash equivalents above	7	1,48,89,279	86,16,380
iv) Other financial assets	8	44,20,157	35,75,045
b) Other current assets	4	6,67,573	5,75,565
Total current assets		3,58,68,863	2,81,97,527
Total assets		3,93,74,092	3,13,34,794
B EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	9	5,00,000	5,00,000
b) Other equity		2,11,52,626	1,60,80,140
Total equity		2,16,52,626	1,65,80,140
Liabilities			
1 Non-current liabilities			
a) Provisions	13	27,44,949	21,91,363
2 Current liabilities			
a) Financial liabilities			
i) Trade payables	10	7,03,235	8,17,743
ii) Other financial liabilities	11	1,04,34,716	85,83,465
b) Other current liabilities	12	21,09,072	19,96,976
c) Provisions	13	17,29,494	11,65,107
Total current liabilities		1,49,76,517	1,25,63,290
Total liabilities		1,77,21,466	1,47,54,654
Total equity and liabilities		3,93,74,092	3,13,34,794

The accompanying Notes form an integral part of the Financial Statements

As per our attached report of even date

For and on behalf of the Board of Directors

For Ghanshyam Parekh & Co.

Firm Registration Number: 131167W

Chartered Accountants

Chairman

G R Parekh

Proprietor

Membership No. 030530

Atul

April 16, 2020

Director

Atul

April 16, 2020

Lapox Polymers Limited
Statement of Profit and Loss
for the year ended March 31, 2020

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Particulars	Note	2019-20	2018-19
Revenue			
Revenue from operations	14	13,30,68,957	11,52,08,208
Other income	15	10,63,089	5,86,619
Total Income		13,41,32,046	11,57,94,827
Expenses			
Employee benefit expense	16	12,31,65,950	10,52,78,963
Finance costs	17	2,906	51,951
Depreciation and amortisation expense	2	2,787	2,836
Other expenses	18	39,63,865	37,16,844
Total expenses		12,71,35,508	10,90,50,594
Profit before tax		69,96,538	67,44,233
Tax expense			
Current tax	20	21,39,339	17,66,011
Deferred tax	20	(2,61,901)	59,675
Total tax expense		18,77,438	18,25,686
Profit for the year		51,19,100	49,18,547
Other comprehensive income			
A) Items that will not be reclassified to profit and loss			
Remeasurement gains on defined benefit plans		(62,292)	8,82,652
Income tax on above		15,678	(2,29,490)
Total other comprehensive income		(46,614)	6,53,162
Total comprehensive income		50,72,486	55,71,709
Basic and diluted earning ₹ per Equity share of ₹ 10 each	22	102.38	98.37

The accompanying Notes form an integral part of the Financial Statements

As per our attached report of even date

For and on behalf of the Board of Directors

For Ghanshyam Parekh & Co.

Firm Registration Number: 131167W

Chartered Accountants

Chairman

G R Parekh

Proprietor

Membership No. 030530

Atul

April 16, 2020

Director

Atul

April 16, 2020

Lapox Polymers Limited

Notes to the Financial Statements

Background

Lapox Polymers Limited (the 'Company') is a limited company incorporated and domiciled in India. It is a subsidiary company of Atul Ltd (Holding company). The Company is providing the business auxiliary service to its Holding company. The registered office of the Company is located at Anand Darshan, Near Atul Post Office, Atul 396020, Valsad, Gujarat.

Note 1 Significant Accounting Policies

1 Basis of preparation:

The Financial Statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The Financial Statements have been prepared on a historical cost basis, except financial assets.

All the assets and liabilities have been classified as current or non-current as per the normal operating cycle of the Company and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

2 Fixed Assets & Depreciation Amortizations :

Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation / amortization. The company capitalized all cost relating to the acquisition, installation and construction of fixed assets.

Depreciation on addition to fixed Assets is calculated on pro-rata basis from the month of such addition. The company provides depreciation on SLM Methods at the rates specified under Schedule II of the Companies Act, 2013.

3 Investments:

Investments that are intended to be held for more than a year, from the date of acquisition, are classified as long-term investments and are carried at cost.

4 Revenue Recognition:

Service Income is recognised, net of service tax, when the related service are provided.

5 Employee Benefits:

Leave Encashment:

Provision for future liabilities on account of Leave Encashment has been made on the basis of Actuarial Valuation and the same has been charged as current year's expenses.

Gratuity:

The Company has taken a policy with LIC and contributed for future gratuity liability and the same has been charged to Profit & Loss statement for the year.

6 Taxation:

Income tax expense comprises current tax and deferred tax charge or credit. Provision for current tax is made on the basis of the assessable income at the tax rate applicable to the relevant assessment year.

Deferred tax asset and deferred tax liability are calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets on account of timing differences are recognised, only to the extent there is a reasonable certainty of its realisation. Deferred tax assets are reviewed at each Balance Sheet date to reassure realisation.

Lapox Polymers Limited

Notes to the Financial Statements

7 Earning Per Share :

The company reports basic and diluted Earnings per share in accordance with accounting standard 20 "Earning per share". Basic earnings per share are computed by dividing the net profit or loss after tax for the year by the number of Equity Shares outstanding during the year.

8 Critical estimates and judgments:

The preparation of Financial Statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the Financial Statements.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Lapox Polymers Limited

Statement of changes in Equity for the year ended March 31, 2020

A. Equity share capital

	Notes	Amount
As at March 31, 2018		5,00,000
Changes in Equity share capital		-
As at March 31, 2019		5,00,000
Changes in Equity share capital		-
As at March 31, 2020	9	5,00,000

B. Other equity

	Notes	Reserves and surplus
		Retained earnings
As at March 31, 2018		1,05,08,431
Profit for the year		49,18,547
Other comprehensive income		6,53,162
Total comprehensive income for the year		55,71,709
As at March 31, 2019		1,60,80,140
Profit for the year		51,19,100
Other comprehensive income		(46,614)
Total comprehensive income for the year		50,72,486
As at March 31, 2020		2,11,52,626

The accompanying Notes form an integral part of the Financial Statements

As per our attached report of even date

For Ghanshyam Parekh & Co.

Firm Registration Number: 131167W

Chartered Accountants

For and on behalf of the Board of Directors

Chairman

G R Parekh

Proprietor

Membership No. 030530

Atul

April 16, 2020

Director

Atul

April 16, 2020

Cash Flow Statement

for the year ended March 31, 2020

₹

Particulars	2019-20	2018-19
A. Cash flow from operating activities		
Profit before tax	69,96,538	67,44,233
Add:		
Depreciation and amortisation expenses	2,787	2,836
Finance costs	2,906	51,951
	5,693	56,183
	70,02,231	68,00,416
Less:		
Interest received	9,51,589	5,62,619
Provisions no longer required	1,11,500	-
	10,63,089	5,62,619
Operating profit before working capital changes	59,39,142	62,37,797
Adjustments for:		
Trade receivables	1,57,726	(2,59,895)
Other current financial assets	(8,45,112)	(7,02,043)
Other current assets	(92,008)	52,208
Trade payables	(3,008)	(3,34,903)
Other current financial liabilities	18,51,251	4,81,732
Other current liabilities	49,804	1,50,563
Current provisions	5,64,387	6,56,228
Non-current provisions	5,53,586	(8,82,528)
	22,36,626	(8,38,638)
Cash generated from operations	81,75,768	53,99,158
Less:		
Direct taxes net of refund	20,43,609	23,60,426
Net cash flow from operating activities	A 61,32,159	30,38,732
B. Cash flow from investing activities		
Purchase of tangible assets	-	-
Investments Fixed Deposits	(62,72,899)	(25,06,357)
Interest received	9,51,589	5,62,619
Net cash used in investing activities	B (55,10,210)	(19,43,738)
C. Cash flow from financing activities		
Interest paid	(2,906)	(51,951)
Net cash used in financing activities	C (2,906)	(51,951)
Net change in cash and cash equivalents	A+B+C 6,19,043	10,43,043
Opening balance - cash and cash equivalents	12,17,256	1,74,213
Closing balance - cash and cash equivalents	18,36,299	12,17,256

1. The accompanying Notes form an integral part of the Financial Statements

As per our attached report of even date

For Ghanshyam Parekh & Co.

Firm Registration Number: 131167W

Chartered Accountants

G R Parekh

Proprietor

Membership No. 030530

Atul

April 16, 2020

For and on behalf of the Board of Directors

Chairman

Director

Atul

April 16, 2020

Notes to the Financial Statements

₹

Note 2 Property, plant and equipment

	Computers
Gross carrying amount	
As at March 31, 2018	94,379
Additions	-
Other adjustments	-
Deductions and adjustments	-
As at March 31, 2019	94,379
Additions	-
Other adjustments	-
Deductions and adjustments	-
As at March 31, 2020	94,379
Depreciation Amortisation	
Upto March 31, 2018	83,308
For the year	2,836
Deductions and adjustments	
Upto March 31, 2019	86,144
For the year	2,787
Deductions and adjustments	
Upto March 31, 2020	88,931
Net carrying amount	
As at March 31, 2019	8,235
As at March 31, 2020	5,448

Notes to the Financial Statements

₹

Note 3 Non-current investments	Face Value	As at		As at	
		March 31, 2020		March 31, 2019	
		Number of shares	Value	Number of shares	Value
A Investment in equity instruments (Fully paid-up)					
Unquoted					
In associate companies measured at cost					
Atul Elkay Polymers Ltd	10/-	25,002	2,50,020	25,002	2,50,020
Atul Clean Energy Ltd	10/-	10,000	1,66,670	10,000	1,00,000
Atul (Retail) Brands Ltd	10/-	10,000	1,66,670	10,000	1,00,000
Atul Crop Care Ltd	10/-	14,669	5,11,597	14,669	5,11,597
Atul Ayurveda Ltd	10/-	16,667	2,22,230	16,667	1,66,670
Total			13,17,187		11,28,287

Particulars	Book value		Market value	
	As at		As at	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Quoted	-	-	-	-
Unquoted	13,17,187	11,28,287	-	-
Total	13,17,187	11,28,287	-	-

¹ In ₹ and fully paid

Notes to the Financial Statements

₹

Note 4 Other assets	As at March 31, 2020		As at March 31, 2019	
	Current	Non current	Current	Non current
	a) Balances with the Government department			
i) Tax paid in advance, net of provisions	-	10,53,921	-	11,33,973
b) Others	6,67,573	-	5,75,565	-
	6,67,573	10,53,921	5,75,565	11,33,973

₹

Note 5 Trade receivables	As at March 31, 2020		As at March 31, 2019	
	a) Unsecured, considered good			
i) Trade receivables		1,40,55,554		1,42,13,280
		1,40,55,554		1,42,13,280

₹

Note 6 Cash and cash equivalents	As at March 31, 2020		As at March 31, 2019	
	a) Balances with banks			
i) In current accounts		18,36,299		12,17,256
b) Cash on hand		-		-
		18,36,299		12,17,256

There are no repatriations restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period.

₹

Note 7 Bank balances other than cash and cash equivalents above	As at March 31, 2020		As at March 31, 2019	
	Short-term bank deposit with original maturity between 3 to 12 months		1,48,89,279	
		1,48,89,279		86,16,380

₹

Note 8 Other financial assets	As at March 31, 2020		As at March 31, 2019	
	Current	Non current	Current	Non current
	f) Advances recoverable in cash	44,20,157	-	35,75,045
	44,20,157	-	35,75,045	-

₹

Note 9 Equity share capital	As at March 31, 2020	As at March 31, 2019
Authorised		
50,000 (50,000) Equity shares of ₹ 10 each	5,00,000	5,00,000
Issued		
50,000 (50,000) Equity shares of ₹ 10 each	5,00,000	5,00,000
Subscribed & Paid-up		
50000 (50000) Equity shares of ₹ 10 each, fully paid	5,00,000	5,00,000
	5,00,000	5,00,000

a) Movement in Equity share capital

₹

	Number of shares	Equity share capital
As at March 31, 2018	50,000	5,00,000
As at March 31, 2019	50,000	5,00,000
As at March 31, 2020	50,000	5,00,000

b) The Company has only one class of Equity shares having a par value of ₹ 10 per share. The dividend proposed by the Board of Directors is subject to approval of Shareholders in ensuing Annual General meeting.

c) Details of Shareholders holding more than 5% of Equity shares:

No	Name of the Shareholder	As at		As at	
		March 31, 2020		March 31, 2019	
		Holding %	Number of shares	Holding %	Number of shares
1	Atul Bio Space Limited	20%	10,000	20%	10,000
2	Atul Corp Care Limited	20%	10,000	20%	10,000
3	Atul Seeds Ltd	20%	10,000	20%	10,000
4	Osia Dairy Ltd	20%	10,000	20%	10,000
5	Jayati Infrastructure Ltd.	20%	10,000	20%	10,000
		100%	50,000	100%	50,000

₹

Note 10 Trade payables	As at March 31, 2020	As at March 31, 2019
a) Others	7,03,235	8,17,743
	7,03,235	8,17,743

₹

Note 11 Other financial liabilities	As at March 31, 2020		As at March 31, 2019	
	Current	Non current	Current	Non current
	a) Others	1,04,34,716	-	85,83,465
	1,04,34,716	-	85,83,465	-

₹

Note 12 Other liabilities	As at March 31, 2020		As at March 31, 2019	
	Current	Non current	Current	Non current
	a) Employee benefits obligation (refer note 21)	(14,31,139)		(10,52,260)
b) Statutory dues	35,40,211		30,49,236	
	21,09,072	-	19,96,976	-

₹

Note 13 Provisions	As at March 31, 2020		As at March 31, 2019	
	Current	Non current	Current	Non current
	a) Provision for leave entitlement	17,29,494	27,44,949	11,65,107
	17,29,494	27,44,949	11,65,107	21,91,363

Notes to the Financial Statements

	₹	
Note 14 Revenue from operations	2019-20	2018-19
Sale of services	13,30,68,957	11,52,08,208
	13,30,68,957	11,52,08,208

	₹	
Note 15 Other income	2019-20	2018-19
Interest from others	9,51,589	5,62,619
Provisions no longer required	1,11,500	-
Miscellaneous income	-	24,000
	10,63,089	5,86,619

	₹	
Note 16 Employee benefit expenses	2019-20	2018-19
Salaries, wages and bonus	11,74,41,099	10,02,19,858
Contribution to Provident and other funds	41,38,548	36,84,354
Staff welfare	15,86,303	13,74,751
	12,31,65,950	10,52,78,963

	₹	
Note 17 Finance costs	2019-20	2018-19
Interest on others	2,906	51,951
	2,906	51,951

	₹	
Note 18 Other expenses	2019-20	2018-19
Insurance	1,77,990	1,58,053
Payments to the Statutory Auditors		
a) Audit fees	10,000	8,000
b) Other matters	6,750	6,750
Miscellaneous expenses	37,69,125	35,44,041
	39,63,865	37,16,844

Notes to the Financial Statements

Note 19: Related party transactions

a) Name of the related party and nature of relationship :

Sr.	Name	Relationship
1	Atul Bio Space Limited	Associated Company
2	Atul Corp Care Limited	
3	Atul Seeds Ltd	
4	Osia Dairy Ltd	
5	Jayati Infrastructure Ltd.	Enterprise by which significant influence exercised
6	Atul Limited	
7	Atul Aarogya Ltd	Subsidiary companies of ultimate holding company
8	Aaranyak Urmi Ltd	
9	Aasthan Dates Ltd	
10	Amal Ltd	
11	Anchor Adhesives Pvt Ltd	
12	Atul Ayurveda Ltd	
13	Atul Bioscience Ltd	
14	Atul Brasil Quimicos Ltda	
15	Atul China Ltd	
16	Atul Clean Energy Ltd	
17	Atul Deutschland GmbH	
18	Atul Entertainment Ltd	
19	Atul Europe Ltd	
20	Atul Fin Resources Ltd	
21	Atul Finserv Ltd	
22	Atul Hospitality Ltd	
23	Atul Infotech Pvt Ltd	
24	Atul Ireland Ltd	
25	Atul Middle East FZ-LLC	
26	Atul Nivesh Ltd	
27	Atul Polymers Products Ltd (formerly known as Atul Elkay Polymer Ltd)	
28	Atul Rajasthan Date Palms Ltd	
29	Atul (Retail) Brands Ltd	
30	Atul USA Inc	
31	Biyaban Agri Ltd	
32	DPD Ltd	
33	Gujarat Synthwood Ltd	
34	Osia Infrastructure Ltd	
35	Raja Dates Ltd	
36	Rudolf Atul Chemicals Ltd	Joint operation with ultimate holding company
37	Anaven LLP	

b) Details of transactions with related parties

₹

Name of transaction	Enterprise by which significant influence exercised Atul Limited	
	2019-20	2018-19
Income		
- Service Charges Received	13,30,68,957	11,52,08,208
Other transactions		
- Reimbursement of expense	3,10,57,527	2,85,39,638
Outstanding balances as at year end		
---Payables	76,351	-
---Receivables	1,40,34,754	1,42,13,281

Notes to the Financial Statements

Note 21 :Defined contribution plans

Balance sheet amount (Gratuity)

₹

Particulars	Present value of obligation	Fair value of plan assets	Net amount
April 01, 2018	24,48,382	(28,47,302)	(3,98,920)
Current service cost	8,23,576		8,23,576
Interest expense (income)	1,90,974	(2,22,090)	(31,116)
Total amount recognised in profit and loss	10,14,550	(2,22,090)	7,92,460
<i>Remeasurements</i>			
Return on plan assets, excluding amount included in interest expense (income)		(19,613)	(19,613)
(Gain) loss from change in demographic assumptions	(6,66,548)		(6,66,548)
(Gain) loss from change in financial assumptions	52,895		52,895
Experience (gains) losses	(2,49,386)		(2,49,386)
Total amount recognised in other comprehensive income	(8,63,039)	(19,613)	(8,82,652)
Employer contributions		(5,63,148)	(5,63,148)
Benefit payments	(3,13,589)	3,13,589	-
March 31, 2019	22,86,304	(33,38,564)	(10,52,260)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
March 31, 2019	22,86,304	(33,38,564)	(10,52,260)
Current service cost	4,66,168		4,66,168
Interest expense (income)	1,52,268	(2,22,348)	(70,080)
Total amount recognised in profit and loss	6,18,436	(2,22,348)	3,96,088
<i>Remeasurements</i>			
Return on plan assets, excluding amount included in interest expense (income)		(64,225)	(64,225)
(Gain) loss from change in demographic assumptions	(1,47,704)		(1,47,704)
(Gain) loss from change in financial assumptions	1,01,272		1,01,272
Experience (gains) losses	1,72,949		1,72,949
Total amount recognised in other comprehensive income	1,26,517	(64,225)	62,292
Employer contributions		(8,37,259)	(8,37,259)
Benefit payments	(1,95,889)	1,95,889	-
March 31, 2020	28,35,368	(42,66,507)	(14,31,139)

The net liability disclosed above relates to funded and unfunded plans are as follows:

Particulars	March 31, 2020	March 31, 2019
Present value of funded obligations	28,35,368	22,86,304
Fair value of plan assets	(42,66,507)	(33,38,564)
Deficit of gratuity plan	(14,31,139)	(10,52,260)

Notes to the Financial Statements

Note 22 Earning per share

Earning per share (EPS) - The numerators and denominators used to calculate basic and diluted EPS:

Particulars		2019-20	2018-19
Profit for the year attributable to the Equity Shareholders	₹	51,19,100	49,18,547
Basic Weighted average number of Equity shares outstanding during the year	Number	50,000	50,000
Nominal value of Equity share	₹	10	10
Basic and diluted Earning per Equity share	₹	102.38	98.37

Note 23 The Financial Statements were authorised for issue by the Board of Directors on April 16, 2020

As per our attached report of even date

For Ghanshyam Parekh & Co.

Firm Registration Number: 131167W

Chartered Accountants

For and on behalf of the Board of Directors

Chairman

G R Parekh

Proprietor

Membership No. 030530

Atul

April 16, 2020

Director

Atul

April 16, 2020