



# **G M Polyplast Limited**



## **ANNUAL REPORT 2020-2021**



Regd. Office : A/66, New Empire Industrial Estate, Kondivita Road,  
Andheri (E), Mumbai - 400 059. Tel.: 022 2836 9403 / 2836 9722  
CIN : L25200MH2003PLC143299

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**COMPANY INFORMATION****Board of Directors**

Dinesh Balbirsingh Sharma - Managing Director  
Sarita Dinesh Sharma - Executive Director  
Balbirsingh Bholuram Sharma - Non-executive Director  
Subramanian Ramaswamy Vaidya - Independent Director  
Dinesh Ravjibhai Rathod - Independent Director

**Key Managerial Personnel other than Board of Directors**

Tushar Nitinchandra Pandya - Chief Financial Officer  
Dimple Amrit Parmar - Company Secretary and Compliance Officer

**Bankers**

HDFC Bank Limited  
IDBI Bank Limited  
State Bank of India

**Auditors**

M/s. Anay Gogte & Co., Chartered Accountants,  
(Firm Registration No 100398W)

**Registered Office**

Add: A-66, New Empire Industrial Estate, Kondivita Road,  
Andheri (East), Mumbai - 400 059.  
CIN : L25200MH2003PLC143299  
Website : www.gmpolyplast.com  
Email : info@gmpolyplast.com  
Phone : +91-22-2836 9403 / 28369722  
Fax : +91-22-2820 9552

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## NOTICE

**NOTICE** is hereby given that the Eighteenth (1<sup>st</sup> Post Listing) Annual General Meeting of G M Polyplast Limited (Formerly known as G M Polyplast Private Limited) will be held on Wednesday, September 08, 2021 at 11.30 A.M. through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”), to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited financial statements of the Company for the year ended March 31, 2021, including Balance Sheet, Profit and Loss Account and Cash Flow Statement, the Director’s Report and Auditor’s Report thereon.
2. To confirm the Interim Dividend of Re.1/- per equity share (Declared on February 16, 2021) already paid during the financial year ended March 31, 2021.
3. To appoint a director in place of Mr. Balbirsingh Bholuram Sharma (DIN: 00374565), who retires by rotation and being eligible, offers himself for re-appointment.

### **SPECIAL BUSINESS:**

4. **Approval of remuneration of an amount not exceeding Rs. 3,00,000/- per annum to Mr. Balbirsingh Bholuram Sharma (DIN: 00374565), Non-Executive Director of the Company**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of section 197 and 198 of the Companies Act 2013 (the Act) read with Schedule V of the Companies Act and, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Articles of Association of the Company, Regulations of SEBI (LODR) Regulations, 2015 and all other applicable laws and provisions, and pursuant to the recommendation of Nomination and Remuneration Committee and approval of Board of Directors, subject to such approvals, conditions and modifications, as may be prescribed or imposed by any authorities, including the Central Government, if required, approval of the members, be and is hereby accorded to the Company to pay to Mr. Balbirsingh Bholuram Sharma (DIN: 00374565) Non-Executive Director) Rs. 3,00,000/- (Rupees Three Lakh Only) per annum on terms and conditions, including perquisites, if any, and the Board of Directors be are hereby authorized to alter and vary the terms and conditions as the board may deem fit subject to the condition that it shall comply with the conditions of Section 197, 198 and Schedule V of the Companies Act 2013 or any statutory modification(s) or re-enactment(s) thereof.

**RESOLVED FURTHER THAT** this resolution, being passed as Special Resolution shall also be deemed to comply the provision of Schedule V of the Companies Act 2013 during the currency of the appointment and with respect to the terms of remuneration.

**RESOLVED FURTHER THAT** all the Directors of the Company be and are hereby severally authorized to make the necessary entries in the register of directors of the company and to do all such acts, deeds and things as may require or necessary in this matter, including but not limited to filing e-forms with the Registrar of Companies, and all such authorities in this regard.

5. **To designate Mrs. Sarita Dinesh Sharma (DIN 00128337) as the Whole Time Director of the Company**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

**RESOLVED THAT** pursuant to the provisions of Section 196 and Section 203 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the

Articles of Association of the Company, Regulations of SEBI (LODR) Regulations, 2015 and all other applicable laws and provisions, and pursuant to the recommendation of Nomination and Remuneration Committee and approval of Board of Directors, the consent of the members of the Company be and is hereby accorded to designate Mrs. Sarita Dinesh Sharma (DIN 00128337) as Whole Time Director (Promoter) of the Company for a period of Five years i.e. from June 30, 2021 up to June 29, 2026.

**RESOLVED FURTHER THAT** pursuant to the provisions of section 197 and 198 of the Companies Act 2013 read with Schedule V of the Companies Act and, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Articles of Association of the Company and all other applicable laws, listing regulations and provisions, pursuant to and subject to such approvals, conditions and modifications, as may be prescribed or imposed by any authorities, including the Central Government, if required, approval of the members, be and is hereby accorded to the Company to pay to Mrs. Sarita Dinesh Sharma (DIN 00128337) Rs. 12,00,000/- (Rupees Twelve Lakhs Only) per annum on terms and conditions, including perquisites, if any, and the Board of Directors be are hereby authorized to alter and vary the terms and conditions as the board may deem fit subject to the condition that it shall comply with the conditions of Section 197, 198 and Schedule V of the Companies Act 2013 or any statutory modification(s) or re-enactment(s) thereof.

**RESOLVED FURTHER THAT** this resolution, being passed as Special Resolution shall also be deemed to comply the provision of Schedule V of the Companies Act 2013 during the currency of the appointment and with respect to the terms of remuneration.

**RESOLVED FURTHER THAT** all the Directors of the Company be and are hereby severally authorized to make the necessary entries in the register of directors of the company and to do all such acts, deeds and things as may require or necessary in this matter, including but not limited to filing e-forms with the Registrar of Companies, and all such authorities in this regard.

**RESOLVED FURTHER THAT** all the Directors of the Company be and are hereby severally authorized to issue certified copies of this resolution as and when required.”

**By Order of the Board of Directors  
For G M Polyplast Limited  
(Formerly known as G M Polyplast Private Limited)**

**Dinesh Balbirsingh Sharma  
Managing Director  
DIN: 00418667**

**Date : August 02, 2021  
Place : Mumbai**

**Registered Office:**  
A-66, New Empire Industrial Estate,  
Kondivita Road, Andheri East, Mumbai – 400059

**CIN: L25200MH2003PLC143299**

**Website:** www.gmpolyplast.com

**Email:** info@gmpolyplast.com

**Phone :** +91-22-2836 9403 / 28369722

**Fax :** +91-22-2820 9552



**NOTES:**

The Explanatory Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 (“Act”), in relation to the item no 4 & 5 of Special Business in the Notice which were considered unavoidable by the Directors is annexed hereto and forms part of this Notice. Also, relevant details in respect of Director seeking re-appointment at the AGM, in terms of Regulations 36(3) of the SEBI Listing Regulations and Clause 1.2.5 of Secretarial Standard - 2 on General Meetings are also annexed to this notice

1. **General Instructions:**In view of the outbreak of COVID-19 pandemic and its continuation in the current year, the Ministry of Corporate Affairs (the “MCA”), Government of India, has vide its General Circular No. 14/ 2020 dated 8th April 2020, General Circular No. 17/ 2020 dated 13th April 2020, General Circular No. 20/ 2020 dated 5th May 2020, and General Circular No. 02/2021 dated 13th January 2021, in relation to “Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)” (collectively referred to as “MCA Circulars”) and Securities and Exchange Board of India vide Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020, and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January 2021, in relation to “Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to the CoVID -19 pandemic” (collectively referred to as “SEBI Circulars”) have permitted the holding of the Annual General Meeting (“AGM”) through Video Conferencing (“VC”)/Other Audio Visual Means (“OAVM”), without the physical presence of the Members at a common venue.
2. In accordance with the Secretarial Standard-2 on General Meeting issued by the Institute of Company Secretaries of India (ICSI) read with Guidance/ Clarification dated April, 15, 2020 issued by ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the e-AGM.
3. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting’s agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
6. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

7. In accordance to the MCA and SEBI Circulars, owing to the difficulties involved in dispatching of the physical copies of Annual Report including the Notice of the Annual General meeting and Financial Statements including Directors Report and Auditors Report and the annexures thereon are being sent to the members in electronic mode whose email address registered with the Company or the Depository participant, Further, in line with the MCA Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.gmpolyplast.com](http://www.gmpolyplast.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
8. Since the AGM will be held through VC/ OAVM Facility, the Route Map is not annexed in this notice. CDSL will be providing facility for voting through remote e-Voting, for participation in the 18<sup>th</sup> AGM through VC/OAVM Facility and e-Voting during the 18<sup>th</sup> AGM.
9. The Register of Members and the Share Transfer Books of the Company will remain closed from Thursday, September 02, 2021 to Wednesday, September 08, 2021 (both days inclusive).
10. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 1st April 2019, except in case of request received for transmission or transposition of securities. Further, in terms of the Circular issued by the Securities and Exchange Board of India dated 2nd December 2020, 31st March 2021 had been fixed as the cut-off date for lodgement of transfer deeds and the shares that are lodged for transfer shall be issued only in demat mode.
11. Institutional/ Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/ JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the e-AGM through VC/OAVM on its behalf and to vote through remote e-voting or during the e-AGM. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to [dipesh@dapco.in](mailto:dipesh@dapco.in) with cc to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
12. Members desiring inspection of statutory registers during the AGM may send their request in writing in advance to the Company at [compliance@gmpolyplast.com](mailto:compliance@gmpolyplast.com)
13. Members who wish to inspect the relevant documents referred to in the Notice can send an e-mail to [compliance@gmpolyplast.com](mailto:compliance@gmpolyplast.com) upto the date of the AGM.
14. This AGM Notice is being sent by e-mail only to those eligible Members who have already registered their e-mail address with the Depositories/the DP/the Company's RTA/ the Company or who will register their e-mail address with the Company on or before Friday on August, 06, 2021.
15. Shareholders holding shares in dematerialized form are requested to approach their respective Depository Participants for updating the Email address to enable the Company to use the same for serving documents to them electronically, hereafter, and also update Bank Mandates, and Mobile No.
16. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhar Card) to RTA
17. Shareholders are requested to intimate changes, if any, pertaining to their name, postal address, Email ID, telephone/ mobile numbers, PAN, mandates, nominations, power of attorney, bank details (such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc.), with necessary documentary evidence, to their Depository Participants in case the shares are held by them in dematerialized form and to the Company

18. Shareholders are requested to quote their Folio No. or DP ID - Client ID, as the case may be, in all correspondence with the Company or RTA
19. In terms of the provisions of Section 72 of the Act, the facility for making nomination is available for the Shareholders in respect of the shares held by them. Shareholders who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Shareholders holding shares in dematerialized form are requested to submit the said details to their Depository Participant(s) and the Shareholders holding shares in physical form, are requested to submit the said details to the Company or RTA
20. Members of the Company, holding shares either in physical form or electronic form, as on the cut-off date of Wednesday, September 01, 2021, may cast their vote by remote e-Voting. The remote e-Voting period commences on Saturday, September 04, 2021 at 9 a.m. (IST) and ends on Tuesday, September 07, 2021 at 5 p.m. (IST). The remote e-Voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

**THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:**

- (i) The voting period begins on Saturday, September 04, 2021 at 9 a.m. (IST) and ends on Tuesday, September 07, 2021 at 5 p.m. (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Wednesday, September 01, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>  Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number</li> </ol>



	hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

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

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual shareholders holding in Demat form.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)  Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.  If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant G M Polyplast Limited on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [compliance@gmpolyplast.com](mailto:compliance@gmpolyplast.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance mentioning their name, demat account number/folio number, email id, mobile number at [compliance@gmpolyplast.com](mailto:compliance@gmpolyplast.com) from Friday, August 20, 2021 (9.00 a.m. IST) to Saturday September 04, 2021 (5.00 p.m. IST). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **03 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [compliance@gmpolyplast.com](mailto:compliance@gmpolyplast.com). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

**GENERAL INSTRUCTIONS**

The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of Wednesday, September 01, 2021.

The Board of Directors has appointed M/s. Dipesh Jain & Co. as Scrutinizer to scrutinize the voting at the AGM and remote e-Voting process, in a fair and transparent manner.

The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting, by use of remote e-Voting system for all those Members who are present during the AGM through VC/OAVM but have not cast their votes by availing the remote e-Voting facility. The remote e-Voting module during the AGM shall be disabled by CDSL for voting 15 minutes after the conclusion of the Meeting.

The Scrutinizer shall, after the conclusion of voting at the AGM, first count the votes cast during the Meeting and, thereafter, unblock the votes cast through remote e-Voting, in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two working days from the conclusion of the AGM, a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.





The Results declared, along with the Scrutinizer's Report, shall be placed on the Company's website and on the website of CDSL immediately after the declaration of the result by the Managing Director or a person authorised by him in writing. The results shall also be immediately forwarded to the Stock Exchanges where the Company's Equity Shares are listed viz. BSE and be made available on the website [www.bseindia.com](http://www.bseindia.com).

**By Order of the Board of Directors  
For G M Polyplast Limited  
(Formerly known as G M Polyplast Private Limited)**

**Dinesh Balbirsingh Sharma  
Managing Director  
DIN: 00418667**

**Date : August 02, 2021**

**Place : Mumbai**

**Registered Office:**

A-66, New Empire Industrial Estate,  
Kondivita Road, Andheri East, Mumbai – 400059

**CIN: L25200MH2003PLC143299**

**Website:** [www.gmpolyplast.com](http://www.gmpolyplast.com)

**Email:** [info@gmpolyplast.com](mailto:info@gmpolyplast.com)

**Phone : +91-22-2836 9403 / 28369722**

**Fax : +91-22-2820 9552**

**EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

The following Statement sets out all material facts relating to the Special Business mentioned in the Notice:

**Item No. 4**

The Nomination and Remuneration Committee and the Board of Directors of the Company in their meeting held on June 30, 2021 and August 02, 2021 respectively had recommended the payment of remuneration to Mr. Balbirsingh Bholuram Sharma (DIN: 00374565) Non-Executive Directors of the Company, of an amount not exceeding Rs. 3,00,000/- (Rupees Three Lakh Only) per annum for the financial year 2021-22 and onwards, subject to such increment as the Board may think fit in compliance to the provisions of the Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015 as amended from time to time and in adherence to Schedule V of the Companies Act 2013 in case of loss or inadequacy of Profits

Accordingly, the approval of the Members is now being sought for remuneration to be paid to the Non-Executive Director for the financial year 2021-2022 and onwards, subject to such increment as the Board may think fit. The total remuneration to be paid is currently within the limits as prescribed under Section 197 of the Act. The Board had approved the payment of proposed remuneration of Rs. 3,00,000/- per annum, to Mr. Balbirsingh Bholuram Sharma, Non-Executive Directors of the Company subject to the approval of the shareholders of the Company. The details in this regard are as follow:

Mr. Balbirsingh Sharma would be paid Rs. 3,00,000/- (Rupees Three Lakh Only) per annum, including perquisites if any and the Board of Directors are authorized to alter and vary the terms and conditions as the board may deem fit subject to the condition that it shall comply with the conditions of Section 197, 198 and Schedule V of the Companies Act 2013 or any statutory modification(s) or re-enactment(s) thereof.

It is also proposed to the members that in case of loss or inadequacy of Profits this resolution be passed as Special Resolution in compliance of Schedule V of the Companies Act 2013 and Mr. Balbirsingh Bholuram Sharma (DIN: 00374565) Non-Executive Directors of the Company be paid remuneration in compliance of the limits set out therein.

A brief profile of Mr. Balbirsingh Bholuram Sharma is annexed herewith as Annexure A which forms part of this Notice.

Mr. Dinesh Balbirsingh Sharma, Managing Director of Company and Mrs. Sarita Dinesh Sharma, Executive Director of the Company are concerned or interested in passing of this resolution. None of the other directors, key managerial personnel of the Company and their relatives are in any way concerned or interested, financially or otherwise in the passing of the Resolution at Item No. 4 of the accompanying notice.

In compliance with the provisions of Sections 196, 197 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the Act, the terms of remuneration, if any specified above are now being placed before the Members for their approval.

Documents relevant to the payment of Remuneration to the non-executive directors are available for inspection at the Registered Office of the Company during business hours on any working day of the Company without payment of fee from the date hereof up to the date of AGM.

The following additional information as per item (iv) of third proviso of Section II of Part II of Schedule V to the Companies Act, 2013 is given below:

**I. GENERAL INFORMATION**
**1. Nature of industry**

The Company is in the business of manufacturing of Acrylonitrile Butadiene Styrene (ABS) Plastic Sheets, High Impact Polystyrene (HIPS) Sheets, PET (Polyethylene Terephthalate) Sheets / Rolls, Amorphous Polyethylene Terephthalate (A-PET) Sheet, Recycled Polyethylene Terephthalate (R-PET) Sheet, HDPE (High Density Polyethylene) Sheets / Rolls, PP (Polypolyne) Sheets / Rolls, Electrostatic discharge materials (ESD materials). sheets, granules and supplying of high-grade Sheets and Granules in India.

**2. Date or expected date of commencement of commercial production:**

November, 2003

**3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:**

Not Applicable as the Company is an existing Company.

**4. Financial performance based on given indicators:**

<b>Particulars</b>	<b>March 31, 2021</b>	<b>March 31, 2020</b>
Revenue from Operations	52,14,37,108	63,14,53,430
Other Income	22,58,308	28,44,193
<b>Total Revenue</b>	<b>52,36,95,416</b>	<b>63,42,97,623</b>
<b>Less: Expenses</b>		
Cost of materials consumed	40,82,98,543	52,41,59,603
Change in inventories of Finished goods, work-in-progress and stock-in-trade	(27,69,429)	28,21,258
Other Manufacturing expenses	1,99,70,889	2,42,19,745
Employee Benefit Expense	1,21,05,658	1,46,44,880
Other Expenses	2,84,65,923	2,82,78,138
<b>Total Expenses</b>	<b>46,60,71,584</b>	<b>59,41,23,624</b>
<b>Earnings before exceptional items, extraordinary items, interest, tax, depreciation &amp; amortization (EBITDA)</b>	<b>5,76,23,832</b>	<b>4,01,73,999</b>
Finance Costs	42,06,357	23,19,411
Depreciation	58,01,123	78,02,534
<b>Profit before exceptional items, extraordinary items &amp; tax</b>	<b>4,76,16,352</b>	<b>3,00,52,055</b>
Exceptional items	-	-
<b>Profit before extraordinary items &amp; tax</b>	<b>4,76,16,352</b>	<b>3,00,52,055</b>

Extraordinary items – Prior Period item	-	7,83,132
<b>Profit before Tax</b>	<b>4,76,16,352</b>	<b>2,92,68,923</b>
Current Tax Expenses	1,37,00,000	87,40,000
Tax Expense relating to prior years	-	(22,634)
Deferred Tax Expenses	(11,82,431)	(23,79,421)
<b>Profit for the year after tax</b>	<b>3,50,98,783</b>	<b>2,29,30,978</b>

**5. Foreign Investments and Collaborations:**

The Company has not made any foreign collaboration.

**II. INFORMATION ABOUT THE APPOINTEES:**

**i. Background Details:**

Mr. Balbirsingh Sharma, aged 68 years has laid the foundation of G M Plastic as a Proprietor and has been the driving force of this organization since inception and has thoroughly been advising the management throughout the existence of this Company. He has more than 40 years of experience. With his tremendous work experience, he is guiding the Company towards great height.

**ii. Past remuneration**

During the Financial Year ended March 31, 2021, Rs. 3,00,000/- was paid as remuneration to Mr. Balbirsingh Sharma.

**iii. Recognition and Awards: NA**

**iv. Job profile Suitability:**

Mr. Balbirsingh Sharma, who is now associated with the Company in Non Executive Role and shall advise and share his valuable experience with the management of the Company

**v. Remuneration proposed:**

Mr. Balbirsingh Sharma would be paid Rs. 3,00,000/- (Rupees Three Lakhs Only) per annum, including perquisites if any.

**vi. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):**

Taking into consideration the size of the Company, the profile, knowledge, skills and responsibilities shouldered by Mr. Balbirsingh Sharma, the remuneration proposed to be paid to him is commensurate with the remuneration packages paid to his similar counterparts in other companies.

**vii. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel or other director, if any:**

Beside the remuneration to be paid, he do not have any other pecuniary relationship with the Company or relationships with any other managerial personnel and Directors except that Mr. Balbirsingh Sharma is Father of Mr. Dinesh Balbirsingh Sharma, Managing Director of the Company and Father in Law of Mrs. Sarita Sharma, Executive Director of the Company.



**III. OTHER INFORMATION:****1. Reasons of loss or inadequate profits:**

The Company has not incurred any losses for the financial year 2020-21.

The Company has earned adequate profits in the year 2020-21, the said resolution under Schedule V is proposed for contingencies of the Future. The Company shall in its Directors Report justify the reason for inadequate profits if any.

**2. Steps taken or proposed to be taken for improvement:**

The Company believes that its intellectual capital represents its most valuable asset. The Company has consistently worked on not only increasing its workforce but ensuring that its people competencies are enhanced in line with changing business needs. As a result, the Company enjoys the support of a committed and well satisfied human capital. We have a marketing team allocated for the looking after sales growth, each handled by well trained personnel. We aim at increasing in operational output through continuous process improvement, Quality Assurance (QA) and QA activities, customer service, consistent quality and technology development

**3. Expected increase in productivity and profits in measurable terms:**

We earn our revenue from manufacturing and supplying of premium quality ABS Granules, H.I.P.S., A.B.S, P.E.T Sheets and various other Sheets. Since we continuously endeavour to provide quality products to our customers, our revenues have been impacted by such quality products, we expect it to increase in the times to come.

**Item No. 5**

The Nomination and Remuneration Committee and the Board of Directors of the Company in their meeting held on June 30, 2021 had recommended the appointment of Mrs. Sarita Dinesh Sharma, as Whole Time Director of the Company, subject to the approval of the members for a period of five years effective from June 30, 2021 up to June 29, 2026.

The Company has received from Mrs. Sarita Dinesh Sharma, a consent in writing to act as Whole Time Director pursuant to Rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014 and terms of Companies (Appointment and Qualification of Directors) Rules, 2014 to the effect that she is not disqualified under sub-section 2 of Section 164 of the Companies Act, 2013.

Accordingly it is proposed to appoint Mrs. Sarita Dinesh Sharma and approve her remuneration as a Whole Time Director of the Company.

A brief profile of Mrs. Sarita Dinesh Sharma, in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided as a part of this notice.

The proposed remuneration and terms and conditions of appointment of Mrs. Sarita Dinesh Sharma is given below:

- a) Mrs. Sharma shall perform her duties subject to the superintendence, control and direction of the Board of Directors of the Company.
- b) In consideration of the performance of her duties, she shall be entitled to receive remuneration as stated herein below.

Mrs. Sharma would be paid Rs. 12,00,000/- (Rupees Twelve Lakhs Only) per annum, including perquisites if any and the Board of Directors are authorized to alter and vary the terms and conditions as the board may deem fit subject to the condition that it shall comply with the conditions of Section 197, 198 and Schedule V of the Companies Act 2013 or any statutory modification(s) or re-enactment(s) thereof.

**Notes:**

- i. Unless otherwise stipulated, for the purpose of the above, the perquisites shall be evaluated as per Income Tax Rules wherever actual cost cannot be determined.
- ii. Notwithstanding the foregoing, where in any Financial Year during the currency of the tenure of the above mentioned directors, the Company has no profits or its profits are inadequate, the remuneration by way of salary, commission and perquisites shall be paid in compliance with the provisions of the Companies Act, 2013.
- iii. The Nomination and Remuneration Committee / Board may in its absolute discretion pay to the above mentioned Directors lower remuneration and revise the same from time to time within the maximum limits stipulated above.
- iv. In the event of any re-enactment or recodification of the Companies Act, 2013 or the Income Tax Act, 1961 or amendments thereto, the foregoing shall continue to remain in force and the reference to various provisions of the Companies Act, 2013 or the Income Tax Act, 1961 shall be deemed to be substituted by the corresponding provisions of the new Act or the amendments thereto or the Rules and notifications issued there under.
- v. If at any time the Whole Time Director ceases to be in the employment of the Company for any cause whatsoever, she shall cease to be the Whole Time Director of the Company.
- vi. The Whole Time Directors are appointed by virtue of their employment in the Company and their appointment is subject to the provisions of Section 167 of the Companies Act, 2013 while at the same time Whole Time Directors are liable to retire by rotation. The appointment is terminable by giving three months' notice in writing on either side.

Mr. Dinesh Balbirsingh Sharma, Managing Director of Company and Mr. Balbirsingh Bholuram Sharma, Non-executive Director of the Company are concerned or interested in passing of this resolution. None of the other directors, Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the proposed resolution.

Accordingly, the Board recommends the Special Resolutions at Item No. 5 of the accompanying notice for approval by the Members of the Company.

The following additional information as per item (iv) of third proviso of Section II of Part II of Schedule V to the Companies Act, 2013 is given below:

**I. GENERAL INFORMATION****1. Nature of industry**

The Company is in the business of manufacturing of Acrylonitrile Butadiene Styrene (ABS) Plastic Sheets, High Impact Polystyrene (HIPS) Sheets, PET (Polyethylene Terephthalate) Sheets / Rolls, Amorphous Polyethylene Terephthalate (A-PET) Sheet, Recycled Polyethylene Terephthalate (R-PET) Sheet, HDPE (High Density Polyethylene) Sheets / Rolls, PP (Polypolyne) Sheets / Rolls, Electrostatic discharge materials (ESD materials). sheets, granules and supplying of high-grade Sheets and Granules in India.

**2. Date or expected date of commencement of commercial production:**

November 2003

**3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:**

Not Applicable as the Company is an existing Company

**4. Financial performance based on given indicators:**

<b>Particulars</b>	<b>March 31, 2021</b>	<b>March 31, 2020</b>
Revenue from Operations	52,14,37,108	63,14,53,430
Other Income	22,58,308	28,44,193
<b>Total Revenue</b>	<b>52,36,95,416</b>	<b>63,42,97,623</b>
<b>Less: Expenses</b>		
Cost of materials consumed	40,82,98,543	52,41,59,603
Change in inventories of Finished goods, work-in-progress and stock-in-trade	(27,69,429)	28,21,258
Other Manufacturing expenses	1,99,70,889	2,42,19,745
Employee Benefit Expense	1,21,05,658	1,46,44,880
Other Expenses	2,84,65,923	2,82,78,138
<b>Total Expenses</b>	<b>46,60,71,584</b>	<b>59,41,23,624</b>
<b>Earnings before exceptional items, extraordinary items, interest, tax, depreciation &amp; amortization (EBITDA)</b>	<b>5,76,23,832</b>	<b>4,01,73,999</b>
Finance Costs	42,06,357	23,19,411
Depreciation	58,01,123	78,02,534
<b>Profit before exceptional items, extraordinary items &amp; tax</b>	<b>4,76,16,352</b>	<b>3,00,52,055</b>
Exceptional items	-	-
<b>Profit before extraordinary items &amp; tax</b>	<b>4,76,16,352</b>	<b>3,00,52,055</b>
Extraordinary items – Prior Period item	-	7,83,132
<b>Profit before Tax</b>	<b>4,76,16,352</b>	<b>2,92,68,923</b>
Current Tax Expenses	1,37,00,000	87,40,000
Tax Expense relating to prior years	-	(22,634)
Deferred Tax Expenses	(11,82,431)	(23,79,421)
<b>Profit for the year after tax</b>	<b>3,50,98,783</b>	<b>2,29,30,978</b>

**5. Foreign Investments and Collaborations:**

The Company has not made any foreign collaboration.

**II. INFORMATION ABOUT THE APPOINTEES:****i. Background Details:**

Ms. Sarita Dinesh Sharma, aged 42 years, is the Promoter and Executive Director of our Company. She is associated with our Company as Director of the Company since Incorporation. She has done her Higher Secondary Education. She has overall 18 years of experience in the industry of the Company. She is administrating the Company with her dynamic skills.

**ii. Past remuneration**

During the Financial Year ended March 31, 2021, Rs. 12,00,000/- was paid as remuneration to Mrs. Sarita Dinesh Sharma.

**iii. Recognition and Awards: NA****iv. Job profile Suitability:**

Ms. Sarita Dinesh Sharma, is associated with the Company since incorporation and has overall 18 years of experience in the Company. She has an ability to enhance the value of the Company with her dynamic skills of administrating the Company.

**v. Remuneration proposed:**

Mrs. Sarita Dinesh Sharma would be paid Rs. 12,00,000/- (Rupees Twelve Lakhs Only) per annum, including perquisites if any.

**vi. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin) :**

Taking into consideration the size of the Company, the profile, knowledge, skills and responsibilities shouldered by Ms. Sarita Sharma, the remuneration proposed to be paid to her is commensurate with the remuneration packages paid to her similar counter parts in other companies.

**vii. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel or other director, if any:**

Beside the remuneration to be paid, she do not have any other pecuniary relationship with the Company or relationships with anyother managerial personnel and Directors except that Mrs. Sarita Sharma is wife of Mr. Dinesh Balbirsingh Sharma, Managing Director of the Company and Daughter in Law of Mr. Balbirsingh Bholuram Sharma, Non-executive Director of the Company.

**III. OTHER INFORMATION:****1. Reasons of loss or inadequate profits:**

The Company has not incurred any losses for the financial year 2020-21.

The Company has earned adequate profits in the year 2020-21, the said resolution under Schedule V is proposed for contingencies of the Future. The Company shall in its Directors Report justify the reason for inadequate profits if any.

**2. Steps taken or proposed to be taken for improvement:**

The Company believes that its intellectual capital represents its most valuable asset. The Company has consistently worked on not only increasing its workforce but ensuring that its people competencies are enhanced in line with changing business needs. As a result, the Company enjoys the support of a committed and well satisfied human capital. We have a marketing team allocated for the looking after sales growth, each handled by well trained personnel. We aim at increasing in operational



output through continuous process improvement, Quality Assurance (QA) and QA activities, customer service, consistent quality and technology development

**3. Expected increase in productivity and profits in measurable terms:**

We earn our revenue from manufacturing and supplying of premium quality ABS Granules, H.I.P.S., A.B.S, P.E.T Sheets and various other Sheets. Since we continuously endeavour to provide quality products to our customers, our revenues have been impacted by such quality products, we expect it to increase in the times to come.

**By Order of the Board of Directors  
For G M Polyplast Limited  
(Formerly known as G M Polyplast Private Limited)**

**Dinesh Balbirsingh Sharma  
Managing Director  
DIN: 00418667**

**Date : August 02, 2021  
Place : Mumbai**

**Registered Office:**  
A-66, New Empire Industrial Estate,  
Kondivita Road, Andheri East, Mumbai – 400059

**CIN: L25200MH2003PLC143299  
Website: [www.gmpolyplast.com](http://www.gmpolyplast.com)  
Email: [info@gmpolyplast.com](mailto:info@gmpolyplast.com)  
Phone : +91-22-2836 9403 / 28369722  
Fax : +91-22-2820 9552**

**Annexure A**
**Details of the Directors seeking appointment / re-appointment at the 18<sup>th</sup> Annual General Meeting  
(In pursuance of Regulation 36(3) of the Listing Regulations and  
Secretarial Standard - 2 on General Meetings)**

<b>Name of the Director</b>	<b>Mr. Balbirsingh Bholuram Sharma</b>	<b>Mrs. Sarita Dinesh Sharma</b>
<b>DIN</b>	00374565	00128337
<b>Designation</b>	Non-executive Director	Executive Director
<b>Age (in years)</b>	68 years	42 years
<b>Qualification</b>	Secondary School Education	Higher Secondary Education
<b>Expertise in specific functional areas</b>	Sales, Marketing, Export Purchase	Management
<b>Remuneration sought to be paid</b>	3,00,000 (Three Lakh)per annum	12,00,000 (Twelve Lakhs) per annum
<b>Terms and Conditions of appointment(s)</b>	<p>1. Mr. Balbirsingh Sharma shall perform his duties subject to the superintendence, control and direction of the Board of Directors of the Company.</p> <p>2. In consideration of the performance of his duties, he shall be entitled to receive remuneration of Rs. 3,00,000/- per annum.</p>	<p>1. Mrs. Sarita Sharma shall perform her duties subject to the superintendence, control and direction of the Board of Directors of the Company.</p> <p>2. In consideration of the performance of her duties, she shall be entitled to receive remuneration of Rs. 12,00,000/- per annum.</p> <p>3. If at any time the Whole Time Director cease to be in the employment of the Company for any cause whatsoever, she shall cease to be the Whole Time Director of the Company.</p>
<b>Date of first appointment on the Board of Directors of the Company</b>	February 27, 2020	November 27, 2003
<b>Shareholding in the Company</b>		
<b>(a) Own</b>	1 Equity Share	6,88,995 Equity Shares
<b>(b) As a Beneficial Owner</b>	Nil	Nil

<b>Relationship with other Directors, Managers and other Key Managerial Personnel(s) of the Company</b>	Father of Managing Director - Mr. Dinesh Balbirsingh Sharma and Father in Law of Director - Mrs. Sarita Dinesh Sharma	Wife of Managing Director- Mr. Dinesh Balbirsingh Sharma, Daughter in Law of Director- Mr. Balbirsingh Bholuram Sharma
<b>Number of Board meetings attended during the financial year 2020-21</b>	9 (Nine)	9 (Nine)
<b>List of Directorships held in other companies, as on March 31, 2021</b>	Nil	Nil
<b>Membership/ Chairmanship of Committees of Board of Directors of other companies, as on March 31, 2021</b>	Nil	Nil

**Directors' Report**

To,  
The Members  
**G M Polyplast Limited**  
**(Formerly known as G M Polyplast Private Limited)**

The Directors present the 18<sup>th</sup> Annual Report (1<sup>st</sup> Post Listing) of **G M Polyplast Limited (Formerly known as G M Polyplast Private Limited)** (the Company) along with the audited financial statements for the financial year ended March 31, 2021.

**1. Financial Summary or Highlights:**

During the financial year under review, performance of your company as under:

*(Amount in Rs.)*

<b>Particulars</b>	<b>March 31, 2021</b>	<b>March 31, 2020</b>
Revenue from Operations	52,14,37,108	63,14,53,430
Other Income	22,58,308	28,44,193
<b>Total Revenue</b>	<b>52,36,95,416</b>	<b>63,42,97,623</b>
<b>Less: Expenses</b>		
Cost of materials consumed	40,82,98,543	52,41,59,603
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Other Manufacturing expenses	1,99,70,889	2,42,19,745
Employee Benefit Expense	1,21,05,658	1,46,44,880
Other Expenses	2,84,65,923	2,82,78,138
<b>Total Expenses</b>	<b>46,60,71,584</b>	<b>59,41,23,624</b>
<b>Earnings before exceptional items, extraordinary items, interest, tax, depreciation &amp; amortization (EBITDA)</b>	<b>5,76,23,832</b>	<b>4,01,73,999</b>
Finance Costs	42,06,357	23,19,411
Depreciation	58,01,123	78,02,534
<b>Profit before exceptional items, extraordinary items &amp; tax</b>	<b>4,76,16,352</b>	<b>3,00,52,055</b>
Exceptional items	-	-
<b>Profit before extraordinary items &amp; tax</b>	<b>4,76,16,352</b>	<b>3,00,52,055</b>
Extraordinary items – Prior Period item	-	7,83,132
<b>Profit before Tax</b>	<b>4,76,16,352</b>	<b>2,92,68,923</b>
Current Tax Expenses	1,37,00,000	87,40,000
Tax Expense relating to prior years	-	(22,634)
Deferred Tax Expenses	(11,82,431)	(23,79,421)
<b>Profit for the year after tax</b>	<b>3,50,98,783</b>	<b>2,29,30,978</b>
<b>Earnings Per Share (of Rs. 10/- each)</b>		
Basic & Diluted	20.02	14.33

The above figures are extracted from the Financial Statements prepared in accordance with accounting principles generally accepted in India including the Accounting Standards specified under section 129 and 133 of the Companies Act, 2013 (“the Act”) read with the Companies (Accounts) Rules, 2014 and other relevant provisions of the Act.

The detailed financial statement as stated above are available on the Company’s website at <http://www.gmpolyplast.com/>

## **2. State of company’s affairs:**

For the financial year ended 31<sup>st</sup> March, 2021, gross revenues and other income is **Rs. 52,36,95,416/-** (Fifty Two Crores Thirty Six Lakhs Ninety Five Thousand Four Hundred and Sixteen Rupees-) compared to gross revenues and other income of **Rs. 63,42,97,623/-** (Sixty Three Crores Forty Two Lakhs Ninety Seven Thousand Six Hundred Twenty Three Rupees) for the Financial Year 31<sup>st</sup> March, 2020.

The company has made a net profit of **Rs. 3,50,98,783/-** (Three Crore Fifty Lakh Ninety Eight Thousand Seven Hundred Eighty Three Rupees) for the year ended 31<sup>st</sup> March, 2021 as compared to the previous year net profit of **Rs. 2,29,30,978/-** (Two Crores Twenty Nine Lakhs Thirty Thousand Nine Hundred Seventy Eight Rupees) for the year ended 31<sup>st</sup> March, 2020.

## **3. Initial Public Offer And Listing Of Shares:**

The Company was converted into a Limited Company and is known as G M Polyplast Limited (Formerly known as G M Polyplast Private Limited) by passing special resolution in the meeting of the members of the Company held on July 06, 2020

The members of the Company had passed the Special Resolution in Extra Ordinary General Meeting held on August 30, 2020 for listing its Equity shares on SME Platform of BSE Limited (“**SME Exchange**”). M/S. Gretex Corporate Services Private Limited acted as Merchant Banker and Lead Manager to execute the listing procedure in compliance with SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2018, SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 & Securities Contract Regulation Act, 1956.

The equity shares of your Company are listed on Bombay Stock Exchange (BSE) Limited with effect from October 14, 2020 pursuant to Initial Public Offer of the Company.

## **4. Dividend:**

During the year, your Board was pleased to declare an Interim Dividend of Re. 1/-(One Rupee) per equity share of face value Rs.10/- in the Board Meeting held on Tuesday, February 16, 2021. The Company has not proposed any final dividend in the current year.

## **5. Transfer of unclaimed dividend to Investor Education and Protection Fund:**

During the Financial year 2020-2021, no amount was due to be transferred to the Investor Education and Protection Fund, as there was no unpaid/unclaimed Dividend for a period as prescribed in the Companies Act 2013.

## **6. Transfer to Reserves:**

During the Financial year 2020-2021, no amount was transferred to the Reserves for the year under review.

## **7. Changes in Capital Structure:**

The Authorized Share Capital of the Company is Rs. 2,00,00,000/- (Two Crores Rupees) divided into 20,00,000 (Twenty Lakhs) Equity shares of Rs. 10/- each.



During the financial year under review, the Board of Director in their meeting held on Monday, June 22, 2020 had allotted, in the ratio of 15:1, 15,00,000 (Fifteen Lakh) equity shares, having a nominal value of Rs. 10/- (Ten Rupees) each aggregating to Rs. 1,50,00,000/- (One Crore Fifty Lakh Rupees) as fully paid bonus shares to the shareholders determined as on the date of issue of the company

The paid up Equity Share Capital as at March 31, 2021 stood at Rs. 1,92,28,000 /- (One Crore Ninety Two Lakhs Twenty Eight Thousand Rupees) divided into 19,22,800 (Nineteen Lakhs Twenty Two Thousand Eight Hundred) Equity Shares of Rs 10/- each.

#### **8. Details of directors or key managerial personnel who were appointed or have resigned during the year:**

The Board of Directors of your Company ("the Board") comprised of 5 (Five) Directors, constituted as follows:

Managing Director – 1; Executive Women Director – 1; Non-Executive Directors – 1;; Independent Directors - 2.

Your Directors on the Board possess the requisite expertise, experience, integrity, competency and proficiency and are renowned in their respective fields. All Directors are liable to retire by rotation except Independent Directors and Managing Director, whose term of office is for a term of 5 years.

The changes in the Board of directors of the company were as follows:

- i. Mr. Subramanian Ramaswamy Vaidya (DIN: 03600249) was duly appointed as an Independent Director of the Company for a term of five consecutive years commencing from September 03, 2020.
- ii. Mr. Dinesh Ravjibhai Rathod (DIN: 08854988), was duly appointed as an Independent Director of the Company for a term of five consecutive years commencing from September 03, 2020.

#### **Retirement by Rotation:**

As per the provisions of the Companies Act, 2013, Mr. Balbirsingh Bholuram Sharma (DIN: 00374565) is due to retire by rotation and being eligible, offer himself for re-appointment at the 18<sup>th</sup> (1<sup>st</sup> Post Listing) Annual General Meeting of the Company. A detailed profile of, Mr. Balbirsingh Bholuram Sharma seeking appointment/re-appointment is provided in the Notice of the 18<sup>th</sup> (1<sup>st</sup> Post Listing) Annual General Meeting of the Company.

#### **Declaration by Independent Directors:**

Pursuant to Section 149 (7) of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualifications of Directors) Rules, 2014, the Company has received declarations from all the Independent Directors of the Company confirming that they meet the 'criteria of Independence' as prescribed under Section 149 (6) of the Act and have submitted their respective declarations as required under Section 149 (7) of the Act and the Listing Regulations.

In terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

#### **Familiarization programme for Independent Director:**

The Company proactively keeps its Directors informed of the activities of the Company, its Management and operations and provides an overall industry perspective as well as issues being faced by the industry in the Familiarization programme conducted for the Independent Directors of the Company. The Familiarization programme is available on the website of Company at <http://www.gmpolyplast.com/>

**Key Managerial Personnel:**

Mr. Tushar Nitinchandra Pandya was appointed as Chief Financial Officer and Ms. Dimple Amrit Parmar was appointed as Company Secretary and Compliance Officer, (Key Managerial Personnel(s)) of the Company in the meeting of the Board of Directors held on August 30, 2020.

In terms of the provisions of Sections 2 (51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following employees were holding the position of Key Managerial Personnel ('KMP') of the Company as on March 31, 2021:

Mr. Dinesh Balbirsingh Sharma	-	Managing Director
Mrs. Sarita Dinesh Sharma	-	Executive Director
Mr. Tushar Nitinchandra Pandya	-	Chief Financial Officer
Ms. Dimple Amrit Parmar	-	Company Secretary and Compliance Officer

**9. Annual Performance Evaluation:**

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and Listing Regulations. The performance of the Board was evaluated after seeking inputs from all the Directors based on criteria such as the composition of the Board and its committee, effectiveness of board processes, information and functioning, etc.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, the Board as a whole and the Managing Director of the Company was evaluated, taking into account the views of the Executive Director and NEDs.

**10. Meetings of the Board and its Committee**
**BOARD**

The Board meets at regular intervals to discuss and decide on the Company's performance and strategies. During the financial year under review, the Board met 9 (nine) times. The meetings were held on June 22, 2020, August 30, 2020, September 05, 2020, September 23, 2020, September 24, 2020, October 10, 2020, November 09, 2020, December 11, 2020, and February 16, 2021.

Sr. No.	Name of Director	Designation	No of meetings attended	No of meetings entitled to attend	Whether AGM held on 30/09/2020 attended
1	Mr. Dinesh Balbirsingh Sharma	Managing Director	9	9	Yes
2	Mr. Balbirsingh Bholuram Sharma	Non-Executive Director	9	9	Yes
3	Mrs. Sarita Dinesh Sharma	Executive Director	9	9	Yes
4	Mr. Subramanian Ramaswamy Vaidya*	Independent Director	6	7	Yes
5	Mr. Dinesh Ravjibhai Rathod*	Independent Director	7	7	Yes

\*Appointed w.e.f. September 03, 2020

## AUDIT COMMITTEE

Your Company has constituted an Audit Committee on September 05, 2020 with its composition, quorum, powers, roles and scope in line with the applicable provisions of the Act and Listing Regulations. During the financial year under review, the Audit Committee reviewed the internal controls put in place to ensure that the accounts of your Company are properly maintained and that the accounting transactions are in accordance with prevailing laws and regulations. In conducting such reviews, the Committee found no material discrepancy or weakness in the internal control system of your Company. The Committee has also reviewed the Policy and procedures for assessing and managing the risks.

During the financial year under review, all recommendations made by the Audit Committee were accepted by the Board.

The Composition of Audit Committee and the attendance of Members at the Meeting during FY 2020- 21 were as under:

Sr. No.	Name of Member	Designation	No of meetings attended	No of meetings entitled to attend	Whether AGM held on 30/09/2020 attended
1	Mr. Dinesh Ravjibhai Rathod (Chairman)	Independent Director	1	1	Yes
2	Mr. Subramanian Ramaswamy Vaidya	Independent Director	1	1	Yes
3	Mr. Dinesh Balbirsingh Sharma	Managing Director	1	1	Yes

The Company has a qualified and independent Audit Committee, and its composition is in line with the applicable provisions of Section 177 of the Act and Regulation 18 of Listing Regulation. During the financial year under review, the Committee met 1 (one) time.

The meeting was held on February 16, 2021.

## NOMINATION AND REMUNERATION COMMITTEE

Your Company has constituted a Nomination and Remuneration Committee on September 05, 2020 with its composition, quorum, powers, roles and scope in line with the applicable provisions of the Act and Listing Regulations.

The Composition of Nomination and Remuneration Committee and the attendance of Members at the meeting during FY 2020-21 were as follows:

Sr. No.	Name of Member	Designation	No of meetings attended	No of meetings entitled to
1	Mr. Subramanian Ramaswamy Vaidya (Chairman)	Independent Director	1	1
2	Mr. Dinesh Ravjibhai Rathod	Independent Director	1	1
3	Mr. Balbirsingh Bholuram Sharma	Non-Executive Director	1	1
4	Mrs. Sarita Dinesh Sharma	Executive Director	1	1

The Company has a qualified and independent Nomination & Remuneration Committee, and its composition is in line with the applicable provisions of Section 178 of the Act and Regulation 19 of Listing Regulation. During the financial year under review, the Committee met 1 (One) time.

The meeting was held on February 16, 2021.

The Nomination and Remuneration Committee had formulated a policy on remuneration under the provisions of Section 178(3) of the Act and the same is attached as **Annexure I** to this report.

### **STAKEHOLDER RELATIONSHIP COMMITTEE**

Your Company has constituted a Stakeholder Relationship Committee on September 05, 2020 with its composition, quorum, powers, roles and scope in line with the applicable provisions of the Act and Listing Regulations.

The Composition of Stakeholder Relationship Committee and the attendance of Members at the meeting during FY 2020-21 were as follows:

<b>Sr. No.</b>	<b>Name of Member</b>	<b>Designation</b>	<b>No of meetings attended</b>	<b>No of meetings entitled to attend</b>
1	Mr. Dinesh Ravjibhai Rathod (Chairman)	Independent Director	1	1
2	Mr. Subramanian Ramaswamy Vaidya	Independent Director	1	1
3	Mr. Balbirsingh Bholuram Sharma	Non-Executive Director	1	1
4	Mrs. Sarita Dinesh Sharma	Executive Director	1	1

The Company has a qualified and independent Stakeholder Relationship Committee, and its composition is in line with the applicable provisions of Regulation 20 of Listing Regulation. During the financial year under review, the Committee met 1 (One) time.

The meeting was held on February 16, 2021.

### **MANAGEMENT COMMITTEE**

Your Company has constituted a Management Committee on February 16, 2021 with Mr. Dinesh B. Sharma, Mrs. Sarita D. Sharma and Mr. Balbirsingh Sharma as its members in order to carry out the day to day business activities as required for administrative and other general purposes with ease.

No meeting of management committee was held during the year 2020-2021.

#### **11. Material changes and commitments, 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 were no material changes and commitments affecting the financial position of the Company from end of the financial year up to the date of this Report.

#### **12. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:**

There was no significant or material order passed by any regulator or court or tribunal, which impacts the going concern status of the company or will have bearing on company's operations in future.

#### **13. Details in respect of frauds reported by auditors under sub-section (12) of section 143:**

During the financial year under review, there were no frauds reported by the auditors under sub-section (12) of section 143.

**14. Explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made by the auditor in their report:**

There are no qualifications, reservations or adverse remarks or disclaimer made by the auditor in their report.

**15. Particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188:**

During the financial year under review, the Company has entered into related party transactions covered u/s. 188 of the Companies Act, 2013. Therefore, disclosure in Form AOC- 2 for the financial year 2020-21 is annexed with this report as **Annexure II**.

**16. Loans from Directors/Relatives of Directors:**

The company has not accepted any loans from the directors of the Company or their relatives.

**17. Auditors:**

**STATUTORY AUDITOR**

Pursuant to Section 139 of Companies Act, 2013 and other applicable rules there under, M/s. **Anay Gogte & Co., Chartered Accountants, (Firm Registration No 100398W)** were appointed as Statutory Auditor of the Company for 5 consecutive financial years commencing from conclusion of 17<sup>th</sup> Annual General Meeting till the conclusion of 22<sup>nd</sup> Annual General Meeting of the Company to be held for the financial year ending March 31, 2025.

Accordingly, **Anay Gogte & Co., Chartered Accountants** shall continue to be the Statutory Auditors of the Company for F.Y 2021-22.

The Audit report submitted by the Statutory Auditor does not contain any adverse remark or observations.

**INTERNAL AUDITOR**

The Board of directors has appointed M/s. Vivek V. Joshi & Associates, Chartered Accountants as the internal auditor of the company on the recommendations of the Audit Committee for F.Y. 2020-21; The Internal Auditor conducts the internal audit of the functions and operations of the Company and reports to the Audit Committee and Board from time to time.

**COST RECORDS AUDITOR**

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act, are not applicable for the business activities carried out by your Company.

**SECRETARIAL AUDITOR**

Pursuant to the requirements of Section 204 (1) of the Companies Act, 2013 read with Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Dipesh Jain & Co., Practicing Company Secretaries to conduct the secretarial audit for the financial year under review. The Secretarial Audit Report in Form MR-3 for the financial year under review as received from M/s. Dipesh Jain & Co., Practicing Company Secretaries is attached as **Annexure III** to this report. The Secretarial Audit Report does not contain any qualifications, reservations or adverse remarks.

However, it was observed by the Secretarial Auditor, that

1. The Company was not able to open the Bank Account for the purpose of Interim Dividend within a period of Five days. The Board of Directors hereby clarify that the same was due to administrative difficulties in the process of opening the same with the bank. The Bank took considerably longer time to open the said account. However, the further process pertaining to the dividend was duly complied with.



**18. Share Transfer System**

All share transfer, dematerialization and related work is managed by Registrar and Share Transfer Agent (RTA). **M/s Bigshare Services Pvt. Ltd.**, 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai, Maharashtra, 400059, is your Company's RTA. All share transfer requests, demat/remat requests, correspondence relating to shares i.e. change of address, Power of Attorney, etc. should be addressed to the registrar and transfer agents.

**19. Changes in the nature of business of the company:**

During the financial year under review, there was no change in the nature of business of the company.

**20. Particulars of loans, investments, guarantees or securities under section 186:**

During the financial year under review, the company has not provided any loan; made any investment; has given any guarantee or provided any security in respect of any loan to any person as mentioned in Section 186 of the Companies Act, 2013

**21. Conservation of energy, technology absorption, foreign exchange earnings and outgo:****a. Conservation of Energy and Technology Absorption**

In terms of requirements of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 with respect to conservation of energy, the board of directors wish to inform the members that the company always takes necessary measures to conserve the energy wherever possible by installing electronic equipments which marginally reduce the consumption of electricity, with reference to the same the Company has installed solar Panels at the Factory site, and by spreading awareness among the employees of the company about the optimum utilization and conservation of electricity and water resources of the company.

The management always searches for and takes into consideration new developments in the market and the technology so as to absorb the new technology in carrying out the business activities of the company.

**b. Foreign Exchange Earnings And Outgo**

Foreign Exchange Earnings	-	Rs. 3,66,07,086
Foreign Exchange Outgo	-	Rs. 2,17,20,323

**22. Annual Return**

In compliance with provisions of Section 134(3)(a) of the Companies Act, 2013, the Annual Return as per Section 92(3) of the Companies Act, 2013, is available at <http://www.gmpolyplast.com>

**23. Details of performance of subsidiaries, associates and joint venture companies:**

The company does not have any subsidiary company, associate company or joint venture during the year under review.

**24. Statement indicating development and implementation of a risk management policy for the company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the company:**

Your company understands that risk evaluation and risk mitigation is a function of the board of directors of the company. The Board is fully committed to developing a sound system for identification and mitigation of applicable risks - viz., systemic and non-systemic - on a continuous basis. The board is of the opinion that at present, there are no material risks that may threaten the very existence and functioning of your company.

**25. Details in respect of adequacy of internal financial controls with reference to the Financial Statements:**

- a) Your directors hereby report that, your company has maintained adequate internal controls commensurate with its size and its nature of the operation. There are suitable monitoring procedures in place to provide reasonable assurance for accuracy and timely reporting of the financial information and compliance with the statutory requirements. There are proper policies, guidelines and delegation of powers issued for the compliance of the same across the company.
- b) For the purpose of ensuring accuracy in the preparation of the financials, your company has implemented various checks and balances like periodic reconciliation of major accounts, review of accounts, obtaining confirmation of various balances and proper approval mechanism.
- c) Your company has documented all major processes in the area of expenses, bank transactions, payments, statutory compliances and period end financial accounting process. Your company is continuously putting its efforts to align the processes and controls with the best practices in the industry.
- d) The Company has appointed M/s. Vivek V. Joshi & Associates, Chartered Accountants as the internal auditor of the company. The report of the said auditor is periodically reviewed and suggestions were implemented by the Audit Committee and the Board.

**26. Public Deposits:**

During the year under review, the Company has not accepted or renewed any deposits within the meaning of Section 73 and 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

**27. Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178:**

The Committee has formulated the Nomination and Remuneration Policy which broadly laid down the various principles of remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178 and covers the procedure for selection, appointment and compensation structure of Board members, Key Managerial Personnel (KMPs) and Senior Management Personnel (SMPs) of your Company.

**28. Safeguard at workplace:**

The management takes due care of employees with respect to safeguard at workplace. Further, no complaints are reported by any employee pertaining to sexual harassment and hence no complaint is outstanding as on 31.03.2021 for redressal. There was no case filled during the year, under the sexual harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013. Further Company ensures that there is a healthy and safe atmosphere for every women employee at the workplace and made the necessary policies for safe and secure environment for women employee.

Complaints as on 01.04.2020: NIL

Complaints filed during the Financial Year: NIL

Complaints as on 31.03.2021: NIL

**29. Vigil Mechanism/Whistle Blower Policy**

The Company has formulated a Whistle Blower Policy to establish a vigil mechanism for Directors and employees of the Company to report concerns about unethical behavior, actual or suspected fraud or

violation of the company's code of conduct or ethics policy. The Whistle Blower Policy is available on the website of the Company at <http://www.gmpolyplast.com/>

### **30. Disclosure Of Employees Remuneration**

The disclosure as per Rule 5 of The Companies (Appointment and Remuneration of the Managerial Personnel) Rule 2014 is annexed as **Annexure IV** to this Board Report.

### **31. Corporate Governance:**

The company is SME Company and listed on SME exchange of BSE Limited therefore, pursuant to Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the compliance with corporate governance as specified in regulation 17 to 27 and clauses (b) to (i) of sub regulation 2 of regulation 46 and Para C, D and E of Schedule V shall apply to the extent that it does not violate their respective statutes and guidelines or directives issued by the relevant authorities. Hence your company is exempted to comply with aforesaid provisions of the SEBI (LODR) Regulation, 2015. Hence corporate Governance does not form part of this Board's Report.

### **.32. Directors' Responsibility Statement:**

Your directors, to the best of their knowledge and belief and according to the information and explanations obtained by them and as prescribed under Section 134(5) of the Companies Act, 2013 state that:

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

### **33. Compliances of applicable Secretarial Standards:**

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and such systems are adequate and operating effectively. During the year under review, the Company was in compliance with the Secretarial Standards (SS) i.e., SS-1 and SS- 2, relating to "Meetings of the Board of Directors" and "General Meetings", respectively.

### **34. Management Discussion And Analysis Report**

The Management Discussion and Analysis Report as required under Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 forms part of this report and is attached as **Annexure V**.

**35. Insider Trading**

The Board of Directors has adopted the Inside Trading Policy in accordance with the requirement of the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Inside Trading Policy of the company lays down guidelines and procedure to be followed, and disclosure to be made while dealing with shares of the company as well as consequences of violation. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in the company's shares. The Company had in place a Code of Conduct for Prevention of Insider Trading and Corporate Disclosure Practices, in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015.

Accordingly, the Board approved and adopted:

- a) Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information; and
- b) Code for Fair Disclosures and Conduct

The codes referred above is placed on the Company's website <http://www.gmpolyplast.com/>

**36. General**

Your Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these items during the year under review:

- a. Issue of equity shares with differential rights as to dividend, voting or otherwise;
- b. The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees;
- c. No fraud has been reported by the Auditors to the Audit Committee or the Board.
- d. There are no shares lying in demat suspense account/unclaimed suspense account. Hence no disclosure is required to be given for the same.
- e. The Company has not developed and implemented any Corporate Social Responsibility initiatives as the provisions of section 135 of the Companies Act, 2013 along with Companies (Corporate Social Responsibility Policy) Rules, 2014 are not applicable."

**37. Acknowledgement:**

Your directors wish to thank the stakeholders of the company for their continued support and co-operation and employees for their dedication and the excellence they have displayed in conducting the business operations of the company.

**For and on behalf of the Board of Directors**  
**G M Polyplast Limited**  
**(Formerly known as G M Polyplast Private Limited)**

**Dinesh Sharma**  
**Managing Director**  
**DIN: 00418667**

**Sarita Sharma**  
**Director**  
**DIN: 00128337**

**Place : Mumbai**  
**Date : August 02, 2021**

## **Annexure I**

### **Remuneration Policy**

The Remuneration Policy of G M Polyplast Limited (the “Company”) is designed to attract the services of competent and appropriate personnel in different lines of activities of the Company and to retain them by offering growth opportunities and a healthy remuneration in lines with what is available in a competitive scenario. It is also designed to attract and retain quality talent that gives the Company a unique competitive advantage.

#### **Guiding principles:**

While inducting directors on the Board, the guiding principle is to attract prominent members of the society who are conversant with certain key aspects of Plastic Industry wherein their expertise and guidance would benefit the Company.

When determining the remuneration policy and arrangements for Managing Directors, Executive Directors and the Whole time Directors the Remuneration Committee considers the suitability of the persons and then aligns the remuneration package and employment terms with reference to the competition, market condition, cost of living etc. as appropriate.

#### **Directors:**

When considering the appointment and remuneration of the Managing Director, Executive Director and the Whole Time Directors the Nomination & Remuneration Committee (NRC) considers pay and employment conditions in the industry, merit and seniority of the person. Their remuneration comprises a fixed salary, bonus (if any) and retirement benefit as per statute.

The Independent Directors are paid remuneration in the form of sitting fees and/or conveyance for attending Board and Committee meetings as fixed by the Board of Directors from time to time, subject to statutory provisions.

#### **The Policy:**

The policy ensures that the remuneration is as particularly based on the merits of the candidate. The policy ensures remuneration is market led. This policy shall act as an effective instrument to enhance the performance and potential of an individual and shall provide superior quality of work life and personal life balance. This policy shall ensure to enforce the values and culture of the company and comply with the regulatory norms and provisions.

#### **Reward principles and objectives:**

The Company’s Remuneration Policy is guided by a reward framework and set of principles and objectives as envisaged under section 178 of the Companies Act 2013, inter alia principles pertaining to determining qualifications, positive attributes, integrity, independence etc.

#### **Remuneration of Managing Director, Executive Director, the Whole Time Director, Key managerial Personnel and the Senior Management:**

1. The Managing Director, Executive Director, the Whole Time Director shall be recommended by the Nomination and Remuneration Committee and appointed by the Board subject to the approval of the shareholders, if required.
2. Remuneration of Managing Director, Executive Director, the Whole Time Director, Key managerial Personnel and the Senior Management is determined and recommended by the Nomination and



remuneration Committee and approved by the Board of Directors of the Company. Further remuneration of the Managing Director, Executive Director and the Whole Time Director are also subject to the approval of the shareholders

3. Remuneration is reviewed and revised as per the provisions of the applicable laws or when such revision is warranted by the Nomination and Remuneration committee and the Board of Directors. The revision may also be subject to the market conditions and the business environment.
4. Apart for the remuneration and perquisites the Managing Director, Executive Director, the Whole Time Director Key managerial Personnel and the Senior Management are also eligible to the bonus linked to their individual performance and the overall performance of the company. They are also eligible for the Employee Stock options or such other equivalent schemes.
5. Pursuant to the provisions of the Companies act the Managing Director; Executive Directors and the Whole Time Directors are also eligible for sitting fees and conveyance for attending the Board and committee meetings as may be determined by the Board of Directors.

#### **Remuneration to the Non-Executive Directors and Independent Directors.**

Remuneration to The Non Executive Directors are subject to the provisions of the Companies Act 2013 read with Rules and Schedules made there under and the provisions of the Listing Obligation and Disclosure requirements and other applicable laws. Pursuant to the provisions of the Companies act the Non Executive Directors are also eligible for sitting fees and conveyance for attending the Board and committee meetings as may be determined by the Board of Directors.

The Independent Directors are eligible for sitting fees and conveyance for attending the Board and committee meetings as may be determined by the Board of Directors subject to the provisions of applicable laws.

#### **Disclosure of Information**

Information on the total remuneration of members of the Company's Board of Directors and senior management may be disclosed in the Company's annual financial statements, as per statutory requirements.

#### **Approval of the Remuneration Policy**

This Remuneration Policy shall apply to all future members of Company's Board of Directors and Key Managerial Persons.

Any departure from the policy shall be recorded and reasoned in the Board's minutes.

#### **Dissemination**

The Company's Remuneration Policy shall be published on its website.

**Annexure -II**
**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 arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis: **Nil Not Applicable**
2. Details of contracts or arrangements or transactions at Arm's length basis:

<b>Sr. No.</b>	<b>Particulars</b>	<b>Details</b>
a.	Name (s) of the related party & nature of relationship	Dinesh Sharma, Managing Director
b.	Nature of contracts/arrangements/transaction	Rent
c.	Duration of the contracts/arrangements/transaction	-
d.	Salient terms of the contracts or arrangements or transaction including the value, if any	Deposit and Rent paid as mutually agreed by the parties pursuant to the agreement
e.	Date of approval by the Board	June 22, 2020
f.	Amount paid as advances, if any	-

<b>Sr. No.</b>	<b>Particulars</b>	<b>Details</b>
a.	Name (s) of the related party & nature of relationship	Dinesh Sharma, Managing Director
b.	Nature of contracts/arrangements/transaction	Salary
c.	Duration of the contracts/arrangements/transaction	-
d.	Salient terms of the contracts or arrangements or transaction including the value, if any	Salary paid as Director of the Company
e.	Date of approval by the Board	June 22, 2020
f.	Amount paid as advances, if any	-

<b>Sr. No.</b>	<b>Particulars</b>	<b>Details</b>
a.	Name (s) of the related party & nature of relationship	Sarita Sharma, Director
b.	Nature of contracts/arrangements/transaction	Rent
c.	Duration of the contracts/arrangements/transaction	-
d.	Salient terms of the contracts or arrangements or transaction including the value, if any	Deposit and Rent paid as mutually agreed by the parties pursuant to the agreement
e.	Date of approval by the Board	June 22, 2020
f.	Amount paid as advances, if any	

<b>Sr. No.</b>	<b>Particulars</b>	<b>Details</b>
a.	Name (s) of the related party & nature of relationship	Sarita Sharma, Director
b.	Nature of contracts/arrangements/transaction	Salary
c.	Duration of the contracts/arrangements/transaction	-
d.	Salient terms of the contracts or arrangements or transaction including the value, if any	Salary paid as Director of the Company
e.	Date of approval by the Board	June 22, 2020
f.	Amount paid as advances, if any	-

<b>Sr. No.</b>	<b>Particulars</b>	<b>Details</b>
a.	Name (s) of the related party & nature of relationship	Balbirsingh Sharma (Director)
b.	Nature of contracts/arrangements/transaction	Salary
c.	Duration of the contracts/arrangements/transaction	-
d.	Salient terms of the contracts or arrangements or transaction including the value, if any	Salary paid as Director of the Company
e.	Date of approval by the Board	June 22, 2020
f.	Amount paid as advances, if any	-

<b>Sr. No.</b>	<b>Particulars</b>	<b>Details</b>
a.	Name (s) of the related party & nature of relationship	Tushar Pandya (Chief Financial Officer)
b.	Nature of contracts/arrangements/transaction	Salary
c.	Duration of the contracts/arrangements/transaction	-
d.	Salient terms of the contracts or arrangements or transaction including the value, if any	Salary paid as KMP of the Company
e.	Date of approval by the Board	August 30, 2020
f.	Amount paid as advances, if any	-



<b>Sr. No.</b>	<b>Particulars</b>	<b>Details</b>
a.	Name (s) of the related party & nature of relationship	Dimple Parmar (Company Secretary)
b.	Nature of contracts/arrangements/transaction	Salary
c.	Duration of the contracts/arrangements/transaction	-
d.	Salient terms of the contracts or arrangements or transaction including the value, if any	Salary paid as KMP of the Company
e.	Date of approval by the Board	August 30, 2020
f.	Amount paid as advances, if any	-

**For and on behalf of the Board of Directors  
G M Polyplast Limited  
(Formerly known as G M Polyplast Private Limited)**

**Dinesh Sharma  
Managing Director  
DIN: 00418667**

**Sarita Sharma  
Director  
DIN: 00128337**

**Place : Mumbai  
Date : August 02, 2021**

**Annexure III****Form No. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021**

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

To,

The Members,

**G M Polyplast Limited**

**(Formerly known as G M Polyplast Private Limited)**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **G M Polyplast Limited (Formerly known as G M Polyplast Private Limited)**, (hereinafter called the company). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our Opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') wherever applicable:-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;



- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and
- (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 / the Listing Agreements entered into by the Company with SME Platform of BSE Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, however, Pursuant to the provisions of Section 123(4), the amount of interim dividend had to be deposited in a scheduled bank in a separate account within five days from the date of declaration of such dividend, which was done beyond Five days.

### **We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions were passed by majority in the meetings of the Board and there were no dissenting views from the Board members

**We further report that** there are adequate systems and processes in the company, commensurate with the size and operations of the company, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period the Company has:

1. Listed equity shares on the SME Exchange of Bombay Stock Exchange Limited (BSE) Limited with effect from October 14, 2020 pursuant to Initial Public Offer of the Company.
2. Declared interim dividend of Re. 1/- (One Rupee) per equity share of face value Rs.10/- in the Board Meeting held on Tuesday, February 16, 2021

**For Dipesh Jain & Co.**

**Place: Mumbai**

**Date : August 02, 2021**

**Dipesh Kamlesh Jain**

**Proprietor**

**ACS No.: 47199**

**CP No.: 17524**

**UDIN: : A047199C000721081**

**‘Annexure A’**

To,

The members,

**G M Polyplast Limited**

**(Formerly known as G M Polyplast Private Limited)**

Our report of even date is to be read along with this letter.

1. Maintenance of Statutory and other records are the responsibility of the management of the company. Our responsibility is to express an opinion on these records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurances about the correctness of the contents of the records. The verification was done on test basis to ensure that correct facts are reflected in records. We believe that the processes and practices we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of the financial records and books of Accounts of the company. We have relied on the report of the Statutory Auditor in respect of the same as per the guidance of the Institute of Company Secretaries of India.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For Dipesh Jain & Co.**

**Place: Mumbai**

**Date : August 02, 2021**

**Dipesh Kamlesh Jain**

**Proprietor**

**ACS No.: 47199**

**CP No.: 17524**

**UDIN: : A047199C000721081**

**Annexure IV**
**Information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

1. Ratio of the remuneration of each Director to the median remuneration of all the employees of the Company for the Financial Year 2020-21:

Sr. No.	Name of the Director	Designation	Ratio
1	Dinesh Balbirsingh Sharma	Managing Director	19.64:1
2	Sarita Dinesh Sharma	Executive Director	19.64:1
3	Balbirsingh Bholuram Sharma	Non-executive Director	4.91:1

*Note: None of the other Directors of the Company were in receipt of any remuneration other than sitting fees during the Financial Year 2020-21.*

2. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year 2020-21:

The percentage increase in the remuneration of Directors and Key Managerial Personnel(s) receiving remuneration during the Financial Year 2020-21 was as stated hereunder:

Sr. No.	Name of Directors and KMP	Remuneration during FY 2019-20 (in ₹ )	Remuneration during FY 2020-21 (in ₹ )	% change in remuneration in 2020-21 increase/(Decrease)
1	Dinesh Balbirsingh Sharma	12,00,000	12,00,000	Nil
2	Sarita Dinesh Sharma	12,00,000	12,00,000	Nil
3	Balbirsingh Bholuram Sharma	-	3,00,000	NA
4	Tushar Nitinchandra Pandya	-	3,51,500	NA
5	Dimple Amrit Parmar	-	1,61,000	NA

3. The percentage increase / (decrease) in the median remuneration of employees in the Financial Year 2020-21 was (32.45)%.
4. The number of permanent employees on the rolls of Company as on March 31, 2021 was 35.
5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average increase in salary of Company's employees other than the managerial personnel was (14.32)% in the last Financial Year. On the other hand, managerial remuneration increased by 12.5%. The total managerial remuneration comprises of remuneration of the Managing Director, Executive Director and Non-executive Director. There is no change in the Remuneration of Managing Director and Executive Director, however, the increase of 12.5% is primarily due to remuneration of Rs. 3,00,000/- paid to Non-executive director in FY 20-21 compared to Nil remuneration to the Non-executive Director in the previous financial year i.e. 19-20. The remuneration to Managerial personnel is as approved by the Members under the provisions of Companies Act, 2013 and necessary approvals are being obtained, wherever necessary.

6. Remuneration paid to Directors, Key Managerial Personnel and other Employees during the Financial Year 2020-21 was as per the Nomination and Remuneration policy of the Company

**Annexure V****MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT****GLOBAL OUTLOOK**

The COVID-19 pandemic has inflicted high and rising human costs worldwide, and the necessary protection measures have got severely impacted economic activity. The digital revolution continues to rapidly transform manufacturing space across the world. The outbreak of the global pandemic will exacerbate this trend and only the most resilient will come out alive on the other side. It is now about embracing the new reality and putting to fore one's ability to cater to the world that is not the same anymore.

The combination of aggressive policy actions and evolution of medical response to deal with pandemic resulted in spectacular rebound in global economy and risk assets. IMF now expects global contraction in 2020 at -3.3%, compared to April 2020 forecasts of -5.2% contraction. With progress in vaccinations across the world and significant part of stimulus persisting, the outlook of global economy in 2021 is quite bright with IMF forecasting fastest growth in 50 years, aided by favorable base.

**INDIA**

In India also we had a similar story with economy and markets being guided by the evolution of pandemic and government's response to the same. Early in the pandemic India's response was of a very strict nationwide lockdown beginning mid-March. This resulted in sharp collapse in economic growth, Indian currency, equity markets and bond yields. Growth in 1Q FY21 turned out to lowest on record contracting of GVA, industrial growth and service sector. Agriculture was the only segment which posted good growth throughout the year with negligible impact of pandemic.

Growth rebounded sharply in the following three quarters of the year as lockdown restrictions were gradually eased and strong pent-up demand was unleashed in 2Q and 3Q. The impact of pandemic in FY21 finally turned out to be more benign than earlier expectations. Both Central government and RBI responded to the pandemic with a series of measures. RBI unleashed aggressive monetary easing, unprecedented liquidity injection and few forbearance measures to reduce the impact of pandemic. Government came out with a series of measure to support the vulnerable sections of society as well as credit guarantee schemes for MSMEs and for specified sectors. It also came out with some ambitious structural and supply side reforms including ambitious farm sectors reforms and PLI scheme to boost medium term growth.

The beginning of FY22 saw the strong second wave of Covid pandemic. Second wave has turned out to be much stronger than the first wave. However, in place of a national lockdown in first wave, lockdown and other social distancing response are being taken by State Governments in this wave. Growth estimates are once again getting slashed however, we expect a much lower impact in industry this time given that most of the manufacturing has been untouched by lockdown restrictions, unlike in 2020 when lockdown restrictions had a serious negative impact on industrial growth. However lower demand, generally weak sentiments, and logistical hiccups will have some negative impact on industrial growth. On the positive side, global growth is likely to be the strongest in 50 years which is positive for industrial exports. Evolution of pandemic and pace/efficacy of vaccination will be the key determinant of the economy for the second year in succession.

**COMPANY OUTLOOK AND PERFORMANCE**

The year under review was the toughest in the history of the Company. It started with an extreme negative outlook. The Company had to keep operations of its plant closed for most part of the month of April 2020 and could begin its operations in a gradual manner from the last week of April 2020 onwards, in compliance with the guidelines issued by respective authorities and is continuing to take adequate precautions for safety and wellbeing of its employees at all levels.

Intermittent lock downs in the month of July, 2020 adversely affected the demand in several product segments. The severity of the intermittent lockdown started to reduce from August 2020 onwards. In the last 10 days, just before the closing of the year 20-21, the business has again witnessed tough situation as Covid – 19 second wave started affecting the general public with alarming speed. Most parts of the country again witnessed severe lockdowns impacting business conditions adversely. All the authorities are putting their best efforts to fight the Covid -19 and it looks that business conditions may start resuming normalcy from October 2021 onwards.

The year also witnessed volatility in crude oil prices resulting in increased and volatile input prices. However, I am happy to inform you that your Company has come out with unparalleled performance in the year 2020-21 where the profit of the Company was the highest in its 18 years of operations. This was partly supported by inventory gain on account of raw material price increase which accrued to its operations for the year. The company planned to procure raw material in bulk which was otherwise in shortage due to industry setback. This resulted in a profitable positioning of the company in terms of gross margin which improved because of lower cost of procurement and higher sales price due to market trend. This was the major contributor to its profits for the year under review.

### **OPPORTUNITIES AND THREATS**

Over the years we have developed good standing with our customers from various industries to whom we have supplied speciality products. We have dedicated industry based marketing managers who market our products to the specific industry which has been allocated.

We have a dedicated in-house Research & Development and Quality Assurance/Quality Control Team which undertakes rigorous testing and quality management. Our dedicated R&D team tests the raw materials procured and the products manufactured. The R&D team is instrumental in maintaining the high quality of our products.

Our revenue and our business operations have grown in recent years. Although we plan to continue to expand our scale of operations, we may face number of threats to sustain these rates of growth in future periods due to a number of factors, including, among others, our execution capability, our ability to maintain customer satisfaction, macroeconomic factors beyond our control such as decline in global economic conditions, competition within India's speciality plastic industry from players in the organized and unorganized segments, the greater difficulty of growing at sustained rates from a larger revenue base, our inability to control our expenses and the availability of resources for our growth. There can be no assurance that we will not suffer from capital constraints, operational difficulties or difficulties in expanding existing business operations.

Our development and expansion strategies will require substantial managerial efforts and skills and the incurrance of additional expenditures and may subject us to new or increased risks. We may face threat to efficiently or effectively implement our growth strategies or manage the growth of our operations, and any failure to do so may limit future growth and have an adverse effect on our business.

### **SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE**

Our results of operations depend on the continued existence, success and growth of, and demand for our various product. Developments in the global and Indian economy influence the decisions of enterprises to determine their pricing strategy, market based factors and quality standards thereby affecting the demand for our products and services.

We earn our revenue from manufacturing and supplying of premium quality ABS Granules, H.I.P.S., A.B.S, P.E.T Sheets and various other Sheets. Since we continuously endeavour to provide quality products to our customers, our revenues have been impacted by such quality products. We have a marketing team allocated for the same, each handled by well trained personnel. We aim at increasing in operational output through

continuous process improvement, Quality Assurance (QA) and QA activities, customer service, consistent quality and technology development. Our revenues have a mix of domestic and export sales; so consequently, our operating results depend on general economic conditions not only in India but also our export market. With no entry barriers in the industry, the area for exposure and exploitation of the opportunities provides benefits in terms of expansion and revenue to the company.

With the global economy showing varied patterns, Indian economy showing signs of recovery and the Indian Government's focus on financial inclusion, we expect the demand for our products and services to grow.

## **RISKS AND CONCERNS**

Risk management at the Company is an integral part of the business model, focusing on making the business model emerge stronger and ensuring that profitable business growth becomes sustainable. The Company has adopted a comprehensive and integrated risk appraisal, mitigation and management process. The risk management framework goes beyond traditional boundaries and seeks to involve all key managers of the Company. The risk mitigation measures of the Company are placed before the Board periodically for review and improvement.

The company is focused to increase its export business substantially as the global reputation of China plunges in the wake of Coronavirus. India's industry still suffers competitively because its much smaller than China's plastic sector. China has three to 20 times more production of most types of polymers than India, even though their populations are relatively equal. But the rising costs and economic challenges of China are an opportunity. In addition, the Indian government plans to spend \$1 trillion dollars on infrastructure by 2021, the market for electronics goods will grow by 700 percent and country's manufacturing sector will likely jump from the world's 12th largest now to number seven by 2025. With India's population similar to China but polymer demand at only one-fifth of China, the Indian subcontinent's plastics industry has a good potential for growth. Strongly emerging segment of population having disposable income is raising living standards and increasing consumption of a wide range of consumer goods from packaged foods to automobiles. Investment in infrastructure and agriculture is also further fuelling the demand of plastics and related products in the region.

The company thus remains overall optimistic in the segment.

## **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The internal control mechanism of the Company is well documented. It is a common practice in the Company to lay down well thought out business plans for each year. From the annual business plan, detailed budgets for revenue and the capital for each quarter is determined. The actual performance is reviewed in comparison with the budget and deviations, if any, are addressed adequately. The Company also has an internal audit system commensurate to the size and volume of the business. The internal audit program covers all the functions and activities of the Company. The Audit Committee of the Board of directors meets every quarter to review the reports of the Internal and Statutory Audit and to verify all financial statements, ensuring compliance.

## **DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

The Directors confirm that there have been no events or circumstances since the date of the last financial statements which materially or adversely affect or are likely to affect the profitability of our Company, or the value of our assets, or our ability to pay liabilities within next twelve months except as below:

The company achieved Net revenues for the year 2020-21 at Rs. 52.14 crores as against Rs. 63.14 crores during the previous year.



The company has sold 4,240 tonnes of plastic sheets and rolls and 819.34 tonnes of plastic granules as against 5,867 tonnes and 930 tonnes respectively in previous year, reflecting a de-growth of 26% in product turnover by volume.

The Profits before interest, depreciation, exceptional items and taxes during the year under review have been at Rs. 5.76 crores as against 4.01 crores in previous year. Net Profit, after setting aside aggregate Tax provisions of Rs. 1.37 crore (previous year Rs. 0.87 crores) stood at Rs. 3.51 Crores in 2020-21 as against Rs. 2.29 crores in 2019-20.

The Board of directors had earlier recommended and the Company had paid an interim dividend during the year @10% i.e. Re.1/- per share. The same will be considered as final dividend. Total dividend payout for 2020-21 amounts to Rs.19.22 lacs

### **MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED**

The Company believes that its intellectual capital represents its most valuable asset. The Company's knowledge enhancement focus has helped create an organisation which is recognised as a 'centre of learning and excellence'. The Company has consistently worked on not only increasing its workforce but ensuring that its people competencies are enhanced in line with changing business needs. As a result, the Company enjoys the support of a committed and well satisfied human capital. Compensation packages offered by the Company, best-of-class methods in recruitment, training, motivation, and performance appraisal, attract and retain the best talents. Thus, there are 35 employees in our Company as on March 31, 2021.

### **Details of Significant Changes in key financial ratios, along with detailed explanations therefor, including:**

There are no significant changes in the following ratio during the year under review

- (i) Debtors Turnover - 3.992
- (ii) Inventory Turnover - 11.1666
- (iii) Interest Coverage Ratio - 12.32
- (iv) Debt Service Coverage Ratio - 10.29
- (iv) Current Ratio - 22.3225
- (v) Debt Equity Ratio - 0.93
- (vi) Operating Profit Margin (%) - 9.13
- (vii) Net Profit Margin (%) - 6.73

**Details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof** – Current year RONW is 0.29 as compared to previous year 0.40. The decrease in return on net worth is primarily due to increase in shareholders fund pursuant to Initial Public Offer made by the Company in October 2020

### **Cautionary Statement**

Statement in the Management Discussion and Analysis and Board's Report describing the Companies Strengths strategies projection and estimate are forward looking and progressive within the meaning of all applicable laws and regulation. Actual results may vary depending upon the various aspects of the economic such as Government policies Rules and Regulations economic conditions and other incidental factors. Important factors that could make a difference to our Company's operations include raw material availability and prices



cyclical demand and pricing in our principal markets changes in government regulations, tax regimes, economic developments within India and other incidental factors Management will not be in any way responsible for the actions taken based on such statements.

**For and on behalf of the Board of Directors  
G M Polyplast Limited  
(Formerly known as G M Polyplast Private Limited)**

**Dinesh Sharma  
Managing Director  
DIN: 00418667**

**Sarita Sharma  
Director  
DIN: 00128337**

**Place : Mumbai  
Date : August 02, 2021**

**CHIEF EXECUTIVE OFFICER (CEO)/ CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION**

[Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,  
The Board of Directors,  
**G M Polyplast Limited**  
**(Formerly known as G M Polyplast Private Limited)**

We have reviewed the financial statements read with the cash flow statement of G M Polyplast Limited for the year ended March 31, 2021 and that to the best of our knowledge and belief, we state that;

- 1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- 2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

We, accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.

We have indicated to the auditors and the Audit committee:

- (a) That there are no significant changes in internal control over financial reporting during the year;
- (b) That there are no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- (c) that there are no instances of significant fraud of which we have become aware

**For and on behalf of the Board of Directors**  
**G M Polyplast Limited**  
**(Formerly known as G M Polyplast Private Limited)**

**Dinesh Sharma**  
**Managing Director**  
**DIN: 00418667**

**Tushar Nitinchandra Pandya**  
**Chief Financial Officer**

**Date : Mumbai**  
**Place: June 30, 2021**

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

To,  
The Board of Directors,  
**G M Polyplast Limited**  
**(Formerly known as G M Polyplast Private Limited)**

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of G M Polyplast LIMITED (**Formerly known as G M Polyplast Private Limited**) having CIN: L25200MH2003PLC143299 and having registered office at A-66 New Empire Industrial Estate, Kondivita Road, Andheri East Mumbai - 400059 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory.

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>DIN</b>
1	Mr. Dinesh Balbirsingh Sharma	00418667
2	Mrs. Sarita Dinesh Sharma	00128337
3	Mr. Balbirsingh Bholuram Sharma	00374565
4	Mr. Subramanian Ramaswamy Vaidya	03600249
5	Mr. Dinesh Ravjibhai Rathod	08854988

**Place: Mumbai**  
**Date : August 06, 2021**

**For Dipesh Jain & Co.**

**Dipesh Kamlesh Jain**  
**Proprietor**  
**ACS No.: 47199**  
**CP No.: 17524**  
**UDIN: A047199C000747791**

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**INDEPENDENT AUDITOR'S REPORT**

To the Members of **G M Polyplast Limited**

Report on the Audit of the Standalone Financial Statements

**Opinion**

We have audited the standalone financial statements of **G M Polyplast Limited** ("the Company"), which comprise the balance sheet as at 31st March 2021, and the statement of Profit and Loss 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 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, 2021, and its profit and its cash flows for the year ended on that date.

**Basis for Opinion**

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

**Key Audit Matters**

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

There are no reportable Key Audit Matters during the period under audit.

**Information other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors and Management is responsible for the preparation of the other information. The other information comprises the information obtained at the date of this auditor's report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Responsibility of Management and Those Charged With Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibility**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If



we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

### **Report on Other Legal and Regulatory Requirements**

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 A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- (a) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (b) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (c) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (d) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- (e) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (f) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

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



- (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 does not have any pending litigation which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Anay Gogte & Co.,  
Chartered Accountants  
Firm Registration No.100398 W

Place: Mumbai  
Date : 30th June, 2021  
UDIN: 21037046AAAAFH8407

[A. R. Gogte]  
Partner  
Membership No.037046

**Annexure A Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2021:**

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- i. a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- c) The title deeds of immovable properties included in the fixed assets of the company are held in the name of the company.
- ii. The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- iv. In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees and securities granted in respect of which provisions of section 185 and 186 of the Companies Act, 2013 are applicable and hence not commented upon.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits to which the provisions of Sections 73, 74, 75 and 76 or any other relevant provisions of the Act and the Rules framed thereunder to the extent notified, are applicable. Therefore, Clause 3(v) of the Order is not applicable to the Company.
- vi. As informed to us, the Central Government has not prescribed maintenance of cost records under sub section (1) of section 148 of the Act.
- vii. a) Undisputed statutory dues including provident fund, income tax, GST, duty of custom, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.
- b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, GST, duty of custom, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- c) According to the records of the Company, there are no dues outstanding of income tax , GST, duty of custom and cess on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us and based on the records of the Company, the Company has not defaulted in repayment of dues to banks. There are no dues to any financial institution, government or debenture holders.
- ix. According to the information and explanations given by the management, the Company has raised money way of Initial Public Offer amounting to Rs. 513.25 Lacs during the year and the same were applied for the purpose for which those are raised. Term loans raised have been applied for the

purpose for which those were raised. According to the information and explanations given by the management, the Company has not raised any money by way of debt instruments during the year.

- x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud on the company by the officers and employees of the company has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us and based on examination of the records of the Company, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- xiii. According to the information and explanations given by the management, transactions with the related parties are in compliance with the section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us, the company has not made any preferential allotment of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For Anay Gogte & Co.,  
Chartered Accountants  
Firm Registration No.100398 W

Place: Mumbai  
Date : 30th June, 2021

[A. R. Gogte]  
Partner  
Membership No.037046

**“Annexure B” to the Independent Auditor’s Report of even date on the  
Financial Statements of G M Polyplast Limited**

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

We have audited the internal financial controls over financial reporting of G M Polyplast Limited (“the Company”) as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

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

**Auditors’ Responsibility**

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

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

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

**Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Anay Gogte & Co.,  
Chartered Accountants  
Firm Registration No.100398 W

Place: Mumbai  
Date : 30th June, 2021

[A. R. Gogte]  
Partner  
Membership No.037046





**G M POLYPLAST LIMITED (FORMERLY G M POLYPLAST PRIVATE LIMITED)  
BALANCE SHEET AS AT 31ST MARCH, 2021**

	Particulars	Note No.	As at 31st March, 2021 ₹	As at 31 March, 2020 ₹
<b>A</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholders' funds</b>			
	(a) Share capital	2	19,228,000	1,000,000
	(b) Reserves and surplus	3	144,994,554	78,721,371
			164,222,554	79,721,371
<b>2</b>	<b>Non-current liabilities</b>			
	(a) Long-term borrowings	4	8,660,712	2,681,121
			8,660,712	2,681,121
<b>3</b>	<b>Current liabilities</b>			
	(a) Short-term borrowings	5	9,179,973	22,646,797
	(b) Trade payables	6	65,648,979	130,696,098
	(c) Other current liabilities	7	5,835,730	6,352,300
	(d) Short-term provisions	8	23,880,106	10,351,520
			104,544,788	170,046,715
	<b>TOTAL</b>		<b>277,428,054</b>	<b>252,449,207</b>
<b>B</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	(a) Property Plant & Equipment			
	(i) Tangible assets	9	25,561,795	29,545,159
	(b) Non-current investments	10	25,000	25,000
	(c) Long-term loans and advances	11	16,221,879	14,648,768
	(d) Deferred Tax asset	31	1,913,915	731,484
			43,722,589	44,950,411
<b>2</b>	<b>Current assets</b>			
	(a) Inventories	12	39,159,638	37,050,094
	(b) Trade receivables	13	136,541,061	124,700,215
	(c) Cash and cash equivalents	14	19,842,276	27,195,144
	(d) Short-term loans and advances	15	38,162,490	18,553,343
			233,705,465	207,498,796
	<b>TOTAL</b>		<b>277,428,054</b>	<b>252,449,207</b>
	<b>Significant Accounting Policies</b>	1		
<b>The accompanying notes form an integral part of the financial statements</b>				

As per our report of even date  
For Anay Gogte & Co.

Chartered Accountants  
Firm Registration Number 100398W

(A.R. Gogte)  
Partner  
Membership No. 037046

For and on behalf of the Board of Directors

**Dinesh Sharma**  
Managing Director  
DIN 00418667

**Sarita Sharma**  
Director  
DIN 00128337

**Tushar Pandya**  
Chief Financial Officer

**Dimple Parmar**  
Company Secretary

Place : Mumbai  
Date : 30/06/2021

Place : Mumbai  
Date : 30/06/2021

**G M POLYPLAST LIMITED (FORMERLY G M POLYPLAST PRIVATE LIMITED)  
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2021**

	Particulars	Note No.	For the year ended 31st March 2021 ₹	For the year ended 31st March 2020 ₹
<b>I</b>	<b>Income</b>			
	Revenue from operations	16	521,437,108	631,453,430
	Other Income	17	2,258,308	2,844,193
	<b>Total Income</b>		<b>523,695,416</b>	<b>634,297,623</b>
<b>II</b>	<b>Expenses</b>			
	(a) Cost of materials consumed	18 (i)	408,298,543	524,159,603
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	18 (ii)	-2,769,429	2,821,258
	(c) Other Manufacturing Expenses	19	19,970,889	24,219,745
	(d) Employee benefits expense	20	12,105,658	14,644,880
	(e) Other expenses	21	28,465,923	28,278,138
	<b>Total Expenses</b>		<b>466,071,584</b>	<b>594,123,624</b>
<b>III</b>	<b>Earnings before exceptional items, extraordinary items, interest, tax, depreciation and amortisation (EBITDA)</b>		57,623,832	40,173,999
	Finance costs	22	4,206,357	2,319,411
	Depreciation	9	5,801,123	7,802,534
			10,007,480	10,121,945
<b>IV</b>	<b>Profit / (Loss) before exceptional and extraordinary items and tax</b>		47,616,352	30,052,055
	Exceptional items		-	-
<b>V</b>	<b>Profit / (Loss) before extraordinary items and tax</b>		47,616,352	30,052,055
	Extraordinary items- Prior Period Item		-	783,132
<b>VI</b>	<b>Profit / (Loss) before tax</b>		47,616,352	29,268,923
<b>VII</b>	<b>Tax expense:</b>			
	(a) Current tax expense		13,700,000	8,740,000
	(b) Tax expense relating to prior years		-	-22,634
	(c) Deferred tax	31	-1,182,431	-2,379,421
			12,517,569	6,337,944



	Particulars	Note No.	For the year ended 31st March 2021	For the year ended 31st March 2020
VIII	Profit / (Loss) for the year after tax		35,098,783	22,930,978
IX	Earnings Per share (of Rs. 10/- each) Basic and Diluted (not annualised )	29	₹20.02	14.33
	Significant Accounting Policies	1		
The accompanying notes form an integral part of the financial statements				

As per our report of even date

For Anay Gogte & Co.  
Chartered Accountants  
Firm Registration Number 100398W

For and on behalf of the Board of Directors

(A.R.Gogte)  
Partner  
Membership No. 037046

Dinesh Sharma  
Managing Director  
DIN 00418667

Sarita Sharma  
Director  
DIN 00128337

Tushar Pandya  
Chief Financial Officer

Dimple Parmar  
Company Secretary

Place : Mumbai  
Date : 30/06/2021

Place : Mumbai  
Date : 30/06/2021

**G M POLYPLAST LIMITED (FORMERLY G M POLYPLAST PRIVATE LIMITED)  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021**

Particulars	Year ended 31st March 2021 ₹	Year ended 31st March 2020 ₹
<b>A. Cash flow from operating activities</b>		
Net Profit / (Loss) before extraordinary items and tax	47,616,352	30,052,055
<i>Adjustments for:</i>		
Depreciation and amortisation	5,801,123	7,802,534
Finance costs	4,206,357	2,319,411
Interest income	(720,359)	(628,554)
Dividend income	-	(4,375)
Profit/Loss on sale of asset	981,974	(383,499)
Operating profit / (loss) before working capital changes	57,885,447	39,157,571
<i>Changes in working capital:</i>		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(2,109,544)	8,443,289
Trade receivables	(11,840,846)	12,239,175
Short-term loans and advances	(7,188,292)	2,420,646
Long-term loans and advances	(1,573,111)	(650,000)
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
Trade payables	(65,047,119)	(32,313,352)
Other current liabilities	(516,570)	2,077,593
Short-term provisions	(171,414)	737,899
Cash generated from operations	(88,446,896)	(7,044,750)
Net income tax (paid) / refunds	(12,420,855)	(6,061,499)
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>(42,982,304)</b>	<b>26,051,322</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment and capital advances	(4,950,733)	(7,431,579)
Sale proceeds of property, plant and equipment	2,151,000	651,000
Interest received		
- Others	720,359	628,554
Dividend received		
- Others	-	4,375
Bank deposits with maturity more than 12 months	-	(411,109)
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(2,079,374)</b>	<b>(6,558,759)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from issue of equity shares (including Securities Premium)	51,325,200	-
Proceeds from long-term borrowings	5,979,591	-
Repayment of long-term borrowings	-	(6,719,295)
Net increase / (decrease) in working capital borrowings	(13,466,824)	2,822,314
Payment of Dividend	(1,922,800)	-
Finance cost	(4,206,357)	(2,319,411)
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>37,708,810</b>	<b>(6,216,392)</b>



<b>Particulars</b>	<b>Year ended 31st March 2021 ₹</b>	<b>Year ended 31st March 2020 ₹</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>(7,352,868)</b>	<b>13,276,171</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>27,195,144</b>	<b>13,918,973</b>
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents	-	-
<b>Cash and cash equivalents at the end of the year</b>	<b>19,842,276</b>	<b>27,195,144</b>
The accompanying notes form an integral part of the financial statements		

**As per our report of even date**

**For Anay Gogte & Co.**

**Chartered Accountants**

**Firm Registration Number 100398W**

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

**(A.R.Gogte)**

**Partner**

**Membership No. 037046**

**Dinesh Sharma**

**Managing Director**

**DIN 00418667**

**Sarita Sharma**

**Director**

**DIN 00128337**

**Tushar Pandya**

**Chief Financial Officer**

**Dimple Parmar**

**Company Secretary**

**Place : Mumbai**

**Date : 30/06/2021**

**Place : Mumbai**

**Date : 30/06/2021**

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**G M POLYPLAST LIMITED (FORMERLY G M POLYPLAST PRIVATE LIMITED)  
NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**NOTE 1 SIGNIFICANT ACCOUNTING POLICIES****1. BASIS OF PRESENTATION**

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis. GAAP comprises mandatory accounting standards as prescribed under Sec.133 of the Companies Act, 2013 ("the act") read with Rule 7 of the Companies (Accounts) Rules 2014 and the provisions of the Act (to the extent notified). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use.

**2. REVENUE RECOGNITION****Sale of goods**

Revenue is recognised in respect of supplies as and when supplies are completed.  
Sales are recognised net of discounts & taxes.

**Export Incentives**

Revenue in respect of export incentives such as drawback & rebate is recognised on export of goods and when it is probable that the economic benefits will flow to the company.

**Dividends**

Revenue is recognised when the shareholders' right to receive payment is established

**Interest**

Interest is recognised on accrual basis

**3. PROPERTY, PLANT AND EQUIPMENT**

- (a) Property, Plant and Equipment are stated at cost
- (b) Expenditure relating to existing property, plant and equipment is added to the cost of the assets where it increases the performance/life of the assets as assessed earlier
- (c) An item of property, plant and equipment is eliminated from financial statements, either on disposal or when retired from active use.
- (d) Expenses during construction period are allocated to respective item of property, plant and equipment on completion of construction

**4. INVESTMENTS**

Long Term investments are valued at cost.

**5. INVENTORY VALUATION**

- (a) Raw materials and stores are valued at weighted average cost after providing for obsolescence
- (b) Work-in-Progress relating to manufacturing activity is valued at cost.



**6. DEPRECIATION**

Depreciation on tangible assets is provided on written down value method over the useful lives of assets which is as stated in Schedule II of the Companies Act, 2013. Depreciation for assets purchased/ sold during a period is proportionately charged

**7. BORROWING COST**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use.

**8. EARNINGS PER SHARE**

The earnings considered in ascertaining the company's EPS comprises the net profit after tax. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

**9. FOREIGN CURRENCY CONVERSION**

Foreign currency transactions are recorded in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of transaction. Foreign currency monetary items are reported using the closing rate.

Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements are recognised as income or expense in the year in which they arise.

**10. PROVISIONS**

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on management estimate required to settle the obligation at the balance sheet date.

**11. TAXES ON INCOME**

Tax expense comprises of current tax & deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred tax assets and liabilities are recognised for future tax consequences attributable to timing differences between taxable income & accounting income that are capable of reversal in one or more subsequent years and are measured using relevant enacted tax rates.

**12. CASH FLOW STATEMENT**

Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**13. RETIREMENT BENEFIT COSTS**

Eligible employees receive benefits from a provident fund, which is a defined contribution plan. Both the employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the salary of covered employee. The contribution is paid to government administered fund.

The Company pays gratuity to the employees who have completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @15 days basic salary for every completed year of service as per the Payment of Gratuity Act, 1972. The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

<b>Actuarial Assumptions</b>	2020-21	2019-20
Discount Rate	6.85% p.a	6.85% p.a
Rate of escalation in salary	7% p.a	7% p.a

The company does not have a leave encashment policy.

**G M POLYPLAST LIMITED (FORMERLY G M POLYPLAST PRIVATE LIMITED)  
NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**NOTE 2 SHARE CAPITAL**

Particulars	As at 31 March, 2021		As at 31 March, 2020	
	Number of shares	Rupees	Number of shares	Rupees
(a) Authorised Equity shares of Rs. 10 each with voting rights	2,000,000	20,000,000	2,000,000	20,000,000
(b) Issued, Subscribed and fully paid up Equity shares of Rs. 10 each with voting rights	1,922,800	19,228,000	100,000	1,000,000
<b>Total</b>	<b>1,922,800</b>	<b>19,228,000</b>	<b>100,000</b>	<b>1,000,000</b>

**Particulars**
**Notes:**

- 2 (i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As on 31/03/2021	As on 31/03/2020
Equity shares with voting rights		
Opening Balance		
- Number of shares	100,000	10,000
- Amount (Rs.)	1,000,000	1,000,000
Increase in number of shares (due to bonus issue 1:15)		
- Number of shares	1,500,000	-
- Amount (Rs.)	15,000,000	-
Increase in number of shares (due to IPO)		
- Number of shares	322,800	-
- Amount (Rs.)	3,228,000	-
Increase in shares due to stock split (face value reduced to Rs. 10 each)		
- Number of shares	-	90,000
- Amount (Rs.)	-	Nil
Closing Balance		
- Number of shares	1,922,800	100,000
- Amount (Rs.)	19,228,000	1,000,000

- 2 (ii) The Company has issued only one class of equity shares having a face value of Rs. 10 per share (Previous year Rs.10/- each). Each holder of Equity Share is entitled to one vote per share.
- 2 (iii) During the year, 15,00,000 bonus equity shares were issued of face value of Rs.10 each in the ratio of 1:15 i.e 15 equity shares for 1 equity share held on 22/06/2020.
- 2 (iv) During the year, company has completed Initial Public offer (IPO) of its equity shares comprising a fresh issue of 3,22,800 equity shares and offer for sale of 1,86,000 equity shares having a face value of Rs. 10/-each at an offer price of Rs. 159/- each aggregating to Rs.8.09 crores. Pursuant to IPO, the shares of the company have got listed on BSE Ltd (SME Platform) on 14th October, 2020.
- 2 (v) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2021		As at 31 March, 2020	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Dinesh Balbeer Sharma	725,000	38%	50,000	50%
Sarita Dinesh Sharma	688,995	36%	50,000	50%
Gretext Share broking Private limited	136,000	7%	-	0

**G M POLYPLAST LIMITED (FORMERLY G M POLYPLAST PRIVATE LIMITED)  
NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**NOTE 3 RESERVES AND SURPLUS**

Particulars	As at 31 March, 2021	As at 31 March, 2020
	₹	₹
(a) Securities Premium		
Opening Balance		-
Add: Premium on public issue of shares	48,097,200	-
Closing Balance	48,097,200	-
(b) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	78,721,371	55,790,393
Add : Profit / (Loss) for the year	35,098,783	22,930,978
Less : Utilised for Issue of Bonus shares	-15,000,000	-
Interim Dividend	-1,922,800	-
Closing Balance	96,897,354	78,721,371
<b>Total</b>	<b>144,994,554</b>	<b>78,721,371</b>

**NOTE 4 LONG TERM BORROWINGS**

Particulars	As at 31 March, 2021	As at 31 March, 2020
	₹	₹
(a) Term loans		
From banks		
Secured	8,660,712	2,681,121
<b>Total</b>	<b>8,660,712</b>	<b>2,681,121</b>

**NOTE 4 (i)**

Secured Loan includes car loan from Axis Bank secured by first charge on car. Secured loan includes loan for Machinery from IDBI Bank secured by

- a) First charge on machinery
- b) Personal guarantee of directors

**G M POLYPLAST LIMITED (FORMERLY G M POLYPLAST PRIVATE LIMITED)  
NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**NOTE 5 SHORT TERM BORROWINGS**

Particulars	As at 31 March, 2021	As at 31 March, 2020
	₹	₹
(a) Loans repayable on demand		
From banks		
Cash Credit facility	9,179,973	22,646,797
<b>Total</b>	9,179,973	22,646,797

**NOTE 5 (i)**

Cash Credit facility is secured by

- Hypothecation of Stock and Book Debts
- Personal guarantee of directors
- Equitable mortgage of industrial premises owned by directors

**NOTE 6 TRADE PAYABLES**

	As at 31 March, 2021	As at 31 March, 2020
	₹	₹
For Goods	57,981,892	119,177,270
For Expenses	7,667,087	11,518,828
<b>Total</b>	65,648,979	130,696,098

**NOTE 7 OTHER CURRENT LIABILITIES**

	As at 31 March, 2021	As at 31 March, 2020
	₹	₹
Current maturities of Long term debt	1,808,444	1,195,049
Statutory payables	163,864	254,655
Advances from customers	3,863,422	4,902,596
<b>Total</b>	5,835,730	6,352,300

**NOTE 8 SHORT TERM PROVISIONS**

	As at 31 March, 2021	As at 31 March, 2020
	₹	₹
Provision for employee benefits	1,440,106	1,611,520
Provision - Others:		
(i) Provision for taxation	22,440,000	8,740,000
<b>Total</b>	23,880,106	10,351,520



**G M POLYPLAST LIMITED (FORMERLY G M POLYPLAST PRIVATE LIMITED)  
NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**Note 9 PROPERTY PLANT & EQUIPMENT**

Tangible Assets	Rate of depreciation (%)	GROSS BLOCK				DEPRECIATION			NET BLOCK		
		As at 1st April 2020	Addition	Deletions	As at 31st March 2021	As at 1st April 2020	For the year	Deletions	As at 31st March 2021	As at 31st March 2020	
Factory Land & Building	9.5	8,724,474	-	-	8,724,474	4,082,466	440,991	-	4,523,457	4,201,017	4,642,008
Plant & Equipment	18.1	40,723,762	-	4,651,000	36,072,762	20,777,058	3,477,987	1,518,026	22,737,019	13,335,743	19,946,704
Solar Power Plant	18.1	-	1,890,854	-	1,890,854	-	127,628	-	127,628	1,763,226	-
Electric Installation	25.89	4,223,047	-	-	4,223,047	3,006,967	314,843	-	3,321,810	901,237	1,216,080
Computers	63.16	58,000	107,305	-	165,305	51,464	24,141	-	75,605	89,700	6,536
Office equipments	45.07	223,621	-	-	223,621	167,651	25,227	-	192,878	30,743	55,970
Vehicles	31.23	8,713,160	2,952,574	-	11,665,734	5,035,299	1,390,306	-	6,425,605	5,240,129	3,677,861
<b>Total</b>		<b>62,666,064</b>	<b>4,950,733</b>	<b>4,651,000</b>	<b>62,965,797</b>	<b>33,120,905</b>	<b>5,801,123</b>	<b>1,518,026</b>	<b>37,404,002</b>	<b>25,561,795</b>	<b>29,545,159</b>
Previous Year		56,359,485	7,431,579	1,125,000	62,666,064	26,175,870	7,802,534	857,499	33,120,905	29,545,159	30,183,616

**G M POLYPLAST LIMITED (FORMERLY G M POLYPLAST PRIVATE LIMITED)  
NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**NOTE 10 NON CURRENT INVESTMENT**

	As at 31 March, 2021	As at 31 March, 2020
	₹	₹
250 (unquoted) Shares of Saraswat Cooperative Bank Limited	25,000	25,000
<b>Total</b>	25,000	25,000

**NOTE 11 LONG TERM LOANS & ADVANCES**

	As at 31 March, 2021	As at 31 March, 2020
	₹	₹
(Unsecured, considered good)		
Security Deposits	10,415,032	4,231,040
Bank deposits with maturity more than 12 months	5,255,573	9,665,120
Interest Accrued	551,274	752,608
<b>Total</b>	16,221,879	14,648,768

**NOTE 12 INVENTORIES**

At Lower of Cost or Realisable Value

	As at 31 March, 2021	As at 31 March, 2020
	₹	₹
Raw Materials	30,571,729	31,231,614
Finished Goods	8,587,909	5,818,480
<b>Total</b>	39,159,638	37,050,094

**NOTE 13 TRADE RECEIVABLES**

	As at 31 March, 2021	As at 31 March, 2020
	₹	₹
Unsecured, considered good		
Others	132,887,387	120,227,329
Outstanding for more than 6 Months	3,653,674	4,472,886
<b>Total</b>	136,541,061	124,700,215

**NOTE 14 CASH & CASH EQUIVALENTS**

	As at 31 March, 2021	As at 31 March, 2020
	₹	₹
Cash on Hand	1,394,465	640,497
- Balances with Banks		
- Current Accounts	18,447,811	26,554,647
<b>Total</b>	19,842,276	27,195,144

**G M POLYPLAST LIMITED (FORMERLY G M POLYPLAST PRIVATE LIMITED)  
NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**NOTE 15 SHORT TERM LOANS & ADVANCES**

	31st March, 2021	31st March, 2020
	₹	₹
(Unsecured, considered good)		
a Advances recoverable in cash or kind or for value to be received	11,482,821	4,194,484
b Prepaid expenses	501,276	361,736
c Indirect Taxes	7,956,434	8,196,019
d Advance Income Tax & Tax deducted at Source	18,221,959	5,801,104
<b>Total</b>	<b>38,162,490</b>	<b>18,553,343</b>

**NOTE 16 REVENUE FROM OPERATIONS**

	Year ended 31st March 2021	Year ended 31st March 2020
	₹	₹
Sale of Manufactured Goods		
a Plastic Rolls	312,748,796	358,098,441
b Plastic Sheets	130,213,099	188,367,172
c Others	78,475,213	83,853,835
<b>Total</b>	<b>521,437,108</b>	<b>630,319,448</b>
Sale of services	-	1,133,982
<b>Total</b>	<b>521,437,108</b>	<b>631,453,430</b>

**NOTE 17 OTHER INCOME**

	Year ended 31st March 2021	Year ended 31st March 2020
	₹	₹
Interest Income- from banks	720,359	628,554
Dividend income	-	4,375
Gain from exchange fluctuation	1,534,493	1,826,773
Other Non Operating income	3,456	992
Profit on sale of fixed asset	-	383,499
<b>Total</b>	<b>2,258,308</b>	<b>2,844,193</b>

**G M POLYPLAST LIMITED (FORMERLY G M POLYPLAST PRIVATE LIMITED)  
NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**NOTE 18 (i) COST OF MATERIAL CONSUMED**

	Year ended 31st March 2021	Year ended 31st March 2020
	₹	₹
Material consumed comprises of		
a Polystrene	112,268,124	221,263,297
b Plastic granuals	130,635,172	118,623,505
c Plastic scrap	70,524,440	77,689,054
d Others @	94,870,807	106,583,746
<b>Total</b>	408,298,543	524,159,603

@ Others include raw materials, components and spare parts, none of which individually accounts for more than 10 % of the total consumption.

**NOTE 18 (ii) CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS**

	31st March 2021	31st March 2020
	₹	₹
Opening Stock		
Finished Goods	5,818,480	8,639,738
Work In progress	-	-
	5,818,480	8,639,738
<b>Closing Stock</b>		
Finished Goods	8,587,909	5,818,480
Work In progress	-	-
	8,587,909	5,818,480
(Increase)/ Decrease	-2,769,429	2,821,258

**NOTE 19 OTHER MANUFACTURING EXPENSES**

	Year ended 31st March 2021	Year ended 31st March 2020
	₹	₹
Power & Fuel	16,275,389	20,424,402
Consumables	335,500	435,343
Factory Rent	3,360,000	3,360,000
<b>Total</b>	19,970,889	24,219,745

**G M POLYPLAST LIMITED (FORMERLY G M POLYPLAST PRIVATE LIMITED)  
NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**NOTE 20 EMPLOYEE BENEFIT EXPENSES**

	31st March 2021	31st March 2020
	₹	₹
Salaries, Wages & Bonus	8,905,315	10,257,897
Provident Fund & ESIC	413,717	546,331
Salary to Directors	2,400,000	2,400,000
Staff Welfare Expenses	289,494	1,200,657
Provision for Gratuity	97,132	239,995
<b>Total</b>	<b>12,105,658</b>	<b>14,644,880</b>

**NOTE 21 OTHER EXPENSES**

	31st March 2021	31st March 2020
	₹	₹
Repairs and Maintenance - Machinery	1,232,844	4,150,111
Building	400,500	393,692
Others	1,061,966	1,825,870
Office rent	420,000	-
Insurance		
- Others	2,956,292	2,128,454
Professional & legal charges	913,706	1,759,725
Export Clearing charges	3,556,306	2,801,417
Trade Exhibition expenses	66,839	1,052,139
Rates and Taxes	562,267	1,665,728
<u>Auditor's Remuneration</u>		
- Statutory audit	300,000	200,000
- for Other Matters	-	-
Transport & Octroi	6,406,516	6,210,125
Advertisement charges	174,062	129,500
Office Expenses	540,711	354,123
Telephone Expenses	161,842	269,915
Sales Commission	4,113,597	2,331,776
Business Promotion Expenses	175,433	215,749
Miscellaneous Expenses	337,928	1,114,878
Public Issue Expenses	3,457,242	-
Bad Debts	370,861	194,927
Travelling expense	275,037	1,480,009
Loss on sale of Machinery	981,974	-
<b>Total</b>	<b>28,465,923</b>	<b>28,278,138</b>

**G M POLYPLAST LIMITED (FORMERLY G M POLYPLAST PRIVATE LIMITED)  
NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**NOTE 22 FINANCE COSTS**

	31st March 2021	31st March 2020
	₹	₹
Interest expenses	3,050,469	1,836,539
Bank Charges	1,155,888	482,872
<b>Total</b>	<b>4,206,357</b>	<b>2,319,411</b>

**NOTE 23 (i) CAPITAL COMMITMENTS :** Estimated amount of contract remaining to be executed on Capital Account and not provided for is INR 258.64 Lakhs (P.Y. Nil)

**NOTE 23 (ii) CONTINGENT LIABILITIES :** Bank Guarantees INR 25,62,800 (P.Y. 71,20,000)

**NOTE 24 VALUE OF RAW MATERIALS CONSUMED**

	31st March 2021	31st March 2020
	₹	₹
<b>Raw Material</b>		
- Indigenous	386,578,220	499,994,740
- Imported	21,720,323	24,164,862
<b>Total</b>	<b>408,298,543</b>	<b>524,159,602</b>

**NOTE 25 EARNINGS IN FOREIGN EXCHANGE**

Particulars	31st March 2021	31st March 2020
	₹	₹
FOB Value of Exports	33,943,166	31,159,367

**NOTE 26 VALUE OF IMPORTS ON CIF BASIS**

Particulars	31st March 2021	31st March 2020
	₹	₹
Raw Material	22,163,890	25,790,250
Finished Goods	-	-
<b>Total</b>	<b>22,163,890</b>	<b>25,790,250</b>

**NOTE 27 EXPENDITURE IN FOREIGN CURRENCY (SUBJECT TO TAX WITHOLDING WHERE APPLICABLE)**

Particulars	31st March 2021	31st March 2020
	₹	₹
Exhibition expenses	-	1,054,995
Travelling expenses	-	210,000



**G M POLYPLAST LIMITED (FORMERLY G M POLYPLAST PRIVATE LIMITED)  
NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**Note 28 RELATED PARTY DISCLOSURES- AS IDENTIFIED BY THE MANAGEMENT AND RELIED UPON BY THE AUDITORS**

Name of Related Party	Nature of Transaction	Transaction Value		Nature of Relationship
		(In. ₹ ) 31/03/2021	(In. ₹ ) 31/03/2020	
Dinesh Sharma	Rent	2,928,000	2,928,000	Director
Sarita Sharma	Rent	432,000	432,000	Director
Dinesh Sharma	Salary	1,200,000	1,200,000	Director
Sarita Sharma	Salary	1,200,000	1,200,000	Director
Tushar Pandya	Salary	602,500	602,400	Chief Financial Officer
Balbeer Sharma	Salary	300,000	-	Director
Balbeer Sharma HUF	Sales commission	-	800,586	HUF of Director
Mukesh Sharma HUF	Sales commission	-	749,350	Associate concern
Mahima Mukesh Sharma	Sales commission	-	781,840	Relative of Director
Jyoti Dinesh Sharma	Stipend	-	150,000	Relative of Director
<b>Total</b>		<b>6,662,500</b>	<b>8,844,176</b>	

**NOTE 29 EARNINGS PER SHARE**

Net Profit after tax for the year has been used as the numerator and number of shares has been used as denominator for calculating the basic and diluted earnings per share.

	31st March 2021	31st March 2020
Face Value Per share ( ₹ )	10.00	10.00
Weighted Average number of shares	1,752,998	1,600,000
Profit after Tax ( ₹ )	35,098,783	22,930,978
Basic and Diluted Earnings per share ( ₹ )	20.02	14.33

**NOTE 30 MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT 2006**

As per information available with the company, none of the creditors have confirmed that they are registered under the Micro, Small & Medium Enterprises Development Act 2006. Accordingly, disclosure as required by the said act is made on that basis.

**NOTE 31 DEFERRED TAX ASSET / LIABILITY (NET)**

	31st March 2021	31st March 2020
	₹	₹
a. Deferred Tax Asset		
- Fixed Assets	2,088,851	1,401,049
- Gratuity and bonus	-156,866	1,505,127
- IPO expenses (sec 35D)	2,765,794	-
Net Deferred Tax Asset/ (liability)	1,182,431	731,484
b. Reversal of Deferred Tax Asset		
- on account of change in tax rates	-	1,647,937
Incremental Net Deferred Tax Asset/ (liability)	1,182,431	2,379,421

**NOTE 32**

In view of the unprecedented COVID-19 pandemic, the management has made an assessment of its position as at the Balance Sheet date. In assessing, the company has taken into consideration external and internal information upto the date of approval of these financial results. The company has assessed its liquidity, assets, capital and financial resources, profitability, internal financial reporting and has concluded that there has been no material impact to its financial position or its operations.

**NOTE 33**

The Company was incorporated as G M POLYPLAST PRIVATE Limited under the provisions of Companies Act 1956 vide Certificate of Incorporation dated 27/11/2003 issued by the Registrar of Companies, Mumbai bearing Corporate Identity Number U25200MH2003PTC143299. The name of the Company was subsequently changed to G M Polyplast Limited pursuant to special resolution passed by the Shareholders at its Extra Ordinary General Meeting held on 06th July, 2020 and a fresh certificate of incorporation consequent upon conversion from Private Company to Public Company was issued by the Registrar of Companies, Mumbai dated 30/07/2020 bearing Corporate Identity Number U25200MH2003PLC143299.

**NOTE 34**

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

**As per our report of even date**

**For Anay Gogte & Co.**  
**Chartered Accountants**  
**Firm Registration Number 100398W**

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

**(A.R.Gogte)**  
**Partner**  
**Membership No. 037046**

**Dinesh Sharma**  
Managing Director  
DIN 00418667

**Sarita Sharma**  
Director  
DIN 00128337

**Tushar Pandya**  
Chief Financial Officer

**Dimple Parmar**  
Company Secretary

**Place : Mumbai**  
**Date : 30/06/2021**

**Place : Mumbai**  
**Date : 30/06/2021**



**G M Polyplast Limited**