

**22ND  
ANNUAL REPORT  
2014-2015**



**[Formerly Known as Nova Petrochemicals Limited]**

**Your confidence is our biggest Asset**

## 22<sup>nd</sup> ANNUAL REPORT

Board of Directors	: Shyam Gupta Sunil Kumar Gupta Anil Singhal Sandeep Goyal Meenu Maheshwari	<i>Chairman</i> <i>Managing Director</i> <i>Director</i> <i>Director</i> <i>Director</i>
Company Secretary	: Dhvani Shah	
Bankers	: State Bank of India	
Registered Office & Plant	: Survey No. 396/403, Moraiya Village, Sarkhej-Bavla Highway, Tal. Sanand, Dist. Ahmedabad - 382 210. Gujarat. India Email : nova@novapetro.com	
CIN	: L70101GJ1993PLC020927	
Share Transfer Agent	: MCS Share Transfer Agent Limited. 101, Shatdal Complex, 1 <sup>st</sup> Floor, Opp. Bata Show Room, Ashram Road, Ahmedabad – 380 009.	

[www.novapetro.com](http://www.novapetro.com)

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## NOTICE

Notice is hereby given that the Twenty Second Annual General Meeting of the Members of **M/S GSL NOVA PETROCHEMICALS LIMITED** will be held on Tuesday, 29<sup>th</sup> day of **September, 2015** at **3.30 p.m.** at the Registered office of the Company at Survey No. 396/403, Moraiya Village, Sarkhej-Bavla Highway, Tal. Sanand, Dist. Ahmedabad – 382 210 to transact the following business:

### **ORDINARY BUSINESS: -**

1. To receive, consider and adopt the Balance Sheet as at 31<sup>st</sup> March 2015, Statement of Profit and Loss for the year ended on that day and the Reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Shri Sunil Gupta (holding DIN: 00008344), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint auditors and fix their remuneration and in this regard to consider and if thought fit to pass with or without modification, the following resolution as an Ordinary Resolution :

RESOLVED THAT in accordance with the provisions of Section 139 of the Companies Act, 2013 read with the Companies ( Audit and Auditors) Rules 2014 ( Including any statutory modification(s) or re enactments therefore for time being in force) J.T.Shah & Company, Chartered Accountants (ICAI Registration No. 109616W), Ahmedabad be and are hereby appointed Statutory Auditors of the Company to hold office from the conclusion of the 22<sup>nd</sup> Annual General Meeting of the Company till the conclusion of 24<sup>th</sup> Annual General Meeting, subject to rectification at the time of next Annual General Meeting at such remuneration as shall be fixed by the Board of Director of the Company.

### **SPECIAL BUSINESS**

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution

**RESOLVED THAT** Mrs. Meenu Maheshwari, DIN : 07113136, who was appointed as an Additional Director by the Board of Directors as on March, 20 2015 to hold office up to this Annual General Meeting in terms of Section 161 of the Companies Act, 2013 and in respect of whom notice under section 160 of the Companies Act, 2013 has been received by the Company from a member signifying his intention to propose her as candidate for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

### **Regd. Office:**

Survey No. 396/403, Moraiya Village,  
Sarkhej-Bavla Highway, Tal. Sanand,  
Dist. Ahmedabad – 382 210  
Dated : 14/08/2015

**By order of the Board of Directors,**

Company Secretary

### **Notes:-**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF SELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. **THE PROXY FORM DULY STAMPED AND EXECUTED SHOULD REACH THE REGISTERED OFFICE OF THE COMPANY ATLEAST 48 HOURS BEFORE THE TIME FIXED FOR THE COMMENCEMENT OF THE MEETING.**
3. The Register of Members and Share Transfer Books of the Company shall remain closed from 23<sup>rd</sup> September, 2015 to 29<sup>th</sup> September, 2015 (both days inclusive).
4. Members desiring any information pertaining to Accounts are requested to write to the Company at least seven days before the date of the meeting in order that the information can be made available at the meeting.
5. Members are requested to bring their copy of the Annual Report at the meeting and produce the Attendance Slip at the Entrance where the Annual General Meeting will be held.
6. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
7. The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the companies and has issued circulars stating that service of notice/ documents including Annual Report can be sent by e-mail to its members. To support this green initiative, members holding shares in demat form are requested to provide their e-mail ID to the depository through their concerned depository participant and members holding shares in physical form are requested to provide e-mail ID to the Company's RTA, M/s. MCS Share Transfer Agent Limited, 101, Shatdal Complex, 1st Floor, Opp. Bata Show Room, Ashram Road Ahmedabad –380 009 and also notify the e-mail address as and when there is any change.

8. Members holding shares in physical mode are requested to immediately notify the Company or its Share Transfer Agent about any change of address and their bank particulars. Members holding shares in dematerialized form are requested to immediately notify their respective Depository Participants about any change of address and their bank particulars.
9. A Statement pursuant of Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto.
10. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

**11. Process and manner for members opting for e-voting are as under :**

In compliance with provision of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 the Company is pleased to provide e-voting facility to all the shareholders of the Company. For this purpose the Company has entered into an agreement with National Securities Depository Limited to provide the facility of electronic voting ("E-Voting") in respect of the Resolution proposed at this AGM.

**I. The instructions for e-voting are as under :**

- (i) Open your web browser during the voting period and navigate to <https://www.evoting.nsdl.com/>
- (ii) Enter the login credentials (i.e., user-id & Password) mentioned on the Annual Report. Your folio/DP Client ID will be your User-ID.

User-ID	For Members holding shares in Demat Form:- For NSDL :- 8 Characters DP ID followed by 8 Digits Client ID For CDSL :- 16 digits beneficiary ID For Members holding shares in Physical Form:- Event no. followed by Folio Number registered with the Company
Password	Your Unique password is printed on the Annual Report/via email forwarded through the electronic notice
Captcha	Enter the Verification code i.e., Please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

- (iii) After entering these details appropriately, click on "LOGIN".
- (iv) Members holding shares in Demat/Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case(A-Z), one lower case(a-z), one numeric vaue(0-9) and as special character. Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through NSDL. System will prompt you to change your password and update any contact details like mobile, email ID etc. on 1<sup>st</sup> Login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (v) You need to login again with the new credentials.
- (vi) On successful login, system will prompt to select the 'Event' i.e., 'Company Name'
- (vii) If you are holding shares in Demat Form and had logged in to <https://evoting.nsdl.com> and casted your vote earlier for any company, then your existing login id and password are to be used.
- (viii) On the voting page, you will see Resolution Description and against the same the option 'FOR/AGAINST/ABSTAIN' for voting. Enter the number of shares (which represents number of votes) under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding. If the shareholder do not wants to cast, select 'ABSTAIN'.
- (ix) 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.
- (x) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.

- (xi) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to gslnova2014@gmail.com, cs@novapetro.com with a copy marked to evoting@nsdl.co.in. The file scanned image of the Board Resolution should be in the naming format "Corporate Name\_Event no."

## II. In case of Shareholders' receiving Physical copy :

- (i) Initial password is provided as below/at the last page of Annual Report:

EVEN (E Voting Event Number)	USER ID	PASSWORD/PIN

- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xi) of (a) above, to cast vote.

## III. General Information

- (a) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
- (b) If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
- (c) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- (e) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 14<sup>th</sup> August, 2015.
- (f) E-Voting right cannot be exercised by a proxy.
- (g) The Voting period begins on September 26, 2015 (10.00 a.m. IST) and ends on September 28, 2015(5.00 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 of 14<sup>th</sup> August, 2015 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.
- (h) Mr. Ronak Mehta, Chartered Accountant has been appointed as Scrutinizer for scrutinizing the e-voting procedure in a fair and transparent manner.
- (i) The Scrutinizer shall, within a period not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two(2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor of or against, if any, forthwith to the Chairman of the Company.
- (j) The result of the e-voting will be declared on or after the date of the AGM i.e. 29<sup>th</sup> September, 2015. Such results will also be forwarded to the Stock Exchange where the Company's shares are listed.

## 12. Pursuant to Clause 49 of the Listing Agreement, the details of the Directors retiring by rotation and eligible for reappointment are furnished below:

Shri Sunil Kumar Gupta was appointed as an Additional Director of the Company on 30-09-1996 and thereafter confirmed as a Director liable to retire by rotation w.e.f. 29<sup>th</sup> September, 1997 in 4<sup>th</sup> Annual General Meeting. He is appointed as a Managing Director w.e.f. 28<sup>th</sup> May, 2012 for a period of 5 years in the Company on the terms and conditions as mentioned in the agreement. At present he is drawing minimum remuneration. in accordance with the provisions of section 197 read with Schedule XIII & other applicable provisions if any under the Companies Act, 2013 by the Board and subject to the approval of the members in General Meeting.

He is a Commerce Graduate having 22 years of business experience in Trade & Industry.

Shri Shyam Gupta, the Chairman of the Company is related to him.

Mr. Sunil Kumar Gupta is a Director on the Board of the following Companies:

- Super Nova Exim Pvt. Ltd.
- Gupta Education Foundation Institution

13. Pursuant to the provisions of Section 124 of the Companies Act, 2013, dividend which remain unpaid and unclaimed for a period of 7 years will be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 125 of the Companies Act, 2013

Shareholders are requested to note that no claims shall lie against the Company or the said Fund in respect of any amounts which were transferred to the Fund which are unclaimed and unpaid for a period of seven years from the dates that they first became due for payment and no payment shall be made in respect of any such claims.

**Regd. Office:**

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Dist. Ahmedabad – 382 210  
Dated : 14/08/2015

**By order of the Board of Directors,**

Company Secretary

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 RELATING TO THE SPECIAL BUSINESS UNDER THE ITEM NO. 4.**

**Item No. 4**

Pursuant to the provision of Section 161 of the Companies Act, 2013, the term of office of Mrs. Meenu Maheshwari, appointed as an additional director of the Company on the Board with effect from 20<sup>th</sup> March, 2015 and in terms of Section 161(1) of the Companies Act, 2013 she will hold office as Additional Director only up to the date of this Annual General Meeting. As required under section 160 of the above Act, a notice has been received from a member signifying his intention to propose her as a candidate for the office of Director of the Company. In the opinion of the Board, Mrs. Meenu Maheshwari fulfills the conditions specified in the Company Act, 2013 and Rules made there under and also under the Listing Agreement for her appointment as a Directors of the Company. Her Appointment shall also comply with the provision of Section 149(1) of the Act and amended clause 49 of the Listing Agreement to have at least one woman director. The Board considers that her association would be of immense benefit to the Company and it is desirable to avail her services.

Mrs. Meenu Maheshwari is a Fellow member of Institute of Company Secretaries of India. She is Practicing Company Secretary She also holds Master Degree in Commerce. She has more than 15 years of experience in Secretarial field.

This Explanatory statement may also be regarded as a disclosure under the applicable provisions of the Companies Act, 2013 and the Listing Agreement with the Stock Exchanges. No Directors or Key Managerial Personnel of the Company and their relatives except Mrs. Meenu Maheshwari are concerned or interested, financially or otherwise in this resolution.

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Dist. Ahmedabad – 382 210  
Dated : 14/08/2015

**By order of the Board of Directors,**

Company Secretary

## DIRECTORS' REPORT

To,  
The Members,

Your Directors have pleasure in presenting their 22<sup>nd</sup> Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2015.

**1. Financial summary or highlights/Performance of the Company (Standalone)** (₹ in Lacs)

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
Total Revenue	233.95	717.92
Total Expense	1,848.51	1,848.01
Profit/(Loss) before Extraordinary Items	(1,614.56)	(1,130.09)
Less: Current Tax	NIL	NIL
Add : MAT Credit of Current Year	NIL	NIL
Add : MAT Credit of Earlier Year	NIL	NIL
Add : Earlier Years Tax & Deferred Tax	NIL	NIL
Profit / (Loss) for the Year	(1,614.56)	(1,130.09)

**2. Dividend**

Due to Loss incurred by the Company during the year 2014-15, your directors regret their inability to recommend any dividend on the Equity Share Capital.

**3. Reserves**

In view of the loss, your Board of Directors do not appropriate any amount to be transferred to General Reserves during the year under review.

**4. Insurance**

The Company has adequately covered all assets against all risks.

**5. Corporate Social Responsibility**

Due to Loss incurred by the Company during the year 2014-15, your directors regret their inability to recommend any amount for Corporate Social Responsibility.

**6. Brief description of the Company's working during the year/State of Company's affair**

During the year under review, your Company recorded total income of ₹ 2.34 Crore against ₹ 7.18 Crore in the previous year. The net loss during the year under review was placed as ₹ 16.15 Crore as compared to ₹ 11.30 Crore in the previous year.

**7. Statement for Improvement/Depressed Results:**

The management's discussion and analysis report, as required under corporate governance, forming part of this report, is a reflection of the current state of business. It also deals with the opportunities and threats faced by your company and the company outlook.

As, honorable members aware that member had given their consent to carry on the business of real estate to sale, transfer and/ or dispose off company's all or any undertaking and/or properties including the plant and machinery(S), Utilities, Other related Equipments, its spare parts and the Land & Building full and/ or partial as board may decide.

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

Review the adequacy and effectiveness of the Company's system and internal controls. Review and discuss with the Management the Company's major financial risk exposures and steps taken by the Management to monitor and control such exposure.

The Company has in place adequate internal financial controls with reference to financial statements. The Company has engaged the service of an Independent Chartered Accountant to carry out the internal audit. The internal auditor places internal auditor report in the meeting of audit committee.

**9. Performance and financial position of each of the subsidiaries, associates and joint venture companies included in the consolidated financial statement.**

Your Company have not any Subsidiary or Joint Venture or Associate Company.

#### 10. Deposits

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

#### 11. Statutory Auditors

M/s. J. T. Shah & Co., Chartered Accountants of Ahmedabad (Firm Registration No. 109616W), Chartered Accountants, who are the statutory auditors of the Company, hold office till the conclusion of the forthcoming AGM and are eligible for re-appointment. Pursuant to the provisions of section 139 of the Companies Act, 2013 and the Rules framed there under, it is proposed to appoint M/s. J.T. Shah & Co., as statutory auditors of the Company from the conclusion of the forthcoming AGM till the conclusion of the Twenty Fourth Annual General Meeting to be held in the year 2017.

#### 12. Explanation to the qualification in Auditors' Report

The Directors submit their explanation to the qualifications made by the Auditors in their report for the year 2014-15. The relevant Paragraphs of the report and reply are as under :

- 4(i) Account has been prepared as going concern basis since company has started new activity of land development as approved by members of the company.
- 7(b) The delay in the payment of Wealth tax of ₹ 5 lacs was due to demerger since it was based on Combined wealth of company prior to demerger. Now after the demerger the company shall file revised wealth tax return in consultation with Auditors and pay wealth tax accordingly. Further there is delay in depositing unpaid / unclaimed dividend into Investor Education and Protection fund of Rs, 2.85 lacs due to freezing of unpaid dividend bank account by government authorities. There is also delay in payment of Tax deducted at source since it pertains to the prior periods of Demerger and professional Tax ₹ 96,030. The Company is arranging to make the payment of the same.
8. The accumulated losses are more than 50% of net worth of the Company. The Company shall take appropriate actions in consultation with the experts.
9. There has been delay in repayment of principal to Financial Institution (JM Financial Asset Reconstruction Company) and interest beyond 40 days due to delay in sale of Machinery. The Financial Institution has restructured the loan and bank has also accepted OTS.

#### 13. Significant and material orders passed by the regulators or courts

Members' attention is drawn to the statement on contingent liabilities, commitments in the notes forming part of the Financial statement.

#### 14. Particulars of Employee

There are no employees employed by the Company through out the financial year or for a part of the financial year who were drawing remuneration as per the limit provided in section 217 (2A) of the Companies Act, 2013 and therefore there are no details required to be given in the report.

#### 15. Share Capital

The paid up capital of the Company is ₹ 13,50,00,000/-

Your Company has not issue any kind of Share during the financial Year ending on 31<sup>st</sup> March, 2015.

#### 16. Delisting of Equity Shares

Presently the equity shares of the company are listed on Bombay Stock Exchange Limited(BSE). During the year under review, the equity shares of the company were delisted voluntarily under Clause 6(a) of SEBI (Delisting of Equity Shares) Regulations, 2009 from The National Stock Exchange of India Limited with effect from 22<sup>nd</sup> April, 2015. Based on the Securities and Exchange Board of India(Delisting of Equity Shares) Regulations 2009, it is open for the company to voluntarily delist its equity shares from one or more stock exchange(s) if it continues to remain listed on any stock exchange having nationwide trading terminals. Accordingly, the equity shares of the company were delisted as aforesaid NSE without giving any exit opportunity to the share holders as the equity Shares of the company continued to be listed on BSE which is having nation wide trading terminals. The proposed delisting of the company's equity shares from NSE will not be prejudicial to or affect the interests of the investors.

#### 17. Extract of the annual return

The extract of the annual return in Form No.MGT – 9 shall form part of the Board's report

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

As Company's Manufacturing activity is suspended so the details required under the provisions of the section 134(3) (m) of the Companies Act, 2013 regarding conservation of Energy, Technology Absorption, Foreign Exchange Earnings is not applicable to the company.



## 19. Directors:

### A) Changes in Directors and Key Managerial Personnel

#### APPOINTMENT

Mrs. Meenu Maheshwari, (DIN : 07113136 ) Independent Director, appointment has been made during the Financial Year 2014-15.

#### RETIREMENT BY ROTATION

In accordance with the provisions of Section 152(6) and Articles of Association of the Company, Shree. Sunil Kumar Gupta (DIN: 00008344) will retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers himself for re-appointment. The Board recommends his appointment.

#### CESSATION:

No Director has resign from the Directorship of the Company.

### B) Declaration by an Independent Director(s) and re- appointment, if any

A declaration by an Independent Directors that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 has been received and taken on note.

### C) Formal Annual Evaluation

The Nomination and Remuneration Committee of the Board has formulated a Performance Evaluation Framework, under which the Committee has identified the criteria upon which the Committee has identified the criteria upon which every Director shall be evaluated. The Policy also provides the manner in which the Directors, as a collective unit in the form of Board Committees and the Board function and perform.

## 20. Details of establishment of vigil mechanism for directors and employees

The Company promotes ethical behavior in all its business activities and has put in implementation of a mechanism wherein the Employees are free to report illegal or unethical behavior, actual or suspected fraud or violation of the Company's Codes of Conduct or Corporate Governance Policies or any improper activity to the Chairman of the Audit Committee of the Company or Chairman of the Company or the Compliance Officer. The Whistle Blower Policy has been appropriately communicated within the Company.

Under the Whistle Blower Policy, the confidentiality of those reporting violation(s) is protected and they are not subject to any discriminatory practices. No personnel have been denied access to the Audit Committee.

## 21. Particulars of loans, guarantees or investments under section 186

The company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013.

The details of the investments made by company is given in the notes to the financial statements.

## 22. Particulars of contracts or arrangements with related parties:

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto shall be disclosed in Form No. AOC -2. However, Your company has not entered in any transaction attracting provision of Section 188 of Companies Act, 2013. Hence AOC-2 is not required to be attached.

## 23. Managerial Remuneration:

Your company has paid ₹ 6,00,000 remuneration to the Managing Director Shri Sunil Kumar Gupta of the Company.

Your Company have not any employee, who was in receipt of remuneration in excess of limits specified in the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## 24. Secretarial Audit

A Secretarial Audit Report given by Ms. Trupti I. Shah, a company secretary in practice shall be annexed with the report.

The Board of Directors shall provide explanations or comments on every qualification, reservation or adverse remark or disclaimer made by the company secretary in practice in the secretarial audit report.

The Secretarial Audit Report given by M/s. Trupti I. Shah., Practicing Company Secretary (C.P.No.: 11659 ) is enclosed herewith the Board's Report.

## 25. Corporate Governance Certificate

The Compliance certificate from the auditors regarding compliance of conditions of corporate governance as stipulated in Clause 49 of the Listing agreement shall be annexed with the report.

Pursuant to the Clause 49 of the Listing Agreement with Stock Exchanges, a separate section entitled 'Corporate Governance' and the Certificate from the Auditors of the Company confirming Compliance with the conditions of the Corporate Governance has been included in this Annual Report.

## 26. Risk management policy

A 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.

The Board of Directors has duly developed and implemented a risk management policy for the company.

## 27. Code of Conduct

The Board has laid down a Code of Conduct for Board Members and for Senior Management and Employees of the Company ("Code"). All the Board Members and Senior Management Personnel have affirmed compliance with these Codes. A declaration signed by the Managing Director to this effect is enclosed at the end of this Report.

The Board has also laid down a Code of Conduct for Independent Directors pursuant to section 149(8) and Schedule IV to the Companies Act, 2013 via terms and conditions for appointment of Independent Directors, which is a guide to professional conduct for Independent Directors and is uploaded on the website of the Company.

## 28. Directors' Responsibility Statement

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that—

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year i.e. at 31<sup>st</sup> March, 2015 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, in the case of a **listed company**, 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 had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 29. Disclosure under the Sexual Harassment of Woman at Workplace (prevention, prohibition and Redressal Act, 2013)

The Company has been employing about one woman employee. The Company has in place an Anti harassment policy in line with the requirements of the Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee is set up to redress complaints received regularly, is monitored and directly report to the Chairman & Managing Director. There was no complaint received from employee during the financial year 2014-15 and hence no complaint is outstanding as on 31.03.2015 for Redressal.

## 29. Explanations to the qualifications in the Secretarial Audit Report.

There are observation in Secretarial Audit Report due to financial loss Company is not able to comply Listing Agreement Companies Act, 2013 and Rules made thereunder.

## 31. Acknowledgements

Your Directors express their deep sense of gratitude to the Banks, Central and State Governments and their departments and the local authorities for their continued guidance and support.

We would also like to place on record our sincere appreciation for the dedication, commitment and hard work put in by every member of the GSL Nova Petrochemicals Limited family. The Management is deeply grateful for the confidence and faith that the shareholders have always reposed in them.

For and on behalf of the Board of Directors  
GSL Nova Petrochemicals Limited

Sunil Kumar Gupta  
Managing Director  
(din: 00008344)

Place : Ahmedabad  
Date : 14.08.2015  
Address : 8/9, Sanjay Co.Op Housing Society,  
Somnath, Mahadev Road,  
Nr, Jakat Naka Atwalines,  
Surat, 395001, Gujarat, INDIA

**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
as on financial year ended on 31.03.2015  
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1)  
of the Company (Management & Administration ) Rules, 2014.

**I REGISTRATION & OTHER DETAILS:**

i	CIN	CIN No. - L70101GJ1993PLC020927
ii	Registration Date	23/12/1993
iii	Name of the Company	GSL Nova Petrochemicals Limited
iv	Category/Sub-category of the Company	LIMITED BY SHARES
v	Address of the Registered office & contact details	Regd. Office: 396, 403, MORAIYA VILLAGE, SARKHEJ-BAVLA HIGHWAY, SANAND, Ahmedabad-382210.
vi	Whether listed company	BSE
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	MCS share transfer Agent Ltd.

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated

Sr. No.	Name and Description of Main Product/Service	NIC Code of the Products/Services	% of total turnover of the Company
1	ACTIVITIES OF INVESTMENT	70105	100%

**III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES**

Sr. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associates	% of Shares held	Applicable Section
1	N.A.	N.A.	N.A.	N.A.	N.A.

**IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)**

Category of Shareholders	No. of Shares held at the beginning of the year (As on 1 <sup>st</sup> April,2014)				No. of Shares held at the end of the year (As on 31 <sup>st</sup> March,2015)				% change during the year	
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	No of Shares	% of total shares
<b>A. Promoters</b>										
(1) Indian										
a) Individual/HUF	139950	0	139950	0.52	139950	0	139950	0.52	0	0.00
b) Central Govt.or State Govt.	0	0	0	0.00	0	0	0	0.00	0	0.00
c) Bodies Corporates	12566800		12566800	46.54	12566800	0	12566800	46.54	0	0.00
d) Bank/FI		0	0	0	0.00	0	0	0	0	0.00
e) Any other	2226530		2226530	8.25	2226530	2226530	8.25	0	0	0.00
<b>SUB TOTAL:(A) (1)</b>	<b>14933280</b>	<b>0</b>	<b>14933280</b>	<b>55.31</b>	<b>14933280</b>	<b>0</b>	<b>14933280</b>	<b>55.31</b>	<b>0</b>	<b>0.00</b>
(2) Foreign										
a) NRI- Individuals	0		0	0.00	0	0	0.00		0	0.00
b) Other Individuals	0		0	0.00	0	0	0.00		0	0.00
c) Bodies Corp.	0		0	0.00	0	0	0.00		0	0.00
d) Banks/FI	0		0	0.00	0	0	0.00		0	0.00
e) Any other...	0		0	0.00	0	0	0.00		0	0.00
<b>SUB TOTAL (A) (2)</b>	<b>0</b>		<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0.00</b>		<b>0</b>	<b>0.00</b>
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>14933280</b>	<b>0</b>	<b>14933280</b>	<b>55.31</b>	<b>14933280</b>	<b>0</b>	<b>14933280</b>	<b>55.31</b>	<b>0</b>	<b>0.00</b>

Category of Shareholders	No. of Shares held at the beginning of the year (As on 1 <sup>st</sup> April, 2014)				No. of Shares held at the end of the year (As on 31 <sup>st</sup> March, 2015)				% change during the year	
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	No of Shares	% of total shares
<b>B. PUBLIC SHAREHOLDING</b>										
<b>(1) Institutions</b>										
a) Mutual Funds	0		0	0.00				0.00	0	0.00
b) Banks/FI	600		600	0.00	600	0	600	0.00	0	0.00
c) Central govt	0		0	0.00	0		0	0.00	0	0.00
d) State Govt.	0		0	0.00	0		0	0.00	0	0.00
e) Venture Capital Fund	0		0	0.00	0		0	0.00	0	0.00
f) Insurance Companies	0		0	0.00	0	0		0.00	0	0.00
g) FIIS	0		0	0.00	0	0		0.00	0	0.00
h) Foreign Venture Capital Funds	0	0	0.00	0	0			0.00	0	0.00
i) Others (specify)	0	0	0.00	0	0			0.00	0	0.00
<b>SUB TOTAL (B)(1):</b>	600	0	600	0.00	600	0	600	0.00	0	0.00
<b>(2) Non Institutions</b>										
a) Bodies corporates										
i) Indian	4782943	3789	4786732	17.73	4992134	3789	4995923	18.50	209191	0.77
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0	0.00
b) Individuals	0.00	0	0	0	0.00	0	0.00			
i) Individual shareholders holding nominal share capital upto ₹1 lakhs	4756309	482550	5238859	19.40	4795033	475550	5270583	19.52	31724	0.12
ii) Individuals shareholders holding nominal share capital in excess of ₹ 1 lakhs	1076269	0	1076269	3.99	905747	0	905747	3.35	170522	0.63
c) Others (specify)				0.00				0.00	0	0.00
Hindu undivided Families	228874		228874	0.85	162910		162910	0.60	65964	0.24
Non Resident Individual	372586	357800	730386	2.71	372157	353800	725957	2.69	4429	0.02
OCB	5000		5000	0.02	5000		5000	0.02	0	0.00
<b>SUB TOTAL (B)(2):</b>	11221981	844139	12066120	44.69	11232981	833139	12066120	44.69	0	0.00
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	11222581	844139	12066720	44.69	11233581	833139	12066720	44.69	0	0.00
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0.00				0.00	0	0.00
<b>Grand Total (A+B+C)</b>	26155861	844139	27000000	100	26166861	833139	27000000	100	0	0.00

## (ii) SHARE HOLDING OF PROMOTERS

Sr. No.	Shareholder's Name	No. of Shares held at the beginning of the year ( As on 1 <sup>st</sup> April,2014 )			No. of Shares held at the end of the year ( As on 31 <sup>st</sup> March,2015 )			% Change in share-holding during the year
		No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Gupta Silk Mills Pvt. Ltd.	6047400	22.40	61.63	5047400	18.69	73.84	3.70
2	Comptel Infosys Pvt. Ltd.	3400000	12.59	70.59	3400000	12.59	70.59	0.00
3	Polycoat India Pvt. Ltd.	650000	2.41	0	1650000	6.11	0	3.70
4	Shikha Investments Pvt. Ltd.	1333600	4.94	0	1333600	4.94	0	0.00
5	Gupta Synthetics Limited	1135800	4.21	28.44	1135800	4.21	28.44	0.00
6	Prakash Gupta	468440	1.73	0	468440	1.73	0	0.00
7	Shyamsunder Gupta	381430	1.41	0	381430	1.41	0	0.00
8	Sunilkumar N Gupta Sunianadevi S Gupta	332400	1.23	0	332400	1.23 0.00	0 0	0.00 0.00
9	Shree Mohan Gupta Umadevi Gupta	252400	0.93	0	252400	0.93 0.00	0 0	0.00 0.00
10	Sunianadevi S Gupta Sunilkumar N. Gupta	227600	0.84	0	227600	0.84 0.00	0 0	0.00 0.00
11	Umadevi M. Gupta Shree Mohan N. Gupta	162800	0.60	0	162800	0.60 0.00	0 0	0.00 0.00
12	Savita Gupta Shyamsunder Gupta	109200	0.40	0	109200	0.40 0.00	0 0	0.00 0.00
13	Umadevi M. Gupta	106800	0.40	0	106800	0.40	0	0.00
14	Neeta Gupta Prakash Gupta	56000	0.21	0	56000	0.21 0.00	0 0	0.00 0.00
15	Gaurav Prakash Gupta	42000	0.16	0	42000	0.16	0	0.00
16	Nikunj S Gupta	41600	0.15	0	41600	0.15	0	0.00
17	Jatin Gupta	39750	0.15	0	39750	0.15	0	0.00
18	Shefali M. Gupta	38000	0.14	0	38000	0.14	0	0.00
19	Shikha Shyamsunder Gupta	30600	0.11	0	30600	0.11	0	0.00
20	Kshitij M. Gupta	20200	0.07	0	20200	0.07	0	0.00
21	Mallika S. Gupta	16600	0.06	0	16600	0.06	0	0.00
22	Aisha S. Gupta	16600	0.06	0	16600	0.06	0	0.00
23	Vinayak S. Gupta	15600	0.06	0	15600	0.06	0	0.00
24	ShreeMohan N. Gupta	8440	0.03	0	8440	0.03	0	0.00
25	Sunilkumar N. Gupta	20	0.00	0	20	0.00	0	0.00
	Total	14933280	55.31		14933280	55.31		

**(iii) CHANGE IN PROMOTERS' SHAREHOLDING ( SPECIFY IF THERE IS NO CHANGE)**

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Gupta Silk Mills Private Limited				
	At the beginning of the year	6047400	22.40	1000000	3.70
	Transfer of Shares	1000000	3.70	0	0.00
	At the end of the year	5047400	18.69	0	0
2	Polycoat India Private Limited				
	At the beginning of the year	650000	2.41	1000000	3.70
	Transfer of Shares	1000000	3.70	0	0.00
	At the end of the year	1650000.00	6.11	0	0

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

AS PER ANNEXURE - A

**(v) Shareholding of Directors & KMP**

Sr. No.	For Each of the Directors & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Sunil Kumar Gupta				
	At the beginning of the year	332420	1.23		
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	At the end of the year	332420	1.23		
	Shyam Sunder Gupta				
	At the beginning of the year	381430	1.41		
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	At the end of the year	381430	1.41		
	Mayanka Sunil Kumar Gupta				
	At the beginning of the year	16600	0.06		
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	At the end of the year	16600	0.06		

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtness at the beginning of the financial year</b>				
i) Principal Amount	586244098.2	84269794	2662956	673176848.2
ii) Interest due but not paid	209973333.1	0	0	209973333.1
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	796217431.3	84269794	2662956	883150181.3
<b>Change in Indebtedness during the financial year</b>				
Additions	23091252.98	0	0	23091252.98
Reduction	7869338.58	7073794	500000	15443132.58
<b>Net Change</b>	15221914.4	-7073794	-500000	7648120.4
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	578374759.6	77196000	2162956	657733715.6
ii) Interest due but not paid	233064586.1	0	0	233064586.1
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	811439345.7	77196000	2162956	890798301.7

**VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Managing Director, Whole time director and/or Manager:**

Sl.No	Particulars of Remuneration		Total Amount
1	<b>Gross salary</b>	Sunil Kumar Gupta	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	600000	600000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	Nil	
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	Nil	
2	Stock option		Nil
3	Sweat Equity		Nil
4	Commission		Nil
	as % of profit		Nil
	others (specify)		Nil
5	Others, please specify		Nil
	<b>Total (A)</b>	600000	600000
	<b>Ceiling as per the Act</b>	1200000	1200000

**B. Remuneration to other directors:**

Sl.No	Particulars of Remuneration	Name of the Directors	Total Amount
1	Independent Directors	NIL	NIL
	(a) Fee for attending board committee meetings		
	(b) Commission		
	(c) Others, please specify		
	<b>Total (1)</b>	NIL	NIL
2	Other Non Executive Directors	NIL	NIL
	(a) Fee for attending board committee meetings		
	(b) Commission		
	(c) Others, please specify.		
	<b>Total (2)</b>	NIL	NIL
	<b>Total (B)=(1+2)</b>	NIL	NIL
	<b>Total Managerial Remuneration</b>	NIL	NIL
	<b>Overall Cieling as per the Act.</b>	NIL	NIL

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Company Secretary	CFO	
1	<b>Gross Salary</b>			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	174865	Nil	174865
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission	Nil	Nil	Nil
	as % of profit	Nil	Nil	Nil
	others, specify	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil
		Nil	Nil	Nil
	<b>Total</b>	174865	Nil	174865



**AS PER ANNEXURE - A**

SR. NO.	Name	No. of Shares at the beginning of the Year	% OF Holding	Change during the F.Y.			No. of the shares at the closing of the F.Y.	% OF Holding
				Date of Allotment/ Transfer	No. of the Shares	% OF Holding		
1	CHIRIPAL INDUSTRIES LIMITED	2596000	9.61		0	0	2596000	9.61
2	Millenium Infosoft Pvt. Ltd.	0	0.00		0	0	650068	2.41
3	SHANTI EXPORTS PVT. LTD.	449617	1.67		0	0	449617	1.67
4	QUALITY EXIM PVT. LTD.	316863	1.17		0	0	316863	1.17
5	TRIPOLI MANAGEMENT PVT.LTD.	245056	0.91		240000	0.89	5056	0.02
6	VED PRAKASH D CHIRIPAL	190219	0.70		0	0	190219	0.70
7	ASHMI FINANCIAL CONSULTANCY PVT LTD	165000	0.61		0	0	165000	0.61
8	HARI PRAKASH KANODIA	0	0.00		120238	0.45		
9	BHUSHAN PETROFILS PVT. LTD.	110237	0.41		100000	0.37	10237	0.04
10	F6 Finserve Pvt Ltd	106170	0.39		0	0	106170	0.39

**Form No.MR-3**  
**SECRETARIAL AUDIT REPORT**

*For the financial year ended 31/03/2015*

*[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,  
**GSL NOVA PETROCHEMICALS LIMITED**  
(Previously known as Nova Petrochemicals Limited)  
396, 403, Moraiya Village,  
Sarkhej –Bavla Highway,  
Sanand, Ahmedabad – 382 210.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. GSL NOVA PETROCHEMICALS LIMITED** (hereinafter called the 'Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2015, generally 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015, according to the provisions of:

- (i) The Companies Act, 2013("the Act") and the rules made thereunder as applicable;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act,1999 (FEMA) and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the Company during the Audit Report)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements)Regulations, 2009; (Not applicable to the Company during the Audit Report)
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the Company during the Audit Report)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit Report)
  - (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, 2009; (Company had applied for voluntary delisting of shares from National Stock Exchange of India Limited and further, National Stock Exchange of India Limited has granted delisting of shares w.e.f. 22nd April, 2015.
  - (h) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998; (Not applicable to the Company during the Audit Report)
- (vi) I have relied on the representation made by the Company and its officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. I have relied on the report of Statutory Auditors of the Company for compliance system relating to direct tax, indirect tax and other tax laws. However it has been observed from the audited Balance Sheet that there were certain dues relating to taxes and duties which were not deposited due to disputes.

The list of other Acts, Laws and Regulations as applicable to the Company is as given below:-

- (i) Indian Electricity Act, 2003,
- (ii) Environmental (Protection) Act, 1986,
- (iii) Labour Laws,
- (iv) Indian Stamp Act, 1889,
- (v) Registration Act, 1908,

- (vi) Transfer of Property Act, 1882,
- (vii) Securitization and Reconstruction of Finance Assets and Enforcement of Security Interest Act, 2002,
- (viii) Recovery of Debts due to Banks and Financial Institutions Act, 1993,
- (ix) Legal Metrology Act, 2009,

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India (Not applicable for the period ending 31<sup>st</sup> March, 2015);
- (ii) Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- (a) Company has not paid listing fees for the year 2014-15 to Stock Exchanges within prescribed time during the year under review;
- (b) Company has not paid custodian fees for the year 2014-15 to National Securities Depository Ltd (NSDL) and Central Depository Services Ltd. (CDSL) within prescribed time during the year under review;
- (c) Company has not submitted hard copy of altered Memorandum of Association to Stock Exchanges pursuant to Clause 33 of the listing agreement;
- (d) Company has not submitted proceedings to Stock Exchanges pursuant to Clause 31 of listing agreements;
- (e) Company has not submitted statement of appropriations pursuant to Clause 20 of the Listing Agreements;
- (f) Corporate Governance certificate from CEO / CFO / Managing Director was not obtained pursuant to Clause 49 of the listing agreement for the year ended 31st March, 2014;
- (g) Company has not issued formal letter of appointment to Independent Directors and the same has not been uploaded on website of the Company;
- (h) Company has not uploaded policies on its website pursuant to the Companies Act, 2013, rules made there under and listing agreement;
- (i) It has been observed that during the year the company had belatedly complied the provisions of publication of financial result in newspaper as per the clause 41 of the listing agreements.
- (j) E-voting report for the transactions held in 21st Annual General meeting of the Company was not uploaded on website of the Company;
- (k) Company has launched its website but details are not properly updated on its website pursuant to clause 54 of the listing agreement;
- (l) Company has not appointed CFO pursuant to Section 203 of the Companies Act, 2013 and rules there under during the year under review;
- (m) Promoters of the Company had not submitted declaration under Regulation 30 (1)& (2) to Stock Exchanges and Company for the financial year ending 31st March, 2014 and 31st March, 2015;
- (n) As per the information and explanation given by management of the Company, with respect to deposit of amount of unpaid and unclaimed dividend amount with Investor Education and protection fund (IEPF), Company could not have deposited such amount in the respective year because of co-erosive action taken by Bank and amount has been frozen against outstanding loan amount. Hence, Company has not filed form 1 INV and 5 INV with Ministry of Corporate Affairs;
- (o) There were defaults in repayment of principal amount along with interest amount towards Banks and Financial Institution;
- (p) Company had not provided Proxy form (MGT-11) pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014 to the shareholders for attending Annual General Meeting held on 29th September, 2014;
- (q) Company had not filed all forms pursuant to transactions carried out by the Company under section 117 and 179(3) and rules made thereunder;
- (r) Company had not received amount under section 160 of the Companies Act, 2013 alongwith proposal letter for recommending appointment of Directors in the Annual General Meeting held on 29th September, 2014;
- (s) Pursuant to Regulation 12(1) of the SEBI (Prohibition of Insider Trading) Regulations, 1992, trading window was not closed at the time of declaration of quarterly, half-yearly and annually financial results of the Company.

Further I observe that all charges for hypothecation and mortgage has been assigned by Banks to JM Financial Asset Reconstruction Company Pvt. Ltd (JMFARC).

**I 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 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**I 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.

**I further report that** during the audit period there were no instances of;

- (i) Public/Rights/Preferential issue of shares/Debentures/Sweat Equity, etc.
- (ii) Redemption/Buy-back of securities.
- (iii) Major decision taken by the members in pursuance to Section 180 of the Companies Act, 2013, except creation of Securities on the assets of the Company u/s 180(1)(a) of the Companies Act, 2013.
- (iv) Merger/ Amalgamation/ Reconstruction, etc.
- (v) Foreign Technical Collaboration.

**Place : Ahmedabad**

**Date :**

**Trupti I. Shah**  
**Company Secretaries**  
**ACS No. 31509**  
**C.P. No. 11659**

Note:- This Report is to be read with my letter of above date which is annexed as Annexure A and forms an integral part of this report.

#### **ANNEXURE "A" OF SECRETARIAL AUDIT REPORT**

To,  
The Members,

**GSL NOVA PETROCHEMICALS LIMITED**

(Previously known as Nova Petrochemicals Limited)

396, 403, Moraiya Village,  
Sarkhej –Bavla Highway,  
Sanand, Ahmedabad – 382 210

My Report of even date is to be read along with this letter.

- 1) Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
- 2) I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done based on the records and documents provided, on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices followed by me provide a reasonable basis for my opinion.
- 3) I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
- 4) Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- 5) The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My 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 the efficacy or effectiveness with which the management has conducted the affairs of the company.

**Place : Ahmedabad**

**Date :**

**Trupti I. Shah**  
**Company Secretaries**  
**ACS No. 31509**  
**C.P. No. 11659**

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### • **ECONOMIC REVIEW**

Global growth in 2014 was lower than initially expected, continuing a pattern of disappointing outturns over the past several years. At the same time, demand for oil has weakened due to the slowdown in China and the persistent sluggishness of the Euro zone and Japan.

Several major forces are driving the global outlook : Soft commodity prices; persistently low interest rates but increasingly divergent monetary policies across major economies; and weak world trade. In particular, the sharp decline in oil prices since mid-2014 will support global activity and help offset some of the headwinds to growth in oil-importing developing economies like India. However, it will dampen growth prospects for oil-exporting countries, with significant regional repercussions.

### • **Current Status of Business**

Your Company has launched scheme for the development of Sheds on Phase I surplus land in the name & style of “NOVA BIZPARK” in association with Project Advisor Foliage Real Estate Developers . However, despite the passing of six months, the response to scheme was not encouraging due to one and other reason.

**In view of this and for speedy realisation of the sales proceeds from phase I**, your company has dropped the plan of setting up industrial sheds under phase I and now planned to develop plots for Industrial/warehousing purposes on said land.

### • **OPPORTUNITIES & CHALLENGES**

#### **Opportunities**

As India awaits policy reforms to pick up speed, your Company believes that the demand for Real Estate - Industrial plotting in a country like India should remain moderate in the medium to long term.

#### **Challenges**

Real estate sector also find the following challenges :

- Unanticipated delays in project approvals
- Non –Availability of accomplished and trained labour force.
- Increase cost of Manpower
- Raising cost of Construction
- Growth in Auxiliary infrastructure facility
- Over regulated environment

### • **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The company has adequate system of internal control procedures commensurate with the size of the company and the nature of its business to keep check on the activities at all levels. The Company had also appointed a firm of Chartered Accountants as an internal auditor to further check the internal control system and to report on any deficiencies to the management.

### • **HUMAN RESOURCES/INDUSTRIAL RELATIONS:**

Your company has successful in maintaining the cordial and peaceful relationship with the employees at all level and in reciprocation it has received wholehearted support at all levels of operations from all employees. The cordial and peaceful relationship prevails with all employees.

## REPORT ON CORPORATE GOVERNANCE

### 1. Company's philosophy on Corporate Governance

The Company always believes in enhancement of Shareholders value by consistently providing maximum benefits to its shareholders. In pursuit of this policy the Company gives highest importance to practice of good corporate governance. The Company has well qualified and experienced Board Members. Besides the Company gives due weight age to disclosure requirements and transparency and providing efficient service to its shareholders.

### 2. Board of Directors

The Board of Directors comprises of an optimum combination of Executive & Non-Executive Directors & Woman Director. Out of total Five Directors, the Board consists of one Executive Director as Managing Director, one Non-Executive Non Independent Director and Three Non-Executive Independent Directors.

During the financial year 2014-2015, the Board met Seven times on the following dates 02-04-2014, 30-05-2014, 04-07-2014, 14-08-2014, 14-11-2014, 14-02-2015 and 20-03-2015.

Details of Directors, Attendance of Directors at the Board Meetings, as well as in an Annual General Meeting held on 29.09.2014 and number of memberships held by Directors in the Board/Committee of other Companies are as under:

Sr. No.	Name of Director	Designation Category	Attendance Particulars		Number of other Directorship and Committee Member/Chairmanship in other public companies		
			Board Meetings	AGM held on 29.09.14	Other Directorship	Committee Membership	Committee Chairmanship
1	Shri Shyam Gupta	NED/NID	7	No	1	—	—
2	Shri Sunil Kumar Gupta	MD	6	Yes	—	—	—
3	Shri Sandeep Goyal	IND/NE	7	No	1	—	—
4	Shri Anil Singhal	IND/NE	7	No	2	2	1
5	Mrs. Meenu Maheshwari	IND/NE	0	No	1	-	-

CH - Chairman, MD -Managing Director, WTD – Whole time Director, ED – Executive Director, I/NE - Independent/Non-Executive Director NED/NID- Non-Executive Director/ Non Independent.

### 3 Details of Remuneration paid to the Directors during the Financial Year ended as on 31-03-2015 (₹ In Lacs)

Sr. No.	Name of Director	Category	Total
1	Shri Sunil Kumar Gupta	MD	6 Lacs

### 4. Audit Committee

During the year under review, the Audit Committee was constituted in accordance with the provisions of the Companies Act, 2013 and listing agreement entered into by the Company with the Stock Exchanges. The constituted Committee is as follows:

Name of Director	Designation	Category
Shri Sandeep Goyal	Member	Independent & Non Executive
Shri Sunil Kumar Gupta	Member	Non Independent & Executive
Shri Anil Singhal	Member	Independent & Non Executive

The constitution of Audit Committee meets with the requirements of Corporate Governance guidelines as well as the provisions of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. Terms of reference of appointment of Audit Committee are as under,

The Audit Committee shall have the following powers:

- It shall have authority to investigate into any matter in relation to the items specified in Section 177 of the Companies Act, 2013 or referred to it by the Board and for this purpose, shall have full access to information contained in the records of the Company and external professional advice, if necessary.
- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain out side legal or other professional advise.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending the appointment and removal of external auditor, fixation of audit fees and also approval for payment for any other services.
- Reviewing with management the annual financial statements before submission to the Board, focusing primarily on;
  - Any changes in accounting policies and practices.
  - Major accounting entries based on exercise of judgment by management.
  - Qualification in draft audit report.
  - Significant adjustments arising out of audit.
  - The going concern assumption.
  - Compliance with accounting standards.
  - Compliance with stock exchange and legal requirements concerning financial statements.
  - Any related party transactions i.e. transaction of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of Company at large.
- Reviewing with the management, external and internal auditors, the adequacy of internal control systems.
- Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors any significant findings and follow up there on.
- Reviewing the findings if any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with external auditors before the audit commences, nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.
- Review in the Company's financial and risk management policies.
- To look into the reasons for substantial defaults in the payment to the depositors, debentures, shareholders (in case of nonpayment of declared dividend) and creditors.
- It shall have discussions with the auditors periodically about internal control systems, the scope of audit including the observations of the auditors and review the quarterly, half-yearly and annual financial statements before submissions to the Board.
- It shall ensure compliance of internal control systems.

Audit Committee met Five times on 30-05-2014, 14-08-2014, 14-11-2014, 14-02-2015 and 20-03-2015

Presence of the members of the Audit Committee in its meeting

Sr.no.	Name of the member of the Audit Committee	No. of the meeting attended
1	Shri Sandeep Goyal	5
2	Shri Anil Singhal	5
3.	Shri Sunil Kumar Gupta	4

All the Meetings were also attended by the Auditors of the Company. Chairman of Audit Committee has attended last AGM of the Company.

#### 5. Nomination and Remuneration Committee

In Compliance of section 178 of Companies Act, 2013 the Board renamed the Remuneration Committee as "The Nomination and Remuneration Committee" and was constituted of three Non Executive Directors viz., Shri Sandeep Goyal, Chairman, Shri Shyam Gupta, Member and Shri Anil Singhal Member in accordance with Listing Agreement with Stock Exchanges and in accordance with Schedule XIII of the Companies Act, 2013,

The Committee met one time on 30-08-2014. All the members of the committee were present in the meeting.

The Committee has been constituted to determine all elements of remuneration package of the Directors i.e. salary, benefits, bonuses, stock options, pension etc. Chairman of Nomination and Remuneration Committee has attended last AGM of the Company.

#### 6. Stakeholder Relationship Committee

In Compliance with the provisions of Listing Agreement and Section 178 of Companies Act, 2013, your Company re-named the Shareholder Grievance Committee as "Stakeholders Relationship Committee". This Committee consisting of Shri Sunil Kumar Gupta as Chairman of the Committee, Shri Anil Singhal and Shri Sandeep Goyal as its members.

The Committee oversees the performance of the Registrar & Transfer Agent of the Company and take care of grievances received from the Shareholders/Investors.

Ms. Dhvani Shah, Company Secretary of the Company has been appointed as the Compliance Officer. There is no pending Share Transfer for a period above one month.

## 7. Risk Management Committee

Evaluation of Business Risk and managing the risk has always been an ongoing process in your Company. The Company has set up a robust risk management framework to identify, monitor and minimize risk and also to identify, monitor and minimize risk and also to identify business opportunities. The Audit Committee also functions as the Risk Management Committee. The objectives and scope of the BRM committee comprises of an oversight of risk management performed by the executive management, review BRM policy and framework in line with local legal frame work and SEBI guidelines and defining framework in identification, assessment, monitoring, mitigation and reporting risks.

## 8. General Meeting

Meeting	Date of meeting	Time of the meeting	Place of the meeting
18th Annual General Meeting	30th September, 2011	3.30 p.m.	Survey No. 396, 403, Moraiya Village, Sarkhej-Bavla Highway, Tal. Sanand, Dist. Ahmedabad – 382 210
19 <sup>th</sup> Annual General Meeting	28 <sup>th</sup> September, 2012	3.30 p.m.	Survey No. 396, 403, Moraiya Village, Sarkhej-Bavla Highway, Tal. Sanand, Dist. Ahmedabad – 382 210
20 <sup>th</sup> Annual General Meeting	30 <sup>th</sup> September, 2013	3.30 p.m.	Survey No. 396, 403, Moraiya Village, Sarkhej-Bavla Highway, Tal. Sanand, Dist. Ahmedabad – 382 210
21 <sup>st</sup> Annual General Meeting	29 <sup>th</sup> September, 2014	3.30 p.m.	Survey No. 396, 403, Moraiya Village, Sarkhej-Bavla Highway, Tal. Sanand, Dist. Ahmedabad – 382 210

One Special Resolutions was required to be put through postal ballot at the time of these meetings.

## 9. Disclosures

### 1. Disclosure on materially significant related party transactions i.e. transactions of the company of material nature, with its promoter, the directors or the management, or relatives etc. that may have potential conflict wit the interest of company at large :

All transactions with related parties were in the ordinary course of business and at arm's length. The Company has not entered into any transactions of a material nature with any of the related parties which are in conflict with the interest of the Company.

### 2. Details of non-compliance by the company, penalties, imposed on the Company by Stock Exchange, SEBI or any statutory authority, on any matter related to Capital markets, during the last three years : None

### 3. Compliance with Accounting standards

In the preparation of financial statements there is no deviation from the prescribed Accounting Standards.

### 4. Compliance Certificate from the Auditors

Certificate from the auditors of the company confirming compliance with the mandatory requirements under clause 49 of the listing agreements under clause 49 of the listing agreement is annexed to this report. This certificate has also been forwarded to the Stock Exchange where the shares of company are listed.

### 5. Adoption of non mandatory requirements under clause 49 and as applicable under companies Act, 2013

The company complies with the following non-mandatory requirements under clause 49 with reference to Companies Act, 2013 relating to Audit Committee.

#### (a) Remuneration Committee

The Board has constituted a remuneration committee consisting of three directors all of whom are non executive directors, the chairman of the committee being an independent director. The remuneration committee recommends/ reviews remuneration of the Directors

#### (b) Whistle Blower Policy

The company has put in place a mechanism of reporting illegal or unethical behavior. Employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor/notified persons.

The reports received from any employee will be reviewed by the audit committee. It is affirmed that no person has been denied access to the audit committee in this respect. The Directors and senior management are to maintain confidentiality of such reporting and ensure that the whistle blowers are not subjected to any discriminatory practice.

#### (c) Risk Management

Your company has a comprehensive risk management policy. Your company has laid down procedures to inform Board members about risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls the risks through properly defined framework.

The Audit Committee, has been designated by the Board for reviewing the adequacy of the risk management framework of the Company, the key risks associated with the business of the Company and the measures are taken in place to minimize the same and thereafter the details are presented to and discussed at the Board meeting.

## 10. Means of Communication

Financial Results are being published in Leading News-Papers as well as copies of the same are also being sent to all the Stock Exchanges where the Shares of the Company are listed for the benefit of the Public at large.



Financial Results are published normally in leading English newspaper and in Vernacular daily Newspaper.

- The Company supplies copies of the Financial Results and Annual Report of the Company to various Analysts, registered Share Brokers, various Government Departments & Agencies, and other Investors and all those interested in getting the same as and when requested.
- Management Discussion & Analysis is a part of Annual Report attached herewith.

## 10. General Shareholder Information

### (a) AGM: Date, time and venue –

to be held on **29<sup>th</sup> day, the day of September, 2015** at 3.30 p.m. at the Registered Office of the Company at Survey No. 396, 403, Moraiya Village, Sarkhej-Bavla Highway, Tal. Sanand, Dist. Ahmedabad – 382 210.

### (b) Financial Calendar – From April to March (Tentative):

#### Results for the Quarter ending:

June 30, 2015	Second week of August, 2015.
September 30, 2015	Second week of November, 2015.
December 31, 2015	Second week of February, 2016.
March 31, 2016	Fifth week of May, 2016.

### (c) Listing on Stock Exchanges

Listing Fee paid by the company till the year 2013-14 and Equity Shares of the Company are listed at:  
The Bombay Stock Exchange Ltd.

*The equity shares of the company has been delisted from The National Stock Exchange of India Limited voluntarily under clause 6(a) of SEBI (Delisting of Equity Shares) Regulations, 2009 with effect from 22<sup>nd</sup> April, 2015. Hence, the company is not required to pay listing fees for the year 2015-16 to The National stock Exchange of India Limited.*

### (d) Stock Code –

The Bombay Stock Exchange Ltd. Code – 530605

\*The National Stock Exchange of India Limited GSLNOVA

ISIN No. of the Company INE787A01022

*\* The equity shares of the company has been delisted from The National Stock Exchange of India Limited voluntarily under clause 6(a) of SEBI (Delisting of Equity Shares) Regulations, 2009 with effect from 22<sup>nd</sup> April, 2015.*

### (e) Registrar and Transfer Agent

M/s MCS Share Transfer and Agent Ltd.

101, Shatdal Complex, 1st Floor, Opp. Bata Show Room, Ashram Road, Ahmedabad- 09.

### (f) Share Transfer System

Equity Shares of the Company received from the Investors for the purpose of Transfer in their name are being processed for transfer at interval of every fortnight in each calendar month and after completing the procedure of Share Transfer shares are being returned within a period ranging from two to three weeks, provided the documents lodged with the Registrars/Company are clear in all respects.

### (g) Distribution of Shareholding

#### DISTRIBUTION OF SHAREHOLDINGS AS ON 31-03-2015

Number of Shares held			Number of Share Holders		Total Number of Share	
			Number	% to Total Nos	Total Shares	% to Total Shares
(1)		(2)	(3)	(4)	(5)	
1	To 500	7172	76.90	1444077	5.35	
501	To 1000	1003	10.75	846628	3.14	
1001	To 2000	529	5.67	861534	3.19	
2001	To 3000	196	2.10	502658	1.86	
3001	To 4000	107	1.15	388285	1.44	
4001	To 5000	71	0.76	333370	1.23	
5001	To 10000	120	1.29	889727	3.30	
10001	To 50000	102	1.09	2058060	7.62	
50001	To 100000	4	0.04	252017	0.93	
100001	To above	23	0.25	19423644	71.94	
Total			9327	100	27000000	100

**SHAREHOLDING PATTERN AS ON 31-03-2015**

Category	No. of Shares	% of Total Shares
<b>Promoters Holding</b>		
Indian promoters	2366480	8.77
Bodies Corporate	12566800	46.54
<b>Non- Promoters Holding</b>		
<b>Financial institutions /Institutional</b>	<b>600</b>	<b>0.00</b>
Mutual Funds	0	0
FIIs	0	0
<b>Non-Institutional</b>		
Bodies Corporate	4995923	18.50
Individual	6176330	22.87
NRI	725957	2.70
HUF	162910	0.60
<b>Overseas Corporate Body</b>	<b>5000</b>	<b>0.02</b>
<b>TOTAL</b>	<b>27000000</b>	<b>100.00</b>

**(h) Dematerialisation of Shares**

2,61,66,861 Equity Shares of the Company are dematerialised as on 31st March,2015.

**(i) Outstanding GDRs/ADRs/ Warrants or any convertible instruments, conversion date and likely impact on equity**

Company has not issued any GDR/ADR/Warrant.

**(j) Plant Location**

Plant located at :- Survey No. 396/403, Moraiya Village, Sarkhej-Bavla Highway, Tal. Sanand, Dist. Ahmedabad-382 210 Gujarat, India.

**(k) Address for correspondence**

Survey No. 396/403, Moraiya Village, Sarkhej-Bavla Highway, Tal. Sanand, Dist. Ahmedabad – 382 210 Gujarat, India.

**CONFIRMATION BY MANAGING DIRECTOR ABOUT COMPLIANCE OF CODE OF CONDUCT**

I hereby confirm that

The Company has obtained from all the members of the Board and employees at Senior Management level, affirmation that they have complied with the code of conduct for Board of Directors and Senior management level employees.

Place : Ahmedabad  
Date : 14<sup>th</sup> August, 2015

Sd/-  
**Sunil Kumar Gupta**  
Managing Director

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Members of  
GSL Nova Petrochemicals Limited  
(Formerly known as Nova Petrochemicals Limited)

We have examined the compliance of conditions of Corporate Governance by GSL Nova Petrochemicals Limited (Formerly Nova Petrochemicals Limited) for the year ended on March 31, 2015 as stipulated in clause 49 of the Listing Agreement of the said Company with the stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Shareholders Grievance Committee.

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

For, **J. T. SHAH & COMPANY**  
*Chartered Accountants*

Place : Ahmedabad  
Date : 14<sup>th</sup> August, 2015

**(J.T. Shah)**  
*Partner*

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**CEO & CFO CERTIFICATE**

Shree Sunil Kumar Gupta, CEO and Miss Mayanka Gupta, CFO of the company shall certify that, to the best of their knowledge and belief:

- (a) They have reviewed the balance sheet and profit and loss account and all its schedules and notes on accounts, as well as the cash flow statements and the Directors' Report;
- (b) These statements do not contain any materially untrue statement or omit any material fact nor do they contain statements that might be misleading;
- (c) These statements together present a true and fair view of the company, and are in compliance with the existing accounting standards and / or applicable laws / regulations;
- (d) They are responsible for establishing and maintaining internal controls and have evaluated the effectiveness of internal control systems of the company; and they have also disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, and what they have done or propose to do to rectify these;
- (e) They have also disclosed to the auditors as well as the Audit Committee, instances of significant fraud, if any, that involves management or employees having a significant role in the company's internal control systems; and
- (f) They have indicated to the auditors, the Audit Committee and in the notes on accounts, whether or not there were significant changes in internal control and / or of accounting policies during the year.

Date : 14/08/2015  
Place : Ahmedabad

For, GSL Nova Petrochemicals Limited

CEO

CFO

## INDEPENDENT AUDITOR'S REPORT

To,  
The Members of  
GSL NOVA PETROCHEMICALS LIMITED  
Ahmedabad

### 1. Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **GSL NOVA PETROCHEMICALS LIMITED ("the Company")**, which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### 2. Management's Responsibility for the Standalone Financial Statements

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

### 3. Auditor Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### 4. Basis for Qualified Opinion

- i. *The accounts of the Company have been prepared on a going concern basis, though the company has stopped its manufacturing activities for more than a year and entire net worth of the company has been eroded. The Financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liability that may be necessary if the Company is unable to continue as a going concern.*
- ii. *Trade Receivables, Other Advances, Deposit and Trade Payables are subject to confirmation and adjustment if any.*
- iii. *Compound interest, Penal interest and liquidated damages in respect of all borrowings have not been provided, amount of which is unascertainable, pending confirmations / reconciliation(Refer to Note No.4.6)*

## 5. Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the 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 :-

- i. In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- ii. In the case of the Statement of Profit and Loss Account, of the loss for the year ended on that date; and
- iii. In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

## 6. Report on Other Legal and Regulatory Requirements

- i. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2015, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
- ii. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph, In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books .
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph, 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.
  - (e) The matters described in the basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on functioning of the company.
  - (f) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (g) The Qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the basis for Qualified Opinion paragraph above.
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 23 to the financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended on March 31, 2015.

**For, J. T. Shah & Co.**  
Chartered Accountants,  
[FRN No. 109616W]

**[J. T. Shah]**  
Partner  
[M. No. 3983]

Place : Ahmedabad  
Date : 30/05/2015

**ANNEXURE TO THE AUDITORS REPORT**

Referred to in paragraph 6 (i) of our Report of even date to the Members of **GSL NOVA PETROCHEMICALS LIMITED** for the year ended 31st March, 2015.

**1. In respect of Fixed Assets :**

- a) *The present register of Fixed Assets requires completion in certain respects & we have been informed that the work is in progress.*
- b) As per the information and explanations given to us, the management at reasonable intervals during the year in accordance with a programme of physical verification physically verified the fixed assets and no material discrepancies were noticed on such verification as compared to the available records.

**2. In respect of its Inventories :**

- a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) On the basis of our examination of the records of inventory, we are of opinion that the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and books records were not material.

**3. In respect of Loans and Advances granted during the year.**

As regards the loans , the company has not granted any loans, secured or unsecured during the year under audit, to the companies, firms and other parties covered in the register maintained under section 189 of the Companies Act, 2013 and therefore, the clauses (iii) (a) and (b) of the Companies (Auditor's Report) Order,2015 are not applicable.

4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, no major continuing failures to correct major weaknesses has been observed.
5. During the year, the company has not accepted any deposits and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable to the company.
6. As per the information and explanation provided to us the company is not required to maintain the cost records as per the provisions of Companies(Cost Records and Audit) Rules,2014, hence Clause (vi) of the Companies (Auditor's Report) Order,2015.

**7. In respect of Statutory Dues :**

- a) *According to the records of the Company, the Company is regular in depositing with appropriate authorities undisputed statutory dues including wealth tax, duty of excise, cess and any other statutory dues with the appropriate authorities applicable to it although there has been delay in depositing Provident fund, Gujarat Value Added Tax, Central Sales Tax, Professional Tax, Tax deducted at source and Tax Collected at Source.*
- a) *According to the information and explanations given to us Wealth Tax of ₹ 5,00,000/-, Investor Education & Protection Fund of ₹ 2,85,041/-, Tax deducted at source of ₹ 14,480/- and Professional Tax of ₹96,030/- are due for a period more than six months from the date they became payable and have not been deposited till 31st March, 2015, except that no undisputed amounts payable in respect of Excise duty, Service Tax, Central Sales Tax & Tax Collected at Source for a period of more than six months from the date they became payable.*

- (c) According to the records of the company, the dues of income tax, sales tax, wealth tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of disputes and the forum where the dispute is pending are as under:

Name of the Statute	Nature of the Dues	Financial Year	Amount (In ₹)	Forum where dispute is pending
The Central Excise and Customs Act	Excise Duty and Penalty	2005-06	11,89,019	Additional Commissioner of Central Excise
	Excise Duty and Penalty	2005-06	1,46,479	Assistant Commissioner of Central Excise
	Excise Duty and Penalty	2006-2007 & 2007-2008	19,59,742	Commissioner of Excise and Customs (Appeals)
	Excise Duty and Penalty	2003-2004 & 2006-2007	32,30,731 5,03,045	Custom Excise and Service Tax Appellate Tribunal
The Gujarat Value Added Tax Act, 2003	Interest & Penalty on Value Added Tax	2006-2007	2,69,152	Joint Commissioner Appeals
Service Tax Act	Service Tax and Penalty	2004-05	33,98,641	Custom Excise and Service Tax Appellate Tribunal
		2007-2008	18,53,152	Commissioner of Service Tax (Appeals)
The Textile Committee Amendment Act, 1973	Textile Cess	1995 to 2005	50,90,119	Textiles Committee, Tribunal, Mumbai

- (d) During the year no amount is required to transfer to the investor education and protection fund and hence clause (c) of clause (vii) of the Companies (Auditor's Report) Order, 2015 is not applicable to the company.
8. *The accumulated losses of the company at the end of the financial year are more than fifty percent of its net worth. The Company has incurred cash loss during the year under audit and in the immediately preceding financial year.*
9. *In our opinion and according to the information and explanation given to us, there was a delay ranging upto 42 days in repayment of principal of ₹ 1,72,85,046/- to Financial Institution which have been since paid. The company has defaulted in repayment of principal of ₹1,75,00,000/- to Financial Institution and in repayment of interest of ₹ 2,43,31,836/- to Banks and Financial Institution .*
10. According to the information and explanation given to us, the company has not given the guarantee for loans taken by others from a bank.
11. According to the information and explanations given to us, during year under review the company has applied the term loan for the purpose for which the loans were obtained.
12. Based upon the audit procedures performed and information and explanations given by the management, we report that no material fraud on or by the Company has been noticed or reported during the course of our audit.

**For, J. T. Shah & Co.**  
Chartered Accountants,  
[FRN No. 109616W]

**[J. T. Shah]**  
Partner  
[M. No. 3983]

**Place : Ahmedabad**  
**Date : 30/05/2015**

**BALANCE SHEET AS AT 31-03-2015**

Particulars	Sch. No.	As at 31/03/2015 ₹ in Lacs	As at 31/03/2014 ₹ in Lacs
<b>EQUITY AND LIABILITIES</b>			
<b>[1] Shareholders' Funds :</b>			
[a] Share Capital	2	1,350.00	1,350.00
[b] Reserves & Surplus	3	(4,806.90)	(3,192.34)
		(3,456.90)	(1,842.34)
<b>[2] Non-Current Liabilities :</b>			
[a] Long Term Borrowings	4	Nil	Nil
[b] Deferred Tax Liabilities (Net)	5	Nil	Nil
[c] Long-Term Provisions		Nil	Nil
		Nil	Nil
<b>[3] Current Liabilities</b>			
[a] Short-term Borrowings	6	771.96	3,200.87
[b] Trade Payables	7	1,110.86	1,223.29
[c] Other Current Liabilities	8	8,675.04	5,864.89
[d] Short Term Provisions		Nil	Nil
		10,557.86	10,289.06
<b>Total .....</b>		<b>7,100.96</b>	<b>8,446.72</b>
<b>ASSETS :</b>			
<b>[1] Non-Current Assets</b>			
<b>[a] Fixed Assets :</b>			
[i] Tangible Assets	9	3,806.35	6,268.19
[ii] Intangible Assets	9	Nil	Nil
		3,806.35	6,268.19
[b] Non-Current Investments	10	2.34	2.34
[c] Long-Term Loans and Advances	11	143.42	156.14
[d] Other Non-Current Assets		Nil	Nil
		3,952.11	6,426.67
<b>[2] Current Assets</b>			
[a] Inventories	12	1,956.42	281.97
[b] Trade Receivables	13	966.54	1,453.21
[c] Cash & Bank Balances	14	28.05	69.85
[d] Short Term Loans and Advances	11	197.83	215.03
		3,148.85	2,020.05
<b>Total .....</b>		<b>7,100.96</b>	<b>8,446.72</b>
Significant Accounting Policies	1		
Notes on Financial Statements	2 to 36		

As per our report of even date attached herewith

For, **J. T. SHAH & COMPANY**

Chartered Accountants

(FRN No. 109616W)

**(J. T. Shah)**

Partner

Membership No. 3983

Place : Ahmedabad

Date : 30/05/2015

For, **GSL NOVA PETROCHEMICALS LIMITED**

Chairman

Managing Director

Company Secretary



**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31-03-2015**

Particulars	Note No.	For the year ended 31/03/2015 ₹ in Lacs	For the year ended 31/03/2014 ₹ in Lacs
<b>INCOME</b>			
Revenue from Operations	15	159.97	655.60
Less : Excise Duty		16.11	16.23
Net Revenue from Operations		<b>143.86</b>	<b>639.37</b>
Other Income	16	90.09	78.55
<b>Total Revenue</b>		<b>233.95</b>	<b>717.92</b>
<b>EXPENDITURE</b>			
Cost of materials consumed	17	Nil	2.10
Purchase of Stock in Trade	18	130.37	247.11
Change in Inventories of Finished Goods, Work in Process and Stock in Trade	19	Nil	141.74
Employee Benefits Expense	20	7.77	6.81
Finance Costs	21	1,066.41	955.37
Depreciation and Amortisation expense	9	495.01	400.73
Other Expenses	22	148.95	94.14
<b>Total Expenses</b>		<b>1,848.51</b>	<b>1,848.01</b>
<b>Profit before Tax exceptional and extraordinary item and Tax</b>		(1,614.56)	(1,130.09)
Exceptional Items		Nil	Nil
<b>Profit before Tax</b>		(1,614.56)	(1,130.09)
<b>Less : Tax expense:</b>			
- Current Tax		Nil	Nil
- Deferred Tax		Nil	Nil
<b>Profit for the year</b>		<b>(1,614.56)</b>	<b>(1,130.09)</b>
Basic & diluted earnings per share of face value of ₹5 each		(5.98)	(4.19)
Significant Accounting Policies	1		
Notes on Financial Statements	2 to 36		

As per our report of even date attached herewith

For, **J. T. SHAH & COMPANY**

Chartered Accountants

(FRN No. 109616W)

**(J. T. Shah)**

Partner

Membership No. 3983

Place : Ahmedabad

Date : 30/05/2015

For, **GSL NOVA PETROCHEMICALS LIMITED**

Chairman

Managing Director

Company Secretary

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2015**

	31-03-2015	31-03-2014
<b>A Cash from Operating Activity</b>		
Net Profit Before Tax from Continuing Operation	(1614.56)	(1130.09)
	<u>(1614.56)</u>	<u>(1130.09)</u>
Non Cash Adjustment to reconcile profit before tax to net cash flows		
Depreciation	495.01	400.73
Balance Written Off	(0.00)	(1.46)
(Profit)/Loss on sale of fixed assets (net)	(73.87)	(21.87)
Interest Received	(2.55)	(10.69)
Provision for doubtful Debtors & Advances	29.53	(44.31)
	<u>448.12</u>	<u>322.40</u>
Dividend Income	(0.03)	(0.19)
Interest and Finance Charges	1066.41	955.37
	<u>1066.38</u>	<u>955.18</u>
Adjustment for Movements in Working Capital:		
Increase/(decrease) in Trade Payable	(112.44)	328.48
Increase/(decrease) in Long-Term Provision	0.00	
Increase/(decrease) in Short-Term Provision	0.00	(0.71)
Increase/(decrease) in Other Current liability	299.54	(533.01)
Decrease/(increase) in Trade Receivable	457.14	(2.98)
Decrease/(increase) in Inventories	133.45	19.18
Decrease/(increase) in Long Tern Loans and Advances	13.29	273.08
Decrease/(increase) in Short Tern Loans and Advances	15.22	(141.82)
	<u>806.20</u>	<u>(57.77)</u>
<b>CASH GENERATED FROM OPERATIONS</b>	<u>706.14</u>	<u>89.72</u>
Direct Taxes paid	(0.56)	(1.46)
	<u>(0.56)</u>	<u>(1.46)</u>
<b>NET CASH FLOW FROM OPERATIONS</b>	<u>705.57</u>	<u>88.26</u>
<b>B Cash flow from investing activities</b>		
Purchase of Fixed Assets	(77.45)	(0.95)
Sale of Fixed Assets	310.45	43.64
Sale of Non Current Investment		
(Increase)/Decrease Margin Money Deposit made	40.65	34.42
Interest Received	4.53	8.70
Dividend Income	0.03	0.19
	<u>278.21</u>	<u>86.00</u>
<b>NET CASH USED IN INVESTING ACTIVITY</b>	<u>278.21</u>	<u>86.00</u>
<b>C Cash flow from financing activities</b>		
Increase/(Decrease) of Long Term Borrowing	(78.69)	(272.80)
Increase/(Decrease) of Short Term Borrowing	(70.74)	147.07
Interest paid	(835.50)	(50.09)
Dividend paid on Equity Shares (Incl. Dividend Tax)		
	<u>(984.93)</u>	<u>(175.82)</u>
<b>NET CASH USED IN FINANCING ACTIVITY</b>	<u>(984.93)</u>	<u>(175.82)</u>
Net Increase/(Decrease) in cash and cash equivalents	(1.15)	(1.56)
Cash and cash equivalent Opening Balance	20.36	21.92
Cash and cash equivalent Closing Balance	19.21	20.36
Net Increase/(Decrease) in cash and cash equivalents	<u>(1.15)</u>	<u>(1.56)</u>

**Notes:**

=&gt; The above Cash Flow Statement has been prepared under the Indirect Method set out in Accounting Standard 3.

As per our report of even date attached herewith

For, **J. T. SHAH & COMPANY**

Chartered Accountants

(FRN No. 109616W)

**(J. T. Shah)**

Partner

Membership No. 3983

Place : Ahmedabad

Date : 30/05/2015

**For, GSL NOVA PETROCHEMICALS LIMITED**

Chairman

Managing Director

Company Secretary

## 1. SIGNIFICANT ACCOUNTING POLICIES

### a. Basis of Preparation of financial Statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 (“the 2013 Act”), as applicable. The financial statements have been prepared as a going concern on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

### b. Use of estimates

In preparing the Company’s financial statements in conformity with the accounting principles generally accepted in India, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

### c. Fixed Assets

Fixed Assets are stated at cost, net of Cenvat, less accumulated depreciation. All costs, including financial costs till commencement of commercial production are capitalized to the cost of qualifying assets. CENVAT credits on capital goods are accounted for by reducing the cost of capital goods.

When assets are retired from active use, the same are valued at lower of Net book value and Net realizable value.

When assets are disposed, their cost is removed from the financial statements. The gain or loss arising on the disposal of an asset is determined as the difference between sales proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss for the relevant financial year.

### d. Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization. All costs, including financing costs in respect of qualifying assets till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets are capitalized.

Intangible assets are amortised on a straight – line basis over their estimated useful lives. A rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use is considered by the management.

The gain or loss arising on the disposal or retirement of an intangible asset is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognised as income or expenses in the Statement of Profit and Loss in the year or disposal.

### e. Depreciation

Depreciation on Fixed Assets other than Plant and Machinery has been provided on “Straight Line Method” at the rates provided in Schedule II of the Companies Act, 2013. Depreciation on Plant and Machinery has been provided on “Written down Value Method” at the rates provided in Schedule II of the Companies Act, 2013.

When assets are disposed or retired, their cost is removed from the financial statements. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between sales proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss for the relevant financial year.

### f. Inventories

Inventories at year-end are valued at the lower of cost or net realizable value. Raw Materials, Stores, Spares, Fuel, Packing Materials and Finished Goods are valued on FIFO basis.

### g. Foreign Currency Transactions

Transactions denominated in Foreign Currency are normally recorded at the exchange rate prevailing at the time of transaction. Monetary items denominated in foreign currencies at the year are translated at the rate prevailing on the date of Balance Sheet. Exchange differences are dealt with in the Profit & Loss account.

**h. Revenue Recognition**

- i. Sales are accounted for on dispatch of goods to the customers and are inclusive of Excise Duty and Sales Tax but net of sales returns and trade discounts.
- ii. Dividend on investment is recognized when the right to receive the payment is established.

**i. Investments**

Non-Current Investments are stated at its cost. Provision is made for any diminution in the value of the Non-Current Investments, if such decline is other than temporary.

**j. Borrowing Cost**

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets, till such assets are ready for their intended use. A qualifying asset is the one which necessarily takes substantial period to get ready for intended use. All other borrowing costs are charged to revenue. Capitalization of borrowing cost is suspended when active development is interrupted.

**k. Taxation**

- i) Provision for current tax is made and retained in the accounts on the basis of estimated tax liability as per the applicable provisions of the Income Tax Act, 1961.
- ii) Deferred Tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or subsequently enacted as on the balance sheet date. Deferred tax asset is recognised and carried forward only to the extent that there is virtual certainty that the assets will be realized in future.

**l. Provisions, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes to accounts. Contingent Assets are neither recognized nor disclosed in the financial statement.

**m. Impairment of Assets**

The Management Periodically assesses using external and internal sources whether there is an indication that an asset may be impaired. If an asset is impaired, the company recognizes an impairment loss as the excess of the carrying amount of the asset over the recoverable amount. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amounts.

**n. Earning Per Share**

Basic earning per share is calculated by dividing net profit after tax for the year attributable to equity share holders of the company by the weighted average number of equity shares issued during the year. Diluted earning per share is calculated by dividing net profit attributable to equity share holders (after adjustment for diluted earnings) by average number of weighted equity shares outstanding during the year.

**o. Employee Benefits**

- (i) The employee and Company make monthly fixed Contribution to Government of India Employee's Provident fund equal to a specified percentage of the covered employee's salary, Provision for the same is made in the year in which service are rendered by the employees.
- (ii) The Liability for Gratuity to employee, which is a defined benefit plan, is determined on the basis of actuarial Valuation based on Projected Unit Credit method. Actuarial gain/Loss in respect of the same is charged to the profit and loss account.
- (iii) Leave encashment benefit to eligible employee has been ascertained on actuarial basis and provided for. Actuarial gain/loss in respect of the same is charged to the profit and loss account.
- (iv) Short Term benefits are recognised as an expense at the undiscounted amounts in the Statement of Profit and Loss of the year in which the related service is rendered.

## 2 Share Capital

	As at 31/03/2015 ₹ in Lacs	As at 31/03/2014 ₹ in Lacs
[a] Authorised :		
4,50,00,000 (Previous Year 4,50,00,000) Equity Shares of ₹ 5/- (Previous Year ₹5/-) each	2,250	2,250
10,00,000 (Previous year 10,00,000) Preference Shares of ₹ 100/- (Previous Year ₹100) each	1,000	1,000
	3,250	3,250
[b] Issued, Subscribed & Paid-up Capital :		
2,70,00,000 (Previous Year 2,70,00,000) Equity shares of ₹5 (Previous Year ₹5) each fully paid up	1350	1,350
<b>Total .....</b>	<b>1,350</b>	<b>1,350</b>

Refer Note Number 29 for details of basic and diluted shares

- 2.1 The company has issued only One class of shares referred to as Equity shares having face value of ₹5/-. Each Holder of One share is entitled to One vote per share.
- 2.2 In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.
- 2.3 Under a scheme of the demerger of Nova Petrochemicals Ltd, the company issued and allotted 2,70,00,000 equity share amounting to ₹ 13,50,00,000/- to the share holders of Nova Petrochemicals Ltd in the ratio of one equity share of ₹ 5 each fully paid up in the company for every one equity share of ₹ 10 each fully paid up held by the shareholders of Nova Petrochemicals Ltd in the year 2009-10.
- 2.4 The details of shareholders holding more than 5% shares as at 31/03/2015 and 31/03/2014 is set out below.

Name of Shareholder	As at 31/03/2015		As at 31/03/2014	
	No. of Shares	% held	No. of Shares	% held
Polycoat India Pvt. Ltd. (formerly known as Gupta Silk Mills Pvt. Ltd.)	6697400	24.81%	6047000	22.40%
Comptel Infosys Pvt. Ltd.	3400000	12.59%	3400000	12.59%
Chiripal Industries Ltd.	2596000	9.61%	2596000	9.61%

- 2.5 The Reconciliation of the number of shares outstanding and the amount of share capital as at 31/03/2015 & 31/03/2014 is set out below

Particulars	As at 31/03/2015		As at 31/03/2014	
	No. of Shares	Amount (₹ in Lacs)	No. of Shares	Amount (₹ in Lacs)
Shares at the beginning of Face Value of ₹ 5/-	27,000,000	1,350	27,000,000	1,350
Addition during the year	Nil	Nil	Nil	Nil
Deduction during the year	Nil	Nil	Nil	Nil
Shares at the end of Face Value of ₹ 5/-	27,000,000	1,350	27,000,000	1,350

**3 Reserves & Surplus**

	As at 31/03/2015 ₹ in Lacs	As at 31/03/2014 ₹ in Lacs
<b>Security Premium Reserve</b>		
Balance as per last financial Statement	1,189.70	1,189.70
Closing Balance	<b>1,189.70</b>	<b>1,189.70</b>
<b>Revaluation Reserve</b>		
Balance as per last financial Statement	3,369.62	3,369.62
Closing Balance	<b>3,369.62</b>	<b>3,369.62</b>
<b>General Reserve</b>		
Balance as per last financial Statement	225.00	225.00
Closing Balance	<b>225.00</b>	<b>225.00</b>
<b>Surplus in the Statement of Profit and Loss</b>		
Balance as per last financial Statement	(7,976.65)	(6,846.57)
Add : Loss for the year	(1,614.56)	(1,130.09)
Net Deficit in the statement of profit and loss	<b>(9,591.22)</b>	<b>(7,976.65)</b>
<b>Total .....</b>	<b>(4,806.90)</b>	<b>(3,192.34)</b>

**4 Long Term Borrowings**

	Non-Current		Current	
	As at 31/03/2015 ₹ in Lacs	As at 31/03/2014 ₹ in Lacs	As at 31/03/2015 ₹ in Lacs	As at 31/03/2014 ₹ in Lacs
Term Loan - From Bank@ [Indian rupee loan from Bank (Secured)]	Nil	Nil	5,783.75	3,504.27
Vehicle Loans@@	Nil	Nil	Nil	Nil
	<b>Nil</b>	<b>Nil</b>	<b>5,783.75</b>	<b>3,504.27</b>
<b>The above amount Includes</b>				
Secured Borrowings	Nil	Nil	5,783.75	3,504.27
Unsecured Borrowings	Nil	Nil	Nil	Nil
Amount disclosed under the head 'Other Current Liabilities' (Note No. 8)	Nil	Nil	(5,783.75)	(3,504.27)
<b>Total .....</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

**4.1 Security :**

@ Term Loans from Bank & Asset Reconstruction Company are secured by first charge on Fixed Assets (through mortgage/ hypothecation of all immovable & movable assets), charge on book debt & stocks both present & future, further loan from Asset Reconstruction Company were further secured by mortgage over property lying at Basant Bahar - 4 having Plot No. 6 & 7, Shares of GSL Nova petrochemicals Ltd., Corporate guarantee of Basant bahar properties Pvt Ltd to the extent of value of Residential plot No. 6 & 7 and further secured by personal guarantee of Promoter Directors & Corporate Guarantee of Promoter's Group Companies.

**4.2 Interest:**

In respect of Term Loan from Bank the company is laible to pay interest @ SBAR(simple) and in respect of Term Loan from Asset Reconstruction Company is liable to pay interest @ 24% P.a.

**4.3 Repayment:**

@ Term Loan Facilities are repayable in following schedule in monthly instalments :- (Amount in Lacs)

Particulars	Upto 1 year	2 to 4 Years	5 to 7 years	More than 8 years
Term Loan	5,783.75	Nil	Nil	Nil

#### 4.4 Default in payment of Interest & Installments:

In earlier years, the Company had defaulted in repayment of total Principal loans amounting to ₹ 350,426,887/- and total interest amounting to ₹113,795,419/-. These loans have been taken over by the Asset Reconstruction Company. During the year, the Company has not paid total amount of rescheduled Principal amount of ₹ 1,75,00,000/- and ₹95,41,038/- payable to Asset Reconstruction Company upto 31st March, 2015 to the Asset Reconstruction Company. The Company has also entered in to one time settlement Scheme (OTS) with the State Bank of India. The Company has defaulted in making payment of interest of ₹ 1,47,90,798/- on such one time settlement Scheme(OTS) amount upto 31st March, 2015.

4.5 The Company has defaulted in payment of rescheduled principal and interest and hence the entire term loan is due for payment as per the terms of sanction.

4.6 Compound interest, penal interest & liquidated damages have not been considered on all borrowings, amount of which is unascertainable, pending confirmation / reconciliation.

#### 5 Deferred Tax

The company is entitled for set off of carried forward losses and unabsorbed depreciation against the future income under the income tax act. However, as a matter of prudence, the company is not recognising the deferred tax asset as provided in the Accounting Standard-22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountant of India.

#### 6 Short-Term Borrowings

	Current	
	As at 31/03/2015 ₹ in Lacs	As at 31/03/2014 ₹ in Lacs
Working Capital Loan from Banks@ (Refer Note 6.4)	Nil	2,358.17
Loan from Related Parties	747.96	815.55
Loan From Corporate Bodies	24.00	27.15
	<b>771.96</b>	<b>3,200.87</b>
Secured Borrowings	Nil	2,358.17
Unsecured Borrowings	771.96	842.70
<b>Total .....</b>	<b>771.96</b>	<b>3,200.87</b>

##### 6.1 Security :

@ Working Capital Loans under consortium finance are secured by First Charge on Book Debts and Stocks, and second charge on fixed assets and further secured by personal guarantee of the Promoter Directors and Corporate Guarantee of Promoter's Group Companies.

##### 6.2 Default in payment of Interest & Cash Credit:

@ The Company has not paid total amount of Principal of cash Credit ₹ Nil as on 31st March, 2015 (Previous year ₹ 235,835,862/-) and total interest of ₹ Nil to various banks as on 31st March, 2015 ( Previous year ₹ 51,376,999/-).

6.3 @ Company has defaulted in payment of interest and Short term bank borrowing Accounts not renewed and hence it is due for payment.

6.3 @ The company had entered into the one time settlement scheme (OTS) with State Bank of India vide letter Dt26th March,2014. As per the terms of agreement entire loan was to be repaid till 31/12/2014. The bank has extended the period of such repayment till 30/06/2015. The bankers have trasferred the working capital account to the term loan account and hence both the amounts are reflected at note No.4 "Long term borrowing having Current maturity".

#### 7 Trade payables

	Current	
	As at 31/03/2015 ₹ in Lacs	As at 31/03/2014 ₹ in Lacs
Micro, Small and Medium Enterprises @	Nil	Nil
Others	1,110.86	1,223.29
@ The Company has not received the required information from Suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/ payable as required under the said Act have not been made.		
<b>Total .....</b>	<b>1,110.86</b>	<b>1,223.29</b>

**8 Other Current Liabilities**

	As at 31/03/2015 ₹ in Lacs	Current As at 31/03/2014 ₹ in Lacs
Current Maturities of Long term Borrowings (Refer to Note No.4.5)	5,783.75	3,504.27
Creditors for Capital Goods	8.44	8.23
Creditors for Expenses	91.42	90.27
Advance received from customers	354.75	98.87
Dealer Deposits	21.63	26.63
Interest accrued and due on borrowings (Refer to Note No.8.1)	2,330.65	2,099.73
Other payables	15.29	15.84
Other Statutory dues	66.27	3.83
Credit Balance in Current Account	-	14.38
Investor Education & Protection Fund	2.85	2.85
<b>Total .....</b>	<b>8,675.04</b>	<b>5,864.89</b>

**8.1 Default in payment of Interest on Term Loans & Working Capital Loans:**

The Details in respect of the Defaults made by the Company in payment of Interest on Term Loan & Interest on Cash Credit has been given in Note No.4.4 & Note No. 6.2 respectively.

**9 Fixed Assets**
**(₹ in Lacs)**

Cost of Valuation	TANGIBLE ASSETS								INTANGIBLE ASSETS		
	Free Hold Land*	Buildings	Furniture & Fixtures	Electrical Installation	Computer	Plant & Machinery	Equipment	Vehicle	Total	Computer Software	Total
<b>01.04.2013</b>	3,507.13	1,403.13	137.19	863.32	101.94	13,724.12	252.02	107.79	20,096.63	3.63	3.63
Addition	-	-	-	-	-	0.20	0.75	-	0.95	-	-
Disposal	-	-	-	-	-	133.77	-	-	133.77	-	-
Other Adjustment	-	-	-	-	-	-	-	-	-	-	-
<b>At 31.03.2014</b>	3,507.13	1,403.13	137.19	863.32	101.94	13,590.56	252.77	107.79	19,963.81	3.63	3.63
Addition	77.59	-	-	-	0.07	-	-	-	77.66	-	-
Disposal	-	-	-	56.69	-	1,731.68	-	-	1,788.37	-	-
Other Adjustment (*)	1,807.91	-	-	-	-	-	-	-	1,807.91	-	-
<b>At 31.03.2015</b>	1,776.81	1,403.13	137.19	806.62	102.01	11,858.88	252.77	107.79	16,445.19	3.63	3.63
<b>Depreciation</b>											
<b>01.04.2013</b>	-	539.54	124.61	538.61	99.08	11,834.24	193.73	77.07	13,406.88	3.63	3.63
Charge for the year	-	46.86	8.02	41.01	0.62	288.10	11.98	4.14	400.73	-	-
Disposal	-	-	-	-	-	112.00	-	-	112.00	-	-
Other Adjustment	-	-	-	-	-	-	-	-	-	-	-
<b>At 31.03.2014</b>	-	586.40	132.63	579.62	99.70	12,010.35	205.71	81.21	13,695.62	3.63	3.63
Charge for the year	-	54.64	1.23	25.41	-	115.08	1.80	6.24	204.39	-	-
Disposal	-	-	-	48.97	-	1,502.82	-	-	1,551.79	-	-
Other Adjustment (#)	-	-	0.83	242.57	2.24	0.98	44.00	-	290.62	-	-
<b>At 31.03.2015</b>	-	641.04	134.69	798.63	101.94	10,623.58	251.51	87.45	12,638.84	3.63	3.63
<b>NET BLOCK</b>											
<b>AS AT 31.3.2014</b>	3,507.13	816.73	4.55	283.70	2.24	1,580.21	47.05	26.58	6,268.19	-	-
<b>AS AT 31.3.2015</b>	1,776.81	762.09	2.49	8.00	0.07	1,235.30	1.26	20.34	3,806.35	-	-

**Note - 1 :** On 31/03/2010, the Company had revaluated its Free Hold Land at ₹34,63,87,000/- as against its original cost of ₹94,25,196/- based on the Report issued by the Registered Valuer.



**Note - 2 :** Statement showing assets discarded from active use and awaiting disposal included in Fixed Assets stated above

Particulars	Gross Block	Accumalated Depreciation	Net Block
<b>Plant &amp; Machinery</b>	<b>11,858.88</b>	<b>10,623.58</b>	<b>1,235.30</b>

(\*) Other adjustments include assets transferred to stock-in-trade amounting to ₹ 18,07,90,833/- (PY - Nil).

(#) In accordance with the provision of Schedule II of the Companies act,2013, in case of fixed assets which have completed their useful life as at 1st april 2014, the carrying value amounting to ₹ 2,90,61,914/- (PY - Nil) as a transistional provision has been charged to Statement of Profit & Loss.

## 10 Non current investments

	Non-Current	
	As at 31/03/2015	As at 31/03/2014
<b>Investment in Equity Share (Quoted) [Non-Trade]</b>		
(1) 100 (Previous Year 100) Equity Share of Mahendra Petrochemical Ltd. (Formerly known as Mahendra Suiting Ltd.) of Rs 10/- each fully paid-up	150	150
(2) 50 (Previous Year 50) Equity Share of JCT Ltd. Of Rs 2.5/- each fully paid-up	308	308
(3) 100 (Previous Year 100) Equity Share of Rajasthan Petro Synthetics Ltd. Of Rs 10/- each fully paid-up	175	175
(4) 100 (Previous Year 100) Equity Share of JBF Industries Ltd. Of Rs 10/- each fully paid-up	905	905
(5) 100 (Previous Year 100) Equity Share of Sanghi Polester Ltd. Of Rs 10/- each fully paid-up	370	370
(6) 8 (Previous Year 8) Equity Share of Indo Rama Synthetics (India) Ltd. Of Rs 10/- each fully paid-up	80	80
(7) 2 (Previous Year 2) Equity Share of Spentex Industries Of Rs 10/- each fully paid- up	20	20
(8) 2 (Previous Year 2) Equity Share of Relince Industries Ltd. Of Rs 10/- each fully paid-up	185	185
(9) 2800 (Previous Year 2800) Equity Share of UCO Bank Ltd. Of Rs 10/- each fully paid-up	33,600	33,600
(10) 1 (Previous Year 1) Equity Share of Reliance Communication Ltd. Of Rs 5/- each fully paid-up	137	137
	<b>35,930</b>	<b>35,930</b>
<b>Investment in Equity Share (Unquoted) [Non-Trade]</b>		
(1) 19800 (Previous Year 19800) Equity Shares of NPL Power Pvt. Ltd. Of Rs 10/- each fully paid-up	198,000	198,000
	<b>198,000</b>	<b>198,000</b>
<b>Total .....</b>	<b>233,930</b>	<b>233,930</b>
Aggregate amount of quoted investments	35,930	35,930
Market Value of quoted investments	202,518	216,199
Aggregate amount of Unquoted investments	198,000	198,000

**11 Loans and Advances**

	Non-Current		Current	
	As at 31/03/2015 ₹ in Lacs	As at 31/03/2014 ₹ in Lacs	As at 31/03/2015 ₹ in Lacs	As at 31/03/2014 ₹ in Lacs
Capital Advances	25.60	25.60	Nil	Nil
Less: Provision For Doubtful Advances	(19.62)	(19.62)	Nil	Nil
	5.98	5.98	Nil	Nil
Advances For Goods	22.16	22.16	10.66	10.74
Less: Provision For Doubtful Advances	(20.91)	(20.91)	Nil	Nil
	1.25	1.25	10.66	10.74
Advances For Expenses	1.89	1.89	29.01	6.42
Less: Provision For Doubtful Advances	(1.89)	(1.89)	Nil	Nil
	Nil	Nil	29.01	6.42
	7.23	7.23	39.67	17.16
Security Deposits	5.05	6.34	Nil	-
Advances recoverable in cash or kind	32.55	44.55	1.14	2.66
Balance With Govt Authorities	Nil	Nil	143.81	179.57
Interest Receivable	Nil	Nil	0.02	1.99
Loans to Employees	Nil	Nil	0.01	0.01
Gratuity Fund	Nil	Nil	4.09	4.54
Less : Provision of Gratuity	Nil	Nil	(2.45)	(2.45)
	Nil	Nil	1.63	2.09
Advance Tax and TDS	154.16	153.60	11.55	11.55
Less : Provision For Taxation	(55.58)	(55.58)	Nil	Nil
	98.58	98.02	11.55	11.55
<b>Total .....</b>	<b>143.42</b>	<b>156.14</b>	<b>197.83</b>	<b>215.03</b>

**12 Inventories**

	Current	
	As at 31/03/2015 ₹ in Lacs	As at 31/03/2014 ₹ in Lacs
Raw materials	23.96	154.33
Work-in-Process	Nil	Nil
Finished Goods	Nil	Nil
Stores & Spare parts	122.34	122.34
Power & Fuel	Nil	0.87
Land (Stock-in-Trade)	1,807.91	Nil
Packing Material	2.21	4.42
<b>Total .....</b>	<b>1,956.42</b>	<b>281.97</b>

**13 Trade Receivables**

	Current	
	As at 31/03/2015 ₹ in Lacs	As at 31/03/2014 ₹ in Lacs
<b>Trade Receivables (Unsecured)</b>		
Outstanding for a period exceeding Six Months from the date they are due for Payment		
Considered Good	958.45	808.50
Considered Doubtful	78.82	49.29
	<b>1,037.27</b>	<b>857.79</b>
Less:Provision for doubtful receivables	78.82	49.29
	<b>958.45</b>	<b>808.50</b>
<b>Other Receivables</b>		
Others - Considered Good	8.09	644.70
Others - Considered Doubtful	Nil	Nil
	<b>8.09</b>	<b>644.70</b>
Less : Provision for doubtful receivables	Nil	Nil
	<b>8.09</b>	<b>644.70</b>
<b>Total .....</b>	<b>966.54</b>	<b>1,453.21</b>

**14 Cash and Bank Balances**

	Non-Current		Current	
	As at 31/03/2015 ₹ in Lacs	As at 31/03/2014 ₹ in Lacs	As at 31/03/2015 ₹ in Lacs	As at 31/03/2014 ₹ in Lacs
<b>A Cash and cash equivalents</b>				
Cash on hand	Nil	Nil	10.95	6.88
Balance With Banks	Nil	Nil	8.26	13.48
	<b>Nil</b>	<b>Nil</b>	<b>19.21</b>	<b>20.36</b>
<b>B Other Bank Balance</b>				
Unclaimed Dividend Account	Nil	Nil	0.03	0.03
Margin Money deposit	Nil	Nil	8.81	49.46
	<b>Nil</b>	<b>Nil</b>	<b>8.84</b>	<b>49.49</b>
Less Amount disclosed Under Non Current Assets	Nil	Nil	Nil	Nil
<b>Total .....</b>	<b>Nil</b>	<b>Nil</b>	<b>28.05</b>	<b>69.85</b>

**15 Revenue from Operations**

	For the year ended 31/03/2015 ₹ in Lacs	For the year ended 31/03/2014 ₹ in Lacs
<b>Sale of Product</b>		
Finished Goods	Nil	154.77
Traded Goods	159.97	500.49
	159.97	655.26
<b>Other Operating Revenue</b>		
Waste Sales	Nil	0.34
Job Work Income	Nil	Nil
	Nil	0.34
<b>TOTAL</b>	<b>159.97</b>	<b>655.60</b>
<b>Details of Products Sold</b>		
<b>Finished goods sold</b>		
Partially Oriented Polyester Filament Yarn(POY)*	Nil	148.53
Fully Draw yarn and Polyester Twisted Yarn(PHY)	Nil	3.07
Others	Nil	3.17
	<b>Nil</b>	<b>154.77</b>
<b>Traded goods sold</b>		
PVC Re grind	153.79	Nil
Clothes	Nil	500.49
Others	6.18	-
	<b>159.97</b>	<b>500.49</b>
	<b>159.97</b>	<b>655.26</b>

\* Including Sale of Yarn Waste.

**16 Other Income**

	For the year ended 31/03/2015 ₹ in Lacs	For the year ended 31/03/2014 ₹ in Lacs
Interest Income On		
- Bank Deposits	2.55	8.40
- Others	0.002	2.29
Dividend Income on Non Current Investments	0.03	0.19
Insurance Claim	0.18	Nil
VAT Refund Income	12.15	Nil
Balances Written Off	0.002	1.46
Excess Provisions written back	Nil	44.31
Profit on Sales of Fixed Assets	73.87	21.87
Miscellaneous Income	1.30	0.02
<b>TOTAL</b>	<b>90.09</b>	<b>78.55</b>

**17 Cost of Materials Consumed**

	For the year ended 31/03/2015 ₹ in Lacs	For the year ended 31/03/2014 ₹ in Lacs
Opening Stock of Raw Material	154.33	26.06
Purchase	Nil	130.37
Closing Stock of Raw Material	23.96	154.33
	<b>130.37</b>	<b>2.10</b>
Less : Goods Removed as such hence Transferred to Purchase of Stock-in-trade (Refer Note No. 18)	(130.37)	Nil
	<b>Nil</b>	<b>2.10</b>

**Details of Raw Material Consumption**

Polyester Chips	Nil	2.10
Other raw materials	Nil	-
	<b>Nil</b>	<b>2.10</b>

**Details of Inventory**

Polyester Chips	Nil	1.59
Other raw materials	23.96	152.74
	<b>23.96</b>	<b>154.33</b>

**Details of Value of Imported & Indigenous Raw Material consumed and Percentage thereof to the Total Consumption**

Particulars	Raw Materials			
	%		Value (₹ in Lacs)	
	31/03/2015	31/03/2014	31/03/2015	31/03/2014
<b>i. Imported</b>	Nil	Nil	Nil	Nil
<b>ii. Indigenous</b>	Nil	100	Nil	2.10
	<b>Nil</b>	<b>100.00</b>	<b>Nil</b>	<b>2.10</b>

**18 Purchase of Stock in Trade**

	For the year ended 31/03/2015 ₹ in Lacs	For the year ended 31/03/2014 ₹ in Lacs
Trading Purchase (Amount transferred from cost of material consumed Refer Note No. 17)	130.37	247.11
	<b>130.37</b>	<b>247.11</b>
<b>Details of Purchase of Traded Goods</b>		
PVC Re-Grind	130.37	0.00
Cloth	Nil	247.11
	<b>130.37</b>	<b>247.11</b>

**19 CHANGE IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE**

	For the year ended 31/03/2015 ₹ in Lacs	For the year ended 31/03/2014 ₹ in Lacs
<b>Commencing Stock</b>		
Work-in-process	Nil	136.96
Finished Stock	Nil	4.78
	<b>Nil</b>	<b>141.74</b>
<b>Closing Stock</b>		
Work-in-process	Nil	Nil
Finished Stock	Nil	Nil
	<b>Nil</b>	<b>141.74</b>
<b>Decretion / (Accretion) to Stock</b>	<b>Nil</b>	<b>141.74</b>
<b>Details of Finished Stock</b>		
Partially Oriented Polyester Filament Yarn(POY)	Nil	Nil
Fully Draw yarn and Polyester Twisted Yarn(PTY)	Nil	Nil
Others	Nil	Nil
	<b>Nil</b>	<b>Nil</b>

**20 EMPLOYEE BENEFIT EXPENSE**

	For the year ended 31/03/2015 ₹ in Lacs	For the year ended 31/03/2014 ₹ in Lacs
Salary, Wages & Bonus	7.72	6.56
Staff Welfare Expense	0.05	0.25
<b>TOTAL</b>	<b>7.77</b>	<b>6.81</b>

**Note:**As on Balance Sheet date Company does not have any permanent employees hence disclosure requirement in respect of AS-15'Employee Benefits" has been not applicable to the company.

**23 FINANCE COST**

	For the year ended 31/03/2015 ₹ in Lacs	For the year ended 31/03/2014 ₹ in Lacs
Interest to Banks	237.36	947.10
Other Interest	828.45	7.93
Bank Charges	0.60	0.34
<b>TOTAL</b>	<b>1,066.41</b>	<b>955.37</b>

**22 OTHER COSTS**

	For the year ended 31/03/2015 ₹ in Lacs	For the year ended 31/03/2014 ₹ in Lacs
Stores & Spares consumed	Nil	(1.06)
Packing material consumed	2.21	1.66
Electricity & Fuel charges	5.91	15.08
Freight, Cartage & Octroi	Nil	0.12
Increase/(decrease) of excise duty on inventory	Nil	(1.50)
<b>REPAIRS TO:</b>		
Building	Nil	-
Machinery	0.07	0.11
Others	0.06	0.02
<b>TOTAL</b>	<b>0.13</b>	<b>0.13</b>
Insurance	3.38	3.30
Rates & Taxes	19.11	9.94
Postage & Telephone Expenses	2.57	2.61
Stationery, Printing & Advertisement Expenses	1.58	1.02
Selling and Distribution Expenses	Nil	0.02
Traveling, Conveyance and Vehicle Expenses	16.85	18.23
Provision For Doubtfull Debtors	29.53	Nil
Legal & Professional Expenses	59.22	41.41
<b>AUDITOR'S REMUNERATION:</b>		
Audit Fees	1.54	1.50
Tax Audit	0.25	0.25
Taxation and Others	Nil	0.25
<b>TOTAL</b>	<b>1.79</b>	<b>2.00</b>
Miscellaneous Expense	6.67	1.18
(It includes Canteen Expense, Director Sitting Fees, General Expense, House Keeping Expense & Stationary and Printing Expense etc)		
<b>TOTAL</b>	<b>148.95</b>	<b>94.14</b>

**Details of Value of Imported & Indigenous Stores and Spare Parts consumed and Percentage thereof to the Total Consumption**

Particulars	Stores & Spares			
	%		Value (₹ in Lacs)	
	31/03/2015	31/03/2014	31/03/2015	31/03/2014
<b>i. Imported</b>	Nil	Nil	Nil	Nil
<b>ii. Indigenous</b>	Nil	Nil	Nil	Nil
	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

**23. CONTINGENT LIABILITIES:**

Particulars	2014-15 (₹ in Lacs)	2013-14 (₹ in Lacs)
a) Letters of Credit Outstanding	Nil	Nil
b) Income Tax demands disputed in appeal by the Company/ Income Tax Authorities (Against which the Company has paid amount of ₹ 6,23,979/-)	23.67	23.67
c) Bank Guarantee	Nil	Nil
d) Value Added Tax demands disputed in appeal by the Company (Against which the Company has paid amount of ₹ 12,00,000/-)	14.69	14.69
e) Excise Duty demands disputed in appeal by the Company/ Excise Authorities (Against which the Company has paid amount of ₹ 753,782/-)	1247.68	2364.91
f) Textile Cess Demands disputed pending with Textiles Committee, Government of India, Ministry of Textiles.	50.90	50.90
g) Service Tax demand disputed in appeal by the Company/Authority (Against which the Company has paid amount of ₹ Nil)	62.71	41.96
h) Claims not acknowledged as debts by the company.	469.12	46,9.12
i) Show Cause Notices received from various authorities	1.08	28.87
j) Employees Demands pending before Labour Courts	Amount not ascertainable	Amount not ascertainable
k) In respect of restructured Debts under CDR mechanism, the banks will have right to recompense in respect of waivers/sacrifice made by them under CDR restructuring	Amount not ascertainable	Amount not ascertainable

24. Debtors includes ₹ 2,642/- (Previous Year ₹ 2,642/-) due from private companies in which some of the directors are interested as directors

25. Particulars of Prior Period expense debited to respective head of expenditure:-

Particulars	31-03-2015	31-03-2014
(i) First Aid & Medical Expenses	Nil	Nil
(ii) Repairs & Maintenance Expense	Nil	Nil
(iii) Miscellaneous Expense	1.52	Nil
(iv) Legal & Professional Expenses	Nil	0.22
(v) Consultancy Expenses	Nil	0.44
(vi) Electricity Charges	Nil	Nil
<b>Total . . .</b>	<b>1.52</b>	<b>0.36</b>

**26. Earning Per Share**
**(₹ in Lacs)**

Particulars	31-03-2015	31-03-2014
Numerator used for calculating Basic and Diluted Earning Per Share (Profit After Tax)	(1,614.56)	(1,130.09)
Nominal Value per Share	5	5
Weighted Average No. of Shares used as denominator for calculating Basic and Diluted Earning Per Share	27.00	27.00
<b>Basic and Diluted earning per share</b>	<b>(5.98)</b>	<b>(4.19)</b>

**27. Related Party Disclosures**
**a) Key Management Personnel**

Sr. No.	Name	Designation
1	Shri Shyam Gupta	Chairman
2	Shri Sunilkumar Gupta	Managing Director



**b) List of Other Related Parties with whom transactions have taken place during the year**

<u>Sr. No.</u>	<u>Name</u>
1	Gupta Dying and Printing Mills Pvt. Ltd.
2	Gupta Synthetics Limited
3	Shubhlaxmi Dying and Print Mills P. Ltd
4	Poly Coat India Pvt. Ltd
5	Ellora Syntex Pvt. Ltd
6	Sharp Synthetics Pvt. Ltd
7	Basant Bahar Properties Pvt Ltd
8	Nandan Dyeing Prints Povt. Ltd.
9	Aviva Power & Projects Pvt Ltd
10	Millennium Infosoft Pvt. Ltd.
11	Gupta Tex Print Pvt. Ltd.
12	Numech Synthetics Ltd.

**c) List of Relatives with whom transactions have taken place during the year**

<u>Sr. No.</u>	<u>Name</u>	<u>Relation</u>
1	Aisha Shyamsunder Gupta	Relative of Chairman

**d) Details of Transactions with Key Management Personnel and Related Parties of the Key Management Personnel are as follows:**

(₹ in Lacs)

<u>Sr. No.</u>	<u>Nature of Transaction</u>	<u>Key Management Personnel</u>	<u>Other Related Parties</u>	<u>Relatives of Key Management Personnel</u>	<u>Total</u>
<b>1</b>	<b>Unsecured Loans</b>				
	Taken during the year	Nil (Nil)	44.60 (249.72)	Nil (Nil)	44.60 (249.72)
	Balance as at Balance Sheet Date	57.00 (57.00)	502.75 (758.55)	Nil (Nil)	559.75 (815.55)
<b>2</b>	<b>Expenditure</b>				
	Commission Paid	Nil (Nil)	Nil (3.67)	Nil (Nil)	Nil (3.67)
	Managerial Remuneration & Perquisites	6.00 (Nil)	Nil (Nil)	Nil (Nil)	6.00 (Nil)
<b>3</b>	<b>Stock in trade / Debtors</b>				
	Sold / Redeemed during the year (Payment Made)	Nil (Nil)	Nil (7.08)	Nil (Nil)	Nil (7.08)
	Balance as at Balance Sheet Date	Nil (Nil)	1.12 (2.61)	Nil (Nil)	1.12 (2.61)

**Note :** List of transaction, out of the transactions reported in the above table, where the transactions entered in to with single party exceed the 10% of the total related Party transactions of similar nature are as under :

	(2014-15)	(2013-14)
<b>1. Unsecured Loan Taken :-</b>		
- Basant Bahar Properties Pvt Ltd.	44.60	71.72
- Gupta Synthetics Ltd. (Loan)	Nil	62.00
<b>2. Expenditure :-</b>		
<b>Managerial Remuneration and Perquisites:</b>		
- Sunil Gupta	6.00	Nil
<b>3. Stock in trade :-</b>		
<b>Sold / Redeemed during the year</b>		
- Gupta Dyeing and Printing Mills Pvt. Ltd.	Nil	7.08

**28. The amount of Exchange Difference**

Debited to Profit and Loss Account ₹ Nil/- (Previous Year debited to Profit and Loss Account ₹ Nil/-)

**29. Impairment of Asset**

During the year, the company has impaired it's all assets to the tune of ₹ Nil (Previous Year ₹ Nil)

**30.** Borrowing costs attributable to the acquisition or construction of Qualifying Assets amounting to ₹ Nil (Previous Year ₹ Nil) is capitalized by the company

**31. C.I.F. Value of Imports includes:-**

Sr.No.	Particulars	2014-15	2013-14
1	Capital Goods	Nil	Nil
2	Raw Materials	Nil	Nil
3	Stores and Spares	Nil	Nil

**32. Expenditure in Foreign Exchange :-**

1	Foreign Travelling Expenses	1.45	1.84
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**33. Earning in Foreign Exchange:**

1	FOB Value of Exports	Nil	Nil
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**34.** Balances of Debtors, Creditors and Advances etc. are subject to confirmation and reconciliation wherever required.

**35.** Figures of the previous year have been regrouped and/or rearranged wherever necessary.

**36.** In the opinion of the board, Current Assets, Loans and Advances are approximately of the value stated if realized in the ordinary course of business.

**Note :** Previous year's figures have been shown in brackets.

**Signature to Notes "1" to "36"**

As per our report of even date attached herewith

For, **J. T. SHAH & COMPANY**

Chartered Accountants

(FRN No. 109616W)

**(J. T. Shah)**

Partner

Membership No. 3983

Place : Ahmedabad

Date : 30/05/2015

**For, GSL NOVA PETROCHEMICALS LIMITED**  
**(Formerly Known as NOVA PETROCHEMICALS LIMITED)**

Chairman

Managing Director

Company Secretary

**GSL NOVA PETROCHEMICALS LIMITED**

(CIN: L70101GJ1993PLC020927)

Registered Office: 396, 403, MORAIYA VILLAGE, SARKHEJ-BAVLA HIGHWAY, SANAND, AHMEDABAD- 382210

Email: nova@novapetro.com Phone: 02717-250550

**ATTENDANCE SLIP**

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Joint shareholders may obtain additional Slip at the venue of Meeting

DP ID\* \_\_\_\_\_

Folio No. \_\_\_\_\_

Client ID \_\_\_\_\_

No. of Shares \_\_\_\_\_

NAME AND ADDRESS OF THE SHAREHOLDER \_\_\_\_\_

I hereby record my presence at the **22<sup>ND</sup> ANNUAL GENERAL MEETING** of the Company held on Tuesday, **September 29, 2015** at **10:00 a.m.** at 396, 403, MORAIYA VILLAGE, SARKHEJ-BAVLA HIGHWAY, SANAND, AHMEDABAD- 382210

\* Applicable for investors holding shares in electronic form

\_\_\_\_\_  
Signature of Shareholder / Proxy

.....TEAR HERE .....

**GSL NOVA PETROCHEMICALS LIMITED**

(CIN: L70101GJ1993PLC020927)

Registered Office: 396, 403, MORAIYA VILLAGE, SARKHEJ-BAVLA HIGHWAY, SANAND, AHMEDABAD- 382210

Email: nova@novapetro.com Phone: 02717-250550

**FORM OF PROXY**

(Form MGT-11)

(Pursuant to section 105(6) of The Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014 - Form MGT-11)

Name of the Member(s) : \_\_\_\_\_

Registered Address : \_\_\_\_\_

E-mail ID : \_\_\_\_\_

Folio No. / Client ID : \_\_\_\_\_

DP ID : \_\_\_\_\_

I/We, being the member(s) of \_\_\_\_\_ shares of the Company, hereby appoint:

1. Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
Email ID : \_\_\_\_\_ Signature : \_\_\_\_\_ or failing him;
2. Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
Email ID : \_\_\_\_\_ Signature : \_\_\_\_\_ or failing him;
3. Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
Email ID : \_\_\_\_\_ Signature : \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **22<sup>nd</sup> Annual General Meeting** of the Company, to be held on **September 29, 2015** at **10:00 a.m.** at 396, 403, MORAIYA VILLAGE, SARKHEJ-BAVLA HIGHWAY, SANAND, AHMEDABAD- 382210:

Resolution No.	Particulars of Resolutions	Vote (Optional*)	
		For	Against
	<b>Ordinary Business:</b>		
<b>1</b>	Ordinary Resolution for consideration and adoption of Audited Financial Statement for the year ended <b>March 31, 2015</b>		
<b>2</b>	Ordinary Resolution for re-appointment of <b>Shri Sunil Kumar Gupta (DIN : 00008344)</b> as a Director of the Company, who retires by rotation		
<b>3</b>	Ordinary Resolution for appointment of J.T.Shah & Co., (Firm Registration No.109616W), Chartered Accountants as Auditors of the Company and fixing their remuneration		
	<b>Special Business:</b>		
<b>4</b>	Ordinary Resolution for regularize Mrs. Meenu Maheshwari ( <b>DIN 07113136</b> ) who is appointed as an Additional Director		

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2015

Signature of shareholder \_\_\_\_\_

Signature of Proxy holder(s) \_\_\_\_\_

**Note:**

This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than **48 hours** before the commencement of the Meeting.

\*It is optional to put a "X" in the appropriate column against Resolution idencared in the Box. If you leave the "For" and "Against" column blank against any or all resolutions, your proxy will entitled to vote in the manner as she/he thinks appropriate.

Affix  
Revenue  
Stamp  
not less than  
Re. 0.15

TEAR HERE

To,

*If undelivered please return to :*

**GSL NOVA PETROCHEMICALS LIMITED**

**(Formerly Known as NOVA PETROCHEMICALS LIMITED)**

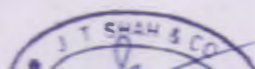
CIN : L23200GJ1993PLC020927

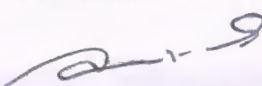
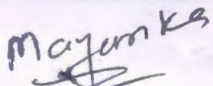
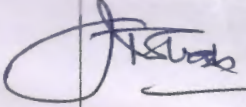

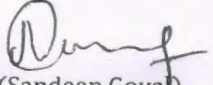
Registered Office : Survey No. 396/403,  
Moraiya Village, Sarkhej-Bavla Highway,  
Tal. Sanand, Dist. Ahmedabad - 382 210.

**FORM B**

**Format of Covering letter of the annual audit report to be filed with the stock exchanges**

1.	Name of the Company:	GSL NOVA PETROCHEMICALS LIMITED
2.	Annual financial statements for the year ended	31 <sup>st</sup> March, 2015
3.	Type of Audit qualification	Qualified
4.	Frequency of qualification	<p>A) Appeared Third Time in respect of observation A Regarding Accounts of the company prepared as on going concern basis from the financial year 31<sup>st</sup> March, 2013</p> <p>B) Appeared Third Time in respect of observation B Regarding Trade receivable Other Advances, Deposit and Trade Payables are subject to confirmation and adjustment if any from the financial year 31<sup>st</sup> March, 2013</p> <p>C) Appeared Third Time in respect of observation C Regarding Compound interest Penal interest and liquidated damages in respect of all borrowings have not been provided, amount of which is unascertainable, pending confirmations / reconciliation from the financial year 31<sup>st</sup> March, 2013</p> <p>D) Appeared Second Time in respect of observation D Regarding Fixed Assets Register in certain respects from the financial year 31<sup>st</sup> March, 2014.</p> <p>E) Appeared third time and some items also repetitive (Repetitive since the financial year 31<sup>st</sup> March, 2008) in respect of observation E Regarding statutory dues (refer 9(a) of annual report (page no. 28 of annual report) Wealth Tax of Rs. 5,00,000/-, Investor Education &amp; Protection Fund of Rs. 2,85,041/-, Tax deducted at Source of Rs. 14,480/- and Professional Tax of Rs. 96,030/- are due for a period more than six months from the date they became payable and have not been deposited till balance sheet date, except that no undisputed amounts payable in respect of Excise duty, Service Tax, Central Sales Tax &amp; Tax Collected at Source for a period of more than six months from the date they became payable</p> <p>F) Appeared Third time in respect of observation F Regarding accumulated losses more than fifty percent of its net worth with cash losses (refer 8of Annual report(page no. 29) of annual report)</p> <p>G) Appeared Second time in respect of observation G Regarding delay in payment of Principal and interest</p>
5	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report :	<p>(A) Account has been prepared as going concern basis since company has started new activity of land development as approved by members of the company.</p> <p>(B) The delay in the payment of Wealth tax of Rs. 5 Lacs was due to demerger since it was based on Combined wealth of company prior to demerger. Now after the demerger the company shall file revised wealth tax return in consultation with Auditors an pay wealth tax accordingly. Further there is delay in depositing unpaid / unclaimed dividend info Investor Education and Protection Fund of Rs. 2.85 Lacs due to freezing of unpaid dividend bank account by government authorities. There is also delay in</p>



		<p>payment of Tax deducted at source since it pertains to the prior periods of Demerger and professional tax Rs. 96,030 . The Company is arranging to make the payment of same.</p> <p>(C) The accumulated losses are more than 50% of net worth of the Company. The company shall take appropriate actions in consultations with the experts.</p> <p>(D) There has been delay in repayment of principal to Financial Institution (JM Financial Asset Reconstruction Company) and interest beyond 40 days due to delay in sale of Machinery. The Financial Institution has restructured the loan and bank has also accepted OTS</p>
6.	Additional comments from the Board/ Audit Committee Chair	<p>Moreover, the consortium banks had agreed to the OTS proposal given by the company. Further Bank of Baroda, UCO Bank and Central Bank of India have assigned their Financial Assistance sanctioned to the Company of Rs.17,76,00,000, Rs.19,01,00,000 and Rs.7,30,00,000 respectively to JMFARC. The JMFARC has also restructured the above takeover loans. For the repayment of OTS/restructured dues of State Bank of India and JMFARC in the given time frame, the Management of your company decided to sell out Company's Plant and Machinery and also to develop industrial sheds, commercial &amp; affordable housing space on whole land jointly with reputed builder/agency through JV, development rights and/or by sale of the land.</p>
7.	To be signed by	
	<ul style="list-style-type: none"> <li>CEO/Managing Director</li> </ul>	 (Sunil Kumar Gupta)
	<ul style="list-style-type: none"> <li>CFO</li> </ul>	 (Miss Mayanka Gupta)
	<ul style="list-style-type: none"> <li>Auditor of the Company</li> </ul>	<p>For, J.T.Shah &amp; Co. Chartered Accountants, [FRN No. 109616W]</p>   <p>[J.T.SHAH] Partner [M.No. 3983]</p>
	<ul style="list-style-type: none"> <li>Chairman of Audit Committee</li> </ul>	 (Sandeep Goyal)

