



Sun Petrochemicals Private Limited

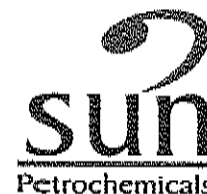
25th Annual Report

2019– 2020

Sun Petrochemicals Private Limited

(Sun Oil & Natural Gas - Division)

17/B, Mahal Industrial Estate, Mahakali Caves Road,
Andheri (East), Mumbai - 400 093, Maharashtra, INDIA.
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www.sunpetro.com
CIN: U24219GJ1995PTC028519



BOARD'S REPORT

To,
The Members of,
SUN PETROCHEMICALS PRIVATE LIMITED

Your Directors take pleasure in presenting the 25th Annual Report and Audited Financial Statements for the year ended 31st March 2020.

PRESENTATION OF FINANCIAL STATEMENTS

The Company has prepared financial statements for the year ended March 31, 2020 in accordance with Indian Accounting Standards (Ind As) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) together with the Comparative period data as at and for the year ended March 31, 2019. Further the Company has prepared the opening balance sheet as at April 1, 2018 (the transition date) in accordance with Ind As.

For all the periods up to the year ended March 31, 2019, the Company had prepared its financial statements in accordance with the requirement of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended).

These are the Company's first Ind AS financial statements. The details of first-time adoption exemptions availed by the Company are given in Note no. 36 of the Notes forming part of financial statements for the year ended March 31, 2020.

FINANCIAL SUMMARY/ HIGHLIGHTS

During the year under review, the financial performance of the Company is as under:



(Amount in Rs. Lakhs)

Particulars	Year ended	
	31 st March, 2020	31 st March, 2019
Revenue from Operations (Net)	4984.88	2004.20
Profit / (Loss) Before Depreciation, Exceptional Items and Tax	(1041.38)	(761.08)
Less: Depreciation	768.88	325.51
Profit/(Loss) before Exceptional Items and Tax	(1810.26)	(1086.59)
Less: Exceptional Items	-	-
Profit/(Loss) before Tax	(1810.26)	(1086.59)
Less :Provision for:		
Current Tax	0	0
Tax Expenses relating to earlier years	(5.57)	0
Deferred Tax	209.32	(85.89)
Profit/ (Loss) for the year	(2014.01)	(1000.70)
Other Comprehensive Income / (Loss)	0	0
Total Comprehensive Income/ (Loss) for the year	(2014.01)	(1000.70)

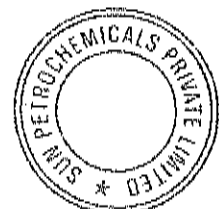
STATE OF COMPANY'S AFFAIRS

During the year under review, the total revenue of the Company stood at Rs. 5540.64 Lakhs against Rs. 2466.76 Lakhs in the previous financial year.

The Company has incurred net loss of Rs. 2014.01 Lakhs in the current financial year against the net loss of Rs. 1000.70 in the previous financial year.

After closing the production facility of Acetylene Carbon Black, the Company has focused on Exploration and Production of Oil and Gas business. In the year 2018-19, Company has added Bhaskar field to its portfolio of existing three onshore fields and one offshore field. The company has also submitted application for transfer of GSPC's Participating Interest (PI) to have full stake in the Hazira field in the state of Gujarat. During the year the company has started crude oil production from Bhaskar field in July' 2019. The Company is also focusing on the existing fields for increasing the oil / gas production. as per the details given below;

- 1) Baola field - Producing and further drilling operations were going on for increasing the



production, 2) Modhera field - Producing and further drilling operations were going on for increasing the production, 3) Hazira field – Continue maintaining Producing and further actions are on for enhancing the production, 4) Bhaskar field – Started commercial production of crude oil from Bhaskar field in July' 2019 through three EPS (Early Production System) till the permanent CPF (Central Processing Facilities) is completed.

The Acquisition process was on for other more producing fields through government Bidding process. The Company is continuously in the process of evaluating various other oil & gas fields / area in India.

MATERIAL CHANGES AFFECTING THE COMPANY

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and date of this report.

TRANSFER/ CREATION OF RESERVES:

During the financial year under review, the Company did not transfer any amount to Reserve.

DIVIDEND:

Considering the loss incurred during the year under review, your Directors have not recommended any dividend.

PUBLIC DEPOSITS

The Company has not accepted any Deposits from public during the year under review, under the provisions of Companies Act, 2013 and the Rules framed there under.

SUBSIDIARY, JOINT VENTURES OR ASSOCIATES

The Company does not have any Subsidiary, Joint Ventures and Associate Company.

DIRECTORS & KEY MANAGERIAL PERSONNEL

Mr. Sudhir V. Valia (DIN: 00005561), Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

Mr. Jimmi Desai (DIN: 02623717) was appointed as an Additional Director (Executive) w.e.f 23.01.2020 and approval of members is being sought for their appointment (regularization) as Director (Executive), at the ensuing Annual General Meeting.

SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards as amended from time to time.



INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial control with reference to accuracy and completeness of financial statements. During the year, such controls were tested and no reportable material weaknesses in the operations of the Company were observed.

PARTICULARS OF LOANS, GUARANTEES & INVESTMENTS

A statement on particulars of the loans given, investment made or guarantee given or security provided as specified under Section 186 of the Companies Act, 2013 have been disclosed in the financial statements.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. Accordingly, disclosure of related party transactions as required under section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

However, as per IndAS-24, the disclosure of related party transactions for the year is given in Note no 43 of the Notes forming part of financial statements for the year ended March 31, 2020.

STATUTORY AUDITORS:

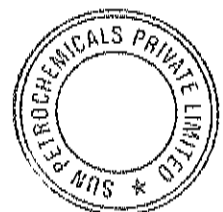
The Company's Auditors, M/s. Valia and Timbadia, Chartered Accountants, Mumbai (Firm's Regn No. 112241W), were appointed as the Statutory Auditors of the Company for a period of 5 (five) years at the 20th Annual General Meeting of the Company held on 30.09.2015 to hold office till the conclusion of the 25th Annual General Meeting of the Company.

Pursuant to the provisions of Section 139(2), the Board of Directors have proposed the appointment of M/s. Harshal Mehta & Associates, Chartered Accountants, Mumbai (Firm's Registration No.: 152736W), as the Statutory Auditors of the Company for a period of 5 years from the ensuing 25th Annual General Meeting to be held for the financial year ended 31st March 2020 upto the 30th Annual General Meeting to be held for the financial year ending 31st March 2025.

The Auditors have confirmed their eligibility under Section 141 of the Act and the Rules framed thereunder for their appointment as Auditors of the Company for the financial year 2019-20.

AUDITORS' REPORT

The Auditor's Report for the financial year ended March 31, 2020, has been issued with an unmodified opinion, by the Statutory Auditors.



DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements under section 134(5) read with section 134(3)(c) of the Companies Act, 2013, with respect to Directors Responsibility Statement, it is hereby confirmed that:

- a) in the preparation of the annual accounts for the financial year ended 31st March 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2020 and of the Loss of the Company for the year ended on that date;
- c) the Directors have 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 & other irregularities;
- d) the Directors have prepared the annual accounts on a going concern basis; and
- e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

EXTRACT OF ANNUAL RETURN:

The extract of Annual Return as provided under sub-section (3) of section 92 of Companies Act, 2013 – in prescribed form MGT-9 is enclosed as **Annexure "A"** to this report.

NUMBER OF MEETINGS OF THE BOARD

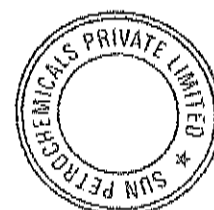
The Board of Directors of the Company met seven times during the previous financial year on April 22, 2019, August 12, 2019, September 25, 2019, November 08, 2019, December 23, 2019, January 23, 2020 and March 06, 2020. The intervening gap between the meetings of the Board was within the period prescribed under the Companies Act, 2013.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL

No significant or material orders were passed by the Regulators or Courts or Tribunals during the previous year which may impact the Going Concern Status of the Company's Operation in the future.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

Your Company strongly believes in providing a safe and harassment free workplace for each and every individual working for the Company through various interventions and practices. The Company has zero tolerance on Sexual Harassment at workplace. During the year ended 31st



March, 2020, no complaint pertaining to sexual harassment was received by the Company.

DETAILS IN RESPECT OF FRAUD REPORTED BY AUDITORS:

Pursuant to section 143 (12) of the Act, there were no such frauds reported by the Auditors of the Company during the year under review.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure B".

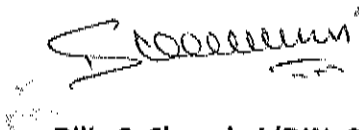
RISK MANAGEMENT POLICY

The Board of Directors have developed & implemented a robust risk management policy which identifies the key elements of risks that threatens the existence of the Company. The Board of Directors reviews the status of key risks and steps taken by the Company to mitigate such risks at regular intervals.

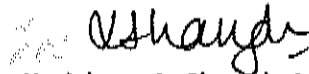
ACKNOWLEDGEMENTS

Your Directors wish to thank all Employees, Company's bankers and business associates for their continued support and valuable cooperation.

For and on behalf of the Board of Directors



**Dilip S. Shanghvi (DIN: 00005588)
Director**



**Karishma A. Shanghvi (DIN: 03546211)
Whole Time Director**



Place: Mumbai
Date: 21-12-2020



Annexure - A
FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended 31.03.2020
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i) CIN: U24219GJ1995PTC028519
- ii) Registration date: 21.12.1995
- iii) Name of the Company: Sun Petrochemicals Private Limited
- iv) Category/ Sub-category of the Company: Company Limited By Shares
- v) Address of the Registered Office and Contact details: R K Centre, Fateh Gunj Main Road, Baroda 390002, Gujarat.
- vi) Whether listed company: No
- vii) Name, Address, and Contact details of Registrar and Transfer Agent, if any: Contact no: 022-42181111

II. PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company:

Sr.no	Name and Description of main products/services	NIC code of the Product/ Service	% to total turnover of the Company
1	Extraction of crude petroleum	0610	79.18%
2	Extraction of Natural Gas	0620	20.77%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr.No	Name and Address of the Company	CIN/GIN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Shanghi Finance Private Limited ADD: F.P.1&S, Ram Mandir Road, Vile Parle (East), Mumbai - 400 057	U65910MH1989PTC053111	Holding	67.42%	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise shareholding	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year
	Demat	Physical	Total	Demat	Physical	Total	
A Category of Shareholders							
1) Promoters* Indian							



a)	Individual/HUF	0	8000000	8000000	8.73	0	8000000	8000000	8.73	0	0
b)	Central Government/ State Government	0	0	0	0	0	0	0	0	0	0
c)	Bodies Corporate	0	7450000	7450000	81.27	0	7450000	7450000	81.27	0	0
d)	Financial Institutions/ Bank	0	0	0	0	0	0	0	0	0	0
e)	Any other (Trusts)	0	0	0	0	0	0	0	0	0	0
Sub total (A) (1)		0	8250000	8250000	90.00	0	8250000	8250000	90.00	0	0
2)	Foreign										
a)	Individuals (NRIs)	0	0	0	0	0	0	0	0	0	0
b)	Other individuals	0	0	0	0	0	0	0	0	0	0
c)	Bodies Corporate	0	0	0	0	0	0	0	0	0	0
d)	Financial Institutions/ Bank	0	0	0	0	0	0	0	0	0	0
e)	Any other	0	0	0	0	0	0	0	0	0	0
Sub total (A) (2)		0	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter & Promoter group											
(A)=(A)(1)+(A)(2)		0	8250000	8250000	90.00	0	8250000	8250000	90.00	0	0
B	Public Shareholding										
1)	Institutions										
a)	Mutual Funds	0	0	0	0	0	0	0	0	0	0
b)	Financial Institutions/ Bank	0	0	0	0	0	0	0	0	0	0
c)	Central Government/ State Government	0	0	0	0	0	0	0	0	0	0
d)	Venture Capital Funds	0	0	0	0	0	0	0	0	0	0
e)	Insurance Companies	0	0	0	0	0	0	0	0	0	0
f)	FIs	0	0	0	0	0	0	0	0	0	0
g)	Foreign Venture Capital	0	0	0	0	0	0	0	0	0	0
h)	Qualified Foreign investors	0	0	0	0	0	0	0	0	0	0
i)	Any other (specify)	0	0	0	0	0	0	0	0	0	0
Sub total (B) (1)		0	0	0	0	0	0	0	0	0	0
2)	Non- Institutions										
a)	Bodies Corporate	0	0	0	0	0	0	0	0	0	0
i)	Indian	0	917000	917000	10.00	0	917000	917000	10.00	0	0
ii)	Overseas	0	0	0	0	0	0	0	0	0	0
b)	Individuals	0	0	0	0	0	0	0	0	0	0
i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0	0	0	0	0	0	0
ii)	Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0	0
c)	Others (specify)	0	0	0	0	0	0	0	0	0	0
Sub total (B) (2)		0	917000	917000	10.00	0	917000	917000	10.00	0	0
Total Public shareholding Public Group (B)= (B)(1)+(B)(2)		0	917000	917000	10.00	0	917000	917000	10.00	0	0
C	Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0	0
GRAND TOTAL (A)+(B)+(C)		0	9167000	9167000	100.00	0	9167000	9167000	100.00	0	0

Note: * Includes Promoter Group



Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in shareholding 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	Dilip Shanghvi	800000	8.73	0	800000	8.73	0	0
2	Shanghvi Finance Private Limited	6180000	67.42	0	6180000	67.42	0	0

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

Sl. No.1	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):	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
Dilip Shanghvi	At the beginning of the year	800000	8.73	-	-
	At the End of the year	-	-	800000	8.73

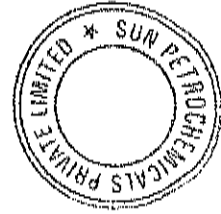
ii)

iii)

Sl. No.2	Shareholding at the beginning of the year	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
Shanghvi Finance Private Limited	At the beginning of the year	6180000	67.42		
	In Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat		No Change During the Year		
	At the End of the year			6180000	67.42

Shareholding Pattern of top ten Shareholders [other than Directors, Promoters and Holders of GDRs and ADRs]:

Sl. No.1	Shareholding at the beginning of the year	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
Aditya Medisales Limited	At the beginning of the year	800000	8.73		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):		No changes during the year		
	At the End of the year (or on the date of separation, if separated during the year)			800000	8.73



Sl. No.2	Shareholding at the beginning of the year	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company
Rampant Realty Private Limited	No. of shares 5500000	No. of shares 5500000	% of total shares of the company 6.00
	At the beginning of the year Date wise increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	No changes during the year	
	At the End of the year (or on the date of separation, if separated during the year)		
		5500000	6.00

Sl. No.3	Shareholding at the beginning of the year	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company
Unimed Investments Limited	No. of shares 4700000	No. of shares 4700000	% of total shares of the company 5.13
	At the beginning of the year Date wise increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	No changes during the year	
	At the End of the year (or on the date of separation, if separated during the year)		
		4700000	5.13



Sl. No.4	Shareholding at the beginning of the year	Shareholding during the year		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
Mhyati Financial Services Pvt. Ltd.						
	At the beginning of the year	3670000	4.00			
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	No changes during the year				
	At the End of the year (or on the date of separation, if separated during the year)				3670000	4.00

v)

Shareholding of Directors and Key Managerial Personnel						
Sl. No.1	Shareholding at the beginning of the year	Shareholding during the year		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
Dilip Shanghvi - Director						
	At the beginning of the year	8000000	8.73			
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	No changes during the year				
	At the End of the year (or on the date of separation, if separated during the year)				8000000	8.73



VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A) Remuneration to Managing Director, Whole-time Directors and/or Manager

Sr. no.	Particulars of Remuneration	Karishma Shanghvi - Whole Time Director	Jirmiti Desai - Additional Director (Executive)	Total Amount
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the income-tax Act, 1961	50956010	0	50956010
	(b) Value of perquisites u/s 17(2) of the income tax Act, 1961	39600	0	39600
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
	Commission	0	0	0
4	as a % of profit	0	0	0
	Others, please specify	0	0	0
5	Total (A)	50956010	0	50956010
	Ceiling as per the Act	N.A.	N.A.	N.A.

B) Remuneration to other directors:

Sr. no.	Particulars of Remuneration	Name of Directors	Total Amount
1	Independent Directors	Dilip Shanghvi	
	- Fee for attending board committee meetings	Sudhir Valia	
	- Commission		
	- Others, please specify		
	Total (1)		Not Applicable



PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishments/ Compounding fees imposed	Authority (RD / NCLT / COURT)	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

N/A

For and on behalf of the Board of Directors

Dilip S. Shanghi

Dilip S. Shanghi (DIN: 00005588)
Director

Karishma A. Shanghi

Karishma A. Shanghi (DIN: 03546211)
Whole Time Director



Place: Mumbai
Date: 21.12.2020

SUN PETROCHEMICALS PVT LTD.

ANNEXURE TO THE BOARD'S REPORT

Information as per section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 and forming part of the Directors Report for the year ended 31st March,2020:

(I) CONSERVATION OF ENERGY:

(i) The steps taken or impact on conservation of energy:

- a. HPSV (High Pressure Sodium Vapour) lighting were replaced with LED lighting, and installation of energy efficient ACs resulting in energy saving.
- b. Optimization of Process parameters, resulting in saving of fuel gas.
- c. Installation of Variable Frequency Drive (VFDs) for energy efficiency.
- d. Optimization of Equipment speed & running hours, resulting in reduced power consumption.
- e. Maintaining improved power factor for energy efficiency
- f. Started implementing Zero Gas Flaring project in all our Bhaskar oil gas field
- g. Started the project for treating effluent water produced in Baola field for disposing it to one disposal well.

(ii) The steps taken by the Company for utilizing alternate sources of energy.

- a. The Company has already installed Solar power lights with / without camera for power saving and surveillance in its fields.
- b. The Company has been studying best possible mix of alternate sources of energy and if found suitable will use them in the future.

(iii) The capital investment on energy conservation equipment:

- During the year under review, the company has made investment on purchase of LED lights and solar power equipment as energy conservation equipment.

(II) TECHNOLOGY ABSORPTION:

(i) The Company has made following efforts made towards innovation and technology absorption:



- a. The company has introduced a new EOR (Enhanced Oil Recovery) technology (in-situ chemicals heating) MPCT to enhance the oil production from heavy oil well.
 - b. The Company has installed Innovative sand screen and Gravel Pack completion with back wash provision to prevent unconsolidated sand ingress during production and for increasing productivity.
 - c. Installed Heavy Oil Heating System to reduce water content.
 - d. In-house designed Gravity Chemical Injection System for PPD addition installed for pour point reduction.
 - e. Installed Liquid Trap for Heavy Oil & Gas Separation
 - f. Precast RCC slabs fabricated for rig placement as an innovative system for reduction of cost in civil foundations for new wells/workover.
 - g. The "Liquid U seal" installed to maintain constant suction pressure at CNG compressor inlet. This requires no manual intervention once it is lined-up. The set-up enables to maintain variable suction pressure due to barometric water seal arrangement. The system ensures zero flaring effectively with remote ignition system developed at lowest cost.
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution: Increased production of crude oil that resulted into saving of valuable foreign currency for import of crude oil.
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) –
- a. The details of technology imported – Patented MPCT EOR Technology for heavy oil production.
 - b. The year of import – 2016-17 & 2018-19
 - c. Whether the technology been fully absorbed – Not Applicable as technology is patented.
 - d. If not fully absorbed, areas where absorption has not taken place and the reasons thereof; and – Not Applicable.
- (iv) The expenditure incurred on Research and Development: NIL

(III) FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows:



	(Rs. Lacs)	
	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Foreign Exchange earning	0	0
Forging Exchange outgo	284.46	5457.83

For and on behalf of the Board of Directors

Dilip S. Shanghvi
DSS

Dilip S. Shanghvi (DIN: 00005588)
Director

Karishma A. Shanghvi

Karishma A. Shanghvi (DIN: 03546211)
Whole Time Director



Place: Mumbai
Date: 21-12-2020

VALIA & TIMBADIA
CHARTERED ACCOUNTANTS

ARVIND P. VALIA
B.COM. (Hons.), F.C.A.
HITEN C. TIMBADIA
B.COM. L.L.B. (GEN), F.C.A.

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SUN PETROCHEMICALS PRIVATE LIMITED

Opinion

We have audited the accompanying Ind AS financial statements of **SUN PETROCHEMICALS PRIVATE LIMITED** ("the Company"), which comprise the balance sheet as at March 31, 2020, and the Statement of Profit and Loss (including other comprehensive income, the Statement of Changes in Equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements read with the matters specified in Emphasis of Matter paragraph, give the information required by the Companies Act, 2013, as amended ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date

Basis for Opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the Standalone Ind AS financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Ind AS financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

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

Responsibilities of Management and those charged with governance for the Standalone Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position and financial performance and cash flows of the Company in accordance with the Accounting Principles generally accepted in India, including the Accounting Standards referred to in 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 the design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the Standalone Ind AS Financial Statements

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

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

- Identify and assess the risks of material mis-statement of the Standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our



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opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Ind AS financial statements, including the disclosures, and whether the Standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Emphasis of Matter:

Attention is invited to Note No.35 regarding first financial of the Company prepared under Ind AS and the Company has availed certain exemptions as per Ind AS 101 relating to first time adoption of Indian Accounting Standards. The Company has elected to consider the carrying value of all its items of property, plant and equipment and intangible assets recognised in the financial statements prepared under Previous GAAP and use the same as deemed cost in the opening Ind AS Balance Sheet.

The Company has elected to measure its investment in associates as per previous GAAP carrying value.

Attention is invited to Note No.45 regarding Acquisition of GSPC's entire Participating Interest (representing 66.67% interest in the Hazira Field) in Hazira Field for consideration of INR 18.86 Crore payable to GSPC. Accordingly, the financial statements include the assets and liabilities acquired from GSPC Ltd. The difference between net assets acquired and the purchase consideration paid has been recognized as fixed asset-Participating Interest Rights in the books. The said agreement is subject to approval from Ministry of Petroleum & Natural Gas (MoPNG).

Attention is invited to Note No.46 regarding Participating Interest in Baola and Modhera Fields effective from 18th Mar'2016, the Company is entitled to the amount deposited by the erstwhile Operator Interlink Petroleum Ltd into the Site Restoration Fund (SRF), however, as on 31st Mar'20, the account is in the name of previous Operator i.e. Interlink Petroleum Ltd. The said account has been transferred by the bank in the name of the Company in FY 2020-21 and therefore same would be recognised in books of the Company in FY 2020-21. Similarly, the Company has acquired GSPC's Participating Interest of 66.67% in Hazira Field vide agreement which is effective from 1st Oct'2019, however the agreement is subject to approval from Ministry of Petroleum & Natural Gas (MoPNG) and thus the GSPC's share of Site Restoration Fund and corresponding decommissioning liability shall be recognised in books once approval from MoPNG is received and the account is transferred in the name of the Company.

The Company has recognised amount of INR 57.22 Crore as deposit in Site Restoration Fund (SRF) representing its share in SRF arising out of the acquisition of Participating Interest of 33.33% in Hazira Field from Niko Resources Ltd in previous years. The corresponding decommissioning liability has also been accounted for and included in the provisions

Our Opinion is not modified in this regard.



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Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (herein after referred to as the "Order"), and on the basis of such checks and records of the Company as we consider appropriate and according to the information and explanations given to us, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and Cash Flow statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Ind AS Financial statement comply with the Accounting Standards referred to in section 133 of the Companies Act, 2013 read with the Rule 7 of the Companies (Account) Rules 2014.
 - e) On the basis of written representations received from the directors as on March 31, 2020 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.
 - f) With respect to the adequacy of the internal Financial controls over Ind AS Financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - g) With respect to other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us, we report as under:
 - (i) The Company has disclosed the impact of pending litigations as at March 31, 2020, if any, on its Ind AS Financial position in its Ind AS Financial statements.
 - (ii) The Company has made provisions as at March 31, 2020 as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts;
 - (iii) There was no amount required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2020.



Place: Mumbai
Date: 21st December, 2020

For VALIA & TIMBADIA
Chartered Accountants
(Firm Regn No: 112241W)

Ar. Valia

ARVIND P VALIA
Partner

Membership No: 033962
UDIN: 20033962AAAACV8561

ARVIND P. VALIA
B.COM. (Hons.), F.C.A.
HITEN C. TIMBADIA
B.COM. L.L.B. (GEN), F.C.A.

Annexure A to Independent Auditor's Report

Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date of SUN PETROCHEMICALS PRIVATE LIMITED.

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
b) Physical verification of fixed assets was carried out during the year by the Management, in accordance with the system of periodical verification of fixed assets over a period of three years. In our opinion, the frequency of verification is reasonable, considering the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been appropriately dealt with in the books of accounts
- iii) As per the information & explanation give to us, the Company has not granted any loans, secured or unsecured to the companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly provisions of clause (iii) (a), (b) and (c) of the Companies (Auditors' Report) Order, 2016 are not applicable to the Company.
- iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it, wherever applicable.
- v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sec.73 to Sec.76 of the Act and the Rules framed there under to the extend notified. Therefore provisions of Clause (v) of the Companies (Auditors' Report) Order, 2016 are not applicable to the Company.
- vi) As informed to us, the maintenance of Cost Records has not been prescribed by the Central government u/s 148(1) of the Companies Act, 2013, in respect of the activities carried on by the Company.
- vii) a) According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, duty of Customs, Duty of Excise, Value Added Tax, Goods and Service tax, Cess and other material statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2020 for a period of more than six months from the date of becoming payable.
b) There are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, duty of Customs, Duty of Excise, Value Added Tax, Goods and Service Tax and Cess which have not been deposited as on March 31, 2019 on account of disputes.
- viii) In our opinion and on the basis of information and explanations given by the management, the Company has not defaulted in repayment of dues to a Ind AS Financial institution or bank or to debenture holders during the year.
- ix) According to the information and explanations given to us, the Company has not raised monies by way of initial public offer or further public offer (including debts instruments) and term loans during the year.
- x) As per the information and explanations given to us, no fraud on or by the Company by its officers or employees has been noticed or reported during the year.
- xi) Being a Private limited Company, the provisions of Section 197 are not applicable to the company.
- xii) The company is not a Nidhi Company and therefore provisions of Clause (xii) of the Companies (Auditors' Report) Order, 2016 are not applicable to the Company.



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- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS Financial statements as required by the applicable accounting standards.
- xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore provisions of Clause (xiv) of the Companies (Auditors' Report) Order, 2016 are not applicable to the Company.
- xv) As per the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Therefore provisions of Clause (xv) of the Companies (Auditors' Report) Order, 2016 are not applicable to the Company.
- xvi) As per the information and explanations given to us, the Company is not required to be registered under 45-IA of the Reserve Bank of India Act, 1934 and therefore no registration was obtained.

Place: Mumbai
Date: 21st December, 2020



For VALIA & TIMBADIA
Chartered Accountants
(Firm Regn No: 112241W)

A handwritten signature in blue ink that reads "Arvind P. Valia".

ARVIND P VALIA
Partner
Membership No: 033962
UDIN: 20033962AAAACV8561

VALIA & TIMBADIA
CHARTERED ACCOUNTANTS

ARVIND P. VALIA
B.COM. (Hons.), F.C.A.
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Annexure B to Independent Auditor's Report

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

We have audited the internal Financial controls over Ind AS Financial reporting of **SUN PETROCHEMICALS PRIVATE LIMITED** ("the Company") as of 31 March 2020 in conjunction with our audit of the standalone Ind AS Financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Ind AS Financial Reporting

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



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ARVIND P. VALIA

B.COM. (Hons.), F.C.A.

HITEN C. TIMBADIA

B.COM. L.L.B. (GEN), F.C.A.

Inherent Limitations of Internal Financial Controls Over Ind AS Financial Reporting

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

Opinion

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



Place: Mumbai
Date: 21st December, 2020

For VALIA & TIMBADIA
Chartered Accountants
(Firm Regn No: 112241W)

A handwritten signature in blue ink that reads "Arvind P. Valia".

ARVIND P VALIA

Partner

Membership No: 033962
UDIN : 20033962AAAACV8561

SUN PETROCHEMICALS PRIVATE LIMITED

Balance Sheet as at 31st March 2020

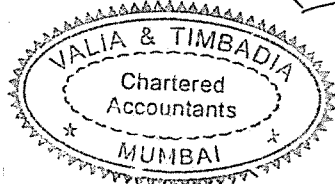
(Amt in ₹)

Particulars	Note No.	As on 31st March 2020	As on 31st March 2019	As on 31st March 2018
ASSETS				
1 Non-current assets				
(a) Property, Plant and Equipment	3	57,55,27,285	25,10,30,755	17,98,73,400
(b) Right of Use Asset	4	3,01,10,244		
(c) Capital Work-in-Progress	5	37,37,03,933	13,73,29,522	87,61,342
(d) Intangible assets	6	1,51,99,36,664	1,43,33,18,208	1,27,43,585
(e) Financial Assets		0		
(i) Investments	7	17,246	17,246	17,246
(ii) Deposit under site restoration fund	7	57,21,81,549	0	0
(f) Income Tax Assets (Net)	8	2,18,91,892	2,62,68,951	2,32,54,703
(g) Other non current assets		0	0	0
		3,09,33,68,813	1,84,79,64,682	22,46,50,276
2 Current assets				
(a) Inventories	9	19,90,54,596	22,85,45,639	7,60,26,944
(b) Financial Assets		0	0	0
(ii) Trade receivables	10	4,04,82,566	21,50,277	47,50,109
(iii) Cash and cash equivalents	11	2,63,040	2,99,936	39,83,628
(iv) Bank balances other than (iii) above	11	17,60,80,000	0	0
(v) Loans	12	1,24,27,510	2,00,16,060	53,38,097
(vi) Others	13	1,10,53,506	14,93,71,947	6,64,62,551
(c) Other current assets	14	9,99,53,950	4,96,55,161	5,48,28,050
		53,93,15,168	45,00,39,021	21,13,89,379
TOTAL		3,63,26,83,981	2,29,80,03,702	43,60,39,655
EQUITY AND LIABILITIES				
1 Equity				
(a) Equity Share capital	15	9,16,70,000	9,16,70,000	9,16,70,000
(b) Other equity	16	(7,25,50,575)	12,32,50,530	22,33,20,340
		1,91,19,425	21,49,20,530	31,49,90,340
2 Non-current liabilities				
(a) Financial Liabilities				
(i) Long Term Borrowings	17	1,38,94,07,323		
(ii) Lease Liabilities	18	3,07,86,090		
(iii) Other Long Term Financial Liabilities	19	41,85,770	84,99,846	1,51,76,369
(b) Long term provisions	20	58,64,04,606	1,16,32,265	88,54,089
(c) Deferred Tax Liabilities (Net)	21	3,90,24,610	1,80,92,736	2,66,81,862
		2,04,98,08,399	3,82,24,847	5,07,12,320
3 Current liabilities				
(a) Financial Liabilities				
(i) Short term borrowings	22	1,03,90,46,286	1,93,61,92,010	1,06,454
(ii) Lease Liabilities	18	28,98,200		
(iii) Trade payables (includes dues to micro and small enterprises: Nil (March 31, 2019 : Nil))	23	47,86,49,954	7,29,89,373	4,49,34,903
(iv) Other financial liabilities	24	39,13,212	76,23,082	1,02,30,910
(b) Other current liabilities	25	3,17,00,150	1,80,58,585	1,12,02,210
(c) Short-term provisions	26	75,48,355	99,95,275	38,62,519
		1,56,37,56,157	2,04,48,58,325	7,03,36,995
TOTAL		3,63,26,83,981	2,29,80,03,702	43,60,39,655
Significant accounting policies	2			
Notes forming part of the Financial Statements	3 to 47			

As per our attached report of even date.

For Valia & Timbadia,

Arvind Valia
Chartered Accountants
Firm Reg.No:112241W
Arvind Valia
Partner
Membership No:033962
Place: Mumbai
Date : 21st Dec 2020



For and on behalf of the Board

Dilip S. Shanghvi
Dilip S. Shanghvi
Director

Karishma A. Shanghvi
Karishma A. Shanghvi
Whole time Director

Tushar Pawar
Tushar Pawar
Company Secretary

SUN PETROCHEMICALS PRIVATE LIMITED
Statement of Profit and Loss Account for the year ended 31st March 2020

(Amt in ₹)

Particulars	Note No.	For the year ended on 31st March 2020	For the year ended on 31st March 2019
1 INCOME			
(a) Revenue from Operations	27	49,84,87,526	20,04,20,237
(b) Other Income	28	5,55,76,382	4,62,56,139
Total Income		55,40,63,908	24,66,76,376
2 EXPENSES			
(a) Changes in Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade	29	1,46,97,264	(1,38,72,074)
(b) Excise Duty / Cess		1,99,68,014	48,19,302
(c) Royalties		2,52,63,258	75,53,665
(d) Workover charges	30	2,26,00,134	4,26,19,661
(e) Operative Expenses	31	11,19,27,367	9,45,87,889
(f) Employee Cost	32	14,80,89,333	7,91,77,992
(g) Finance Cost	33	15,68,36,046	85,40,455
(h) Depreciation and Amortisation expenses		7,68,87,519	3,25,51,118
(i) Other Expenses	34	15,88,20,816	9,93,57,304
Total Expenses		73,50,89,751	35,53,35,312
3 Profit/(loss) before tax for the year		(18,10,25,843)	(10,86,58,936)
4 Tax Expense			
Current Tax		-	-
Tax Expenses relating to earlier years		5,56,611	-
Deferred Tax		2,09,31,873	(85,89,126)
5 Profit/(loss) for the year		(20,14,01,105)	(10,00,69,810)
6 Other Comprehensive Income / (Loss)			
(i) Items that will not be reclassified to profit or loss			
Remeasurements of Defined Benefit Plans (Refer Note 44)		-	-
7 Total Other Comprehensive Income / (Loss)		-	-
8 Total Comprehensive Income for the year		(20,14,01,105)	(10,00,69,810)
Earnings Per Equity Share:	37		
Basic		(21.97)	(10.92)
Diluted		(21.97)	(10.92)
Significant accounting policies	2		
Notes forming part of the Financial Statements	3 to 47		

For Valia & Timbadia

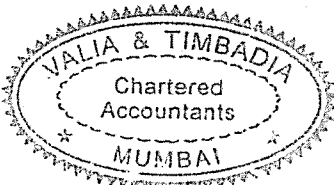
For and on behalf of the Board

AP. Valia
Chartered Accountants
Firm Reg.No:112241W
Arvind Valla
Partner
Membership No:033962
Place: Mumbai
Date: 21st Dec 2020

Dilip S. Shaughvi
Dilip S. Shaughvi
Director

Karishma A. Shaughvi
Karishma A. Shaughvi
Whole time Director

Tushar Pawar
Tushar Pawar
Company Secretary



SUN PETROCHEMICALS PRIVATE LIMITED
Statement of Changes in Equity as at 31st March 2020

(Amt in ₹)

NOTE - 16 EQUITY SHARE CAPITAL	As on 31st March 2020	As on 31st March 2019	As on 31st March 2018
Authorised Share Capital			
2,99,99,000 (2,99,99,000 as at March 31, 2019) Equity Share of Rs.10/- each	29,99,90,000	29,99,90,000	29,99,90,000
Issued, Subscribed & Fully Paid up Share Capital			
91,67,000 (91,67,000 as at March 31, 2019) Equity Share of Rs.10/- each	9,16,70,000	9,16,70,000	9,16,70,000
Total	9,16,70,000	9,16,70,000	9,16,70,000

(Amt in ₹)

OTHER EQUITY	Capital Reserve	General Reserve	Equity for financial guarantee by holding Company	Retained Earnings	Total
Balance as at April 1, 2018	20,44,339	5,00,00,000		17,13,84,693	22,34,29,042
Ind AS transition adjustments					0
Deferral Sales tax liability				14,88,726	14,88,726
Deferred sales tax gain				(28,03,697)	(28,03,697)
Deferred tax liability as per Balance Sheet approach				12,06,278	12,06,278
Balance as at April 1, 2018	20,44,339	5,00,00,000	0	17,12,76,001	22,33,20,340
Additions during the period :					0
Total Comprehensive Income	0			(10,00,69,810)	(10,00,69,810)
	0				0
Balance as at March 31, 2019	20,44,339	5,00,00,000	0	7,12,06,191	12,32,50,530
Equity for financial guarantee by Holding Company			56,00,000		56,00,000
Additions during the period :					
Total Comprehensive Income	0			(20,14,01,105)	(20,14,01,105)
	0			0	0
Balance as at March 31, 2020	20,44,339	5,00,00,000	56,00,000	(13,01,94,914)	(7,25,50,575)

For Valia & Timbadia

A.P. Valia

Chartered Accountants
Firm Reg.No:112241W
Arvind Valia
Partner
Membership No:033962
Place: Mumbai
Date: 21st Dec 2020

For and on behalf of the Board

Dilip S. Shanghvi

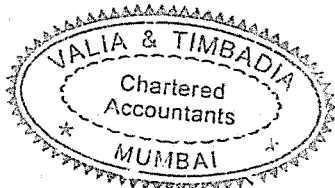
Dilip S. Shanghvi
Director

Karishma A. Shanghvi

Karishma A. Shanghvi
Whole time Director

Tushar Pawar

Tushar Pawar
Company Secretary



SUN PETROCHEMICALS PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2020

(Amt in ₹)

PARTICULARS	Year ended 31st March,	Year ended 31st March,
	2020	2019
	Rs.	Rs.
A) Cash flow From Operating Activities		
Net Profit / (Loss) Before Tax	(18,10,25,843)	(10,86,58,936)
<u>Adjustments for</u>		
Govt grant income - on deferral sales tax liability	(9,19,561)	16,94,915
Employee benefit expenses provision	1,43,872	89,10,932
Interest on account of amortised cost accounting	36,11,533	10,08,199
Rent reversals done for Leases accounting	(32,78,554)	0
Interest Income	(3,86,85,485)	(3,01,44,819)
Misc. exps. - Processing fees reversed	(49,91,219)	
Depreciation	7,68,87,519	3,25,51,118
Finance cost	15,32,24,513	85,40,455
Operating (Loss) / Profit before Working Capital change	49,66,775	(8,60,98,136)
<i>Changes in working capital</i>		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Decrease / (Increase) Inventories	2,94,91,043	(15,25,18,695)
Decrease / (Increase) Trade Receivables and Other Receivables	(3,83,32,289)	25,99,832
Decrease / (Increase) - Loans	75,88,550	(1,46,77,963)
Decrease / (Increase) - Other financial assets	13,83,18,441	(8,29,09,396)
Decrease / (Increase) - Other current assets	(5,02,98,789)	51,72,888
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
(Decrease) / Increase - Trade & Other payables	12,35,33,221	2,80,54,471
(Decrease) / Increase - Other financial Liabilities	(71,04,385)	(1,19,87,464)
(Decrease) / Increase - Other non financial Liabilities	1,36,41,565	68,56,375
(Decrease) / Increase - Lease liabilities	(37,486)	
Income Tax paid	49,33,670	(30,14,242)
Net Cash Flows from Operating Activities	22,67,00,316	(30,85,22,331)
B) Cash Flow from Investing Activities		
Purchase of PPE	(40,13,84,049)	(10,37,08,473)
Investment in Capital-Work-Progress	(23,63,74,412)	(12,83,68,180)
Investment in intangible assets	(8,66,18,456)	(1,42,05,74,628)
Earmarked balances with Banks	(17,60,80,000)	0
Interest income	3,86,85,485	3,01,44,819
Payable for Capital Creditors	28,54,05,914	
Net Cash Flows from Investing Activities	(57,63,65,518)	(1,62,27,06,462)
C) Cash Flow from Financing Activities		
Increase in long term borrowings	1,39,99,98,543	0
Decrease in current borrowings	(89,71,45,724)	1,93,60,85,556
Finance cost incurred	(15,32,24,513)	(85,40,455)
Net Cash Flows from Financing Activities	34,96,28,306	1,92,75,45,101
Net Increase / (Decrease) in Cash & Cash equivalents	(36,896)	(36,83,692)
Cash & Cash Equivalents at Beginning of the year	2,99,936	39,83,628
Cash & Cash Equivalents at the End of the Year	2,63,040	2,99,936

For Valia & Timbadia,

Arvind Valia

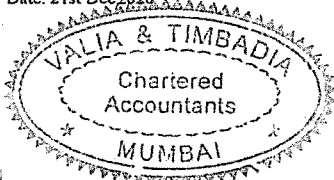
Chartered Accountants
 Firm Reg.No:112241W
 Arvind Valia

Partner

Membership No:033962

Place: Mumbai

Date: 21st Dec 2020



For and on behalf of the Board

Dilip S. Shaughvi *Karishma A. Shaughvi* *Tushar Pawar*

Dilip S. Shaughvi Karishma A. Shaughvi Tushar Pawar

Director

Whole time Director

Company Secretary

SUN PETROCHEMICALS PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2020

1 COMPANY OVERVIEW

Sun Petrochemicals Private Limited ("SunPetro or 'Company'") was incorporated as a private limited company on 21st December 1995. The company is into manufacturing of acetylene carbon black which is used in batteries, semiconductive rubber & polymer compounds, conductive tapes, curing bladders for tyres and other conductive applications. The company has also entered into upstream Oil & Gas business and has entered into various production sharing contracts with Government of India to carry out development and production of Oil and Gas.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance with Ind AS

These financial statements are separate financial statements of the Company (also called standalone financial statements). The Company has prepared financial statements for the year ended March 31, 2020 in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) together with the comparative period data as at and for the year ended March 31, 2019. Further, the Company has prepared the opening balance sheet as at April 01, 2018 (the transition date) in accordance with Ind AS.

For all the periods up to the year ended March 31, 2019, the Company had prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended).

These are the Company's first Ind AS financial statements. Refer Note 36 for the details of first-time adoption exemption available by the Company.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use.

2.2 Historical cost convention

The financial statements have been prepared on the historical cost basis, except for: (i) certain financial instruments that are measured at fair values at the end of each reporting period; and (ii) defined benefit plans – plan assets that are measured at fair values at the end of each reporting period.

2.3 Current non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

2.4 Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Actual results may differ from these estimates. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of investment, useful lives of property, plant and equipment, valuation of deferred tax assets, provisions and contingent liabilities.

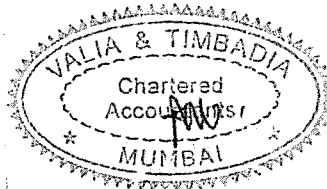
2.5 Property, plant and equipment

i) Capitalisation expenditure

i.a) Oil field assets – (developing/producing assets)

All costs incurred after the technical feasibility and commercial viability of having oil reserves has been demonstrated, are capitalised within property plant and equipment – development/producing assets on a field-by-field basis. Subsequent expenditure is capitalised only where it either enhances the economic benefits of the development/producing asset or replaces part of the existing development/producing asset. Any remaining costs associated with the part replaced are expensed.

Net proceeds from any disposal of development/ producing assets are credited against the previously capitalised cost. A gain or loss on disposal of a development/producing asset is recognised in the statement of profit and loss to the extent that the net proceeds exceed or are less than the appropriate portion of the net capitalised costs of the asset.



SUN PETROCHEMICALS PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2020

i.b) Other assets

The initial cost of property, plant and equipment comprises its purchase price, non-refundable purchase taxes, duties and any directly attributable costs of bringing an asset to working condition and location for its intended use.

ii) Depreciation, depletion and amortisation expense

ii.a) Oil and gas assets- (developing/producing assets)

All expenditures carried within each field are amortised from the commencement of production on a unit of production basis, which is the ratio of oil and gas production in the period to the estimated quantities of depletable reserves at the end of the period plus the production in the period, generally on a field-by-field basis or group of fields which are reliant on common infrastructure.

Depletion method is based on 'Field Development Plan' and recovery approved by management as per quantitative depletion of related reserves.

ii.b) Other assets:

Management's assessment takes into account, inter alia, the nature of the assets, the estimated usage of the assets, the operating conditions of the assets, past history of replacement and maintenance support

Depreciation is provided on straight line method based on useful lives of assets as indicated in Part C of Schedule II to the Companies Act 2013.

Leasehold land is amortised over the period of lease.

2.6 Intangible Assets:

a) Oil field production and development rights:

Oil field production and development rights' are recognised as Intangible assets at its fair value which is transaction price.

These rights are amortised from the commencement of production on a unit of production basis, which is the ratio of oil and gas production in the period to the estimated quantities of depletable reserves at the end of the period plus the production in the period, generally on a field-by-field basis or group of fields which are reliant on common infrastructure.

b) Other intangible rights:

Intangible assets consisting off trademarks, design, technical know-how and computer software are recognised where it is probable that the future economic benefit attributable to the assets will flow to the Company and its cost can be reliably measured.

Intangible Assets are stated at cost less accumulated amortisation and accumulated impairment loss, if any.

Intangibles assets are amortised over its useful lives as estimated by the management from the date it is available for use.

2.7 Decommissioning Costs

Decommissioning cost includes cost of restoration. Provision for decommissioning costs is recognized when the Company has a legal or constructive obligation to plug and abandon a well, dismantle and remove a facility or an item of Property, Plant and Equipment and to restore the site on which it is located. The full eventual estimated provision towards costs relating to dismantling, abandoning and restoring well sites and allied facilities are recognized in respective assets when the well is complete / facilities or Property, Plant and Equipment are installed. The amount recognized is the present value of the estimated future expenditure determined using existing technology at current prices and escalated using appropriate inflation rate till the expected date of decommissioning and discounted up to the reporting date using the appropriate risk free discount rate.

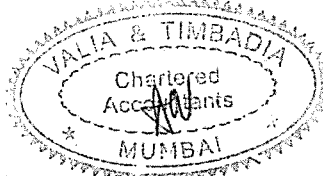
2.8 Impairment of non-financial assets

Impairment charges and reversals are assessed at the level of cash-generating units. A cash-generating unit (CGU) is the smallest identifiable group of assets that generate cash inflows that are largely independent of the cash inflows from other assets or group of assets.

The Company assesses at each reporting date, whether there is an indication that an asset may be impaired. The Company conducts an internal review of asset values annually, which is used as a source of information to assess for any indications of impairment or reversal of previously recognised impairment losses. Internal and external factors, such as worse economic performance than expected, changes in expected future prices, costs and other market factors are also monitored to assess for indications of impairment or reversal of previously recognised impairment losses.

If any such indication exists then an impairment review is undertaken and the recoverable amount is calculated, as the higher of fair value less costs of disposal and the asset's value in use.

Value in use is determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset in its present form and its eventual disposal. The cash flows are discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted. Value in use is determined by applying assumptions specific to the Company's continued use and cannot take into account future development. These assumptions are different to those used in calculating fair value and consequently the value in use calculation is likely to give a different result to a fair value calculation.



SUN PETROCHEMICALS PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2020

2.9 Investment in Associates:

The Company has elected to recognize its investments in associate companies at cost in accordance with the option available in Ind AS 27, 'Separate Financial Statements'.

2.10 Financial Instruments

a Classification

The Company classifies its financial assets in the following measurement categories:

- (1) those to be measured subsequently at fair value either through other comprehensive income (FVOCI), or through the Statement of Profit and Loss (FVTPL), and
- (2) those measured at amortised cost.

b Measurement

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Profit and Loss are expensed in the Statement of Profit and Loss.

c Income Recognition on financial instruments:

Interest income

Interest income from debt instruments is recognised using the effective interest rate method.

Dividends

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established.

d Impairment of financial Instruments

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities and deposits.
- b) Financial assets that are debt instruments and are measured as at FVOCI.
- c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

- Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables, contract assets and lease receivables.

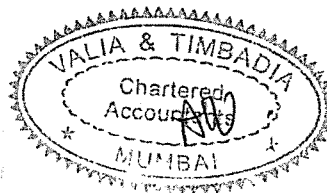
ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive, discounted at the original EIR.

2.11 Inventory:

- a) Raw & Packing materials are valued at cost.
- b) Cost of semi-finished goods is determined based on raw material cost and proportionate conversion cost.
- c) Cost of finished goods is determined based on raw material cost, conversion cost and excise duty. Finished products are valued at weighted average cost or at net realisable value, whichever is lower.

2.12 Cash and cash Equivalents:

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, balances with bank, deposits held with banks or highly liquid short term investments with maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.



SUN PETROCHEMICALS PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2020

2.13 Leases:

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payment

The Company as a lessor

Rental income from operating lease is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

Transition:

Effective April 01, 2019, the Company has adopted Ind AS 116 "Leases", and applied to all lease contracts existing on April 01, 2019 using the modified retrospective method. Accordingly, the Company has recognised a lease liability measured at the present value of the remaining lease payments, and right-of-use (ROU) asset at an amount equal to lease liability (adjusted for any related prepayments). Management has exercised judgement in determining whether extension and termination options are reasonably certain to be exercised.

2.14 Borrowings

Borrowings are initially recognised and measured at amortised cost. Subsequent to initial recognition, these borrowings are measured at amortized cost using the effective interest method, less any impairment losses.

2.15 Borrowing costs

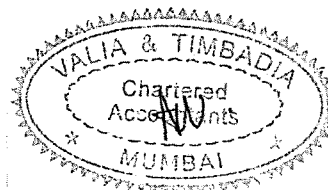
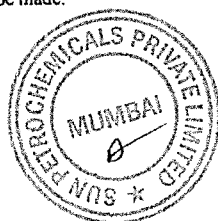
Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to Statement of Profit and Loss using effective interest method.

2.16 Provisions and contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.



SUN PETROCHEMICALS PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2020

2.17 Estimation of provision for decommissioning

The Company estimates provision for decommissioning as per the principles of Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets' for the future decommissioning of Oil & Gas assets at the end of their economic lives. Most of these decommissioning activities would be in the future, the exact requirements that may have to be met when the removal events occur involve uncertainty. Technologies and costs for decommissioning are constantly changing. The timing and amounts of future cash flows are subject to significant uncertainty. The timing and amount of future expenditures are reviewed at the end of each reporting period, together with rate of inflation for escalation of current cost estimates and the interest rate used in discounting the cash flows. The economic life of the Oil & Gas assets is estimated on the basis of long term production profile of the relevant Oil & Gas asset.

2.18 Revenue Recognition

Revenue from contracts with customers is recognized at the point in time the Company satisfies a performance obligation by transferring control of a promised product or service to a customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for the sale of products and service, net of discount, taxes or duties. The transfer of control on sale of crude oil, natural gas and value added products occurs at the point of delivery, where usually the title is passed and the customer takes physical possession, depending upon the contractual conditions. Any retrospective revision in prices is accounted for in the year of such revision. Revenue from service is recognised in the accounting period in which the services are rendered at contractually agreed rates.

2.19 Government Grant:

Government Grant is difference between fair value of loan availed (deferment loans) and amount payable by the Company, which is accounted as per provisions of Ind AS 20 Accounting for Government Grants.

Accounting for Government Grants is based on the terms of the scheme applicable to the company, and which is deferred and amortised to the statement of profit and loss over the period of the sales tax deferral loan.

2.20 Foreign currency translation

a Functional and presentation currency

The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

b Transactions and balances

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are translated using mean exchange rate prevailing on the last day of the reporting period.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise.

2.21 Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

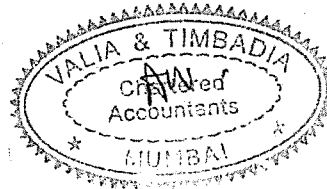
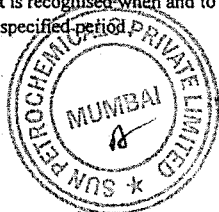
Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Minimum Alternate Tax credit is recognised when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.



SUN PETROCHEMICALS PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2020

2.22 Employee Benefits

a Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in full in the other comprehensive income for the period in which they occur. Past service cost both vested and unvested is recognised as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognises related restructuring costs or termination benefits.

The retirement benefit obligations recognised in the balance sheet represents the present value of the defined benefit obligations reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

b Defined contribution plans

The Company's contribution towards Provident Fund and Family Pension Fund, which are defined contribution, are accounted for on an accrual basis and recognised in the Statement of Profit & Loss in the year in which they occur.

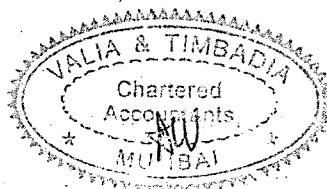
c Compensated absences

Compensated absences are provided for on the basis of an actuarial valuation, using projected unit credit method, as at the date of the balance sheet, actuarial gains / losses, if any, are immediately recognized in the statement of profit and loss.

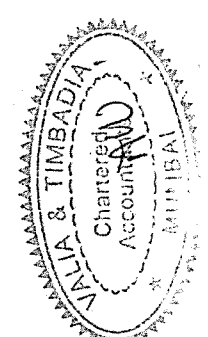
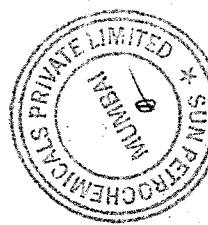
2.33 Earnings per share

The basic earnings per share is computed and disclosed by dividing the net profit after tax attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed and disclosed using the weighted average number of equity shares outstanding during the year, adjusted for the effects of all dilutive potential equity shares, if any.



PROPERTY, PLANT & EQUIPMENT	GROSS CARRYING VALUE			DEPRECIATION AMORTISATION			NET CARRYING VALUE	
	Balance as at 1st April 2019	Additions	Deductions	Balance as at 1st April 2019	For the year	Deductions	Balance as at 31st March 2020	Balance as at 31st March 2019
OIL FIELD ASSETS								
TANGIBLE ASSETS	30,85,080	-	-	30,85,080	3,27,411	-	732,613	26,79,879
FACTORY BUILDING	4,67,353	23,31,208	-	27,98,561	37,599	-	33,462	4,69,490
DATA PROCESSING EQUIPMENTS	1,18,319	2,74,925	-	3,93,444	10,866	-	12,786	1,16,599
AIR CONDITIONERS & AC SYSTEM	11,63,681	15,91,965	-	27,55,647	1,74,886	-	2,57,722	10,80,845
OTHER EQUIPMENTS	3,84,758	7,82,828	-	1,67,586	25,226	-	33,815	3,76,170
OFFICE EQUIPMENTS	22,45,986	11,06,943	-	1,08,943	9,969	-	9,969	10,98,973
COMMUNICATION NETWORK	12,587	1,20,298	-	22,42,914	2,60,728	-	4,67,667	20,39,047
ELECTRICAL FITTINGS	4,57,62,704	15,62,66,040	-	1,73,885	13,990	-	14,194	1,18,691
FURNITURE & FIXTURE	5,33,40,670	16,24,76,207	3,072	35,20,28,744	2,18,96,680	-	2,58,55,134	4,18,04,230
DRILLING EXPENSE US 42								
TOTAL OIL FIELD ASSETS								
	5,33,40,670	16,24,76,207	3,072	21,57,13,805	46,62,026	2,27,57,355	2,74,19,381	18,82,94,424
OTHER ASSETS								
TANGIBLE ASSETS	28,96,488	-	-	28,96,488	43,160	-	86,320	28,53,329
LEASE-HOLD LAND	10,31,323	-	-	10,31,323	27,094	-	54,189	10,04,229
OFFICE BUILDING	4,68,57,128	-	-	4,68,57,128	34,55,505	-	69,11,009	4,34,01,623
FACTORY BUILDING	4,05,908	-	-	4,05,908	35,355	-	70,710	3,70,553
LABORATORY EQUIPMENTS	28,19,824	2,95,275	-	31,15,099	3,48,838	-	6,99,294	24,70,986
ELECTRICAL FITTINGS	36,279	-	-	36,279	8,759	-	17,517	27,520
FURNITURE & FIXTURE	4,29,534	1,93,300	30,000	5,92,834	2,74,203	-	4,44,863	1,47,971
OFFICE EQUIPMENTS	3,95,156	-	-	6,95,156	82,092	15	1,64,050	6,13,123
FACTORY EQUIPMENTS	2,53,891	-	-	2,53,891	1,02,612	-	2,00,774	1,51,280
OTHER EQUIPMENTS	24,52,751	10,62,944	-	35,15,695	14,25,729	-	19,04,193	16,11,501
R & D EQUIPMENTS & LAB	64,096	-	-	64,096	9,200	-	17,117	46,979
DATA PROCESSING EQUIPMENTS	1,36,77,223	1,69,27,926	73,17,471	2,32,87,677	15,19,978	93,09,548	1,37,114	2,31,50,564
CYCLES	7,16,19,601	1,84,79,445	73,47,371	8,27,51,574	72,28,921	43,09,563	1,07,07,150	7,20,44,424
A/C SYSTEM	15,55,17,641	21,74,87,921	4,33,17,778	32,06,87,784	1,74,16,309	2,58,38,140	1,44,95,348	13,80,61,432
MOTOR CAR	28,03,77,912	39,84,43,572	5,06,78,321	62,81,53,163	2,93,47,157	3,07,47,708	5,26,15,878	57,55,27,285
TOTAL OTHER ASSETS								
	28,03,77,912	39,84,43,572	5,06,78,321	62,81,53,163	2,93,47,157	3,07,47,708	5,26,15,878	25,10,30,755
PLANT & MACHINERY (OIL FIELD & OTHER ASSETS)								
	15,55,17,641	21,74,87,921	4,33,17,778	32,06,87,784	1,74,16,309	2,58,38,140	1,44,95,348	13,80,61,432
TOTAL ASSETS								
	28,03,77,912	39,84,43,572	5,06,78,321	62,81,53,163	2,93,47,157	3,07,47,708	5,26,15,878	25,10,30,755



SUN PETROCHEMICALS PRIVATE LTD
Notes forming part of financial statements for the year ended March 31, 2020

2018-19

PROPERTY, PLANT & EQUIPMENTS:

Name of the Asset	GROSS CARRYING VALUE			DEPRECIATION/AMORTISATION			NET CARRYING VALUE	
	Balance as at 1st April 2018	Additions	Deductions	Balance as at 31st March 2019	For the year	On deductibles	Balance as at 31st March 2019	Balance as at 31st March 2018
OIL FIELD ASSETS								
TANGIBLE ASSETS	30,85,080	-	-	30,85,080	2,63,291	-	36,79,879	30,85,080
FACTORY BUILDING	8,874	4,58,479	-	4,67,353	1,381	(2,137)	4,69,490	8,874
DATA PROCESSING EQUIPMENTS	-	1,18,519	-	1,18,519	1,920	-	1,16,599	-
AIR CONDITIONERS & AC SYSTEM	-	11,63,681	-	11,63,681	82,837	-	10,80,844	-
OTHER EQUIPMENTS	16,362	3,68,395	-	3,84,758	8,589	-	3,76,170	16,363
OFFICE EQUIPMENTS	11,89,277	10,56,709	-	22,45,986	2,05,939	-	20,39,047	11,89,277
ELECTRICAL FITTINGS	-	12,387	-	12,387	304	-	12,383	-
FURNITURE & FIXTURE	-	5,32,57,995	-	7,74,99,404	72,55,638	-	7,02,34,965	2,42,41,409
PLANT & MACHINERY (DEVELOPING ASSET)	2,42,41,409	4,57,62,704	-	4,57,62,704	39,58,674	-	4,18,04,230	-
DRILLING EXPENSE US 42	-	-	-	-	1,19,38,135	(11,718)	11,88,13,609	2,85,41,004
TOTAL OIL FIELD ASSETS	2,85,41,004	10,21,99,070	-	13,07,40,074	-	(11,718)	11,88,13,609	2,85,41,004
OTHER ASSETS								
TANGIBLE ASSETS	28,96,488	-	-	28,96,488	43,179	-	28,53,329	28,96,488
LEASE-HOLD LAND	10,31,323	-	-	10,31,323	27,094	-	10,04,229	10,31,323
OFFICE BUILDING	4,68,57,128	-	-	4,68,57,128	34,55,565	-	4,34,01,623	4,68,57,128
FACTORY BUILDING	7,80,18,238	-	-	7,80,18,238	1,01,91,771	-	6,78,26,467	7,80,18,238
PLANT & MACHINERY	4,05,908	-	-	4,05,908	33,355	-	3,70,553	4,05,908
LABORATORY EQUIPMENTS	28,19,824	-	-	28,19,824	3,48,838	-	24,70,986	28,19,824
ELECTRICAL FITTINGS	36,279	-	-	36,279	8,759	-	27,520	36,279
FURNITURE & FIXTURE	3,45,843	97,781	64,096	4,29,534	1,70,660	-	2,58,875	3,45,843
OFFICE EQUIPMENTS	6,95,156	-	64,096	6,95,156	82,032	-	6,13,123	6,95,156
OTHER EQUIPMENTS	2,55,491	-	-	2,55,491	1,02,612	-	1,51,280	2,55,491
R & D EQUIPMENTS & LAB	17,07,972	7,44,775	-	24,52,747	14,57,729	-	10,27,022	17,07,972
DATA PROCESSING EQUIPMENTS	64,096	-	-	64,096	2,300	-	54,896	64,096
CYCLES	1,52,00,245	20,05,155	-	1,52,00,245	3,72,347	-	1,21,57,245	1,52,00,245
A/C SYSTEM	-	-	-	-	-	-	-	-
MOTOR CAR	-	-	-	-	-	-	-	-
TOTAL OTHER ASSETS	15,13,32,393	28,47,714	45,42,269	14,96,27,838	1,92,05,661	18,62,369	13,22,17,146	15,13,32,393
TOTAL ASSETS	17,98,73,397	10,50,46,784	45,42,269	28,93,77,912	3,67,21,244	18,50,651	25,65,30,255	17,98,73,397

Particulars	Balance as at 31st March 2020
RIGHT OF USE ASSETS	
Recognition on implementation of Ind AS 116	3,25,61,198
Additional during the year	11,98,192
Less: Depreciation for the year	(36,49,146)
Less: Disposals / write offs	-
Balance as on 31.03.2020	3,01,10,244

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(Amt in ₹)

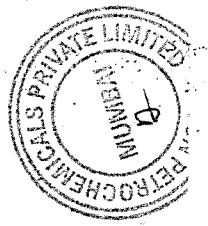
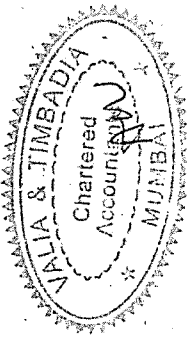
CAPITAL WORK IN PROGRESS				
2019-20	Balance as at 1st April 2019	Additions	Deductions	Balance as at 1st April 2020
PRODUCING PROPERTY IN PROGRESS	13,73,29,522	33,34,52,461	9,70,76,049	37,37,03,933

CAPITAL WORK IN PROGRESS				
2018-19	Balance as at 1st April 2018	Additions	Deductions	Balance as at 1st April 2019
PRODUCING PROPERTY IN PROGRESS	87,61,342	12,85,64,190	-	1,73,29,522

Name of the Asset	GROSS CARRYING VALUE			DEPRECIATION / AMORTISATION			NET CARRYING VALUE	
	Balance as at 1st April 2019	Additions	Deductions	Balance as at 1st April 2019	For the year	On deductions	Balance as at 31st March 2020	Balance as at 31st March 2019
INTANGIBLE ASSETS:								
2019-20								
OIL-FIELD ASSETS:								
INTANGIBLE ASSETS	1,32,00,20,495	-	1,32,00,20,495	-	-	-	-	1,32,00,20,495
PI RIGHTS PURCHASE FROM RELIANCE/BP	10,52,10,193	-	10,52,10,193	-	-	-	-	10,52,10,193
PREOPERATIVE EXPENSES	-	-	-	-	-	-	-	(0)
ACQUISITION OF PI RIGHTS	-	1,51,16,61,087	-	-	1,51,16,61,087	-	1,51,16,61,087	1,51,16,61,087
OTHERS:								
SOFTWARE	1,27,43,585	-	-	46,56,064	46,56,064	-	93,12,129	34,31,456
TOTAL	1,43,79,74,272	1,53,16,61,087	1,42,52,30,688	46,56,064	1,99,11,943	-	2,44,68,008	1,51,99,36,664

Name of the Asset	GROSS CARRYING VALUE			DEPRECIATION / AMORTISATION			NET CARRYING VALUE	
	Balance as at 1st April 2018	Additions	Deductions	Balance as at 1st April 2018	For the year	On deductions	Balance as at 31st March 2019	Balance as at 31st March 2018
INTANGIBLE ASSETS:								
2018-19								
OIL-FIELD ASSETS:								
INTANGIBLE ASSETS	-	1,32,00,20,495	-	-	-	-	-	1,32,00,20,495
PI RIGHTS PURCHASE FROM RELIANCE/BP	-	10,52,10,193	-	-	-	-	-	10,52,10,193
PREOPERATIVE EXPENSES	-	-	-	-	-	-	-	-
OTHERS:								
SOFTWARE	1,27,43,585	-	-	46,56,064	46,56,064	-	46,56,064	80,87,520
TOTAL	1,27,43,585	1,42,52,30,688	-	46,56,064	46,56,064	-	46,56,064	1,43,33,16,208

(Intangible assets represent production rights acquired at its fair value).



SUN PETROCHEMICALS PRIVATE LIMITED
Notes forming part of financial statements for the year ended March 31, 2020

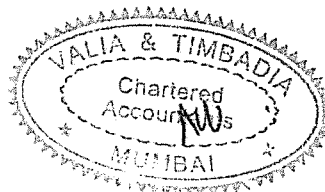
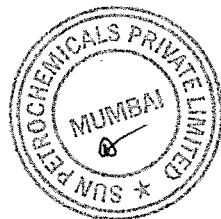
(Amt in ₹)

7	FINANCIAL ASSETS	As on 31st March 2020	As on 31st March 2019	As on 31st March 2018
	Investment at fair value through Profit and Loss			
	-Investment in Limited Liability Partnerships (Associates)	17,246	17,246	17,246
	Generic Solar Power LLP	4,226	4,226	4,226
	Trumpcard Advisors and Finvest LLP	13,020	13,020	13,020
	Total Investments (i)	17,246	17,246	17,246
	Deposit under site restoration fund (SRF)	57,21,81,549	-	-
	Total Deposit in SRF (ii)	57,21,81,549	-	-
	Total Financial Assets (i+ii)	57,21,98,795	17,246	17,246

8	CURRENT TAX ASSETS (NET)	As on 31st March 2020	As on 31st March 2019	As on 31st March 2018
	Advance Tax and TDS receivable (Net)	2,18,91,892	2,62,68,951	2,32,54,703
	Total	2,18,91,892	2,62,68,951	2,32,54,703

9	INVENTORIES	As on 31st March 2020	As on 31st March 2019	As on 31st March 2018
	Raw Materials	9,39,872	9,39,872	9,39,872
	Packing Material	14,80,304	14,80,304	14,80,304
	Work-in-Progress	30,760	30,760	54,345
	Finished Goods ACB & Crude Oil	85,17,802	1,87,22,198	48,26,539
	Stores and Spares	18,88,85,858	20,72,72,505	6,87,25,884
	Total	19,90,34,596	22,85,45,639	7,60,26,944

10	TRADE RECEIVABLES	As on 31st March 2020	As on 31st March 2019	As on 31st March 2018
	Unsecured – Considered Good			
	Outstanding for a period exceeding six months from the date they were due for payment.		1,83,753	1,75,233
	Other Trade Receivables	4,04,82,566	19,66,525	45,74,876
	Less: Provision for Doubtful Trade Receivables			
	Total	4,04,82,566	21,50,277	47,50,109

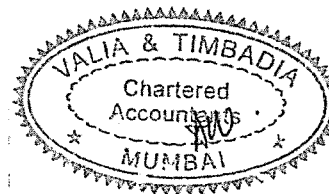
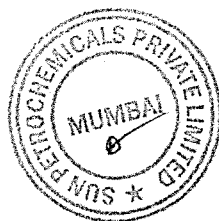


11	CASH AND BANK BALANCES	As on 31st March 2020	As on 31st March 2019	As on 31st March 2018
	A) Cash and Cash Equivalents			
	(a) Balance with Banks			
	(i) Current Accounts	2,55,325	2,82,511	39,74,102
	(b) Cash on Hand	7,715	17,425	9,526
		-	-	-
	Total	2,63,040	2,99,936	39,83,628
	B) Other Balances with bank			
	Balances held as Margin Money	17,60,80,000		-
	Total	17,60,80,000	-	-

12	LOAN	As on 31st March 2020	As on 31st March 2019	As on 31st March 2018
	Unsecured, Considered good			
	Security Deposits	1,19,03,477	1,95,57,753	48,74,741
	Loan to Employees	5,24,033	4,58,307	4,63,356
	Total	1,24,27,510	2,00,16,060	53,38,097

13	OTHER CURRENT FINANCIAL ASSETS	As on 31st March 2020	As on 31st March 2019	As on 31st March 2018
	Advance Given	53,03,010	14,51,78,593	5,34,84,065
	Export Incentive Receivable	33,57,787	33,57,787	1,25,90,662
	Interest accrued on margin money	23,92,709	6,65,738	2,20,492
	Interest accrued on MSEB Deposit		1,69,829	1,67,332
	Total	1,10,53,506	14,93,71,947	6,64,62,551

14	OTHER CURRENT ASSETS	As on 31st March 2020	As on 31st March 2019	As on 31st March 2018
	Advances towards Supply of Goods and Services	5,67,58,141	1,00,68,079	1,46,72,193
	Prepaid Expenses	49,29,046	14,99,618	23,41,903
	Balance with Government Authorities	3,82,66,763	3,80,87,464	3,78,13,954
	Total	9,99,53,950	4,96,55,161	5,48,28,050



SUN PETROCHEMICALS PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2020

(Amt in ₹)

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EQUITY SHARE CAPITAL	As on 31st March 2020	As on 31st March 2019	As on 31st March 2018
Authorised Share Capital 2,99,99,000 (2,99,99,000 as at March 31, 2019) Equity Share of Rs.10/- each	29,99,90,000	29,99,90,000	29,99,90,000
Issued, Subscribed & Fully Paid up Share Capital 91,67,000 (91,67,000 as at March 31, 2019) Equity Share of Rs.10/- each	9,16,70,000	9,16,70,000	9,16,70,000
Total	9,16,70,000	9,16,70,000	9,16,70,000

a) Reconciliation of shares outstanding at the beginning and at the end of the year.

Equity Shares	As on 31st March 2020		As on 31st March 2019		As on 31st March 2018	
	Numbers	Amount in Rs.	Numbers	Amount in Rs.	Numbers	Amount in Rs.
Equity shares at the beginning of the year	91,67,000	9,16,70,000	91,67,000	9,16,70,000	91,67,000	9,16,70,000
Add: Shares issued during the year	-	-	-	-	-	-
Equity shares at the end of the year	91,67,000	9,16,70,000	91,67,000	9,16,70,000	91,67,000	9,16,70,000

b) Details of Shareholders holding more than 5% equity shares in the Company

Name of the Shareholders	As on 31st March 2020		As on 31st March 2019		As on 31st March 2018	
	No. of Equity Share	Percentage Holding	No. of Equity Share	Percentage Holding	No. of Equity Share	Percentage Holding
Dilip S. Shanghvi	8,00,000	8.73%	8,00,000	8.73%	8,00,000	8.73%
Ommed Investments Ltd.	4,70,000	5.13%	4,70,000	5.13%	4,70,000	5.13%
Aditya Medisales Ltd	8,00,000	8.73%	8,00,000	8.73%	8,00,000	8.73%
Shanghvi Finance Pvt Ltd	61,80,000	67.42%	61,80,000	67.42%	61,80,000	67.42%
Rampanth Reality Pvt. Ltd	5,50,000	6.00%	5,50,000	6.00%	5,50,000	6.00%

c) Terms / Rights attached to Equity shares

The Company has one class of Equity shares having a face value of Rs. 10 each. Each holder of Equity share is entitled to one vote per share.



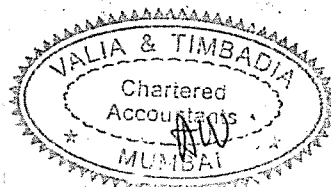
SUN PETROCHEMICALS PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2020

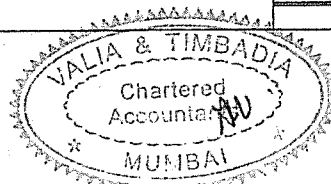
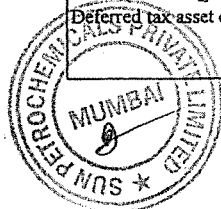
(Amt in ₹)

16

OTHER EQUITY	Capital Reserve	General Reserve	Equity for financial guarantee by holding Company	Retained Earnings	Total
Balance as at April 1, 2018	20,44,339	5,00,00,000		17,13,84,693	22,34,29,032
Ind AS transition adjustments					
Deferal Sales tax liability				14,88,726	14,88,726
Deferred sales tax gain				(28,03,697)	(28,03,697)
Deferred tax liability as per BS approach				12,06,278	12,06,278
Balance as at April 1, 2018	20,44,339	5,00,00,000	-	17,12,76,001	22,33,20,340
Additions during the period :					
Total Comprehensive Income				(10,00,69,810)	(10,00,69,810)
Balance as at March 31, 2019	20,44,339	5,00,00,000	-	7,12,06,191	12,32,50,530
Equity for financial guarantee by Holding Company			56,00,000		56,00,000
Additions during the period :					
Total Comprehensive Income				(20,14,01,105)	(20,14,01,105)
Balance as at March 31, 2020	20,44,339	5,00,00,000	56,00,000	(13,01,94,914)	(7,25,50,575)



17	LONG TERM BORROWINGS	As on 31st March 2020	As on 31st March 2019	As on 31st March 2018
	Unsecured			
	Term Loan from Kotak Mahendra Bank (Rs. 140 Crores term loan @9.5 interest P.A ,repayable in three installment of Rs:466666667 will due on 26/09/2021 ,26/12/2021& 26/03/2022 respectively) (Against Guarantee provided by Holding Company Shanghavi Finance Private Limited by pledging shares of Sun Pharmaceuticals Industries Limited).	1,38,94,07,323	-	-
		1,38,94,07,323	-	-
18	LEASE LIABILITIES	As on 31st March 2020		
	Recognised on implementation of IND AS 116 Leases	3,25,61,198		
	Additions during the year	11,98,192		
	Add: unwinding of interest	32,03,454		
	Less: Rent expenses during the year	(32,78,554)		
		3,36,84,291		
	Non-current lease liabilities	3,07,86,090		
	Current lease liabilities	28,98,200		
19	OTHER LONG TERM FINANCIAL LIABILITIES	As on 31st March 2020	As on 31st March 2019	As on 31st March 2018
	Trade / Security Deposits received	36,99,823	42,18,917	39,00,613
	Deferred Sales tax Payment Liabilities	4,85,947	42,80,929	1,12,75,756
		41,85,770	84,99,846	1,51,76,369
20	LONG TERM PROVISIONS	As on 31st March 2020	As on 31st March 2019	As on 31st March 2018
	Provision for Gratuity	70,45,746	61,24,921	58,88,418
	Provision for Leave Encashment	71,77,311	55,07,344	29,65,671
	Provision fund Site restoration fund	57,21,81,549	-	-
		58,64,04,606	1,16,32,265	88,54,089
21	DEFERRED TAX LIABILITIES (NET)	As on 31st March 2020	As on 31st March 2019	As on 31st March 2018
	Deferred Tax Liability			
	On WDV of PPE	26,84,15,053	2,63,65,489	2,93,25,817
	Provision for Employee Benefits - 01.4.2018	(35,94,209)	(37,64,194)	(26,43,956)
	Provision for Employee Benefits - 2018-19	(43,45,213)	(43,45,213)	-
	Provision for Employee Benefits - 2019-20	22,78,853	-	-
	On Right Of Use asset	78,28,664	-	-
	on Leases liabilities	(87,57,916)	-	-
	on borrowings	27,54,096	-	-
	others (2018-19)	(1,63,346)	(1,63,346)	-
	others (2019-20.)	1,32,607	-	-
	Deferred tax asset on carried forward losses	(22,55,23,978)	-	-
		3,90,24,610	1,80,92,736	2,66,81,862



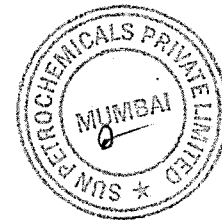
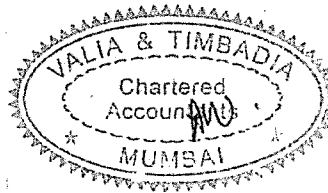
22	CURRENT BORROWINGS	As on 31st March 2020	As on 31st March 2019	As on 31st March 2018
	Secured Bank Overdraft (Secured by pledge of Fixed deposits)	3,40,70,344	1,17,63,736	
	Unsecured Loan repayable on demand From Related Party	1,00,49,75,942	1,92,44,28,274	1,06,454
		1,03,90,46,286	1,93,61,92,010	1,06,454

23	TRADE PAYABLES	As on 31st March 2020	As on 31st March 2019	As on 31st March 2018
	Amount due to micro and small enterprises Others	47,86,49,954	7,29,89,373	4,49,34,903
		47,86,49,954	7,29,89,373	4,49,34,903

24	OTHER CURRENT FINANCIAL LIABILITIES	As on 31st March 2020	As on 31st March 2019	As on 31st March 2018
	Deferred Sales tax Payment Liabilities	37,23,991	65,14,300	74,27,213
	Deferred Sales Tax Gain (Govt Grant)	1,89,221	11,08,782	28,03,697
	Current A/c in Partnership Firm	-	-	-
		39,13,212	76,23,082	1,02,30,910

25	OTHER CURRENT LIABILITIES	As on 31st March 2020	As on 31st March 2019	As on 31st March 2018
	Statutory dues Payable	3,08,03,932	1,62,96,161	92,97,579
	Other liabilities	8,96,218	17,62,424	19,04,631
		3,17,00,150	1,80,58,585	1,12,02,210

26	SHORT TERM PROVISIONS	As on 31st March 2020	As on 31st March 2019	As on 31st March 2018
	Provision for Gratuity	55,41,315	56,64,480	12,98,661
	Provision for Leave Encashment	20,07,040	43,30,795	25,63,858
		75,48,355	99,95,275	38,62,519



SUN PETROCHEMICALS PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2020

(Amt in ₹)

27	REVENUE FROM OPERATIONS	IGAAP 20	Ind AS adjustment / Reclassification	As on 31st March 2020	igaap 19	Ind AS adjustment / Reclassification	As on 31st March 2019
	Sale of Products	49,82,60,026		49,82,60,026	20,04,20,237		20,04,20,237
	Sale of Scrap	2,27,500		2,27,500			
	Total	49,84,87,526	0	49,84,87,526	20,04,20,237	0	20,04,20,237

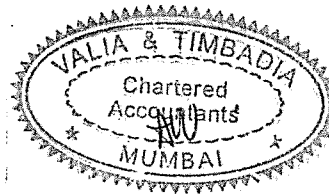
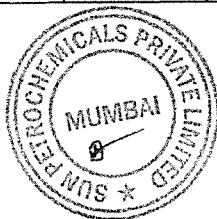
28	OTHER INCOME	Igaap19	Ind AS adjustment / Reclassification	As on 31st March 2020	igaap 19	Ind AS adjustment / Reclassification	As on 31st March 2019
	Interest income	3,86,85,485		3,86,85,485	3,01,44,819		3,01,44,819
	Govt. grant		9,19,561	9,19,561		16,94,915	16,94,915
	Other income	1,48,21,421	0	1,48,21,421	1,44,16,405		1,44,16,405
	Sundry Balances Written Back (Net)	11,49,915		11,49,915			
	Total	5,46,56,821	9,19,561	5,35,76,382	4,45,61,224	16,94,915	4,62,56,139

29	CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		Ind AS adjustment / Reclassification	As on 31st March 2020		Ind AS adjustment / Reclassification	As on 31st March 2019
	Inventories at the end of the year:				(1,87,52,958)		(1,87,52,958)
	Inventories at the beginning of the year:				48,80,864		48,80,864
	Total	1,46,97,264	-	1,46,97,264	(1,38,72,074)	-	(1,38,72,074)

30	WORKOVER CHARGES	IGAAP mar20	Ind AS adjustment / Reclassification	As on 31st March 2020		Ind AS adjustment / Reclassification	As on 31st March 2019
	Consumption of Chemicals	1,28,00,375		1,28,00,375	2,65,71,246		2,65,71,246
	Service costs	97,99,759		97,99,759	1,60,48,415		1,60,48,415
	Total	2,26,00,134		2,26,00,134	4,26,19,661	-	4,26,19,661

31	OPERATIVE EXPENSES	IGAAP mar20	Ind AS adjustment / Reclassification	As on 31st March 2020		Ind AS adjustment / Reclassification	As on 31st March 2019
	Other Manufacturing Charges	7,52,17,247		7,52,17,247	3,39,75,134		3,39,75,134
	Machinery & Equipment Hire charges				41,91,143		41,91,143
	Power and Fuel	1,53,05,340		1,53,05,340	1,08,87,432		1,08,87,432
	Repairs & Maintenance :						
	Building	26,85,614		26,85,614	38,43,042		38,43,042
	Plant and Machinery	84,83,021		84,83,021	3,49,04,165		3,49,04,165
	Others	1,02,36,145		1,02,36,145	67,86,973		67,86,973
	Total	11,19,27,367		11,19,27,367	9,45,87,889		9,45,87,889

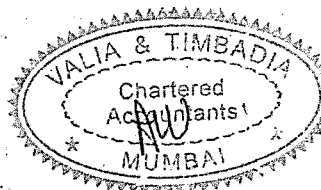
32	EMPLOYEE COST	IGAAP 20	Ind AS adjustment / Reclassification	As on 31st March 2020	IGAAP 18	Ind AS adjustment / Reclassification	As on 31st March 2019
	Salaries and wages	13,26,79,211		13,26,79,211	7,02,07,470		7,02,07,470
	Contribution to provident and other funds	59,18,159		59,18,159	60,48,266		60,48,266
	Staff welfare expenses	94,91,963		94,91,963	29,22,256		29,22,256
				0			0
	Total	14,80,89,333	-	14,80,89,333	7,91,77,992	-	7,91,77,992



SUN PETROCHEMICALS PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2020

33	FINANCE COST	IGAAP mar20	Ind AS adjustment / Reclassification	As on 31st March 2020	IGAAP maR19	Ind AS adjustment / Reclassification	As on 31st March 2019
	Interest	15,32,24,513	(1,458)	15,32,23,055	75,32,256		75,32,256
	Bank guarantee fee						0
	Unwinding interest on Lease liabilities		32,03,454	32,03,454			
	Unwinding interest on Sales Tax deferral liability		4,09,536	4,09,536		10,08,199	10,08,199
	Total	15,32,24,513	36,11,533	15,68,36,046	75,32,256	10,08,199	85,40,455
34	OTHER EXPENSES	IGAAP Mar-20	Ind AS adjustment / Reclassification	As on 31st March 2020	IGAAP Mar-19	Ind AS adjustment / Reclassification	As on 31st March 2019
	Rent	61,10,554	(32,78,554)	28,32,000	64,53,996	-	64,53,996
	Rates and Taxes	70,90,698	-	70,90,698	13,47,678	-	13,47,678
	Insurance	64,19,919	-	64,19,919	93,45,006	-	93,45,006
	Selling and Distribution	22,69,076	-	22,69,076	11,47,383	-	11,47,383
	Commission and Discount	0	-	-	0	-	0
	Printing and Stationery	3,79,201	-	3,79,201	1,74,255	-	1,74,255
	Travelling and Conveyance	1,81,61,767	-	1,81,61,767	1,03,29,407	-	1,03,29,407
	Overseas Freight & Other misc Freight	50,539	-	50,539	46,610	-	46,610
	Communication	8,05,854	-	8,05,854	6,09,729	-	6,09,729
	Sundry Balances / Bad Debts Written Off	93,188	-	93,188	4,33,406	-	4,33,406
	Professional and Consultancy	1,00,90,361	-	1,00,90,361	2,30,32,947	-	2,30,32,947
	Donation	50,000	-	50,000	4,52,759	-	4,52,759
	Loss on Partnership Firm	23,37,162	(23,37,162)	-	1,012	(1,012)	0
	Net loss on Sale of Assets	1,24,18,500	-	1,24,18,500	8,19,949	-	8,19,949
	Increase/(Decrease) of Excise Duty on Inventory	-	-	-	-	-	0
	Payment to Auditors	-	-	-	-	-	0
	Audit Fees	1,20,000	-	1,20,000	1,20,000	-	1,20,000
	Tax Audit Fees	28,000	-	28,000	28,000	-	28,000
	Other Services	21,635	-	21,635	2,27,576	-	2,27,576
	Site Restoration Fund-Hazira	3,26,01,893	-	3,26,01,893	2,63,41,027	-	2,63,41,027
	Loss on Stores Inventory	3,80,66,544	-	3,80,66,544	-	-	0
	Miscellaneous Expenses	3,23,12,860	(49,91,219)	2,73,21,641	1,84,47,576	-	1,84,47,576
	Total	16,94,27,751	(1,06,06,935)	15,88,20,816	9,93,58,316	(1,012)	9,93,57,304



35 First time adoption of Ind AS :

For all periods up to and including the year ended 31st March, 2018, the Company had prepared its financial statements in accordance with the accounting standards notified under Section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP'). This note explains optional exemptions availed as per Ind AS 101 First time adoption of Ind AS and the principal adjustments made by the Company in restating its financial statements prepared under Previous GAAP for the following:

- Balance Sheet as at 1st April, 2018 (Transition date);
- Balance Sheet as at 31st March, 2019;
- Statement of Profit and Loss for the year ended 31st March, 2019; and
- Statement of Cash flows for the year ended 31st March, 2019.

Exemptions Availed:

Ind AS 101- First-time adoption of Indian Accounting Standards, allows first-time adopters, exemptions from the retrospective application and exemption from application of certain requirements of other Ind AS. The Company has availed the following exemptions as per Ind AS 101:

- The Company has elected to consider the carrying value of all its items of property, plant and equipment and intangible assets recognised in the financial statements prepared under Previous GAAP and use the same as deemed cost in the opening Ind AS Balance Sheet.

Ind AS 101 provides a one time option to a first-time adopter either to measure its investment in associates as per previous GAAP carrying value or at fair value on the date of transition.

The Company has elected to measure its investment in associates as per previous GAAP carrying value.

Transition to Ind AS - Reconciliations

The following reconciliations provide effect of the transition from previous GAAP to Ind AS in accordance with Ind AS 101:

(Amt in ₹)

i) **Reconciliation of Equity as at April 1, 2018 and as at March 31, 2019:****Nature of Adjustments**

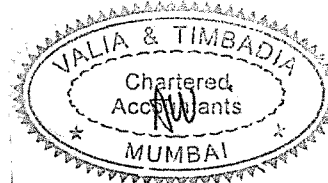
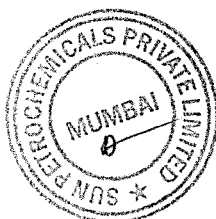
	<u>As at</u> <u>March 31, 2019</u>	<u>As at</u> <u>April 1, 2018</u>
Total equity under Previous GAAP	11,81,62,936	22,34,29,032
Financial assets at amortised cost	(6,28,255)	(13,14,971)
Reversal of share of profit in Partnership firm	1,012	
Deferred Tax impact as per Balance sheet approach	(57,14,837)	12,06,278
Total equity under Ind AS	12,37,70,530	22,33,20,340

ii) **Reconciliation of Total Comprehensive Income for the year ended 31st March, 2019****Nature of Adjustments**

	<u>For year ended</u> <u>on March 31, 2019</u>
Profit after tax under Previous GAAP	(10,52,66,097)
Govt Grant on Deferral sale tax liability	16,94,915
Unwinding of interest on financial liabilities at amortised cost	(10,08,199)
Loss in Partnership firm (Associate) reversed	1,012
Deferred tax on Balance sheet approach	45,08,559
Total comprehensive income as per IND AS	(10,00,69,810)

iii) **Effect of Ind AS adoption on the Statement of Cash Flow for the year ended 31st March, 2019**

There are no material adjustments to the Statement of Cash Flow for the year ended 31st March, 2019 on account of first time adoption of Ind AS.



SUN PETROCHEMICALS PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2020

36 **CONTINGENT LIABILITIES AND COMMITMENTS**

(Amt in ₹)

a. Contingent liabilities

	As at 31.03.2020	As at 31.03.2019
Claims against the Company not acknowledged as debts (Service tax disputed Liabilities:)	63,50,128	63,50,128
b. Commitments	Nil	Nil

(Further cash outflows in respect of the above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities. The Company does not expect the outcome of the matters stated above to have material adverse impact on the Company's financial condition, results of operation or cash flows. The Company doesn't envisage any likely reimbursement in respect of the above).

37

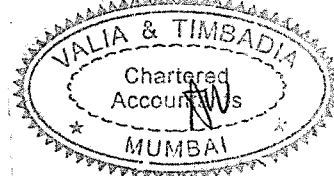
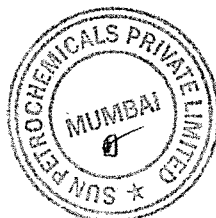
EARNING PER SHARE	As at 31.03.2020	As at 31.03.2019
Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	(20,14,01,105)	(10,00,69,810)
Weighted Average No. of Equity Shares	91,67,000	91,67,000
Earning per Share (Basic & Diluted) per share	(21.97)	(10.92)
Face Value per Equity Share	10	10

38

The company has requested its creditors to confirm the applicability to them under the Micro Small and Medium Enterprises Development Act, 2006. Based on the responses received by the Company, the details of dues to macro enterprises and small enterprises are as under:

Particulars	2019-20	2018-19
i. The principal amount and the interest due thereon (to be shown separately remaining unpaid to any supplier as at the end of accounting year.	-	-
ii. The amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprises Development act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during accounting year.	-	-
iii. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under Micro Small and Medium Enterprises Development Act, 2006.	-	-
iv. The amount of interest accrued and remaining unpaid at the end of accounting year.	-	-
v. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under section 23 of the Micro small and Medium enterprises Development act, 2006.	-	-

Note: The information as required to be disclosed under Micro, Small & Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.



SUN PETROCHEMICALS PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2020

39 FAIR VALUE MEASUREMENT

Financial Instrument by category and hierarchy

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The fair values for loans, security deposits and investment in preference shares were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

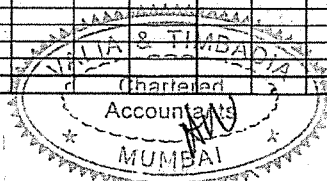
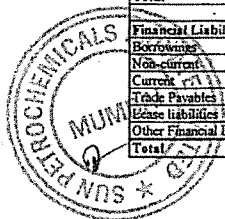
The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Financial Assets and Liabilities as at March 31, 2020	Fair value through Profit and Loss							Fair value through OCI				At amortised cost	(Amt in ₹)
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Total	Total Amount
Financial Assets													
Investments in Associates	17,246	-	17,246									17,246	17,246
Deposit under restoration fund	57,21,81,549	-	57,21,81,549									57,21,81,549	57,21,81,549
Other assets													
Cash and cash equivalents	2,63,040	-	2,63,040									2,63,040	2,63,040
Trade receivables	4,04,82,566	-	4,04,82,566									4,04,82,566	4,04,82,566
Other balances with bank	17,60,80,000	-	17,60,80,000									17,60,80,000	17,60,80,000
Loans	1,24,27,510	-	1,24,27,510									1,24,27,510	1,24,27,510
Advance Given to JV Partner	53,03,010	-	53,03,010									53,03,010	53,03,010
Export Incentive Receivable	33,57,787	-	33,57,787									33,57,787	33,57,787
Interest accrued on margin money	23,92,709	-	23,92,709									23,92,709	23,92,709
Interest accrued on MSEB Deposit	-	-	-									-	-
Total	81,25,05,417	-	81,25,05,417									81,25,05,417	81,25,05,417
Financial Liabilities													
Borrowings													
Non-current	1,38,94,07,323	-	1,38,94,07,323									1,38,94,07,323	1,38,94,07,323
Current	1,03,90,46,286	-	1,03,90,46,286									1,03,90,46,286	1,03,90,46,286
Trade Payables	47,86,49,954	-	47,86,49,954									47,86,49,954	47,86,49,954
Lease liabilities	28,98,200	-	28,98,200									28,98,200	28,98,200
Other Financial Liabilities	80,98,982	-	80,98,982									80,98,982	80,98,982
Total	2,91,81,00,745	-	2,91,81,00,745									2,91,81,00,745	2,91,81,00,745

Financial Assets and Liabilities as at March 31, 2019	Routed through Profit and Loss							Routed through OCI				At amortised cost	(Amt in ₹)
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Total	Total Amount
Financial Assets													
Investments in Associates	17,246	-	17,246									17,246	17,246
Other Assets													
Cash and cash equivalents	2,99,936	-	2,99,936									2,99,936	2,99,936
Other balances with bank	21,50,277	-	21,50,277									21,50,277	21,50,277
Trade receivables	21,50,277	-	21,50,277									21,50,277	21,50,277
Loans	2,00,16,060	-	2,00,16,060									2,00,16,060	2,00,16,060
Advance Given to JV Partner	14,51,78,593	-	14,51,78,593									14,51,78,593	14,51,78,593
Export Incentive Receivable	33,57,787	-	33,57,787									33,57,787	33,57,787
Interest accrued on margin money	6,65,738	-	6,65,738									6,65,738	6,65,738
Interest accrued on MSEB Deposit	1,69,829	-	1,69,829									1,69,829	1,69,829
Total	17,18,55,466	-	17,18,55,466									17,18,55,466	17,18,55,466
Financial Liabilities													
Borrowings													
Non-current	-	-	-									-	-
Current	1,93,61,92,010	-	1,93,61,92,010									1,93,61,92,010	1,93,61,92,010
Trade Payables	7,29,89,373	-	7,29,89,373									7,29,89,373	7,29,89,373
Lease liabilities	-	-	-									-	-
Other Financial Liabilities	1,61,22,928	-	1,61,22,928									1,61,22,928	1,61,22,928
Total	2,02,53,04,311	-	2,02,53,04,311									2,02,53,04,311	2,02,53,04,311

Financial Assets and Liabilities as at April 1, 2018	Routed through Profit and Loss							Routed through OCI				At amortised cost	Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Total	Total Amount
Financial Assets													
Investments in Associates	17,246	-	17,246									17,246	17,246
Other Assets													
Cash and cash equivalents	39,83,628	-	39,83,628									39,83,628	39,83,628
Other balances with bank	47,50,109	-	47,50,109									47,50,109	47,50,109
Trade receivables	47,50,109	-	47,50,109									47,50,109	47,50,109
Loans	53,38,097	-	53,38,097									53,38,097	53,38,097
Advance Given to JV Partner	5,34,84,065	-	5,34,84,065									5,34,84,065	5,34,84,065
Export Incentive Receivable	1,25,90,662	-	1,25,90,662									1,25,90,662	1,25,90,662
Interest accrued on margin money	2,20,492	-	2,20,492									2,20,492	2,20,492
Interest accrued on MSEB Deposit	1,67,332	-	1,67,332									1,67,332	1,67,332
Total	8,05,51,632	-	8,05,51,632									8,05,51,632	8,05,51,632
Financial Liabilities													
Borrowings													
Non-current	-	-	-									-	-
Current	1,06,454	-	1,06,454									1,06,454	1,06,454
Trade Payables	4,49,34,903	-	4,49,34,903									4,49,34,903	4,49,34,903
Lease liabilities	-	-	-									-	-
Other Financial Liabilities	2,54,07,279	-	2,54,07,279									2,54,07,279	2,54,07,279
Total	7,04,48,635	-	7,04,48,635									7,04,48,635	7,04,48,635



SUN PETROCHEMICALS PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2020

40 Financial Risk Management

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and investments. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of counterparty to which the Company grants credit terms in the normal course of business.

Trade receivables

The Company has trade receivables, mostly from Govt debtors, with whom credit risk is minimal. The Company has used expected credit loss (ECL) model for assessing the impairment loss. For the purpose, the Company uses a provision matrix to compute the expected credit loss amount. The provision matrix takes into account external and internal risk factors and historical data of credit losses from various customers.

Particulars	(Amt in ₹)		
	As on 31st March 2020	As on 31st March 2019	As on 31st March 2018
Financial assets for which loss allowances is measured using the expected credit loss			
Trade receivables			
less than 180 days	4,04,82,566	21,50,268	45,74,876
180 - 365 days		1,83,753	1,75,233
beyond 365 days			
Total	4,04,82,566	23,34,021	47,50,109

Financial Assets are considered to be of good quality and there is no significant increase in credit risk.

Liquidity risk

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

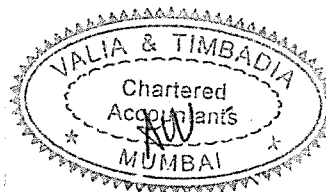
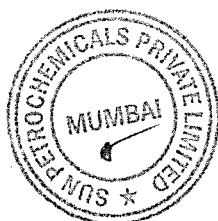
The table below provides details regarding the contractual maturities of significant financial liabilities :

Particulars	(Amt in ₹)	
	Less than 1 year	1-3 years
As at March 31, 2020		
Borrowings	1,03,90,46,286	1,38,94,07,323
Trade and other payables	47,86,49,954	-
	1,51,76,96,240	1,38,94,07,323
As at March 31, 2019		
Borrowings	1,93,61,92,010	-
Trade and other payables	7,29,89,373	-
	2,00,91,81,383	-
As at March 31, 2018		
Borrowings	1,06,454	-
Trade and other payables	4,49,34,903	-
	4,50,41,357	-

Market Risk

Exposure to interest rate risk

Particulars	(Amt in ₹)		
	As on 31st March 2020	As on 31st March 2019	As on 31st March 2018
Total Borrowings	2,42,84,53,609	1,93,61,92,010	1,06,454
% of Borrowings out of above bearing variable rate of interest			



SUN PETROCHEMICALS PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2020

Sensitivity (impact of change in interest rates)

A change of 50 bps in interest rates would have following Impact on profit before tax

(Amt in ₹)

Particulars	As on 31st March 2020	As on 31st March 2019	As on 31st March 2018
50 bp increase would decrease the profit before tax by	-	-	-
50 bp decrease would Increase the profit before tax by	-	-	-

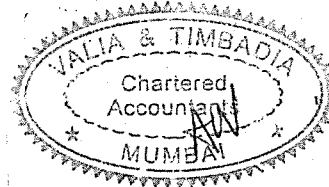
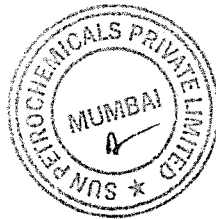
The Company's interest bearing financial assets are primarily fixed in nature. Hence, the Company is not significantly exposed to interest rate risk.

41 Capital Risk Management

The Company aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to The Company monitors capital on the basis of the carrying amount of debt less cash and cash equivalents as presented on the face of the The Company's objective for capital management is to maintain an optimum overall financial structure.

(Amt in ₹)

Debt equity ratio	As on 31st March 2020	As on 31st March 2019	As on 31st March 2018
Debt (includes non-current, current borrowings)	2,42,84,53,609	1,93,61,92,010	1,06,454
Less: Cash and cash equivalents	2,61,040	2,99,936	39,83,628
Less: Other balances with bank	17,60,80,000	-	-
Net debt	2,25,21,10,569	1,93,58,92,074	38,77,174
Total equity	1,91,19,425	21,49,20,530	31,49,90,340
Net debt to total equity ratio	117.79	9.01	(0.01)



SUN PETROCHEMICALS PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

42 Disclosure pursuant to Indian Accounting Standard (Ind AS) 19 "Employee Benefits"

A) Defined Benefit Plans

The entity has a defined benefit gratuity plan (funded). The Company's plan assets in respect of Gratuity are funded through the Group Scheme of the LIC Of India, contributions are made to LIC 's recognised Group Gratuity Fund Scheme based on amount demanded by LIC of India.

As per Indian Accounting Standard - 19 on Employee Benefits, Employee benefits obligations are actuarially determined using the "Projected Unit Credit Method". Gains and (losses) on changes on actuarial assumptions are accounted under "Other Comprehensive Income".

Particulars	As at March 31, 2020	As at March 31, 2019
I Changes in projected benefit obligations		
Present value of obligation as at the beginning of the year	1,03,39,365	71,87,079
Interest cost	8,05,437	5,55,561
Current service cost	17,98,368	17,15,325
Benefit Paid from the fund	-	(15,49,573)
Components of actuarial gain/losses on obligations		
Due to change in financial assumptions	10,09,158	(29,075)
Due to change in demographic assumption	-	-
Due to experience adjustments	39,14,560	24,60,048
Present value of obligation as at the end of the year	<u>1,78,66,888</u>	<u>1,03,39,365</u>
II Change in Fair Value of Plan Assets		
Fair value of plan assets at the beginning of the year	46,74,885	58,88,418
Interest Income	3,64,174	4,55,175
Contributions by employer (Benefit Paid from the Fund)	5,13,294	(15,49,573)
Return on plan assets excluding interest income	(2,72,526)	(1,19,135)
Fair value of plan assets at the end of the year	<u>52,79,827</u>	<u>46,74,885</u>
III Net employee benefit expenses for the year		
Current service cost	17,98,368	17,15,325
Net interest cost	4,41,263	1,00,386
Net employee benefit expenses for the year	<u>22,39,631</u>	<u>18,15,711</u>
Other Comprehensive Income for the current period		
Actuarial (Gains)/Losses on Obligation For the Period	49,23,718	24,30,973
Return on plan assets excluding amounts included in interest income	2,72,526	1,19,135
Other Comprehensive Income for the current period	<u>51,96,244</u>	<u>25,50,108</u>

IV Category of fair value of plan asset

Policy of insurance	100%	100%
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V Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans and post retirement medical benefits at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

i) Financial Assumptions:		
Expected Return on Plan Assets	6.89%	7.79%
Rate of Discounting	6.89%	7.79%
Rate of Salary Increase	7.00%	7.00%
Rate of Employee Turnover	3.00%	3.00%

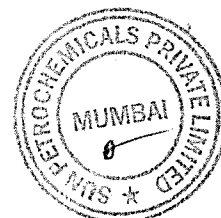
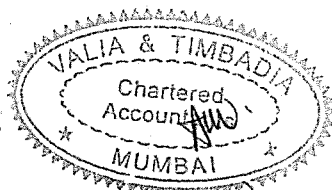
ii) Demographic Assumptions:

Published rates under the Indian Assured Lives Mortality (2006-08) Ult

VI Sensitivity Analysis

Impact on defined benefit obligation due to change in assumptions

Discount rate Sensitivity		
Increase by 1%	(11,14,317)	(4,45,452)
Decrease by 1%	12,71,861	5,24,641
Salary growth rate Sensitivity		
Increase by 1%	12,57,879	5,23,533
Decrease by 1%	(11,23,087)	(4,52,388)
Employee Turnover rate (W.R.) Sensitivity		
Increase by 1%	(54,935)	(22,871)
Decrease by 1%	57,009	18,766



SUN PETROCHEMICALS PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

VII Maturity profile of defined benefit obligation is as follows:

Within the next 12 months	6,77,209	40,43,324
Later than 1 year and not later than 5 years	1,00,89,623	38,49,774
Later than 5 year	64,69,301	15,57,802

VIII Risk Exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below :

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

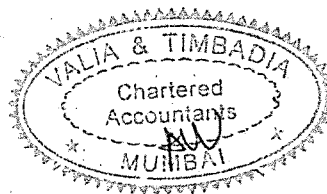
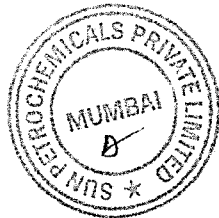
Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

B) Details of Defined Contribution Plan

The Company makes contributions to Recognised Provident fund / Government Provident Fund , family pension fund and other statutory funds.

C) Compensated absences

Actuarial valuation for compensated absences is based on Company's defined Leave policies.



SUN PETROCHEMICALS PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

43 RELATED PARTY TRANSACTIONS as per Ind AS 24 Related Party Transactions.

a) List of Related Parties and Relationships

i) Holding Company:

Shanghavi Finance Private Limited

ii) Enterprises having significant influence

Sun Pharma Laboratories Ltd.

Sun Pharma Medica Ltd

Sun Pharmaceutical Industries Ltd.

Aditya Medisales Limited

iii) Key managerial personnel

Dilip Shanghvi

Director

Sudhir V. Valia

Director

Jimmi Desai

Director (appointed from 23rd January 2020)

Karishma Aalok Shanghvi

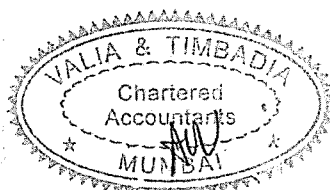
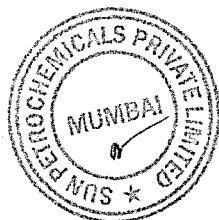
Whole time Director

b) Details of transactions with related parties referred to above

Nature of Transactions	Transaction amount	
	2019-20	2018-19
Karishma Aalok Shanghvi		
Remuneration to Directors	48,65,331	46,87,858
Contribution to Provident fund	2,30,279	2,22,352
Sun Pharma Laboratories Ltd.		
DEBP Sales	-	3,05,515
Pallates Sales	49,011	2,93,000
Sun Pharma Medica Ltd		
DEBP Sales	-	89,27,360
Sun Pharmaceutical Industries Ltd.		
Rent paid for Office space	28,32,000	28,14,000
Aditya Medisales Limited		
Interest Expenses	-	1,44,57,851
Loans Received	-	49,19,00,000
Loans Repayment	-	50,63,57,851
Shanghavi Finance Private Limited		
Interest Expenses	13,50,47,668	5,01,28,274
Loans Received	55,25,00,000	1,89,18,00,000
Loans Repayment	1,60,70,00,000	1,75,00,000

c). Amount due to/from related parties

Nature of Transactions	Transaction amount	
	2019-20	2018-19
Sun Pharma Laboratories Ltd.		
Outstanding Balance Receivable	-	3,05,515
Shanghavi Finance Private Limited		
Outstanding Balance Payable	1,00,49,75,940	1,92,44,28,274



SUN PETROCHEMICALS PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2020

- 44 Upto September'2019, the Company has operated under unincorporated joint venture mechanism wherein joint cost incurred for joint venture operations has been shared with the joint venture partner based on respective participating interest. The Company also shares employee cost with the joint venture partner which may include Other Comprehensive Income (OCI) towards Gratuity obligation. As a result, the reclassification from employee cost to OCI as per Actuarial Valuation Report has not been carried out. This does not have any impact on recognising net Gratuity obligation as on 31st March'20.
- 45 During the financial year, the Company has entered into an agreement with GSPC Ltd (GSPC) effective from 1st Oct'2019 to acquire GSPC's entire Participating Interest (representing 66.67% interest in the Hazira Field) in Hazira Field for consideration of INR 18.86 Crore payable to GSPC. Accordingly, the financial statements include the assets and liabilities acquired from GSPC Ltd. The difference between net assets acquired and the purchase consideration paid has been recognized as fixed asset- Participating Interest Rights in the books. The said agreement is subject to approval from Ministry of Petroleum & Natural Gas (MoPNG).
- 46 By virtue of acquisition of Participating Interest in Baola and Modhera Fields effective from 18th Mar'2016, the Company is entitled to the amount deposited by the erstwhile Operator Interlink Petroleum Ltd into the Site Restoration Fund (SRF), however, as on 31st Mar'20, the account is in the name of previous Operator i.e. Interlink Petroleum Ltd. The said account has been transferred by the bank in the name of the Company in FY 2020-21 and therefore same would be recognised in books of the Company in FY 2020-21. Similarly, the Company has acquired GSPC's Participating Interest of 66.67% in Hazira Field wide agreement which is effective from 1st Oct'2019, however the agreement is subject to approval from Ministry of Petroleum & Natural Gas (MoPNG) and thus the GSPC's share of Site Restoration Fund and corresponding decommissioning liability shall be recognised in books once approval from MoPNG is received and the account is transferred in the name of the Company.
The Company has recognised amount of INR 57.22 Crore as deposit in Site Restoration Fund (SRF) representing its share in SRF arising out of the acquisition of Participating Interest of 33.33% in Hazira Field from Niko Resources Ltd in previous years. The corresponding decommissioning liability has also been accounted for and included in the provisions.
- 47 During the Financial Year 2019-20, Crude Oil Production has started from the CB-10 (Bhaskar Field).

