



Sun Petrochemicals Private Limited

26th Annual Report

2020– 2021

Sun Petrochemicals Private Limited

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Andheri (E), Mumbai - 400 093, Maharashtra, INDIA.
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Website : www.sunpetro.com
CIN : U24219GJ1995PTC028519



BOARD'S REPORT

To,
The Members of,
SUN PETROCHEMICALS PRIVATE LIMITED

Your directors take pleasure in presenting the 26th Annual Report and Audited Financial Statements for the year ended 31st March 2021.

PRESENTATION OF FINANCIAL STATEMENTS

The Company has prepared financial statements for the year ended March 31, 2021, 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, 2020.

FINANCIAL SUMMARY/ HIGHLIGHTS

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

Particulars	(Amount in Rs. Lakhs)	
	Year ended	
	31 st March, 2021	31 st March, 2020
Revenue from Operations (Net)	15180.50	4887.18
Profit / (Loss) Before Depreciation, Exceptional Items and Tax	5488.64	(1041.38)
Less: Depreciation	2322.48	768.88
Profit/(Loss) before Exceptional Items and Tax	3166.16	(1810.26)
Less: Exceptional Items	2008.33	-

Profit/(Loss) before Tax	1157.83	(1810.26)
Less :Provision for:		
Current Tax	(202.30)	0
Less: MAT Credit	202.30	
Tax Expenses relating to earlier years	0	5.57
Deferred Tax (Expenses)/Income	621.80	(209.32)
Profit/ (Loss) for the year	1779.64	(2014.01)
Other Comprehensive Income / (Loss)		
(i) Items that will not be reclassified to Profit or Loss		
Remeasurements of Defined Benefit Plans	(73.99)	0
Less: Tax impact on above	19.24	0
Total Other Comprehensive Income for the year	(54.75)	0
Total Comprehensive Income/ (Loss) for the year	1724.88	(2014.01)

STATE OF COMPANY'S AFFAIRS

During the year under review, the total revenue of the Company stood at Rs. 15,864.00 Lakhs against Rs. 5445.22 Lakhs in the previous financial year.

The Company has earned net profit of Rs. 1779.64 Lakhs in the current financial year as against the net loss of Rs. 2014.01 Lakhs 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. 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 got transferred GSPC's 66.67 % Participating Interest (PI) in Hazira field to have full stake in the Hazira field in the state of Gujarat. During the year the company has continued crude oil and Gas production from the four fields, Baola, Modhera, Hazira and Bhaskar. The Company has also made efforts on increasing the oil / gas production from all the four fields.

1) Baola & Modhera fields Both the fields are under production of heavy oil. One of the well in Baola field converted to water injection well for reservoir pressure maintenance. Regular workover operations were carried out for sustained production from both the fields.

2) Hazira field – Production of oil & gas from Hazira field Continued with sustained production. Company has plan to carry out workover operations in FY 2021-22 in selected wells to enhance both oil and gas production. Transfer of GSPC's 66.67 % PI was approved. PSC amendment was signed during the year. PSC amendment for its extension up to 22.9.2024 was also signed during the year.

3) Bhaskar field – Company has started sale of crude oil of this field to IOCL through ONGC's facilities from July' 2020 enabling company to increase production to about 2200 Barrels per day in March, 2021 with drilling of three additional development wells. Company plan to further increase crude oil production by drilling additional development wells. The development wells drilled in the field have performed better than expected. This indicate that the potential of the field is higher than envisaged. Company has submitted revised Field Development Plan considering peak oil production of 6300 BOPD with additional development wells and an export pipeline directly up to Bareja terminal of IOC for crude oil sale. The company has continued Development activities even during the nationwide lockdown period due to COVID-19 pandemic.

The Acquisition process for more producing fields through government Bidding process is on the agenda of the company during the coming year too. Expression of Interest for the two OALP blocks was submitted to Government for inclusion in next bidding round. 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:

With a view to conserve the resources of the Company, your Board of Directors do not recommend any dividend for the financial year ended 31st March 2021.

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

Mrs. Karishma A. Shanghvi (DIN: 03546211) was re-appointed by the Board of Directors at their meeting held on 16th January 2021 as Whole-Time Director of the Company for the period of five years with effect from 18th January 2021 to 17th January 2026 pursuant to section 196(2) and all

other applicable provisions of the Companies Act, 2013 and rules made thereunder.

Mrs. Vibha D. Shanghvi (DIN: 05007924) was appointed as an Additional Director (Executive) w.e.f. 3rd March 2021 and approval of members is being sought for her appointment (regularization) as Director (Executive), at the ensuing Annual General Meeting.

Mr. Dilip S. Shanghvi (DIN: 00005588) who was Director (Non-Executive) of the Company, was appointed as Managing Director of the Company by board of directors in their meeting held on 31st May 2021 for the period of five years with effect from 1st June 2021 to 31st May 2026 pursuant to section 196(2) and all other applicable provisions of the Companies Act, 2013 and rules made thereunder.

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 46 of the Notes forming part of financial statements for the year ended March 31, 2021.

STATUTORY AUDITORS:

The Company's Auditors, M/s. Harshal Mehta & Associates, Chartered Accountants, Mumbai (Firm's Registration No.: 152736W) were appointed as the Statutory Auditors of the Company for a period of 5 (five) years at the 25th Annual General Meeting of the Company held on December 31, 2020 to hold office till the conclusion of the 30th Annual General Meeting of the Company.

AUDITORS' REPORT

The Auditor's Report for the financial year ended March 31, 2021, has been issued with an unmodified opinion, by the Statutory Auditors.

SECRETARIAL AUDITOR

The Board had appointed M/s Veenit Pal & Associates, Practicing Company Secretaries (COP No. 13149) to undertake the Secretarial Audit of the Company for the financial year ended March 31, 2021. The Secretarial Audit Report in the Form No. MR – 3 for the year is provided as 'Annexure – A' to this Report. The Secretarial Audit Report for the year does not contain any qualification, reservation or adverse remark.

COST AUDITOR

The Board of Directors in their meeting held on 24th September 2021 has appointed Messrs Kailesh Sankhlecha & Associates, Cost Accountants (Firm's Registration No. 100221) as Cost Auditor of the Company for conducting Cost Audit in respect of petroleum products of your Company for the financial year 2021-22. The Company is required to maintain Cost Records as specified by the Central Government under Section 148(1) of the Act and accordingly, such accounts and records are made and maintained by the Company.

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 2021, 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 2021 and of the profit 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 Annual Return in draft form MGT-7 as provided under sub-section (3) of section 92 of Companies Act, 2013 ('the Act') is available on the Company's website at <http://sunpetro.com/oil-natural-gas>.

NUMBER OF MEETINGS OF THE BOARD

The Board of Directors of the Company met eight times during the previous financial year on July 22, 2020, September 03, 2020, November 06, 2020, December 21, 2020, January 16, 2021, February 24, 2021, March 03, 2021 and March 23, 2021. 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, 2021, 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.

CREDIT RATING

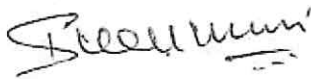
Acuité Ratings & Research Limited has assigned its long-term rating of 'ACUITE A+/stable' for Bank facilities of the Company

Further, CRISIL Ltd. has assigned credit rating of 'CRISIL A1+' for commercial paper program of the Company.

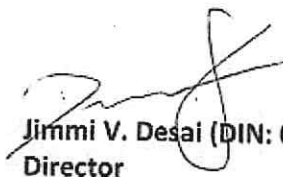
ACKNOWLEDGEMENTS

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)
Managing Director



Jimmi V. Desai (DIN: 02623717)
Director



Place: Mumbai
Date: 25-10-2021

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, 2021:

(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. Commissioned 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, 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:

(III) FOREIGN EXCHANGE EARNINGS AND OUTGO

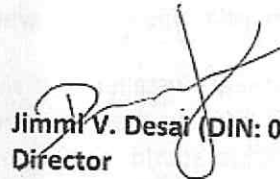
The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows:

	(Rs. in Lakhs)	
	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Foreign Exchange earning	0	0
Foreign Exchange outgo	892.93	284.46

For and on behalf of the Board of Directors



Dilip S. Shanghvi (DIN: 00005588)
Managing Director



Jimmi V. Desai (DIN: 02623717)
Director



Place: Mumbai
Date: 25-10-2021

- a. The company has developed and a new in-house EOR (Enhanced Oil Recovery) technology (Sun Chemical Stimulation) to enhance the oil production of heavy oil (Unconventional Hydrocarbon) and Conventional Hydrocarbon. This can also be applied in other oil & gas wells.
 - 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

**FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN**

as on the financial year ended 31.03.2021

(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: U24219G1995PTC028519
- ii) Registration date: 21.12.1995
- iii) Name of the Company: Sun Petrochemicals Private Limited
- iv) Category/ Sub-category of the Company: Private Limited By Shares
- v) Address of the Registered Office and Contact details: R K Centre, Fateh Guraj Main Road, Baroda 390002, Gujarat.
- vi) Whether listed company: No
- vii) Name, Address, and Contact N/A

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	% to total turnover
1	Extraction of crude petroleum	0610	92.83%
2	Extraction of Natural Gas	0620	7.17%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr.No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Shanghi Finance Private Limited ADD: F.P.145, 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)
Category-wise shareholding**

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

a)	Individual/HUF	0	8000000	8000000	8.73	0	8000000	8000000	8.73	0	0	0
b)	Central Government/ State Government	0	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	0
d)	Financial Institutions/ Bank	0	0	0	0	0	0	0	0	0	0	0
e)	Any other (Trusts)	0	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	0
2)	Foreign	0	0	0	0	0	0	0	0	0	0	0
a)	Individuals (NRIs)	0	0	0	0	0	0	0	0	0	0	0
b)	Other Individuals	0	0	0	0	0	0	0	0	0	0	0
c)	Bodies Corporate	0	0	0	0	0	0	0	0	0	0	0
d)	Financial Institutions/ Bank	0	0	0	0	0	0	0	0	0	0	0
e)	Any other	0	0	0	0	0	0	0	0	0	0	0
Sub total ((A) (2)		0	0	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter & Promoter group (A)=(1)+(2)		0	8250000	8250000	90.00	0	8250000	8250000	90.00	0	0	0
B	Public Shareholding	0	0	0	0	0	0	0	0	0	0	0
1)	Institutions	0	0	0	0	0	0	0	0	0	0	0
a)	Mutual Funds	0	0	0	0	0	0	0	0	0	0	0
b)	Financial Institutions/ Bank	0	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	0
d)	Venture Capital Funds	0	0	0	0	0	0	0	0	0	0	0
e)	Insurance Companies	0	0	0	0	0	0	0	0	0	0	0
f)	PfIs	0	0	0	0	0	0	0	0	0	0	0
g)	Foreign Venture Capital	0	0	0	0	0	0	0	0	0	0	0
h)	Qualified Foreign Investors	0	0	0	0	0	0	0	0	0	0	0
i)	Any other (Specify)	0	0	0	0	0	0	0	0	0	0	0
Sub total (B) (1)		0	0	0	0	0	0	0	0	0	0	0
2)	Non- Institutions	0	0	0	0	0	0	0	0	0	0	0
a)	Bodies Corporate	0	0	0	0	0	0	0	0	0	0	0
i)	Indian	0	917000	917000	10.00	0	917000	917000	10.00	0	0	0
ii)	Overseas	0	0	0	0	0	0	0	0	0	0	0
b)	Individuals	0	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	0
ii)	Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0	0	0
c)	Others (Specify)	0	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	0
Total Public shareholding Public Group (B) = (B)(1)+(B)(2)		0	917000	917000	10.00	0	917000	917000	10.00	0	0	0
C	Shares held by Custodian for GDRs & ADRs	0	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	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		800000	8.73	800000	8.73
	No Change 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
Shanghai Finance Private Limited	No. of shares 6180000	No. of shares 6180000	% of total shares of the company 67.42
	At the beginning of the year 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

iv) 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	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company
Aditya Medisoles Limited	No. of shares 800000	No. of shares 800000	% of total shares of the company 8.73
	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)	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
Rompant Realty Private Limited	At the beginning of the year	550000	6.00
	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)	550000	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	At the beginning of the year	470000	5.13
	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)	470000	5.13

Sl. No.4	Shareholding at the beginning of the year	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company
Khyati Financial Services Pvt. Ltd.			
	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):	367000	4.00
		No changes during the year	
	At the End of the year (or on the date of separation, if separated during the year)		367000
			4.00

v)

Shareholding of Directors and Key Managerial Personnel

Sl. No.1	Shareholding at the beginning of the year	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company
Dilip Shanghvi - Director			
	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):	800000	8.73
		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	Shareholding during the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company		No. of shares
Sudhir Valla - Director	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	No changes during the year			NIL
	At the End of the year (or on the date of separation, if separated during the year)	NIL	NIL	NIL	NIL

Sl. No.3	Shareholding at the beginning of the year	Shareholding during the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company		No. of shares
Karishma Shanghvi - Whole Time Director*	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	No changes during the year			NIL
	At the End of the year (or on the date of separation, if separated during the year)	NIL	NIL	NIL	NIL

* Mrs. Karishma Shanghvi was re-appointed as whole time director w.e.f. 18.01.2021

Sl. No.4	Shareholding at the beginning of the year	Shareholding during the year	Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company
Jinml Desai - Director	At the beginning of the year		NIL	NIL
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	No changes during the year		
	At the End of the year (or on the date of separation, if separated during the year)		NIL	NIL

Sl. No.5	Shareholding at the beginning of the year	Shareholding during the year	Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company
Vibha Shanghvi - Director*	At the beginning of the year		NIL	NIL
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	No changes during the year		
	At the End of the year (or on the date of separation, if separated during the year)		NIL	NIL

* Mrs. Vibha Shanghvi was appointed as Additional Director w.e.f. 03.03.2021

V

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1423478067	1,00,49,75,942	Nil	2,42,84,54,009
ii) Interest due but not paid	Nil	13,50,47,668	Nil	13,50,47,668
iii) Interest accrued but not due				
Total (i+ii+iii)	1423478067	1,14,00,23,610	Nil	2,56,35,03,677
Change in Indebtedness during the financial year				
- Addition	23,34,89,336	58,89,87,267	Nil	82,24,76,603
- Reduction	Nil	Nil	Nil	Nil
Net Change	23,34,89,336	58,89,87,267	Nil	82,24,76,603
Indebtedness at the end of the financial year				
i) Principal Amount	1656967403	1,66,15,71,500	Nil	3,31,85,38,903
ii) Interest due but not paid	Nil	6,74,39,377	Nil	6,74,39,377
iii) Interest accrued but not due				
Total (i+ii+iii)	1656967403	1,72,90,10,877	Nil	3,38,59,78,280

VI
A)

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

Sr. no.	Particulars of Remuneration	Karishma Shanghvi - Whole Time Director	Jinimi Desai - Director (Executive)	Vibha D. Shanghvi - Additional Director (Executive)	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	44638176	3136008	45658644	93432828
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	1369442	124750	0	1493692
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission as a % of profit others (specify)	0	0	0	0
5	Others, please specify	0	0	0	0
	Total (A)	46007618	3260258	45658644	94976520
	Ceiling as per the Act	N.A.	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 Shingavi	
	· Fee for attending board committee meetings	Sudhir Valia	
	· Commission		
	· Others, please specify		
	Total (1)	Not Applicable	
2	Other Non-Executive Directors		
	· Fee for attending board committee	Nil	Nil
	· Commission	Nil	Nil
	· Others, please specify	Nil	Nil
	Total (2)	Nil	Nil
Total (B)=(1+2)			Nil
Total Managerial Remuneration			Nil
Overall Ceiling as per the Act			

C) Remuneration to key managerial personnel other than MD/MANAGER/WTD

Sr. no.	Particulars of Remuneration	Key Managerial Personnel	Total
1	Gross salary	Mr. Tushar Pawar - Company Secretary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	992101	992101
	(b) Value of perquisites under section 17(2) of the Income Tax Act, 1961	0	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0
	Stock Option	0	0
3	Sweat Equity	0	0
	Commission	0	0
4	- as % of profit	0	0
	-others (specify)	0	0
5	Others, please specify	0	0
	Total	992101	992101

VII PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act (Brief Description)	Details of Penalty / Punishment/ 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

[Signature]
 Dilip S. Shanghvi (DIN: 00005588)
 Managing Director

[Signature]
 Jitendra V. Desai (DIN: 02623717)
 Director



Place: Mumbai
 Date: 25.10.2021



Form No. MR-3
SECRETARIAL AUDIT REPORT
For the Financial Year Ended 31st March, 2021
(Pursuant to Section 204(1) of the Companies Act, 2013 and
Rule No. 9 of the Companies (Appointment and Remuneration of Personnel) Rules, 2014)

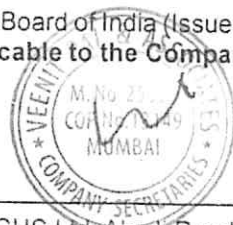
To
The Members,
SUN PETROCHEMICALS PRIVATE LIMITED
CIN: U24219GJ1995PTC028519
R K Centre, 4th Floor, Fathehgunj, Main Road,
Baroda, Vadodara-3900002

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Sun Petrochemicals Private Limited, (CIN U24219GJ1995PTC028519)** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

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

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(The Company has not availed any Foreign Direct Investment and Overseas External Commercial Borrowings during the Period under review).**
- (v) The following Regulations (as amended from time to time) and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 **(Not applicable to the Company during the Audit Period)**;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not applicable to the Company during the Audit Period)**;



Cont... P.2

- d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulation, 2014 (Not Applicable as the Company has not introduced any such scheme during the financial year under review);
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulation 2008 (Not Applicable since the Company has not issued any Debt Securities);
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (Not applicable as the Company is not registered as Registrar to an issue and Share Transfer Agent during the financial year under review);
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable as the Company has not delisted / propose to delist its Equity Shares from any Stock Exchange during the financial year under review);
 - h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 (Not applicable as the Company has not bought back / propose to buy-back any of its securities during the financial year under review); and
 - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. (Not applicable to the Company during the Audit Period);
- (vi) Other Laws applicable to the Company namely:
- (a) Oil fields (Regulation and Development) Act, 1948;
 - (b) The Petroleum Act, 1934;
 - (c) Mines and Minerals (Regulation and Development) Act, 1957;
 - (d) Petroleum and Mineral Pipelines (Acquisition of Right of User Inland) Act, 1962;
 - (e) Oil Mines Regulations, 1984;
 - (f) Petroleum & Natural Gas Rules, 1959;
 - (g) Petroleum Rules, 2002;
 - (h) The Oil Industry (Development) Act, 1974;
 - (i) The Energy Conservation Act 2001;
 - (j) Petroleum & Natural Gas Regulatory Board Act, 2006; and
 - (k) The Territorial Waters, Continental Shelf, Exclusive Economic Zone and other Maritime Zones Act (Act No.80 of 1976).
 - (l) The Mines Act, 1952

All other laws which are applicable specifically to the Company in the Petroleum and Refining Sector.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India under the provision Companies Act, 2013;
- ii. The Listing Agreements entered into by the Company with The Metropolitan Stock Exchange of India Limited pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Not applicable to the Company during the Audit Period);



I further report that:

1. The Board of Directors of the Company is duly constituted with Executive Directors and Non-executive Directors. The changes in the composition of the Board of Directors, if any that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate Notice is given to all Directors to schedule the Board Meetings, Agenda and detailed Notes on Agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. All the decisions at the Board meeting and Committee Meetings are carried out unanimously as recorded in the minutes of the meeting of the Board of Directors or Committee of the Board, as the case may be.

I further report that, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines that pertain to the business operations of the Company.

I further report that, during the audit period, the Company has no other specific events/actions having a major bearing on the Companies' affair in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

This report is to be read with my letter of event date which is annexed as Appendix-1 and forms and integral part of this Report.

For Veenit Pal & Associates
Company Secretaries



Veenit Pal
(Proprietor)
C.P. No. : 13149
ACS : 25565



Place : Mumbai
Date : 12.07.2021

UDIN : A025565C000619587

Peer Review No. : 1433/2021

VEENIT PAL & ASSOCIATES

Company Secretaries



Appendix-1

To
The Members,
SUN PETROCHEMICALS PRIVATE LIMITED
CIN: U24219GJ1995PTC028519
R K Centre, 4th Floor, Fathegunj, Main Road,
Baroda, Vadodara-390002

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

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Veenit Pal & Associates
Company Secretaries



Veenit Pal
(Proprietor)
C.P. No. : 13149
ACS : 25565



Place : Mumbai
Date : 12.07.2021

UDIN : A025565C000619587

Peer Review No. : 1433/2021



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, 2021, 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 2021, its profit 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. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Ind AS financial statements.

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 misstatement 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 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:

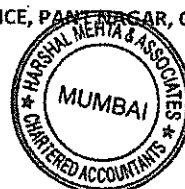
Attention is invited to Note No.49 regarding first financial of the Company prepared under Ind AS for the year ended 31.03.2020 and the Company had availed certain exemptions as per Ind AS 101 relating to first time adoption of Indian Accounting Standards for the year ended 31.03.2020 and in its subsequent years. The Company had 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 had elected to measure its investment in associates as per previous GAAP carrying value.

Attention is invited to Note No.48 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 was 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 has been recognised in books of the Company in FY 2020-21. Similarly, the Company had acquired GSPC's Participating Interest of 66.67% in Hazira Field vide agreement which is effective from 1st Oct'2019, however the agreement was subject to approval from Ministry of Petroleum & Natural Gas (MoPNG). During the FY 2020-21, Ministry of Petroleum & Natural Gas (MoPNG) has approved the agreement for acquisition and thus the GSPC's share of Site Restoration Fund and corresponding decommissioning liability has been recognised in books and the account has been transferred in the name of the Company. The Company has recognised amount of INR 119.12 Crore as deposit in Site Restoration Fund (SRF) representing its share in SRF arising out of the acquisition of Participating Interest of 66.67% in Hazira Field from GSPC in previous years. The corresponding decommissioning liability has also been accounted for and included in the provisions

Attention is invited to Note No.38 regarding Impairment in Property, Plant & Equipment that the Company has provided total impairment of Rs. 20,08,32,659 being exceptional items which comprises of the following:

- 1) The Company has recognised impairment loss of INR 8,88,40,893/- (Previous year Rs. Nil) in the Profit & Loss Account representing the entire carrying value of Property, Plant & Equipments of the Modhera Field.
- 2) In respect of Baola Field, the Company has recognised impairment loss of INR 6,47,36,293/- (Previous year Rs. Nil) in the Profit & Loss Account in view of the lower than expected production from the Field.
- 3) The Nagothane Unit of the company continues to be shut due to continued unavailability of raw material. During the year, the Company has assessed that in view of continued unavailability of the raw material, the resumption of operations of the Nagothane unit is doubtful





Harshal Mehta & Associates

Chartered Accountants

CA HARSHAL MEHTA
98338 10133
caharshalmehta@gmail.com

and accordingly the Company has charged impairment loss of INR 4,72,55,473/- (Previous year Rs. Nil) to Profit & Loss Account by assessing the fair value of the Property, Plant & Equipment of Nagothane assets less costs of disposal.

Our Opinion is not modified in this regard.


Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 issued by the 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 accounts 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, 2021 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, 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, 2021, if any, on its Ind AS Financial position in its Ind AS Financial statements.
 - (ii) The Company has made provisions as at March 31, 2021 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, 2021.

Place: Mumbai
Date: 12th July, 2021

For Harshal Mehta & Associates,
Chartered Accountants
(Firm Regn No: 152736W)




HARSHAL N. MEHTA
Proprietor
Membership No: 190469
UDIN : 21190469AAAAAC6577





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 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 and such records have been so made and maintained 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, 2021 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, 2021 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 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). The company has raised term loans during the year and the same were applied for the purpose for which it was raised.
- 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.





Harshal Mehta & Associates



Chartered Accountants

CA HARSHAL MEHTA
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caharshalnmehta@gmail.com

- 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 Section 45-IA of the Reserve Bank of India Act, 1934 and therefore no registration was obtained.

Place: Mumbai
Date: 12th July, 2021

For Harshal Mehta & Associates,
Chartered Accountants
(Firm Regn No: 152736W)



HARSHAL N. MEHTA
Proprietor
Membership No: 190469
UDIN : 21190469AAAAAC6577



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 2021 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.

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.





Harshal Mehta & Associates

Chartered Accountants

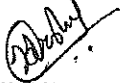

CA HARSHAL MEHTA
98338 10133
caharshalnmehta@gmail.com

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 2021, 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: 12th July, 2021

For Harshal Mehta & Associates,
Chartered Accountants
(Firm Regn.No: 152736W)



HARSHAL N. MEHTA
Proprietor
Membership No: 190469
UDIN : 21190469AAAAAC6577




SUN PETROCHEMICALS PRIVATE LIMITED
Balance Sheet as at 31st March 2021

(Amt in ₹)

Particulars	Note No.	As on 31st March 2021	As on 31st March 2020
ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment	3	91,27,41,155	57,55,27,285
(b) Right of Use Asset	4	3,17,48,201	3,01,10,244
(c) Capital Work-in-Progress	5	79,26,89,338	37,37,03,933
(d) Intangible assets	6	1,41,50,16,415	1,51,99,36,664
(e) Financial Assets			
(i) Investments	7	17,246	17,246
(ii) Deposit under site restoration fund	8	1,76,33,58,772	57,21,81,549
(f) Deferred Tax Assets	9	4,53,09,636	-
(g) Current Tax Assets	10	1,02,19,471	2,18,91,892
		4,97,11,00,234	3,09,33,68,813
2 Current assets			
(a) Inventories	11	29,45,34,619	19,90,54,596
(b) Financial Assets			
(i) Trade receivables	12	46,08,42,437	4,04,82,566
(ii) Cash and cash equivalents	13	3,21,757	2,63,040
(iii) Bank balances other than (ii) above	13	-	17,60,80,000
(iv) Loans	14	5,53,75,149	1,24,27,510
(v) Others	15	68,34,068	1,10,53,506
(c) Other current assets	16	11,61,52,637	9,99,53,950
		92,40,60,667	53,93,15,168
TOTAL		5,89,51,60,901	3,63,26,83,981
EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share capital	17	9,16,70,000	9,16,70,000
(b) Other equity	18	10,15,38,121	(7,25,50,575)
		19,32,08,121	1,91,19,425
2 Non-current liabilities			
(a) Financial Liabilities			
(i) Long Term Borrowings	19	-	1,38,94,07,323
(ii) Lease Liabilities	20	3,32,19,060	3,07,86,090
(iii) Other Long Term Liabilities	21	20,88,529	41,85,770
(b) Long term provisions	22	1,79,20,49,711	58,64,04,606
(c) Deferred Tax Liabilities (Net)	23	-	3,90,24,610
		1,82,73,57,300	2,04,98,08,399
3 Current liabilities			
(a) Financial Liabilities			
(i) Short term borrowings	24	3,38,59,78,280	1,03,90,46,286
(ii) Lease Liabilities	20	36,68,064	28,98,200
(iii) Trade payables (includes dues to micro and small enterprises: Rs. 2,15,91,082 (March 31, 2020 : Nil))	25	37,11,27,038	47,86,49,954
(iv) Other liabilities	26	4,85,947	39,13,212
(b) Other current liabilities	27	9,79,28,331	3,17,00,150
(c) Short-term provisions	28	1,54,07,819	75,48,355
		3,87,45,95,479	1,56,37,56,157
TOTAL		5,89,51,60,901	3,63,26,83,981
Significant accounting policies	2		
Notes forming part of the Financial Statements	3 to 50		

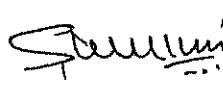
As per our attached report of even date.


For Harshal Mehta & Associates,
Chartered Accountants
Firm Reg.No:152736W

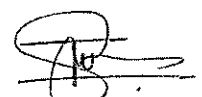

Harshal N. Mehta
Proprietor
Membership No:190469
Place: Mumbai
Date: 12th July,2021



For and on behalf of the Board


Dilip S. Shanghvi
Managing Director
DIN No:00005588


Karishma A. Shanghvi
Whole Time Director
DIN No:03546211



Tushar Pawar
Company Secretary

SUN PETROCHEMICALS PRIVATE LIMITED
Statement of Profit and Loss Account for the year ended 31st March 2021

(Amt in ₹)

Particulars	Note No.	Year ended 31st March 2021	Year ended 31st March 2020
1 INCOME			
(a) Revenue from Operations	29	1,51,80,49,686	48,87,18,033
(b) Other income	30	6,83,50,769	5,58,03,882
Total Income		1,58,64,00,455	54,45,21,915
2 EXPENSES			
(a) Changes in Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade	31	15,23,474	1,46,97,264
(b) Excise Duty / Cess		4,62,15,778	1,04,26,021
(c) Royalties		4,81,97,250	2,52,63,258
(d) Workover charges	32	3,15,69,315	2,26,00,134
(e) Operative Expenses	33	15,46,76,373	11,19,27,367
(f) Employee Cost	34	34,89,72,116	14,80,89,333
(g) Finance Cost	35	25,40,07,919	15,68,36,046
(h) Depreciation and Amortisation expenses		23,22,47,851	7,68,87,519
(i) Other Expenses	36	15,23,74,188	15,88,20,816
Total Expenses		1,26,97,84,264	72,55,47,758
3 Profit / (loss) before exceptional items and tax		31,66,16,192	(18,10,25,843)
4 Exceptional item (Impairment of PPE)	38	20,08,32,659	-
5 Profit / (Loss) Before tax		11,57,83,533	(18,10,25,843)
6 Tax Expense	37		
Current Tax		(2,02,29,876)	-
Less: MAT Credit		2,02,29,876	-
Tax Expenses relating to earlier years		-	5,56,611
Deferred Tax (Expenses) / income		6,21,80,576	(2,09,31,873)
7 Profit/(loss) for the year		17,79,64,109	(20,14,01,105)
8 Other Comprehensive Income / (Loss)			
(i) Items that will not be reclassified to profit or loss			
Remeasurements of Defined Benefit Plans		(73,99,206)	-
Less: Tax impact on above		19,23,794	-
9 Total Other Comprehensive Income / (Loss)		(54,75,412)	-
10 Total Comprehensive Income for the year		17,24,88,697	(20,14,01,105)
Earnings Per Equity Share:	40		
Basic		19.41	(21.97)
Diluted		19.41	(21.97)
Significant accounting policies	2		
Notes forming part of the Financial Statements	3 to 50		

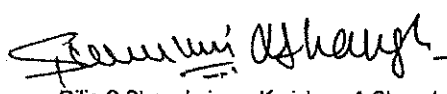
For Harshal Mehta & Associates,
Chartered Accountants
Firm Reg.No:152736W



Harshal N. Mehta
Proprietor
Membership No:190469
Place: Mumbai
Date : 12th July,2021

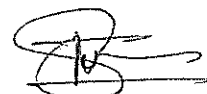


For and on behalf of the Board



Dilip S. Shanghvi
Managing Director
DIN No:00005588

Karishma A. Shanghvi
Whole Time Director
DIN No:03546211



Tushar Pawar
Company Secretary

SUN PETROCHEMICALS PRIVATE LIMITED
Statement of Changes in Equity as at 31st March 2021


(Amt In ₹)

A	As on 31st March 2021	As on 31st March 2020
EQUITY SHARE CAPITAL		
Authorised Share Capital		
2,99,99,000 Equity Share of Rs.10/- each	29,99,90,000	29,99,90,000
Issued, Subscribed & Fully Paid up Share Capital		
91,67,000 Equity Share of Rs.10/- each	9,16,70,000	9,16,70,000
Total	9,16,70,000	9,16,70,000

(Amt In ₹)

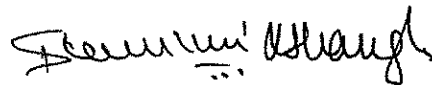
B	Capital Reserve	General Reserve	Equity for financial guarantee by holding Company	Retained Earnings	Total
Balance as at March 31, 2019	20,44,339	5,00,00,000	-	7,12,06,191	12,32,50,530
Equity for financial guarantee by Holding Company			56,00,000		56,00,000
Additions during the period :					
Total Comprehensive Income	-			(20,14,01,105)	(20,14,01,105)
Balance as at March 31, 2020	20,44,339	5,00,00,000	66,00,000	(13,01,94,914)	(7,26,50,575)
Equity for financial guarantee by Holding Company			16,00,000		16,00,000
Additions during the period :					
Total Comprehensive Income				17,24,88,697	17,24,88,697
Balance as at March 31, 2021	20,44,339	5,00,00,000	72,00,000	4,22,93,782	10,15,38,121

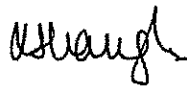
For Harshal Mehta & Associates,
Chartered Accountants
Firm Reg.No:152736W

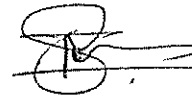

Harshal N. Mehta
Proprietor
Membership No:190469
Place: Mumbai
Date : 12th July,2021



For and on behalf of the Board


Dilip S. Shanghvi
Managing Director
DIN No:00005588


Karishma A. Shanghvi
Whole Time Director
DIN No:03546211


Tushar Pawar
Company Secretary

SUN PETROCHEMICALS PRIVATE LIMITED
Cash Flow Statement for the Year ended 31st March 2021

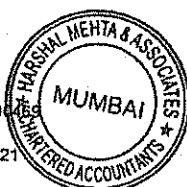
(Amt in ₹)

PARTICULARS	Year ended 31st March, 2021	Year ended 31st March, 2020
A) Cash flow From Operating Activities		
Net Profit / (Loss) Before Tax	11,57,83,533	(18,10,25,843)
Adjustments for		
Govt grant income - on deferral sales tax liability	(1,89,221)	(9,19,561)
Employee benefit expenses provision	1,49,28,140	1,43,872
Interest on account of amortised cost accounting	58,00,695	35,74,046
On borrowings	24,85,983	(1,458)
Unwinding interest on Lease liabilities	32,43,721	31,65,968
Unwinding interest on Sales Tax deferral liability	70,991	4,09,536
Rent reversals done for Leases accounting	(60,70,919)	(32,78,554)
Interest income	(6,40,07,674)	(3,86,85,485)
Misc. exps. - Processing fees reversed		(49,91,219)
Impairment of PPE	20,08,32,859	
Depreciation:		
Depreciation -PPE	12,29,35,527	7,68,87,519
Depreciation -Intangibles	10,49,20,249	
Depreciation -ROU	43,92,075	
Finance cost	24,82,07,224	15,32,24,513
Operating (Loss) / Profit before Working Capital change	74,75,32,287	49,29,288
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Decrease / (Increase) Inventories	(9,54,80,023)	2,94,91,043
Decrease / (Increase) Trade Receivables and Other Receivables	(41,03,59,871)	(3,83,32,289)
Decrease / (Increase) - security deposits placed	(4,29,47,639)	75,88,550
Decrease / (Increase) - Other financial assets	42,19,438	13,83,18,441
Decrease / (Increase) - Other current assets	(1,61,98,687)	(5,02,98,789)
Adjustments for Increase / (decrease) in operating liabilities:		
(Decrease) / Increase - Trade & Other payables	85,72,685	12,35,33,221
(Decrease) / Increase - Other financial Liabilities	(33,09,035)	(71,04,385)
(Decrease) / Increase - Other non financial Liabilities	6,41,30,940	1,36,41,565
Income Tax paid	(85,57,455)	49,33,670
Net Cash Flows from Operating Activities	24,76,02,640	22,67,00,316
B) Cash Flow from Investing Activities		
Purchase of PPE	(1,07,99,67,461)	(63,77,58,461)
Investment in intangible assets	-	(8,66,18,456)
Earmarked balances with Banks	17,60,80,000	(17,60,80,000)
Interest income	6,40,07,674	3,86,85,485
Payable for Capital Creditors	(11,60,95,601)	28,54,05,914
Net Cash Flows from Investing Activities	(95,69,75,388)	(57,63,65,518)
C) Cash Flow from Financing Activities		
Increase in long term borrowings	95,66,38,688	50,28,52,819
Finance cost incurred	(24,82,07,224)	(15,32,24,513)
Net Cash Flows from Financing Activities	70,84,31,464	34,96,28,306
Net Increase / (Decrease) in Cash & Cash equivalents	58,716	(36,896)
Cash & Cash Equivalents at Beginning of the year	2,63,040	2,99,936
Cash & Cash Equivalents at the End of the Year	3,21,757	2,63,040

For Harshal Mehta & Associates,
Chartered Accountants
Firm Reg. No:152736W

For and on behalf of the Board

Harshal N. Mehta
Proprietor
Membership No:19748
Place: Mumbai
Date : 12th July, 2021



Dilip S. Shanghvi
Managing Director
DIN No:00005588

Karishma A. Shanghvi
Whole Time Director
DIN No:03546211

Tushar Pawar
Company Secretary

SUN PETROCHEMICALS PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2021

1 COMPANY OVERVIEW

Sun Petrochemicals Private Limited ('SunPetro' or 'Company') was incorporated as a private limited company on 21st December 1995. The Company was earlier 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. However, the manufacturing unit at Nagothane is currently shut due to continuous unavailability of raw material (refer note 38). In Year 2015, the Company had 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

The Company has prepared financial statements for the year ended March 31, 2021 in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

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, impairment of property, plant and equipment and intangible assets, reserve estimates, 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.

i.b) Other assets

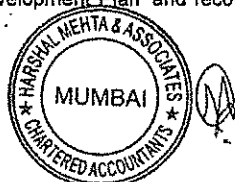
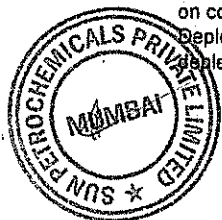
The initial cost of property, plant and equipment comprises its purchase price, non-refundable purchase taxes, duties and any directly attributable costs of bringing an asset to working condition and location for its intended use.

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.



SUN PETROCHEMICALS PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2021

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.

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'.

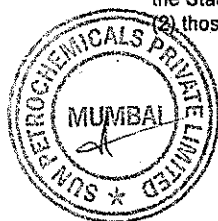
2.10 Financial Instruments

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.



SUN PETROCHEMICALS PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2021

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.

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.

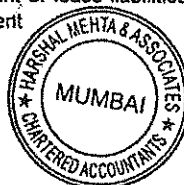
i) Right-of-use assets

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



SUN PETROCHEMICALS PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2021

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.

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.

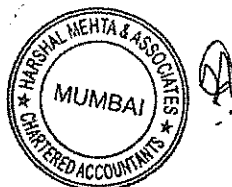
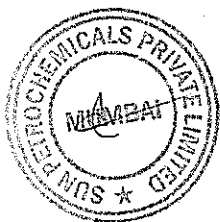
2.19 Government Grant:

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.



SUN PETROCHEMICALS PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2021

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 excepted 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.

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 incur.

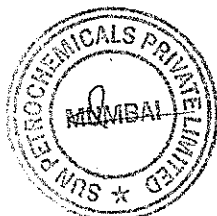
c Compensated absences

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.

2.23 Earnings per share

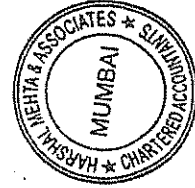
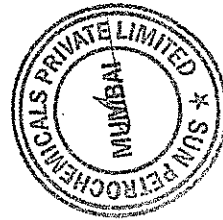
The basic earnings per share is computed and disclosed by dividing the net profit after tax attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year.

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.

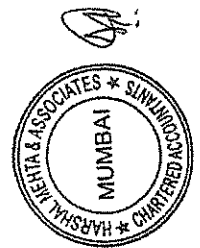
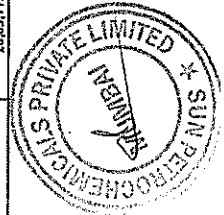


PROPERTY, PLANT & EQUIPMENT

Name of the Asset	GROSS CARRYING VALUE					DEPRECIATION / AMORTISATION					NET CARRYING VALUE	
	Balance as at 1st April 2020	Additions	Deductions	Impairment	Balance as at 31st March 2021	Balance as at 1st April 2020	For the year	Deductions	Impairment	Balance as at 31st March 2021	Balance as at 31st March 2021	Balance as at 31st March 2020
OIL FIELD ASSETS												
TANGIBLE ASSETS												
FACTORY BUILDING	30,85,080	5,310	-	-	30,85,080	7,32,613	3,62,768	-	-	10,95,381	19,89,699	23,52,468
DATA PROCESSING EQUIPMENTS	27,98,561	-	-	-	28,03,871	35,462	1,29,326	-	-	1,64,787	26,39,084	27,63,099
AIR CONDITIONERS & AC SYSTEM	3,93,444	-	-	-	3,93,444	12,786	11,054	-	-	23,840	3,69,605	3,80,659
OFFICE EQUIPMENTS	27,55,647	-	-	11,80,200	15,75,447	2,57,722	1,58,259	-	(10,237)	3,85,744	11,89,702	24,97,924
COMMUNICATION NETWORK	11,67,586	8,88,317	-	-	20,56,103	33,815	1,08,827	-	-	1,42,741	19,13,362	11,33,772
ELECTRICAL FITTINGS	11,08,943	-	-	-	11,08,943	9,969	82,685	-	-	92,655	10,16,288	10,98,973
FURNITURE & FIXTURE	22,42,914	-	-	5,04,289	17,38,626	4,67,667	2,73,979	-	(25,830)	7,15,816	10,22,809	17,75,247
	1,32,885	-	-	-	1,32,885	14,194	15,370	-	-	29,563	1,03,321	1,18,691
DRILLING EXPENSE US 42	20,20,28,744	28,71,87,430	-	15,42,94,009	33,49,22,165	2,58,55,154	4,57,34,023	-	(3,60,03,867)	3,55,85,310	29,93,36,855	17,61,73,591
TOTAL OIL FIELD ASSETS	21,57,13,805	28,80,81,257	-	15,59,78,498	34,78,16,564	2,74,19,381	4,68,76,398	-	(3,60,59,933)	3,87,35,838	30,95,80,726	18,82,94,424
OTHER ASSETS												
TANGIBLE ASSETS												
LEASE-HOLD LAND	28,96,488	-	-	8,69,673	28,96,488	86,320	43,160	-	-	1,29,480	27,67,009	28,10,169
OFFICE BUILDING	10,31,323	-	-	3,13,04,255	1,61,650	54,188	27,094	-	-	81,283	80,367	9,77,135
FACTORY BUILDING	4,68,37,128	-	-	-	1,55,32,873	69,11,069	34,55,505	-	-	1,03,66,514	51,86,359	3,89,46,118
LABORATORY EQUIPMENTS	4,05,908	-	-	2,34,738	1,71,170	70,710	35,355	-	-	1,06,065	65,106	3,35,198
ELECTRICAL FITTINGS	31,15,099	-	-	7,45,190	23,69,909	6,99,294	3,60,649	-	-	10,59,944	13,09,965	24,15,805
FURNITURE & FIXTURE	36,279	-	-	-	36,279	17,517	8,758	-	-	26,276	10,683	18,761
OFFICE EQUIPMENTS	5,92,834	95,000	-	-	6,87,834	4,44,863	2,08,787	-	-	6,53,650	34,185	1,47,971
FACTORY EQUIPMENTS	6,95,156	-	-	3,86,561	3,08,594	1,64,650	87,032	-	-	2,46,082	62,512	5,31,106
OTHER EQUIPMENTS	2,53,891	-	-	-	2,53,891	2,00,774	22,914	-	-	2,23,688	30,203	53,117
R & D EQUIPMENTS & LAB	35,15,695	6,37,200	-	-	41,52,895	19,04,193	11,00,936	-	-	30,05,130	11,47,765	16,11,501
DATA PROCESSING EQUIPMENTS	64,096	-	-	-	64,096	17,117	4,302	-	-	21,419	42,677	46,979
A/C SYSTEM	2,32,87,677	39,47,167	20,73,745	-	2,51,61,099	1,37,114	80,24,090	-	-	68,82,744	1,82,78,355	2,31,50,564
MOTOR CAR	8,27,51,574	46,79,367	20,73,745	3,35,40,417	5,18,16,779	1,07,07,150	1,33,79,584	-	-	2,38,02,273	2,90,14,505	7,20,44,424
TOTAL OTHER ASSETS	8,27,51,574	46,79,367	20,73,745	3,35,40,417	5,18,16,779	1,07,07,150	1,33,79,584	-	-	2,38,02,273	2,90,14,505	7,20,44,424
PLANT & MACHINERY (OIL FIELD & OTHER ASSETS)	32,96,87,784	36,90,07,130	-	4,91,45,416	64,95,49,718	1,44,99,348	6,26,83,553	-	(17,71,739)	7,54,13,162	57,41,45,923	31,51,88,416
TOTAL ASSETS	62,81,53,163	66,17,67,973	20,73,745	23,86,64,331	1,04,91,83,060	5,26,25,878	12,29,35,537	12,78,460	(3,78,31,672)	13,64,51,273	91,27,41,155	57,55,87,285



Name of the Asset	GROSS CARRYING VALUE				DEPRECIATION / AMORTISATION				NET CARRYING VALUE	
	Balance as at 1st April 2019	Additions	Deductions	Impairment	Balance as at 31st March 2020	For the year	Deductions	Impairment	Balance as at 31st March 2020	Balance as at 31st March 2021
OIL FIELD ASSETS										
TANGIBLE ASSETS										
FACTORY BUILDING	30,85,080	-	-	-	30,85,080	3,27,411	-	-	7,32,613	23,52,468
DATA PROCESSING EQUIPMENTS	4,67,353	23,31,208	-	-	27,98,561	37,589	-	-	35,462	27,63,099
AIR CONDITIONERS & AC SYSTEM	1,18,519	2,74,925	-	-	3,93,444	10,866	-	-	12,786	3,80,659
OTHER EQUIPMENTS	11,63,681	15,91,965	-	-	27,55,647	1,74,886	-	-	2,37,722	24,97,924
OFFICE EQUIPMENTS	3,84,758	7,82,828	-	-	11,67,586	8,589	-	-	31,815	11,33,772
COMMUNICATION NETWORK	-	11,08,943	-	-	11,08,943	9,969	-	-	10,98,973	-
ELECTRICAL FITTINGS	22,45,986	-	3,072	-	22,42,914	2,60,728	-	-	4,67,667	17,75,247
FURNITURE & FIXTURE	12,587	1,20,298	-	-	1,32,885	13,990	-	-	14,194	1,18,691
DRILLING EXPENSE US 42	4,57,62,704	15,62,66,040	-	-	20,20,28,744	2,16,96,680	-	-	2,58,55,154	17,61,73,591
TOTAL OIL FIELD ASSETS	5,32,40,670	16,24,76,207	3,072	-	21,57,13,805	2,27,57,385	-	-	2,74,19,381	18,82,94,424
OTHER ASSETS										
TANGIBLE ASSETS										
LEASE-HOLD LAND	28,96,488	-	-	-	28,96,488	43,160	-	-	86,320	28,53,329
OFFICE BUILDING	10,31,323	-	-	-	10,31,323	27,094	-	-	54,189	9,77,135
FACTORY BUILDING	4,68,57,128	-	-	-	4,68,57,128	34,55,505	-	-	69,11,009	3,99,46,118
LABORATORY EQUIPMENTS	4,05,908	-	-	-	4,05,908	35,355	-	-	70,710	3,35,198
ELECTRICAL FITTINGS	28,19,824	2,95,275	-	-	31,15,099	3,50,456	-	-	6,99,394	24,15,805
FURNITURE & FIXTURE	36,279	-	-	-	36,279	8,759	-	-	17,517	18,761
OFFICE EQUIPMENTS	4,29,534	1,93,300	30,000	-	5,92,834	2,74,203	-	-	4,44,563	1,47,971
FACTORY EQUIPMENTS	6,95,156	-	-	-	6,95,156	82,032	15	-	1,64,050	5,31,106
OTHER EQUIPMENTS	2,33,891	-	-	-	2,33,891	1,02,612	-	-	2,90,774	53,117
R & D EQUIPMENTS & LAB	-	-	-	-	-	98,162	-	-	-	-
DATA PROCESSING EQUIPMENTS	24,52,751	10,62,944	-	-	35,15,695	4,78,464	-	-	19,04,193	16,11,501
CYCLES	-	-	-	-	-	-	-	-	-	-
AC SYSTEM	64,096	-	-	-	64,096	7,917	-	-	17,117	46,979
MOTOR CAR	1,36,77,223	1,69,27,926	73,17,471	-	2,32,87,677	29,26,684	43,09,548	-	1,37,114	2,31,50,564
TOTAL OTHER ASSETS	71,619,601	1,84,79,445	73,47,471	-	82,751,574	77,87,791	43,09,543	-	1,07,07,150	72,01,44,424
PLANT & MACHINERY (OIL FIELD & OTHER ASSETS)	15,55,17,641	21,74,87,921	4,33,17,778	-	37,96,87,784	2,28,81,284	2,58,38,145	-	1,44,99,348	31,151,88,436
TOTAL ASSETS	28,03,77,912	39,84,43,572	5,06,68,231	-	67,81,53,163	5,34,26,430	3,01,47,708	-	5,26,25,878	57,55,27,285
										25,10,30,755

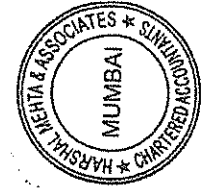


SUN PETROCHEMICALS PRIVATE LTD

Note 4 Notes forming part of financial statements for the year ended March 31, 2021

RIGHT OF USE ASSETS	
Particulars	Balance as at 31st March 2021
Opening Balance	3,01,10,244
Additions during the year	60,30,032
Less: Depreciation for the year	(43,92,075)
Less: Disposal / write offs	-
Balance as on 31.03.2021	3,17,48,201

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



SUN PETROCHEMICALS PRIVATE LTD

Notes forming part of financial statements for the year ended March 31, 2021

Note

(Amt. in ₹)

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CAPITAL WORK IN PROGRESS

Particulars	Balance as at 1st April 2020	Additions	Deductions	Impairment	Balance as at 31st April 2021
PRODUCING PROPERTY IN PROGRESS	37,37,03,933	65,92,63,850	24,02,78,443	-	79,26,89,338

5

CAPITAL WORK IN PROGRESS

Particulars	Balance as at 1st April 2019	Additions	Deductions	Impairment	Balance as at 1st April 2020
PRODUCING PROPERTY IN PROGRESS	13,73,29,522	33,34,52,461	9,70,78,049	-	37,37,03,933

6

INTANGIBLE ASSETS:

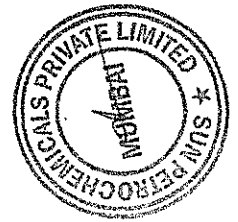
Name of the Asset	GROSS CARRYING VALUE				DEPRECIATION / AMORTISATION				NET CARRYING VALUE		
	Balance as at 1st April 2020	Additions	Deductions	Impairment	Balance as at 1st April 2020	For the year	On deductions	Impairment	Balance as at 31st March 2021	Balance as at 31st March 2021	Balance as at 31st March 2020
OIL-FIELD ASSETS:											
INTANGIBLE ASSETS											
PI RIGHTS PURCHASE FROM RELIANCE/RP	(0)	-	-	-	-	-	-	-	-	-	(0)
PREOPERATIVE EXPENSES	1,53,16,61,087	-	-	-	1,51,55,879	10,14,88,793	-	-	11,66,44,672	1,41,50,16,415	1,51,65,05,208
ACQUISITION OF PI RIGHTS											
OTHERS:											
SOFTWARE	1,27,43,585	-	-	-	93,12,129	34,31,456	-	-	1,27,43,585	-	34,31,456
TOTAL	1,54,44,04,672	-	-	-	2,44,68,008	10,49,20,249	-	-	12,93,88,256	1,41,50,16,415	1,51,99,36,664

6

INTANGIBLE ASSETS:

Name of the Asset	GROSS CARRYING VALUE				DEPRECIATION / AMORTISATION				NET CARRYING VALUE		
	Balance as at 1st April 2019	Additions	Deductions	Impairment	Balance as at 1st April 2019	For the year	On deductions	Impairment	Balance as at 31st March 2020	Balance as at 31st March 2020	Balance as at 31st March 2019
OIL-FIELD ASSETS:											
INTANGIBLE ASSETS											
PI RIGHTS PURCHASE FROM RELIANCE/RP	1,32,00,20,495	-	1,32,00,20,495	-	-	-	-	-	-	-	1,32,00,20,495
PREOPERATIVE EXPENSES	10,52,10,193	-	10,52,10,193	-	-	-	-	-	-	-	10,52,10,193
ACQUISITION OF PI RIGHTS		1,53,16,61,087	-	-	1,53,16,61,087	-	-	-	1,51,55,879	1,51,65,05,208	-
OTHERS:											
SOFTWARE	1,27,43,585	-	-	-	46,56,064	46,56,064	-	-	93,12,129	34,31,456	80,87,550
TOTAL	1,43,79,74,272	1,53,16,61,087	1,47,52,30,688	-	46,56,064	1,98,11,943	-	-	2,44,68,003	1,51,99,36,664	1,43,33,18,208

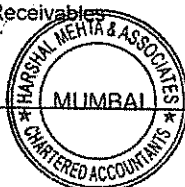
(Intangible assets represent production rights acquired at fair value).



SUN PETROCHEMICALS PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2021

7	INVESTMENTS	As on 31st March 2021	As on 31st March 2020
	Investment at fair value through Profit and Loss -Investment in Limited Liability Partnerships (Associates)	17,246	17,246
	Total Investments (i)	17,246	17,246
8	OTHER NON-CURRENT ASSETS	As on 31st March 2021	As on 31st March 2020
	Deposit under site restoration fund (SRF)	1,76,33,58,772	57,21,81,549
	Total Deposit in SRF (ii)	1,76,33,58,772	57,21,81,549
9	DEFERRED TAX ASSETS (NET)	As on 31st March 2021	As on 31st March 2020
	Deferred tax on book base and tax base values - Property, Plant and Equipment & Intangible Assets	(23,79,15,040)	-
	Employee benefits actuarial provisions	1,63,21,645	-
	Right of Use Assets	(82,64,532)	-
	Leases liabilities	95,90,652	-
	Borrowings	(14,83,204)	-
	Others	(6,08,188)	-
	Deferred tax on the carryforward of unused tax losses	24,74,28,427	-
	Deferred tax on the carryforward of unused tax credits (MAT)	2,02,29,876	-
		4,53,09,636	-
10	CURRENT TAX ASSETS (NET)	As on 31st March 2021	As on 31st March 2020
	Advance Tax and TDS receivable (Net)	3,04,49,347	2,18,91,892
	Less: Provision for Tax (MAT)	(2,02,29,876)	-
	Total	1,02,19,471	2,18,91,892
11	INVENTORIES	As on 31st March 2021	As on 31st March 2020
	Raw Materials	9,39,872	9,39,872
	Packing Material	14,80,304	14,80,304
	Work-in-Progress	30,760	30,760
	Finished Goods ACB & Crude Oil	69,94,327	85,17,802
	Stores and Spares	28,50,89,356	18,80,85,858
	Total	29,45,34,619	19,90,54,596
12	TRADE RECEIVABLES	As on 31st March 2021	As on 31st March 2020
	Unsecured – Considered Good		
	Outstanding for a period exceeding six months from the date they were due for payment.	-	-
	Other Trade Receivables	45,08,42,437	4,04,82,566
	Less: Provision for Doubtful Trade Receivables		
	Total	45,08,42,437	4,04,82,566



SUN PETROCHEMICALS PRIVATE LIMITED

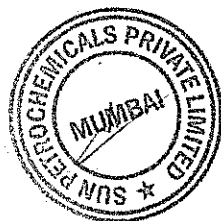
Notes forming part of financial statements for the year ended March 31, 2021

13 CASH AND BANK BALANCES	As on 31st March 2021	As on 31st March 2020
A) Cash and Cash Equivalents		
(a) Balance with Banks		
(i) Current Accounts	3,06,263	2,55,325
(b) Cash on Hand	15,494	7,715
Total	3,21,757	2,63,040
B) Other Balances with bank		
Balances held as Margin Money	-	17,60,80,000
Total	-	17,60,80,000

14 LOAN	As on 31st March 2021	As on 31st March 2020
Unsecured, Considered good		
Security Deposits	5,20,35,600	1,19,03,477
Loan to Employees	33,39,549	5,24,033
Total	5,53,75,149	1,24,27,510

15 OTHER CURRENT FINANCIAL ASSETS	As on 31st March 2021	As on 31st March 2020
Advance Given	26,71,562	53,03,010
Export Incentive Receivable	33,57,787	33,57,787
Interest accrued on margin money	8,04,719	23,92,709
Total	68,34,068	1,10,53,506

16 OTHER CURRENT ASSETS	As on 31st March 2021	As on 31st March 2020
Advances towards Supply of Goods and Services	6,89,59,173	5,67,58,141
Prepaid Expenses	1,03,37,872	49,29,046
Balance with Government Authorities	3,68,55,592	3,82,66,763
Total	11,61,52,637	9,99,53,950



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SUN PETROCHEMICALS PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2021

(Amt in ₹)

17 EQUITY SHARE CAPITAL	As on 31st March 2021	As on 31st March 2020
Authorised Share Capital 2,99,99,000 (2,99,99,000 as at March 31, 2020) Equity Share of Rs.10/- each	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, 2020) Equity Share of Rs.10/- each	9,16,70,000	9,16,70,000
Total	9,16,70,000	9,16,70,000

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

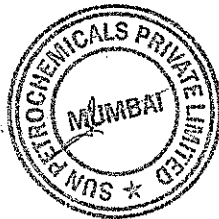
Equity Shares	As on 31st March 2021		As on 31st March 2020	
	Numbers	Amount in Rs.	Numbers	Amount in Rs.
Equity shares at the beginning of the year	91,67,000	9,16,70,000	91,67,000	9,16,70,000
Add : Shares issued during the year	-	-	-	-
Equity shares at the end of the year	91,67,000	9,16,70,000	91,67,000	9,16,70,000

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

Name of the Shareholders	As on 31st March 2021		As on 31st March 2020	
	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%
Unimed Investments Ltd.	4,70,000	5.13%	4,70,000	5.13%
Aditya Medisales Ltd	8,00,000	8.73%	8,00,000	8.73%
Shanghvi Finance Pvt Ltd	61,80,000	67.42%	61,80,000	67.42%
Rampanth Reality Pvt. Ltd	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, 2021

(Amt in ₹)

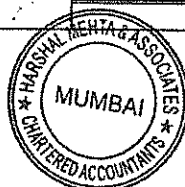
18 OTHER EQUITY	Capital Reserve	General Reserve	Equity for financial guarantee by holding Company	Retained Earnings	Total
Balance as at March 31, 2019	20,44,339	5,00,00,000	-	7,12,06,191	12,32,50,530
Equity for financial guarantee by Holding Company			56,00,000		56,00,000
Additions during the period :					
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)
Equity for financial guarantee by Holding Company			16,00,000		16,00,000
Additions during the period :					
Total Comprehensive Income				17,24,88,697	17,24,88,697
Balance as at March 31, 2021	20,44,339	5,00,00,000	72,00,000	4,22,93,782	10,15,38,121



SUN PETROCHEMICALS PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2021

19	LONG TERM BORROWINGS	As on 31st March 2021	As on 31st March 2020
	Secured		
	Term Loan from Kotak Mahindra Bank (Rs. 140 Crores term loan @9.5 interest P.A , repayable in three installment of Rs. 46,66,66,667 will due on 26/09/2021 ,26/12/2021 & 26/03/2022 respectively. The loan is against Guarantee provided by Holding Company (Shangvi Finance Private Limited)	-	1,38,94,07,323
		-	1,38,94,07,323
20	LEASE LIABILITIES	As on 31st March 2021	As on 31st March 2020
	Opening Balance	3,36,84,291	-
	Recognised as per IND AS 116 at the beginning of the year	-	3,25,61,198
	Additions during the year	60,30,032	11,98,192
	Add: unwinding of interest	32,43,721	32,03,454
	Less: Rent expenses during the year	(60,70,919)	(32,78,554)
		3,68,87,124	3,36,84,291
	Non-current lease liabilities	3,32,19,060	3,07,86,090
	Current lease liabilities	36,68,064	28,98,200
21	OTHER LONG TERM FINANCIAL LIABILITIES	As on 31st March 2021	As on 31st March 2020
	Trade / Security Deposits received	20,88,529	36,99,823
	Deferred Sales tax Payment Liabilities	-	4,85,947
		20,88,529	41,85,770
22	LONG TERM PROVISIONS	As on 31st March 2021	As on 31st March 2020
	Provision for Gratuity	1,40,80,372	70,45,746
	Provision for Leave Encashment	1,46,10,567	71,77,311
	Provision fund Site Restoration Fund	1,76,33,58,772	57,21,81,549
		1,79,20,49,711	58,64,04,606
23	DEFERRED TAX LIABILITIES (NET)	As on 31st March 2021	As on 31st March 2020
	Deferred tax on book base and tax base values - Property, Plant and Equipment & Intangible Assets	-	26,84,15,053
	Employee benefits actuarial provisions	-	(56,60,569)
	Right of Use Assets	-	78,28,664
	Leases liabilities	-	(87,57,916)
	Borrowings	-	27,54,096
	Others	-	(30,739)
	Deferred tax on the carryforward of unused tax losses	-	(22,55,23,978)
		-	3,90,24,611



SUN PETROCHEMICALS PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2021

24	CURRENT BORROWINGS	As on 31st March 2021	As on 31st March 2020
	Secured		
	Bank Overdraft (Secured by hypothecation charges on all existing and future receivables and entire current assets)	6,26,72,034	3,40,70,344
	Term Loan from Kotak Mahindra Bank (Rs. 160 Crores term loan @9.5 interest P.A, repayable in three installment of Rs 53,33,33,333/- will due on 26/09/2021, 26/12/2021 & 26/03/2022 respectively, the loan is against Guarantee provided by Holding Company Shanghyi Finance Private Limited)	1,59,42,95,369	-
	Unsecured		
	Loan repayable on demand From Related Party	1,72,90,10,877	1,00,49,75,942
		3,38,59,78,280	1,03,90,46,286
25	TRADE PAYABLES	As on 31st March 2021	As on 31st March 2020
	Amount due to micro and small enterprises	2,15,91,082	-
	Others	34,95,35,956	47,86,49,954
		37,11,27,038	47,86,49,954
26	OTHER CURRENT FINANCIAL LIABILITIES	As on 31st March 2021	As on 31st March 2020
	Deferred Sales tax Payment Liabilities	4,85,947	37,23,991
	Deferred Sales Tax Gain (Govt Grant)	-	1,89,221
		4,85,947	39,13,212
27	OTHER CURRENT LIABILITIES	As on 31st March 2021	As on 31st March 2020
	Statutory dues Payable	8,90,08,594	3,08,03,932
	Other liabilities	89,19,737	8,96,218
		9,79,28,331	3,17,00,150
28	SHORT TERM PROVISIONS	As on 31st March 2021	As on 31st March 2020
	Provision for Gratuity	96,00,822	55,41,315
	Provision for Leave Encashment	58,06,997	20,07,040
		1,54,07,819	75,48,355



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SUN PETROCHEMICALS PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2021

29	REVENUE FROM OPERATIONS	As on 31st March 2021	As on 31st March 2020
	Sale of Products	1,58,14,29,319	49,82,60,026
	Less: Government of India's share in Profit Petroleum	6,33,79,633	95,41,993
	Total	1,51,80,49,686	48,87,18,033

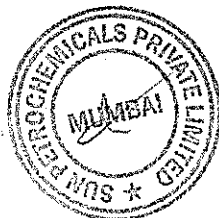
30	OTHER INCOME	As on 31st March 2021	As on 31st March 2020
	Sale of Scrap	28,95,096	2,27,500
	Interest income	6,40,07,674	3,86,85,485
	Govt grant	1,89,221	9,19,561
	Other income	12,58,778	1,48,21,421
	Sundry Balances Written Back (Net)	-	11,49,915
	Total	6,83,50,769	5,58,03,882

31	CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE	As on 31st March 2021	As on 31st March 2020
	Inventories at the end of the year:	69,94,327	85,17,802
	Inventories at the beginning of the year:	85,17,802	2,32,15,066
	Total	15,23,474	1,46,97,264

32	WORKOVER CHARGES	As on 31st March 2021	As on 31st March 2020
	Consumption of Chemicals	1,09,41,395	1,28,00,375
	Service costs	2,06,27,920	97,99,759
	Total	3,15,69,315	2,26,00,134

33	OPERATIVE EXPENSES	As on 31st March 2021	As on 31st March 2020
	Other Manufacturing Charges	11,34,75,674	7,52,17,247
	Power and Fuel	1,58,70,754	1,53,05,340
	Repairs & Maintenance :		
	Building	18,34,308	26,85,614
	Plant and Machinery	1,26,78,967	84,83,021
	Others	1,08,16,670	1,02,36,145
	Total	15,46,76,373	11,19,27,367

34	EMPLOYEE COST	As on 31st March 2021	As on 31st March 2020
	Salaries and wages	30,75,51,170	13,26,79,211
	Contribution to provident and other funds	1,40,37,796	59,18,159
	Other Employee Benefits	2,73,83,150	94,91,963
	Total	34,89,72,116	14,80,89,333



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SUN PETROCHEMICALS PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2021

35	FINANCE COST	As on 31st March 2021	As on 31st March 2020
	Interest	25,06,93,207	15,32,23,055
	Unwinding interest on Lease liabilities	32,43,721	32,03,454
	Unwinding interest on Sales Tax Deferral Liability	70,991	4,09,536
	Total	25,40,07,919	15,68,36,046
36	OTHER EXPENSES	As on 31st March 2021	As on 31st March 2020
	Rent	28,32,000	28,32,000
	Rates and Taxes	48,59,901	70,90,698
	Insurance	1,12,71,725	64,19,919
	Selling and Distribution	90,28,924	22,69,076
	Printing and Stationery	4,45,819	3,79,201
	Travelling and Conveyance	2,40,21,560	1,81,61,767
	Overseas Freight & Other misc Freight	-	50,539
	Communication	10,41,409	8,05,854
	Sundry Balances / Bad Debts Written Off	31,820	93,188
	Professional and Consultancy	1,57,81,348	1,01,39,996
	Donation	10,000	50,000
	Net loss on Sale of Assets	4,46,058	1,24,18,500
	Audit Fees	1,18,000	1,20,000
	Site Restoration Fund	5,39,35,865	3,26,01,893
	Loss on Stores Inventory	-	3,80,66,544
	Miscellaneous Expenses	2,85,49,759	2,73,21,641
	Total	15,23,74,188	15,88,20,816



SUN PETROCHEMICALS PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2021

37 Income Taxes:

(Amount In Rs.)

1. Income Tax recognised in profit or loss

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Current Tax		
In respect of the current year	-	-
In respect of prior years	-	5,56,611
Deferred Tax		
In respect of the current year	6,21,80,576	(2,09,31,873)
Total Income tax expense recognised	6,21,80,576	(2,03,75,262)

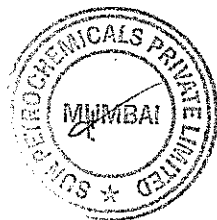
2. Reconciliation of Income tax expense of the year can be reconciled to the accounting profit as follows:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit before tax	11,57,83,533	(18,10,25,843)
Effective tax rate	26%	26%
Income tax expense	3,01,03,719	(4,70,66,719)
Effect of expenses that are 1) computed differently in tax OR 2) Not deductible, while determining taxable profit	1,01,72,409	(19,93,89,133)
Deferred tax on the carryforward of unused tax losses	2,19,04,449	22,55,23,978
Income tax expense recognised in statement of profit and loss	6,21,80,576	2,09,31,874

3. Movements in deferred tax assets

Particulars	PPE	Provisions	Leases	Borrowings	others	Unused Business losses	unused tax credits	Total
As at March 31, 2020	(26,84,15,053)	56,80,569	9,29,252	(27,54,096)	30,739	22,55,23,978		(3,90,24,611)
(Charged)/credited to PROFIT or loss	(50,63,30,093)	2,39,06,008	22,65,372	(42,37,300)	(5,77,449)	47,29,52,406		(1,20,21,057)
to OCI -Employee benefits remeasurement		19,23,794						19,23,794
Reclassification of MAT credit receivable	0						2,02,29,876	2,02,29,876
As at March 31, 2021	(23,79,15,040)	1,63,21,645	13,36,120	(14,83,204)	(6,08,188)	24,74,28,427	2,02,29,876	4,53,09,636

Particulars	PPE	Provisions	Leases	Borrowings	others	Unused Business losses	Total
As at March 31, 2019	(2,63,65,469)	81,09,407			1,63,346	0	(1,80,92,736)
(Charged)/credited to Profit or loss	(24,20,49,564)	(24,46,838)	9,29,252	(27,54,096)	(1,32,607)	22,55,23,978	(2,09,31,875)
to OCI -Employee benefits remeasurement							
As at March 31, 2020	(26,84,15,053)	56,80,569	9,29,252	(27,54,096)	30,739	22,55,23,978	(3,90,24,611)



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SUN PETROCHEMICALS PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2021

38 Exceptional item:

The Company has provided total impairment of Rs. 20,08,32,659 (Previous year Rs.Nil) being exceptional items which comprises of the following:

The Company is presently in the business of Exploration & Production of Crude Oil and Natural Gas in Onshore and Offshore areas in India. The Company has entered into various Production Sharing Contracts (PSCs) with the Government of India for its respective Fields. The Company has assessed individual Field as its independent cash generating unit (CGU). During the previous Financial Year 2019-20, the Company had drilled one development well in its Modhera Field. The production of the well drilled in previous financial year as well as other wells drilled earlier is much below the expected levels and thus the Company estimates that the Field is no more economically viable. Accordingly, Company has recognised impairment loss of INR 8,88,40,893/-(Previous year Rs. Nil) in the Profit & Loss Account representing the entire carrying value of Property, Plant & Equipments of the Modhera Field. In respect of Baola Field, the Company has recognised impairment loss of INR 6,47,36,293/-(Previous year Rs. Nil) in the Profit & Loss Account in view of the lower than expected production from the Field. Further, the Nagothane Unit of the company continues to be shut due to continued unavailability of raw material. During the year, the Company has assessed that in view of continued unavailability of the raw material, the resumption of operations of the Nagothane unit is doubtful and accordingly the Company has charged impairment loss of INR 4,72,55,473/-(Previous year Rs. Nil) to Profit & Loss Account by assessing the fair value of the Property, Plant & Equipment of Nagothane assets less costs of disposal.

39 CONTINGENT LIABILITIES AND COMMITMENTS

(Amt in ₹)

a. Contingent liabilities

	As at 31.03.2021	As at 31.03.2020
Claims against the Company not acknowledged as debts (Service tax disputed Liabilities):	Nil	63,50,128
b. Capital Commitments	20,84,50,833	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).

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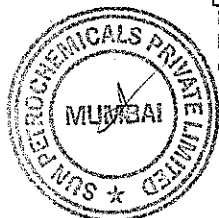
EARNING PER SHARE	As at 31.03.2021	As at 31.03.2020
Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	17,79,64,109	(20,14,01,105)
Weighted Average No. of Equity Shares	91,67,000	91,67,000
Earning per Share (Basic & Diluted) per share	19.41	(21.97)
Face Value per Equity Share	10	10

41

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	2020-21	2019-20
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.(principal outstanding)	2,15,91,082	-
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.



NA

SUN PETROCHEMICALS PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2021

42. 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.

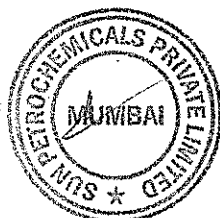
The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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, 2021				Fair value through Profit and Loss				Fair value 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	
Financial Assets													
Investments in Associates	17,246		17,246									17,246	17,246
Deposit under restoration fund	1,76,33,58,772		1,76,33,58,772									1,76,33,58,772	1,76,33,58,772
Other assets													
Cash and cash equivalents	3,21,757		3,21,757									3,21,757	3,21,757
Trade receivables	45,08,42,437		45,08,42,437									45,08,42,437	45,08,42,437
Other balances with bank													
Loans	5,53,75,149		5,53,75,149									5,53,75,149	5,53,75,149
Advance Given to JV Partner	26,71,562		26,71,562									26,71,562	26,71,562
Export Incentive Receivable	33,57,787		33,57,787									33,57,787	33,57,787
Interest accrued on margin money	8,04,719		8,04,719									8,04,719	8,04,719
Total	2,27,67,49,428		2,27,67,49,428									2,27,67,49,428	2,27,67,49,428
Financial Liabilities													
Borrowings													
Non-current													
Current	3,38,59,78,280		3,38,59,78,280									3,38,59,78,280	3,38,59,78,280
Trade Payables	37,11,27,038		37,11,27,038									37,11,27,038	37,11,27,038
Lease liabilities	36,68,064		36,68,064									36,68,064	36,68,064
Other Financial Liabilities	25,74,476		25,74,476									25,74,476	25,74,476
Total	3,76,33,47,858		3,76,33,47,858									3,76,33,47,858	3,76,33,47,858
Financial Assets and Liabilities as at March 31, 2020													
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
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



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SUN PETROCHEMICALS PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2021

43 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 2021	As on 31st March 2020
Financial assets for which loss allowances is measured using the expected credit loss		
Trade receivables		
less than 180 days	45,08,42,437	4,04,82,566
180 - 365 days	-	-
beyond 365 days	-	-
Total	45,08,42,437	4,04,82,566

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.

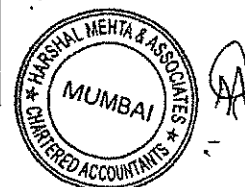
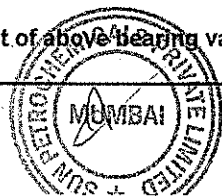
The table below provides details regarding the contractual maturities of significant financial liabilities :

Particulars	(Amt in ₹)	
	Less than 1 year	1-3 years
As at March 31, 2021		
Borrowings	3,38,59,78,280	-
Trade and other payables	37,11,27,038	-
Lease liabilities	36,68,064	3,32,19,060
Other financial liabilities	4,85,947	20,88,529
	3,75,71,05,318	-
As at March 31, 2020		
Borrowings	1,03,90,46,286	1,38,94,07,323
Trade and other payables	47,86,49,954	-
Lease liabilities	28,98,200	3,07,86,090
Other financial liabilities	39,13,212	41,85,770
	1,51,76,96,240	1,38,94,07,323

Market Risk

Exposure to interest rate risk

Particulars	(Amt in ₹)	
	As on 31st March 2021	As on 31st March 2020
Total Borrowings	3,38,59,78,280	2,42,84,53,609
% 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, 2021

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 2021	As on 31st March 2020
50 bp increase would decrease the profit before tax by	-	-
50 bp decrease would increase the profit before tax by	-	-

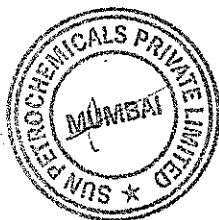
The Company's interest bearing financial assets are primarily fixed in nature. Hence, the Company is not significantly exposed to interest rate risk.

44 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
The Company monitors capital on the basis of the carrying amount of debt less cash and cash equivalents as presented on
The Company's objective for capital management is to maintain an optimum overall financial structure.

(Amt in ₹)

Debt equity ratio	As on 31st March 2021	As on 31st March 2020
Debt (includes non-current, current borrowings)	3,38,59,78,280	2,42,84,53,609
Less: Cash and cash equivalents	3,21,757	2,63,040
Less: Other balances with bank	-	17,60,80,000
Net debt	3,38,56,56,523	2,25,21,10,569
Total equity	19,32,08,121	1,91,19,425
Net debt to total equity ratio	17.52	117.79



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SUN PETROCHEMICALS PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2021

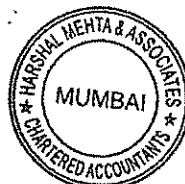
45 Disclosure pursuant to Indian Accounting Standard (Ind AS) 19 "Employee Benefits"

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, 2021	As at March 31, 2020
I Changes in projected benefit obligations		
Present value of obligation as at the beginning of the year	1,78,66,888	1,03,39,365
Interest cost	12,31,029	8,05,437
Current service cost	30,27,678	17,98,368
Benefit Paid from the fund	-	-
Components of actuarial gain/losses on obligations:		
Due to change in financial assumptions	(25,925)	10,09,158
Due to change in demographic assumption	-	-
Due to experience adjustments	73,73,146	39,14,560
Present value of obligation as at the end of the year	<u>2,94,72,816</u>	<u>1,78,66,888</u>
II Change in Fair Value of Plan Assets		
Fair value of plan assets at the beginning of the year	52,79,827	46,74,885
Interest Income	3,63,780	3,64,174
Contributions by employer (Benefit Paid from the Fund)	2,00,000	5,13,294
Return on plan assets excluding interest income	(51,985)	(2,72,526)
Fair value of plan assets at the end of the year	<u>57,91,622</u>	<u>52,79,827</u>
III Net employee benefit expenses for the year		
Current service cost	30,27,678	17,98,368
Net interest cost	8,67,249	4,41,263
Net employee benefit expenses for the year	<u>38,94,927</u>	<u>22,39,631</u>
Other Comprehensive Income for the current period		
Actuarial (Gains)/Losses on Obligation For the Period	30,27,678	49,23,718
Return on plan assets excluding amounts included in interest income	8,67,249	2,72,526
Other Comprehensive Income for the current period	<u>38,94,927</u>	<u>51,96,244</u>
IV Category of fair value of plan asset		
Policy of insurance	100%	100%
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		



SUN PETROCHEMICALS PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2021

Discount rate Sensitivity		
Increase by 1%	(23,87,237)	(11,14,317)
Decrease by 1%	28,28,527	12,71,861
Salary growth rate Sensitivity		
Increase by 1%	27,97,158	12,57,879
Decrease by 1%	(24,05,867)	(11,23,087)
Employee Turnover rate (W.R.) Sensitivity		
Increase by 1%	(1,20,839)	(54,935)
Decrease by 1%	1,26,411	57,009

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	10,35,727	6,77,209
Later than 1 year and not later than 5 years	1,41,07,321	1,00,89,623
Later than 5 year	72,23,391	64,68,301

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.

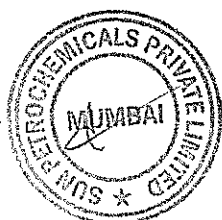
Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

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 financial statements for the year ended March 31, 2021

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

a) List of Related Parties and Relationships

i) Holding Company:

Shanghvi Finance Private Limited

ii) Enterprises having significant influence

Sun Pharma Laboratories Ltd.
Sun Pharmaceutical Industries Ltd.

iii) Key managerial personnel

Mr. Dilip S. Shanghvi	Managing Director
Mrs. Karishma Aalok Shanghvi	Whole time Director
Mrs. Vibha D. Shanghvi	Director
Mr. Sudhir V. Valia	Director
Mr. Jimmi. Desai	Director

iv) Relative of Key managerial personnel

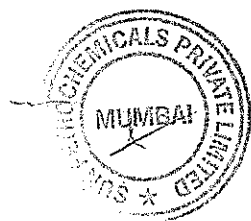
Ms. Vidhi Dilip Shanghvi	Daughter of Director
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b) Details of transactions with related parties referred to above

Nature of Transactions	Transaction amount	
	2020-21	2019-20
Mrs. Karishma Aalok Shanghvi		
Remuneration to Directors	4,91,25,043	48,65,331
Contribution to Provident fund	20,79,842	2,30,279
Mrs. Vibha D Shanghvi		
Remuneration to Directors	4,95,07,617	
Ms. Vidhi Dilip Shanghvi		
Salary & Benefits	2,07,10,125	
Sun Pharma Laboratories Ltd.		
Pallates Sales	-	49,011
Sun Pharmaceutical Industries Ltd.		
Rent paid for Office space	28,32,000	28,32,000
Shanghvi Finance Private Limited		
Interest Expenses	8,30,34,936	13,50,47,668
Loans Received	44,50,00,000	55,25,00,000
Loans Repayment	1,08,60,00,000	1,60,70,00,000

c) Amount due to/from related parties

Nature of Transactions	Transaction amount	
	2020-21	2019-20
Shanghvi Finance Private Limited		
Outstanding Balance Payable	1,72,90,10,876	1,00,49,75,940



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SUN PETROCHEMICALS PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2021

- 47 During the Financial Year 2019-20, the Company had 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 had been recognized as fixed asset-Participating Interest Rights in the books in FY 2019-20. During the FY 2020-21, Ministry of Petroleum & Natural Gas (MoPNG) has approved the agreement for acquisition of said Participating Interest.
- 48 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 was 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 has been recognised in books of the Company in FY 2020-21. Similarly, the Company had acquired GSPC's Participating Interest of 66.67% in Hazira Field vide agreement which is effective from 1st Oct'2019, however the agreement was subject to approval from Ministry of Petroleum & Natural Gas (MoPNG). During the FY 2020-21, Ministry of Petroleum & Natural Gas (MoPNG) has approved the agreement for acquisition and thus the GSPC's share of Site Restoration Fund and corresponding decommissioning liability has been recognised in books and the account has been transferred in the name of the Company.
- 49 **First time adoption of Ind AS :**
The Company has adopted Ind AS for the first time for the year ended 31.03.2020. 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 during the previous year 31.03.2020 and the principal adjustments made by the Company in restating its financial statements prepared under Previous GAAP for the following:
- a) Balance Sheet as at 1st April, 2018 (Transition date);
 - b) Balance Sheet as at 31st March, 2019;
 - c) Statement of Profit and Loss for the year ended 31st March, 2019; and
 - d) Statement of Cash flows for the year ended 31st March, 2019.
- Exemptions Availed:**
- For the year ended 31.03.2020 and in the subsequent years , 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:
- 1 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.
 - 2 Ind AS 101 had provided 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 had elected to measure its investment in associates as per previous GAAP carrying value.
- 50 Previous year's figures have been regrouped/reclassified, wherever necessary, to confirm to current year's grouping.



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