GOPALA POLYPLAST LTD. Mfg. of HDPE / PP Woven Sacks

ISOQAR QUALITY ASSURED FIRM ISO 9001 | UKAS QUALITY MANAGEMENT 026

Regd. Office & Works :
485, Santej – Vadsar Road, Santej, Tal. Kalol, Dist. -- Gandhinagar – 382721. CIN – L25200GJ1984PLC050560
Ph : (02764) 286305, 286514, 286654 Fax : 91-02764-286660 Email : hdpemkt@gopalapolyplast.com

Certificate No. 5980QMS001

6th November, 2019

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001

Company Code No. 526717

Dear Sir,

Sub: Submission of Audited Financial Results for the financial year ended on 31st March, 2019

Pursuant to Regulation 33 of SEBI (LODR) Regulations, 2015, we are enclosing herewith:

1. Statement of Audited Financial Results for the year ended on 31st March, 2019.
2. Auditors' Report on the Audited Financial Results
3. Statement on Impact of Audit Qualifications (for Audit Report with modified Opinion) with respect to Audited Financial Results for the year ended on 31st March, 2019.

Thanking you,

Yours faithfully,

VIKASH GAUTAMCHAND JAIN

(Resolution Professional)

Reg No: IBBI/IPA-001/IP-P00354/2017-18/10612
Encl: As above

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(Rs. In lakh)

STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER/ YEAR ENDED ON 31ST MARCH, 2019

Particulars		Quarter ended on			Year ended on	
(Refer Notes Below)		31-03-2019	31-12-2018	31-03-2018	31-03-2019	31-03-2018
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1	Revenue from operations	4,661.92	3,684.50	9,517.58	18,799.28	26,765.10
2	Other income	11.49	12.90	5.51	25.94	5.66
3	**Total Income (1+2)**	**4,673.41**	**3,697.40**	**9,523.09**	**18,825.22**	**26,770.76**
4	Expenses					
	a. Cost of Materials consumed	4,354.27	1,560.78	7,004.87	12,471.50	18,053.21
	b. Purchases of stock-in-trade	0.03	0.23	(0.09)	1,580.95	3387.15
	c. Changes in inventories of finished goods, work-in-progress and stock-in-trade	3,413.46	1,052.88	397.71	3,524.76	(1,401.95)
	d. Employee benefits expense	198.52	191.60	264.33	747.35	835.92
	e. Finance costs	645.41	83.95	379.91	1,332.01	1,132.39
	f. Depreciation & amortisation expense	137.90	177.52	109.79	600.46	570.08
	g. Other expenses	5,597.26	377.61	1,072.76	7,495.47	3,399.70
	Total Expenses	**14,346.86**	**3,444.57**	**9,229.28**	**27,752.70**	**25,976.51**
5	Profit / (Loss) before exceptional items and tax (3-4)	(9,673.45)	252.83	293.81	(8,927.49)	794.25
6	Exceptional items	--	-	77.07	-	77.07
7	**Profit / (Loss) before tax (5-6)**	**(9,673.45)**	**252.83**	**216.74**	**(8,927.49)**	**717.18**
8	Tax expense:					
	Current tax	26.69	-	(95.36)	26.69	-
	Tax for Earlier Years	-	-	19.60	-	19.60
	Deferred tax	-	-	(11.78)	-	(11.78)
9	**Profit (Loss) for the period from continuing operations (7-8)**	**(9,646.76)**	**252.83**	**304.28**	**(8,900.80)**	**709.36**
10	Profit/(loss) from discontinuing operations before Tax	-	-	-	-	-
11	Tax expense of discontinuing operations	-	-	-	-	-
12	Profit/(loss) from Discontinuing operations (after tax) (10-11)		-	-	-	-
13	**Profit / (Loss) for the period (9+12)**	**(9,646.76)**	**252.83**	**304.28**	**(8,900.80)**	**709.36**

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Certificate No. 5980QMS001

	Particulars	Quarter ended on			Year ended on	
		31-03-2019	31-12-2018	31-03-2018	31-03-2019	31-03-2018
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
14	Other Comprehensive Income					
	Items that will not be reclassified subsequently to profit or loss					
	Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-
	Items that will be reclassified subsequently to profit or loss					
	Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
	Other Comprehensive Income, net of tax	-	-	-	-	-
15	Total Comprehensive Income for the period (13+14)	(9,646.76)	252.83	304.28	(8,900.80)	709.36
16	Paid-up equity shares capital (Face Value per share Rs. 10/- each)	1,016.64	1016.64	886.64	1,016.64	886.64
17	Reserves excluding Revaluation Reserves					
18	Earnings Per Share of Rs. 10/- each (for continuing operations)					
	Basic	(94.89)	2.49	3.43	(87.55)	8.00
	Diluted	(94.89)	2.49	3.43	(87.55)	8.00
19	Earnings Per Share of Rs. 10/- each (for discontinued operations)					
	Basic	-	-	-	-	-
	Diluted	-	-	-	-	-
20	Earnings Per Share of Rs. 10/- each (for discontinued & continuing operations)					
	Basic	(94.89)	2.49	3.43	(87.55)	8.00
	Diluted	(94.89)	2.49	3.43	(87.55)	8.00

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Notes:

1	The figures for quarter ended on 31st March, 2019 are the balancing figures between the audited figures in respect of the full financial year ended on 31st March, 2019 and the year to date figures upto the third quarter of the financial year.
2	The Company is operating mainly in two segments i.e. Woven Sacks division and Label division.
3	The Company does not have any subsidiary / associate.
4	Figures, wherever required, are regrouped / rearranged. There are no material adjustments made in the results of the earlier periods.
5	As the Company is undergoing Corporate Insolvency Resolution Process, the powers of Board of Directors of the Company have been suspended and the same have been vested in the Resolution Professional i.e. Mr. Vikash G. Jain (Reg No: IBBI/IPA-001/IP-P00354/2017-18/10612). Hence the above results have been approved by the Resolution Professional on 21st October, 2019
6	The Statutory Auditors have carried out an audit of the above results for the financial year ended 31st March, 2019 and have issued an adverse opinion on the same.

Yours faithfully,

VIKASH GAUTAMCHAND JAIN
(Resolution Professional)
Reg No: IBBI/IPA-001/IP-P00354/2017-18/10612

Date: 21st October, 2019
Place: Ahmedabad

GOPALA POLYPLAST LTD. Mfg. of HDPE / PP Woven Sacks

ISOQAR QUALITY ASSURED FIRM ISO 9001 | UKAS QUALITY MANAGEMENT 026

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Segment wise Reporting of Revenue, Results and Capital Employed

(Rs in lakh)

Particulars	3 months ended on			Year ended on 31-03-2019	Previous Year ended on 31-03-2018
	31-03-2019	31-12-2018	31-03-2018		
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1. Segment Revenue					
(a) Woven Sacks Division	4,484.29	3,487.53	8,037.97	16,401.78	21,552.89
(b) Label Division	177.63	196.97	1,479.61	2,397.50	5,212.21
Total	**4,661.92**	**3,684.50**	**9517.58**	**18,799.28**	**26,765.10**
Less: Inter Segment Revenue	-	-	-	-	-
Net sales/Income From Operations	**4,661.92**	**3,684.50**	**9,517.58**	**18,799.28**	**26,765.10**
2. Segment Results					
(a) Woven Sacks Division	(8,541.66)	322.34	398.92	(7,248.99)	1,371.35
(b) Label Division	(485.38)	14.45	197.73	(346.49)	478.22
Total	**(9,028.04)**	**336.79**	**596.65**	**(7,595.48)**	**1,849.57**
Less:					
i) Interest / Finance Charges	645.41	83.95	379.91	1,332.01	1,132.39
ii) Other Un-allocable Expenditure net off	(26.69)	-	-	(26.69)	-
iii) Un-allocable income	-	-	-	-	-
Total Profit / (Loss) Before Tax	**(9,646.74)**	**252.84**	**216.74**	**(8,900.80)**	**717.18**
3. Segment Assets					
(a) Segment – Woven Sack Division	9,210.59	18,285.82	17,121.76	9,210.59	17,121.76
(b) Segment – Label Division	561.74	1,433.11	1,788.69	561.74	1,788.69
(c) Unallocable Assets	-	-	-	-	-
Total Segment Assets	**9,772.33**	**19,718.93**	**18,910.45**	**9,772.33**	**18,910.45**
4. Segment Liabilities					
(a) Segment – Woven Sack Division	9,210.59	18,285.82	17,121.76	9,210.59	17,121.76
(b) Segment – Label Division	561.74	1,433.11	1,788.69	561.74	1,788.69
(c) Unallocable Liabilities	-	-	-	-	-
Total Segment Liabilities	**9,772.33**	**19,718.93**	**18,910.45**	**9,772.33**	**18,910.45**

Yours faithfully,

VIKASH GAUTAMCHAND JAIN
(Resolution Professional)
Reg No: IBBI/IPA-001/IP-P00354/2017-18/10612

Date: 21st October, 2019
Place: Ahmedabad

GOPALA POLYPLAST LTD. Mfg. of HDPE / PP Woven Sacks

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STATEMENT OF ASSETS AND LIABILITIES

(Rs. In lakh)

Sr.No.	Particulars	As at 31-03-2019	As at 31-03-2018
	ASSETS		
1	**Non-Current Assets**		
	Property, plant and equipment	3,858.96	4,156.89
	Capital work-in-progress	-	-
	Investment property	-	-
	Goodwill	-	-
	Other intangible Assets	3.23	1.73
	Intangible Assets under development	-	-
	Biological Assets other than bearer plants	-	-
	Non-Current Financial Assets:		
	(i) Investments, Non-Current	-	-
	(ii) Trade receivables, Non-Current	-	-
	(iii) Loans, Non-Current	31.90	42.42
	Deferred tax Assets (net)	323.96	296.57
	Other Non-Current Assets	924.16	264.42
	Total Non-Current Assets	**5,141.51**	**4,762.03**
2	**Current Assets**		
	Inventories	545.86	4,931.22
	Current financial asset:		
	(i) Current investments	2.23	8.69
	(ii) Trade receivables, Current	2,732.47	7,063.56
	(iii) Cash and cash equivalents	0.36	170.42
	(iv) Bank balance other than above	148.86	-
	(v) Loans, Current	51.13	155.24
	(vi) Other Current financial Assets	-	-
	Current tax Assets (net)	-	-
	Other Current Assets	1,149.91	1,819.30
	Total Current Assets	**4,630.82**	**14,148.43**
	TOTAL ASSETS	**9,772.33**	**18,910.46**

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	EQUITY AND LIABILITIES		
1	**Equity**		
	Equity share capital	1,016.64	886.64
	Other Equity	(6,345.31)	2,100.49
	Total Equity	**(5,328.67)**	**2,987.13**
2	**Liabilities**		
	Non-Current Liabilities		
	Non-Current financial Liabilities:		
	(i) Borrowings, Non-Current	-	3,548.17
	(ii) Trade payables, Non-Current		
	(a) total outstanding dues of micro enterprises and small enterprises	-	-
	(b) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
	(iii) Other Non-Current financial Liabilities	480.00	480.00
	Provisions, Non-Current	-	70.97
	Deferred tax Liabilities (net)	-	-
	Other Non-Current Liabilities	-	-
	Total Non-Current Liabilities	**480.00**	**4,099.14**
	Current Liabilities		
	Current financial Liabilities:		
	(i) Borrowings, Current	6,069.18	6,109.21
	(ii) Trade payables, Current		
	(a) total outstanding dues of micro enterprises and small enterprises	-	-
	(b) total outstanding dues of creditors other than micro enterprises and small enterprises	4,267.35	4,520.10
	(iii) Other Current financial Liabilities	-	-
	Other Current Liabilities	3,881.37	1,034.24
	Provisions, Current	403.09	160.63
	Current tax Liabilities (Net)	0.00	-
	Total Current Liabilities	**14,620.99**	**11,824.18**
	Total Liabilities	**15100.99**	**15,923.33**
	TOTAL EQUITY AND LIABILITIES	**9,772.33**	**18,910.46**

Yours faithfully,

VIKASH GAUTAMCHAND JAIN
(Resolution Professional)
Reg No: IBBI/IPA-001/IP-P00354/2017-18/10612

Date: 21st October, 2019
Place: Ahmedabad

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Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2019 [*See* Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I	Sr. No.	Particulars	Audited Figures (as reported before adjusting for qualification)	Audited Figures (as reported after adjusting for qualification)
	1	Turnover/ Total Income	18,415.98	18,415.98
	2	Total Expenditure	27,752.70	27,752.70
	3	Net Profit/ (Loss)	(8,900.80)	(8,927.49)
	4	Earnings per Share	(93.83)	(87.81)
	5	Total Assets	9,772.32	9,745.63
	6	Total Liabilities	9,772.32	9,745.63
	7	Net Worth	(5,328.67)	(5,355.36)
	8	Any other financial item(s) (as felt appropriate by Management)	--	--

Audit Qualification

Details of Audit Qualification

1. In respect of Inventories, during the reporting period, the management has not undertaken physical verification of Inventories at periodic intervals and has not obtained any technical /market/commercial evaluation for the inventories. Hence, we are unable to comment on the realizable value of the same, which may be lower than the amount at which it has been reflected in the balance sheet. Indirect taxes are also considered as part of Inventory cost. The Company has not maintained adequate inventory records at the factory. No provision has been made on diminution in the value of old and slow moving inventory. The impact of the above remarks, presently not ascertainable and, therefore, cannot be commented upon

2. In respect of Trade Receivables amounting to Rs. 54.37 Cr., we have not received balance confirmations from the debtors. The realisability of these amounts is doubtful and company has not made any provision for Bad and Doubtful debts in respect of these receivables, other than specified in Note no. 36. In our opinion, the provision made is inadequate and the impact on loss and carrying value of trade receivables could not be ascertained. Further, there have been instances where the company had set off receivable / payable balances of one party against payable / receivable balances of multiple parties without routing the transactions through the company bank accounts.

3. Note 31 (XVIII) to the standalone financial statements, in respect of recognition of deferred tax assets on account of carried forward unused tax losses and other taxable temporary differences aggregating to Rs. 323.26 lakhs. The Management of the Company is confident that sufficient future taxable income will be available against which such deferred tax assets will be realized. However, in our opinion, in absence of convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized, such recognition is not in accordance with Indian Accounting Standard 12 "Income Taxes" (Ind AS 12). Had the aforesaid deferred tax assets not been recognized, loss after tax for the year ended on March 31, 2019 would have been higher by Rs. 26.69 Lakhs and other equity would have been lower by same amount.

4. The borrowings have not been shown on amortized cost method as required under Ind AS. Hence the same are not subsequently measured using the EIR method as per Ind AS 109.

5. The present liability for future payment of gratuity as on March 31, 2019 is not actuarially determined and provided for as per Indian Accounting Standard – 19 (Ind AS 19), "Employee Benefits" and also as per the provisions of section 128 of the Companies Act, 2013 relating to preparation of books of account on accrual basis. The Company has provided for the amount of gratuity liability for the employees on the basis of management's estimate. In the absence of actuarial valuation

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report, the quantum of short provision of gratuity and its impact on the Statement of Profit and Loss for the period ended March 31, 2019 cannot be determined.

6. As reported in Note 32 to the standalone financial statements, in respect of physical verification conducted by the employees and not by any technical personnel, fair value reports of fixed assets of Rs. 3858.96 Lakhs for Tangible Assets and 3.23 Lakhs for Intangible Assets as at March 31, 2019 are not available from any Technical Personnel. The said assets are not tested for impairment and hence no provision for impairment has been made. In absence of any alternative corroborative evidence, we are unable to comment on the recoverability of the same.

7. We draw attention to Note 30 and 31C(i) to the financial statement, wherein it is indicated that the company has incurred a loss of Rs. 8,900.80 lakhs during the year ended March 31, 2019 due to which its net worth has been fully eroded and as of the date, the company's current liabilities exceeded its current assets by Rs. 9,990.17 lakhs. Corporate Insolvency Resolution process (CIRP) has been initiated for the Company on May 2, 2019. These conditions indicate that a material uncertainty exist that may cast significant doubt regarding on the company's ability to continue as a going concern and therefore the company may be unable to realise its assets and discharge its liabilities in the normal course of business. The ultimate outcome of these matters is at present not ascertainable. Accordingly, we are unable to comment on the consequential impact, if any, on the accompanying standalone financial statement.

The above factors cast a significant uncertainty on the Company's ability to continue as a going concern. Pending the resolution of the above uncertainties, the Company has prepared the aforesaid statement on a going concern basis.

a. Type of Audit Qualifications : Adverse Opinion

b. Frequency of qualification: Point 4 & 5 are Repetitive and Point 1, 2, 3, 6 & 7 have come for the first time.

c. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:

1. In respect of qualification 3 above, the Management of the Company is confident that sufficient future taxable income will be available against which such deferred tax assets will be realized.

2. In respect of qualification 6 above, The Management believe that no item of fixed assets has a net realizable value in the ordinary course of business which is less than the amount at which it is included in the fixed assets. Accordingly, no provision has been considered necessary by the management in respect of impairment in the value fixed assets.

d. For Audit Qualification(s) where the impact is not quantified by the auditor:

i. Management's estimation on the impact of audit qualification: indeterminable

ii. If management is unable to estimate the impact, reasons for the same:

1. In respect of qualification 1 above, The Management believe that no item of inventory has a net realizable value in the ordinary course of business which is less than the amount at which it is included in the inventories. Accordingly, no provision is required in respect of such inventories.

2. In respect of qualification 2 above, The management of the Company is at various stages of negotiation/communication / legal suits with respective parties to recover the amount due from them and in view of ongoing discussion, no provision has been considered necessary by the management in respect of trade receivables over and above what has been provided.

3. In respect of qualification 4 above, in the opinion of the management, Borrowing Costs directly attributable to the acquisition, construction or production of the asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period in which they occur. Borrowing cost also includes exchange difference to the extent regarded as an adjustment to the borrowing costs.

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4. In respect of qualification 5 above, in the opinion of the management, Provision for Gratuity has not been made during the year due to initiation of CIRP, entire gratuity amount payable is shown under Current Liabilities

5. In respect of qualification 7 above, In the opinion of the management, resolution and revival of the company is possible in foreseeable future, accordingly, in view of ongoing CIRP, the financial results have been prepared on the basis that the Company is a Going Concern.

III		**Signatories**	
		Resolution Professional	
		CFO	
		Statutory Auditor	

ASHOK DHARIWAL & CO. CHARTERED ACCOUNTANTS AHMEDABAD

Place: Ahmedabad

Date: 21st Oct'2019

Kashyap ...

Ashok Dhariwal & Co.
Chartered Accountants
A/602, Narnarayan Complex, Near Swastik Cross Road,
Navrangpura, Ahmedabad – 09

Independent Auditor's Report

To the Members of Gopala Polyplast Limited

Report on the Audit of the Financial Statements

Corporate insolvency Resolution Process ("CIRP")

The Hon'ble National Company Law Tribunal, Ahmedabad ("NCLT") by an order dated May 2, 2019 admitted the Corporate Insolvency Resolution Process ("CIRP") consequent upon an application filed by Bonus Plastics Private Limited u/s 9 of IBC Code and appointed Mr. Vikash Gautamchand Jain as the Interim Resolution Professional ("IRP") in term of the Insolvency and Bankruptcy Code, 2016 ("Code") to manage the affairs of the Company as per the provisions of the Code. The CIRP is ongoing.

Adverse Opinion

We have audited the financial statements of Gopala Polyplast Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, because of the significance of the matters described in the *Basis for Adverse Opinion* section of our report, the accompanying Ind AS financial statements do not 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 31st March 2019, its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Adverse Opinion

1. In respect of Inventories, during the reporting period, the management has not undertaken physical verification of Inventories at periodic intervals and has not obtained any technical /market/commercial evaluation for the inventories. Hence, we are unable to comment on the realizable value of the same, which may be lower than the amount at which it has been reflected in the balance sheet. Indirect taxes are also considered as part of Inventory cost. The Company has not maintained adequate inventory records at the factory. No provision has been made on diminution in the value of old and slow moving inventory. The impact of the above remarks, presently not ascertainable and, therefore, cannot be commented upon

2. In respect of Trade Receivables amounting to Rs. 54.37 Cr., we have not received balance confirmations from the debtors. The realisability of these amount is doubtful and company has not made any provision for Bad and Doubtful debts in respect of these receivables, other than specified in Note no. 36. In our opinion, the provision made is inadequate and the impact on loss and carrying value of trade receivables could not be ascertained. Further, there have been instances where the company had set off receivable / payable balances of one party against payable / receivable balances of multiple parties without routing the transactions through the company bank accounts.

ASHOK DHARIWAL & CO. CHARTERED ACCOUNTANTS AHMEDABAD

3. Note 31 (XVIII) to the standalone financial statements, in respect of recognition of deferred tax assets on account of carried forward unused tax losses and other taxable temporary differences aggregating to Rs. 323.26 lakhs. The Management of the Company is confident that sufficient future taxable income will be available against which such deferred tax assets will be realized. However, in our opinion, in absence of convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized, such recognition is not in accordance with Indian Accounting Standard 12 "Income Taxes" (Ind AS 12). Had the aforesaid deferred tax assets not been recognized, loss after tax for the year ended on March 31, 2019 would have been higher by Rs. 26.69 Lakhs and other equity would have been lower by same amount.

4. The borrowings have not been shown on amortized cost method as required under Ind AS. Hence the same are not subsequently measured using the EIR method as per Ind AS 109.

5. The present liability for future payment of gratuity as on March 31, 2019 is not actuarially determined and provided for as per Indian Accounting Standard – 19 (Ind AS 19), "Employee Benefits" and also as per the provisions of section 128 of the Companies Act, 2013 relating to preparation of books of account on accrual basis. The Company has provided for the amount of gratuity liability for the employees on the basis of management's estimate. In the absence of actuarial valuation report, the quantum of short provision of gratuity and its impact on the Statement of Profit and Loss for the period ended March 31, 2019 cannot be determined.

6. As reported in Note 32 to the standalone financial statements, in respect of physical verification conducted by the employees and not by any technical personnel, fair value reports of fixed assets of Rs. 3858.96 Lakhs for Tangible Assets and 3.23 Lakhs for Intangible Assets as at March 31, 2019 are not available from any Technical Personnel. The said assets are not tested for impairment and hence no provision for impairment has been made. In absence of any alternative corroborative evidence, we are unable to comment on the recoverability of the same.

Material Uncertainty Related to Going Concern

We draw attention to Note 30 and 31C(i) to the financial statement, wherein it is indicated that the company has incurred a loss of Rs. 8,900.80 lakhs during the year ended March 31, 2019 due to which its net worth has been fully eroded and as of the date, the company's current liabilities exceeded its current assets by Rs. 9,990.17 lakhs. Corporate Insolvency Resolution process (CIRP) has been initiated for the Company on May 2, 2019. These conditions indicate that a material uncertainty exist that may cast significant doubt regarding on the company's ability to continue as a going concern and therefore the company may be unable to realise its assets and discharge its liabilities in the normal course of business. The ultimate outcome of these matters is at present not ascertainable. Accordingly, we are unable to comment on the consequential impact, if any, on the accompanying standalone financial statement.

The above factors cast a significant uncertainty on the Company's ability to continue as a going concern. Pending the resolution of the above uncertainties, the Company has prepared the aforesaid statement on a going concern basis.

Emphasis of Matter

We draw attention to the following matters in the notes to the financial statements:

1. Note No. 14.1 to financial statement in respect of arrears of dividend on Cumulative Redeemable Preference Share.

2. Note no. 33 of the financial statements in respect of pending statutory dues.

3. Note 34 to the standalone financial statements, in respect of various claims, submitted by the financial creditors, operational creditors, workmen or employee and authorized representative of workmen and employees of the Company to Resolution Professional pursuant to the Insolvency and

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Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulation 2016, that are currently under consideration/reconciliation. Pending reconciliation/admission of such claims by the RP, we are unable to comment on the consequential impact, if any, on the accompanying statement.

4. Note no 44 to Financial Statements in respect of Contingent Liabilities.

5. Note no 48 to Financial Statements giving details of Events Occurring after Balance Sheet Date.

6. Note no. 49 to Financial Statements in respect of certain transactions without NOC from the principal lender bank.

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the Basis for Adverse Opinion section and Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	How the matter was addressed in our audit
I. **Revenue Recognition** As required by Ind AS 115 Revenue from sale of goods is recognized when the control of the goods has transferred to the customer and when there are no longer any unfulfilled obligations to the customer. Revenue is adjusted for estimated sales returns, discounts and other similar allowances **Sales return estimation** As disclosed in Note 31(xii) to the financial statements, revenue is recognised net of estimated sales returns. Estimation of sales returns involves significant judgement and estimates since it is dependent on various internal and external factors. Estimation of sales return amount together with the level of judgement involved make its accounting treatment a significant matter for our audit.	Our audit procedure included following: • Understanding the process followed by the management for the purpose of identifying and determining the amount of provision of sales returns • Evaluating the data used by the management for the purpose of calculation of the provision for sales returns and checking of its arithmetical accuracy • Comparison between the estimate of the provision for sales returns created in the past with subsequent actual sales returns and analysis of the nature of any deviations to corroborate the effectiveness of the management estimation process; - Considering the appropriateness of the Company's accounting policies regarding revenue recognition as they relate to accounting for rebates and scheme allowances • Testing the Company's process and controls over the calculation of discounts, rebates and customer incentives • Selecting a sample on test check basis of revenue transactions and scheme circular to re-check that scheme allowance as at year end were calculated in accordance with the eligibility criteria mentioned in the relevant circulars • Selecting a sample (using statistical sampling) of credit note issued to the customers during the year and verifying the same is in accordance with the scheme • Evaluating the assumptions and judgements used by the Company in calculating rebates and schemes allowances, including the level of expected claims, by comparing historical trends of claims

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II. Trade Receivables	Our audit procedures to assess the recoverability of trade receivables included the following:
The carrying amount of trade receivable is Rs.2732.47 lakhs representing 28% of the total asset of the company which is significant. There are customers with large amount of outstanding balances for long period. There are outstanding balances which involves material risk. Management should take into account ageing analysis of the customer and any other factor specific to individual debtor concerned. Accordingly, we identified the recoverability of trade receivables as a key audit matter because of the significance of trade receivables to Company's balance sheet and because of the significant degree of management judgement involved in evaluating the adequacy of the allowance for doubtful debts.	• obtaining an understanding of and assessing the design, implementation and operating effectiveness of the Company's key internal controls over the processes of credit control, collection of trade receivables and follow up of overdue balances • evaluating the Company's policy for making allowances for doubtful debts with reference to the requirements of the prevailing accounting standards • assessing the classification of trade receivables in the trade receivable ageing report by comparison with sales invoices and other underlying documentation on a test check basis; • Verification of Doubtful Debt & Rebate-Discount done. • However, we have not received balance confirmations from the debtors.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon. The above mentioned reports comprising of other information are expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the above mentioned reports comprising other information and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe actions applicable in the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Management is responsible for the matters states in section 134(5) the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, cash flows and changes in equity statement of the Company in accordance with the Accounting principles generally accepted in India, including the Accountant Standards (Ind AS) referred to in section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 (as amended). This responsibility 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 judgements and estimates that are reasonable and prudent, and design,

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implementation and maintenance of adequate internal financial control that we are operating effectively for ensuring the accuracy and completeness of accounting records relevant to the preparation and presentation of the 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 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.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Pursuant to ongoing Corporate Insolvency Resolution Process (CIRP) powers of the board of Directors have been suspended and these Powers are now vested with Resolution Professional (RP).

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

• Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

• Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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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 with reference to financial statements 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 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.

Report on other Legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, we give in the Annexure-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, except for the possible effects of the matter described in the Basis for Adverse Opinion paragraph above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   b) Except for the possible effects of the matters described in the Basis for Adverse Opinion paragraph above, in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

   c) The Balance Sheet, Statement of Profit and Loss (including other comprehensive income), Cash Flow Statement and Statement of Change in Equity dealt with by this Report are in agreement with the books of account.

   d) Except for the effects of the matters described in the Basis for Adverse Opinion paragraph above, in our opinion, the Ind AS financial statements comply with the Accounting Standards (Ind AS) referred to in section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

   e) The matter described in the Basis for Adverse Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.

   f) On the basis of written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of section 164(2) of the Companies Act, 2013.

   g) The adverse remarks relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Adverse Opinion paragraph above.

   h) With respect to the adequacy of the internal finance controls with reference to financial statements of the Company and the operating effectiveness of such control, refer to our separate Report in "Annexure-B". Our report expresses modified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.

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i) With respect to the other matters to be included in the Auditors Report in accordance with Rule 11 of the Companies (Audit & Auditors) Rules 2014, in our opinion and to the best of our information and according to explanations given to us by the management, the requirements of the same are duly complied with as under:

   i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements by way of disclosure in Note no. 44 to the financial statements.
   ii. Provision has been made in the standalone Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

3. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

   In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the company to its directors is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director by the company is not in excess of the limit laid down under section 197 of the Act.

For Ashok Dhariwal & Co.
Chartered Accountants
(Registration No. 100648W)

ASHOK DHARIWAL & CO. CA CHARTERED ACCOUNTANTS AHMEDABAD

(CA Ashok Dhariwal)
Partner
Membership No. 36452
UDIN: 19036452AAAAGG4220

Place: Ahmedabad
Date: 21st October, 2019

Annexure to the Auditors' Report

The Annexure-A referred to in our report to the members of the above Company for the year Ended on March 31, 2019. We report that:

S. No.	Particulars	Auditors Remark
(i)	(a) whether the Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;	Yes
	(b) whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;	Yes, but not on regular interval.
	(c) Whether title deeds of immovable properties are held in the name of the Company. If no, provided details thereon.	Yes
(ii)	(a) whether physical verification of inventory has been conducted at reasonable intervals by the management and whether any material discrepancies were noticed and if so, how they have been dealt with in the books of account;	As informed to us, management has conducted physical verification but there is no record available to substantiate that.
(iii)	Whether the Company has granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act.	No loans given to parties covered in the register maintained under section 189
	(a) Whether the terms and conditions of the grant of such loans are prejudicial to the Company's interest;	Not Applicable
	(b) Whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayment or receipts are regular.	Not Applicable
	(c) If the amount is overdue, state the total amount overdue for more than ninety days and whether reasonable steps have been taken by the Company for recovery of the principal and interest:	Not Applicable
(iv)	In respect of loans, investments and guarantees, whether provision of section 185 and 186 of the companies' act, 2013 have been complied with. If not, provide details thereof.	Yes
(v)	In case the Company has accepted deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act,2013 and the rules framed there under, where applicable, have been complied with? If not, the nature of contraventions should be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?	No such deposits accepted
(vi)	where maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act,2013 whether such accounts and records have been made and maintained;	Not Applicable
(vii)	(a) Is the Company regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, Goods and Service Tax, duty of customs, Cess and any other statutory dues with the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated by the auditor.	The Company is Generally regular as per explanation given to us, except Excise Duty PLA Payment of Rs. 06.08/- lakhs, payment pending since July 2017 + TDS Payable is Rs 32.99 Lakh

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		+ TCS Payable is Rs 0.15 Lakh + Professional Tax Rs 2.05 Lakh + GST Payable Rs 163.51 Lakh is due.
	(b) Where dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax or goods & service tax or cess have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not constitute a dispute).	No such dues pending, except as per below table

Name of statute	Nature of Dispute	Demand Amount (₹)	Period to Which Dispute Relates	Forum where Dispute is Pending
Excise Dept.	Central excise duty u/s 11A and penalty under setion 11 AC o Central Excise Act,1944	₹ 478.25 Lakh towards duty and interest under section 11AA & penalty u/s 11AC on the abve.	F.Y 2010-11 to 2014-15 (Broken Period)	Honorable High Court of Gujarat
Excise Dept.	Utilization of cenvat credit	₹ 116.63 akh towards duty & 116.63 towards penalty u/s 11AC	F.Y 2014-15	Honorable High Court of Gujarat
Excise Dept.	Central excise uty u/s 11A and penalty under section 11 AC of Central Excise Act,1944	₹ 2681.25 Lakh towards duty and interest under section 11A & penalty u/s 11AC on the above.	F.Y. 2010-11 to 2014-15	Settlement Commission, Mumbai

(viii)	Whether the Company has defaulted in repayment of dues to a financial institution, bank, government or dues to debenture holders? If yes, the period and amount of default to be reported; (in case of defaults to banks, financial institute and government, lender wise details to be provided).	Yes. Dewan Housing Finance Limited - Rs 10.87 Lakh due for the month of March 2019.
(ix)	Whether moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purposes for which those raised. If not, the details together with delay / default and subsequent rectification, if any, as may be applicable, be reported.	Not applicable
(x)	Whether any fraud by the Company or any fraud on the Company by its officer/ employees has been noticed or reported during the year; If yes, the nature and the amount involved is to be indicated.	No such instance as per audit procedures and management explanations.
(xi)	Whether managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act? If not, state the amount involved and steps taken by the Company for securing refund of the same.	Yes
(xii)	Whether all transactions with the related parties are in compliance with Section 188 and 177 of Companies Act, 2013 where applicable and the details have been disclosed in the Ind AS Financial Statements etc. as required by the accounting standards and Companies Act, 2013.	Yes
(xiii)	Whether the Nidhi Company has complied with Net Owned Funds to Deposit Ratio of 1: 20	Not applicable
(xiv)	Whether the Company has made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year under review and if so, as to whether the requirement of Section 42 of the Companies Act, 2013 have been complied and the	The Company has called EGM on 25th March, 2017 for the purpose of issuance of share

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	amount raised have been used for the purposes for which the funds were raised. If not, provide details thereof of amount involved and nature of noncompliance.	warrant on preferential allotment basis to investor- non promoter (Public Category). ₹ 15 lakh equity shares@ ₹ 10 per share (face value) and ₹ 50/- per share (Premium). 75% of share warrant money received in September and October, 2018 and used for working capital.
(xv)	Whether the Company has entered into any non-cash transactions with directors or persons connected with him and if so, whether provisions of Section 192 of Companies Act, 2013 have been complied with.	No Such Transactions made
(xvi)	Whether the Company is required to be registered under Section 45-IA of the Reserve Bank of India act, 1934, and if so, whether the registration has been obtained.	Not Applicable

For Ashok Dhariwal & Co.
Chartered Accountants
(Registration No. 100648W)

ASHOK DHARIWAL & CO. CA CHARTERED ACCOUNTANTS AHMEDABAD

(CA Ashok Dhariwal)
Partner
Membership No. 36452

UDIN: 19036452AAAAGG42

Place: Ahmedabad
Date: 21st October, 2019

Annexure – B to Independent Auditors' Report

Referred to in paragraph 2(h) under 'Report on Other Legal and Regulatory Requirements' of our report of even date

Report on the Internal Financial Controls with reference to financial statements under section 143(3)(i) of the Companies Act, 2013("the Act")

We have audited the internal financial controls with reference to financial statements of Gopala Polyplast Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the 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 financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note"), issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 Act.

Auditors Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Financial Statement based on our audit. We conducted our audit in accordance with 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 and 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain evidence about the adequacy of the internal financial controls system with reference to financial statement and their operating effectiveness. Our audit of internal financial controls with reference to financial statement included obtaining and understanding of internal financial statements, 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 procedure selected depend on the auditor's judgement, 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 with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A Company's internal financial controls with reference to Financial Statement is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A

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Company's internal financial control with reference to financial statements includes those policies and procedures that,

(1) Pertain to the maintenance of records that, in reasonable details, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorization 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 financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to Financial Statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Basis of Adverse opinion

In our opinion and according to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2019:

a) Physical verification of fixed asset and Inventories
b) Control over Impairment in the value of trade receivable
c) Assessment of recoverability of Deferred tax assets
d) Assessment of expected loss by trade receivable which are subject matters of various disputes /arbitration proceedings/ negotiations with the customers due to termination / foreclosure of contracts and other disputes.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

Adverse Opinion

In our opinion, except for the possible effects of material weaknesses described in "basis of adverse opinion" paragraph above, the Company has, in all material respects, an adequate internal financial controls systems with reference to financial statements and such internal financial controls with reference to financial controls were operating effectively as at March 31, 2019, based on the internal financial control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For Ashok Dhariwal & Co.
Chartered Accountants
(Registration No. 100648W)

ASHOK DHARIWAL & CO. CA CHARTERED ACCOUNTANTS AHMEDABAD

(CA Ashok Dhariwal)
Partner
Membership No. 036452

Place: Ahmedabad
Date: 21st October, 2019

UDIN :- 19036452AAAAGG4221