



GOPALA POLYPLAST LTD.

Sacks

Mfg. of HDPE / PP Woven



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

30th July, 2020

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, 2020

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, 2020.
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, 2020.

Thanking you,

Yours faithfully,

VIKASH GAUTAMCHAND JAIN
(Resolution Professional)

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

Encl: As above

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

**STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS
FOR THE QUARTER/ YEAR ENDED ON 31ST MARCH, 2020**

(Rs. In lakh)

Particulars	Quarter ended on			Year ended on	
	31-03-2020 (Audited)	31-12-2019 (Unaudited)	31-03-2019 (Audited)	31-03-2020 (Audited)	31-03-2019 (Audited)
(Refer Notes Below)					
1 Revenue from operations	0.00	37.98	4,661.92	561.95	18,799.28
2 Other income	8.00	0.50	11.49	9.18	25.94
3 Total Income (1+2)	8.00	38.48	4,673.41	571.13	18,825.22
4 Expenses					
a. Cost of Materials consumed	69.52	25.21	4,354.27	503.14	12,471.50
b. Purchases of stock-in-trade	0.00	-	0.03	0.00	1,580.95
c. Changes in inventories of finished goods, work-in-progress and stock-in-trade	0.00	113.18	3,413.46	432.59	3,524.76
d. Employee benefits expense	5.75	5.69	198.52	69.28	747.35
e. Finance costs	218.37	0.03	645.41	395.90	1,332.01
f. Depreciation & amortisation expense	135.85	146.25	137.90	575.94	600.46
g. Other expenses	51.57	27.30	5,597.26	699.32	7,495.47
Total Expenses	481.06	317.66	14,346.86	2,676.17	27,752.70
5 Profit / (Loss) before exceptional items and tax (3-4)	(473.06)	(279.18)	(9,673.45)	(2,105.04)	(8,927.49)
6 Exceptional items	(1.52)	-	-	(1.52)	-
7 Profit / (Loss) before tax (5-6)	(471.54)	(279.18)	(9,673.45)	(2,103.52)	(8,927.49)
8 Tax expense:					
Current tax	-	-	-	-	-
Tax for Earlier Years	-	-	-	-	-
Deferred tax	(33.16)	-	26.69	(33.16)	26.69
9 Profit (Loss) for the period from continuing operations (7-8)	(438.38)	(279.18)	(9,646.76)	(2,070.36)	(8,900.80)
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)	(438.38)	(279.18)	(9,646.76)	(2,070.36)	(8,900.80)

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

Particulars	Quarter ended on			Year ended on	
	31-03-2020 (Audited)	31-12-2019 (Unaudited)	31-03-2019 (Audited)	31-03-2020 (Audited)	31-03-2019 (Audited)
14 Other Comprehensive Income					
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-
<i>Items that will be reclassified subsequently to profit or loss</i>					
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)	(438.38)	(279.18)	(9,646.76)	(2,070.36)	(8,900.80)
16 Paid-up equity shares capital (Face Value per share Rs. 10/- each)	1,016.64	1,016.64	1,016.64	1,016.64	1,016.64
17 Reserves excluding Revaluation Reserves					
18 Earnings Per Share of Rs. 10/- each (for continuing operations)					
Basic	(4.31)	(2.75)	(94.89)	(20.36)	(87.55)
Diluted	(4.31)	(2.75)	(94.89)	(20.36)	(87.55)
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	(4.31)	(2.75)	(94.89)	(20.36)	(87.55)
Diluted	(4.31)	(2.75)	(94.89)	(20.36)	(87.55)

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

Notes:

1	The figures for quarter ended on 31 st March, 2020 are the balancing figures between the audited figures in respect of the full financial year ended on 31 st March, 2020 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 30 th July, 2020
6	The Statutory Auditors have carried out an audit of the above results for the financial year ended 31 st March, 2020 and have issued an adverse opinion on the same.
7	Note for COVID-19 impact : The Outbreak of COVID-19 globally and resultant lockdown in many countries including from 25 th March, 2020 in India, The company basis their assessment believes that the probability of the occurrence of their forecasted transactions is not impacted by COVID-19 pandemic. As the company is under CIRP Process, No Impairment Loss provided on account of Covide-19 as the unit is non-operational.

For GOPALA POLYPLAST LIMITED

VIKASH GAUTAMCHAND JAIN
(Resolution Professional)

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

Date: 30th July, 2020
Place: Ahmedabad

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

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2020

PARTICULARS	FOR THE YEAR ENDED 31 ST MARCH 2020		FOR THE YEAR ENDED 31 ST MARCH 2019	
(A) CASHFLOW FROM OPERATING ACTIVITIES				
Net Profit before Tax		(2103.52)		(8,927.49)
Adjustment for :				
Depreciation	575.94		600.46	
Bad Debts	0.00		2,704.54	
Interest and Other Borrowing Cost	395.90		1,332.01	
Interest Income	(7.69)		(21.73)	
Dividend Income	0.00		0.00	
(Profit)/Loss on sale of Investment	0.00		0.00	
(Profit)/Loss on sale of fixed Assets	(1.52)	962.64	0.00	4,615.28
Operating Profit before Working Capital Changes		(1,140.88)		(4,312.21)
Adjustment For :				
Trade receivables & Other Current Assets	1757.25		1,750.83	
Inventories	457.80		4,385.35	
Trade Payables, Other Current Liabilities & Provision	(625.45)	1589.60	2,765.88	8,902.07
Cash generated from operations		448.72		4,589.87
Taxes Paid	0.00	0.00	0.00	0.00
Net Cash From Operating Activities (A)		448.72		4,589.87
(B) CASHFLOW FROM INVESTING ACTIVITIES				
Purchase of Property, Plant & Equipments	0.00		(339.68)	
Sales of Property, Plant & Equipments	40.71		35.64	
Interest Income	7.69		21.73	
Dividend Income	0.00		0.00	
(Purchase) / Sale of Investment (Net)	1.49	49.88	6.46	(275.85)
Net Cash used in Investing Activities (B)		49.88		(275.85)
CASHFLOW FROM FINANCING ACTIVITIES				
Proceeds from Share Capital	(0.00)		585.00	
Proceeds from Long/Short term borrowing (Net of repayments)	37.46		(3,588.20)	
Interest and Other Borrowing Cost	(395.90)		(1,332.01)	
Proposed Dividend & Dividend Tax	0.00	(358.44)	0.00	(4335.21)
Net Cash Flow From Financing Activities (C)		(358.44)		(4335.21)
Increase/(Decrease) in cash equivalents		140.17		(21.20)
Opening Balance of Cash and Cash equivalents		149.22		170.42
Closing Balance of Cash and Cash equivalents		289.39		149.22

For GOPALA POLYPLAST LIMITED


VIKASH GAUTAMCHAND JAIN
 (Resolution Professional)

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

 Date: 30th July, 2020
 Place: Ahmedabad

**GOPALA POLYPLAST LTD.**

Mfg. of HDPE / PP Woven Sacks



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

Segment wise Reporting of Revenue, Results, Assets and Liabilities

(Rs in lakh)

Particulars	3 months ended on			Year ended on 31-03-2020	Previous Year ended on 31-03-2019
	31-03-2020	31-12-2019	31-03-2019		
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1. Segment Revenue					
(a) Woven Sacks Division	0.00	37.98	4,484.29	561.95	16,401.78
(b) Label Division	-	-	177.63	-	2,397.50
Total	0.00	37.98	4,661.92	561.95	18,799.28
Less: Inter Segment Revenue	-	-	-	-	-
Net sales/Income From Operations	0.00	37.98	4,661.92	561.95	18,799.28
2. Segment Results					
(a) Woven Sacks Division	(253.17)	(279.15)	(8,541.66)	(1,707.62)	(7,248.99)
(b) Label Division	-	-	(485.38)	-	(346.49)
Total	(253.17)	(279.15)	(9,028.04)	(1,707.62)	(7,595.48)
Less:					
i) Interest / Finance Charges	218.37	0.03	645.41	395.90	1,332.01
ii) Other Un-allocable Expenditure net off	(33.16)	-	(26.69)	(33.16)	(26.69)
iii) Un-allocable income	-	-	-	-	-
Total Profit / (Loss) Before Tax	(438.38)	(279.18)	(9,646.74)	(2,070.36)	(8,900.80)
3. Segment Assets					
(a) Segment – Woven Sack Division	7113.96	7334.68	9,210.59	7113.96	9,210.59
(b) Segment – Label Division	-	-	561.74	-	561.74
(c) Unallocable Assets	-	-	-	-	-
Total Segment Assets	7113.96	7334.68	9,772.33	7113.96	9,772.33
4. Segment Liabilities					
(a) Segment – Woven Sack Division	7113.96	7334.68	9,210.59	7113.96	9,210.59
(b) Segment – Label Division	-	-	561.74	-	561.74
(c) Unallocable Liabilities	-	-	-	-	-
Total Segment Liabilities	7113.96	7334.68	9,772.33	7113.96	9,772.33

For GOPALA POLYPLAST LIMITED

VIKASH GAUTAMCHAND JAIN
(Resolution Professional)

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

Date: 30th July, 2020

Place: Ahmedabad

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

STATEMENT OF ASSETS AND LIABILITIES
(Rs. In lakh)

Sr.No.	Particulars	As at 31-03-2020	As at 31-03-2019
	ASSETS		
1	Non-Current Assets		
	Property, plant and equipment	3,245.34	3,858.96
	Capital work-in-progress	-	-
	Investment property	-	-
	Goodwill	-	-
	Other intangible Assets	1.70	3.23
	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	29.49	31.90
	Deferred tax Assets (net)	356.43	323.96
	Other Non-Current Assets	920.68	924.16
	Total Non-Current Assets	4,553.64	5,141.51
2	Current Assets		
	Inventories	88.07	545.86
	Current financial asset:		
	(i) Current investments	0.74	2.23
	(ii) Trade receivables, Current	1,962.91	2,732.47
	(iii) Cash and cash equivalents	0.10	0.36
	(iv) Bank balance other than above	289.29	148.86
	(v) Loans, Current	1.14	51.13
	(vi) Other Current financial Assets	-	-
	Current tax Assets (net)	-	-
	Other Current Assets	218.07	1,149.91
	Total Current Assets	2,560.32	4,630.82
	TOTAL ASSETS	7,113.96	9,772.33

**GOPALA POLYPLAST LTD.**

Mfg. of HDPE / PP Woven Sacks



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

EQUITY AND LIABILITIES			
1	Equity		
	Equity share capital	1,016.64	1,016.64
	Other Equity	(8,415.67)	(6,345.31)
	Total Equity	(7,399.03)	(5,328.67)
2	Liabilities		
	Non-Current Liabilities		
	Non-Current financial Liabilities:		
	(i) Borrowings, Non-Current	-	-
	(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	-	-
	Deferred tax Liabilities (net)	-	-
	Other Non-Current Liabilities	-	-
	Total Non-Current Liabilities	480.00	480.00
	Current Liabilities		
	Current financial Liabilities:		
	(i) Borrowings, Current	6,106.64	6,069.18
	(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	3,435.52	4,267.35
	(iii) Other Current financial Liabilities	-	-
	Other Current Liabilities	4,007.85	3,881.37
	Provisions, Current	482.98	403.09
	Current tax Liabilities (Net)	0.00	0.00
	Deferred Government grants, current		
Total Current Liabilities	14,032.99	14,620.99	
Total Liabilities	14,512.99	15100.99	
TOTAL EQUITY AND LIABILITIES	7,113.96	9,772.33	

For GOPALA POLYPLAST LIMITED

VIKASH GAUTAMCHAND JAIN
(Resolution Professional)

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

Date: 30th July, 2020
Place: Ahmedabad

Independent Auditor's Report

To the Board of Directors of **Gopala Polyplast Limited**

Report on the Audit of the Annual Financial Results

Adverse Opinion

We have audited the Annual Financial Results of **Gopala Polyplast Limited** ("the company"), for the year ended 31st March, 2020, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 ('Listing Regulation'), as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Adverse Opinion section of our report, the aforesaid Annual Financial Results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net loss and other comprehensive income and other financial information for the year ended 31st March, 2020.

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. 1,962.91 Lakhs, 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.



3. Note 31C (xviii) to the annual financial results, in respect of recognition of deferred tax assets on account of carried forward unused tax losses and other taxable temporary differences aggregating to Rs. 356.43 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, 2020 would have been higher by Rs. 33.16 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, 2020 is not actuarially determined and provided for as per Indian Accounting Standard – 19 (Ind AS 19), "Employee Benefits". However, the Company has provided for the amount of gratuity liability for the employees on the basis of the 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, 2020 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. 3245.34 lakhs for Tangible Assets and 1.70 lakhs for Intangible Assets as at March 31, 2020 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 annual financial results, wherein it is indicated that the company has incurred a loss of Rs. 2,070.36 lakhs during the year ended March 31, 2020 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. 11,472.68 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.

Our opinion is not modified in respect of this matter.



Emphasis of Matter

We draw attention to the following matters in the notes to the annual financial results:

- a. Note No. 14.1 to annual financial results in respect of arrears of dividend on Cumulative Redeemable Preference Share.
- b. Note no. 32, 33, 36 of the annual financial results in respect of Physical Verification of Fixed Assets, pending statutory dues and various claims received from Operational, Financial Creditors and Employees and Other Creditors.
- c. Note 34 to the annual financial results, 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 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.
- d. Note no 44 to annual financial results in respect of Contingent Liabilities.
- e. Note no 47 (a) to annual financial results event occurred after Balance Sheet Date in respect of Resolution plan received from M/s. Plastene India Limited, based on highest quote or benefit to the stake holders has been approved by Committee of Creditors ("CoC") which is pending for approval by Hon'ble NCLT Court.
- f. Note No. 47 (d) to the annual financial results regarding uncertainties arising out of the outbreak of COVID-19 pandemic and the assessment made by the management on its operations and financial reporting for the year ended 31st March, 2020; such an assessment and the outcome of pandemic, as made by the management, is dependent on the circumstances as they evolve in subsequent periods.

Our opinion is not modified in respect of these matters.

Management's and Board of Directors' Responsibility for the Annual Financial Results

The Annual Financial Results have been prepared on the basis of Annual Financial Statements.

The Company's management and Board of Directors is responsible for the preparation and presentation of these Annual Financial Results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under section 133 of the Act and other accounting principles generally accepted in India, and in compliance with Regulation 33 of the Listing regulation. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies; making judgments and



estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the annual financial results, management and Board of Directors are 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 Company's Management and Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the annual financial results 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 annual financial results 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 annual financial results 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 annual financial results 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 with reference to annual financial results 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.

Other Matters

The Annual Financial Results include the results for the quarter ended 31st March, 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.



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

Ashok

(CA Ashok Dhariwal)
Partner

Membership No. 36452
UDIN:20036452AAAABI9511

Place: Ahmedabad
Date: 30/07/2020

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

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, 2020 [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	561.95	561.95
	2	Total Expenditure	2,676.17	2,676.17
	3	Net Profit/ (Loss)	(2,103.52)	(2,070.36)
	4	Earnings per Share	(20.69)	(20.36)
	5	Total Assets	7,080.80	7,113.96
	6	Total Liabilities	7,080.80	7,113.96
	7	Net Worth	(7,432.19)	(7,399.03)
	8	Any other financial item(s) (as felt appropriate by Management)	---	---

Audit Qualification
Details of Audit Qualification

- 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.
- In respect of Trade Receivables amounting to Rs. 1962.91 Lakhs., 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.
- 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. 356.43 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, 2020 would have been higher by Rs. 33.16 Lakhs and other equity would have been lower by same amount.

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

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, 2020 is not actuarially determined and provided for as per Indian Accounting Standard – 19 (Ind AS 19), "Employee Benefits". However, the Company has provided for the amount of gratuity liability for the employees on the basis of the 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, 2020 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. 3245.34 Lakhs for Tangible Assets and 1.70 Lakhs for Intangible Assets as at March 31, 2020 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. 2,070.36 lakhs** during the year ended March 31, 2020 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. 11,472.68 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.

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



(CA Ashok Dhariwal)
Partner
Membership No. 36452

**FOR GOPALA POLYPLAST LIMITED**

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

Date: 30th July, 2020
Place: Ahmedabad

Date: 30th July, 2020
Place: Ahmedabad