

Late Shri. GOVIND M. POY RAITURCAR
(FOUNDER OF OUR BUSINESS HOUSE)
Established in the year 1869

Completed 150 Years



GOVIND POY OXYGEN LIMITED

NUVEM, SALCETE - GOA

48TH ANNUAL REPORT 2019-20

Corporate Identity Number: L40200GA1972PLC000144

Udyog Aadhar Memorandum Number: GA02B0000548

DIRECTORS:

Shri Manohar S. Usgaocar	: DIN 00358368
Shri Ashok P. Panvelkar	: DIN 02757226
Shri Nitin A. Kunkolienker	: DIN 00005211
ShriSudin M. Usgaokar	: DIN 00326964
Smt Binita S. Poy Raiturcar	: DIN 00981788

KEY MANAGEMENT PERSONNEL:

CHAIRMAN & MANAGING DIRECTOR: Shri Sanjay A.Poy Raiturcar : DIN 00358326

COMPANY SECRETARY CS Rakesh Rupchand Kankariya

CHIEF FINANCE OFFICER Shri Nagaraj Narayan Shanbhag

AUDITORS: M/s Sudha Suresh Pai & Associates
Margao, Goa

BANKERS:

Bank of India
State Bank of India
Corporation Bank
IndusInd Bank Limited
Dena Bank

REGISTERED OFFICE:

GOVIND POY OXYGEN LIMITED
Fabrica De Gas Carbonico,
N. H. 17, Nuvem, Salcete,
GOA 403713

FACTORY:

Arlem, Raia,
Margao,
GOA 403720

REGISTRAR AND TRANSFER AGENT

Bigshare Services Pvt. Ltd,
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, MakwanaRoad,
MarolAndheri East,
Mumbai- 400059
Phone no: 022-62638200, Fax No: 022- 62638299
Email: investor@bigshareonline.com

THOSE MEMBERS WHO HAVE SO FAR NOT ENCASHED THEIR DIVIDEND WARRANTS FOR THE YEARS 2012-13, 2013-14, 2014-15, 2015-16, 2016-17, 2017-18 & 2018-19 MAY IMMEDIATELY APPROACH THE COMPANY WITH THEIR DIVIDEND WARRANTS FOR REVALIDATION.

NOTICE

Notice is hereby given that the 48th Annual General Meeting of the Members of GOVIND POY OXYGEN LIMITED, will be held on Wednesday, September 30, 2020 at 11.30 a.m. at the Registered Office of the Company at Fabrica de Gas Carbonico, N.H.-17, Nuvem, Salcete, Goa - 403713, to transact the following business:

ORDINARY BUSINESS:**Item No. 1: Adoption of Financial Statements:**

To receive, consider and adopt the audited Balance Sheet as at March 31st, 2020 and the Profit and Loss Account for the year ended on that date, and the reports of the Directors and the Auditors thereon.

Item No. 2: Declaration of Dividend

To declare dividend of Rs. 0.50 ps per share, on equity shares for the year 2019-20.

Item No. 3: Re-Appointment of Smt. Binita S. Poy Raiturcar as Director liable to retire by rotation:

To appoint Director in the place of Smt. Binita S. Poy Raiturcar (DIN: 00981788) who retires by rotation and being eligible offers herself for re-appointment.

To consider and if thought fit, to pass the following resolution with or without modification as an Ordinary Resolution:

“RESOLVED THAT, pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, the approval of the shareholders of the Company be and is hereby accorded to the re-appointment of Smt. Binita S. Poy Raiturcar (DIN: 00981788), who is liable to retire by rotation.”

SPECIAL RESOLUTIONS:**Item No. 4: Re-Appointment of Shri Ashok P. Panvelkar as Director liable to retire by rotation:**

To appoint Director in the place of Shri Ashok P. Panvelkar (DIN: 02757226) who retires by rotation and being eligible offers himself for re-appointment. Further in pursuance of regulation 17(1)(A) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 his appointment would require approval vide special resolution.

To consider and if thought fit, to pass the following resolution with or without modification a Special Resolution:

“RESOLVED THAT, pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 and Regulation 17(1) (A) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, the approval of the shareholders of the Company be and is hereby accorded to the re-appointment of Shri Ashok P. Panvelkar (DIN: 02757226) who is liable to retire by rotation.”

“FURTHER RESOLVED THAT, Mr. Sanjay Atchut Poy Raiturcar (DIN: 00358326), Managing Director of the Company be and is hereby authorized to do all acts, deeds, matters or things and take such steps as may be necessary, expedient or desirable in this regard.”

“FURTHER RESOLVED THAT, Mr. Sanjay Atchut Poy Raiturcar (DIN: 00358326), Managing Director of the Company and/or the Company Secretary be and is hereby authorized to issue a certified true copy of this resolution as and when required.”

By Order of the Board

Sanjay A. Poy Raiturcar
Chairman and Managing Director
DIN:00358326

Place: Margao, Goa
Date: 04/09/2020

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. A Proxy forms to be effective must be deposited at the Registered Officer of the Company atleast 48 hours before the Meeting. Proxies submitted on behalf of limited companies, societies, etc. must be supported by appropriate resolutions/authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total of the share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
2. Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, the 23rd September, 2020 to Wednesday, the 30th September, 2020 (both days inclusive).
3. The dividend recommended by the Board of Directors, if approved by the shareholders at the 48th Annual General Meeting shall be paid on or after 30th September, 2020 to those members whose names appear in the register of Members of the Company on 23rd September, 2020.
4. Members are requested to notify immediately any change in their addresses to the company at its registered office.
5. In accordance with the provisions of the erstwhile Companies Act, 1956 the amount of dividend for the Financial Year ended 31st March 2012 which remained unpaid and unclaimed for a period of 7 years from the date of transfer to the Unpaid Dividend Account of the Company has been transferred to the Investor Education and Protection Fund established by the Central Government.
6. Pursuant to the provisions of the erstwhile Companies Act, 1956, the amount of all dividend for the financial year ended 31st March 2013 remaining unpaid/unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account of the Company shall be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government and no claim shall lie against the said Fund of the Company for the amounts of dividend so transferred to the said Fund. Shareholders, who have not yet en-cashed their final dividend warrants for the Financial Year ended 31st March 2013 or subsequent financial years are therefore requested to make their claim to the Company without delay.
7. Members are also requested to note that, pursuant to Section 124 of the Act and the IEPF Rules, the Company is obliged to transfer all shares on which dividend has not been paid or claimed for seven consecutive years or more to an IEPF Account.
8. Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking re-appointment at the Annual General Meeting in Annexure A attached hereto, forms part of the notice. The Directors have furnished the requisite declarations for their re-appointment. Information regarding appointment / reappointment of Directors and Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Special Business to be transacted are annexed hereto.
9. Your Company has appointed Bigshare Services Pvt. Ltd. ("Bigshare") as the Share Transfer Agent for physical segment. Bigshare also acts as the depository registrar for establishing connectivity with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for demat segment. Shareholders are requested to send their share transfer and all other requests and complaints to Bigshare Services Pvt. Ltd. at the following address:
Bigshare Services Pvt. Ltd, Unit: Govind Poy Oxygen Limited, 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol Andheri East, Mumbai- 400059. Phone no: 022-62638200, Fax No: 022- 62638299, Email: investor@bigshareonline.com.

10. Members holding shares in physical form are requested to consider converting their holding to dematerialized form. Members can contact the Company/RTA for assistance in this regard.
11. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, mandates, nominations, power of attorney, change of address, change of name, email address, contact numbers, etc., to their DP only. Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and Bigshare Services Pvt. Ltd. to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to our RTA M/s. Bigshare Services Pvt. Ltd.
12. Shareholders may note that in terms of the notification no. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 and SEBI/LAD-NRO/GN/2018/49 dated 30th November, 2018 issued by SEBI, the transfer of securities shall not be processed unless the securities are held in the dematerialized form with effect from 1st April, 2019 except in case of transmission or transposition of securities. However Members can continue to hold shares in physical form.
13. The Registers under the Companies Act, 2013 are available for inspection at the Registered Officer of the Company during business hours between 11:00 am to 1:00 pm except on holidays up to and including the date of the Annual General Meeting of the Company.
14. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant of the securities market. Members holding shares in physical form are therefore, requested to submit their PAN details to the secretarial department of the Company at its Registered Office.
15. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The Nomination Form SH 13 prescribed by the Government can be obtained from the Registrar and Share Transfer Agent or the Secretarial Department of the Company at its Registered Address.
16. A route map showing directions to reach the venue of the meeting is produced in the Annual Report.

By Order of the Board

Sanjay A. Poy Raiturcar
Chairman and Managing Director
DIN00358326

Place: Margao, Goa
Date: 04/09/2020

Annexure A

Details of Directors seeking re-appointment at the Annual General Meeting scheduled to be held on September 30, 2020 (Pursuant to Clause 49(IV)(E) and 49(IV)(G)(i) of the Listing Agreement

Name of the Director	Smt. Binita S. Poy Raiturcar	Shri Ashok P. Panvelkar
DIN	00981788	02757226
Date of Birth	25.09.1966	09.04.1937
Date of Appointment (in current term)	27.04.2007	26.09.2002
Expertize in specific function areas	1. Real Estate Development 2. Interior Decoration 3. Manufacture of Gem & Jewellery	1. Ex-Director of Goa Handicrafts Rural & Small Scale Industries Development Corporation Ltd. 2. Ex-Director (Admn.) Education, Govt. of Goa.
Directorships held in other listed Companies	Nil	Nil
Committee Positions held in other listed Companies.	Nil	Nil

Shares held in the Company	10	10
Relationship between directors inter-se	Shri Sanjay A. Poy Raiturcar, Chairman & Managing Director is husband of Smt Binita S. Poy Raiturcar	None of the Directors are related to Shri Ashok P. Panvelkar

By Order of the Board

Sanjay A. Poy Raiturcar
Chairman and Managing Director
DIN 00358326

Place: Margao, Goa
Date: 04/09/2020

ANNEXURE TO NOTICE

Explanatory Statement setting out material facts under the Companies Act, 2013 in respect of items of Special Business as per the Notice.

Item no 4:-

As per Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as ‘Listing Regulations’) as amended vide SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, no listed Company shall appoint or continue the Directorship of a Non-Executive Director who has attained the age of 75 years, unless a special resolution is passed to that effect and justification thereof is indicated in the explanatory statement annexed to the Notice for such appointment.

Shri Ashok P. Panvelkar has been a Director of the Company since his initial appointment January 18, 2002 as an additional director, who was subsequently regularized as a Director of the Company at the 30th Annual General Meeting of the Company on September 26, 2002. Currently he is a Non-Executive Non-Independent Director of the Company, and is liable to retire by rotation at the 48th Annual General Meeting and is eligible for re-appointment.

Shri Ashok P. Panvelkar was born on April 9, 1937. He has a post graduate degree in Commence, having completed his M.Com. Shri Ashok P. Panvelkar has several years of experience of working in the service of the Goa Government as an Economic Investigator, Planning Officer, Industries Officer and Undersecretary. Shri Ashok P. Panvelkar has been an Ex-Managing Director of Goa Handicrafts Rural and Small Scale Industries Development Corporation Limited, and has also been an Ex-Director (Admn.) Education, Government of Goa. His expertise and knowledge has provided the Company with valuable inputs for all matters related to the Company’s operation.

None of the other Directors and key managerial personnel except Shri Ashok P. Panvelkar are deemed to be concerned or interested, financially or otherwise in the proposed special resolutions, except to the extent of their shareholding in the company.

By Order of the Board

Sanjay A. Poy Raiturcar
Chairman and Managing Director
DIN 00358326

Place: Margao, Goa
Date: 04/09/2020

DIRECTORS' REPORT

Your Directors are pleased to present their 48th Annual Report together with the Audited Statement of Accounts for the Financial Year ended 31st March 2020.

Financial Results

Particulars	Financial Year ended 31st March, 2020 Rs.	Financial Year ended 31st March, 2019 Rs.
Sales and Other income	7,68,20,614	8,23,91,513
Profit before Finance Cost, Depreciation and Tax	29,27,417	14,62,737
(Less) : Finance Cost	(16,65,753)	(7,63,376)
(Less) : Depreciation	(22,98,944)	(14,61,297)
Profit / (Loss) before Taxes and Exceptional items	(10,37,280)	(7,61,936)
Add / (Less) : Exceptional Items	---	---
Add / (Less) : Deferred Tax	(40,775)	(2,70,875)
(Less): Provision for Tax	4,48,039	---
Add / (Less) : MAT Credit	(5,85,000)	---
Profit / (Loss) after Tax	(12,15,016)	(10,32,811)
Other Comprehensive Income (Net)	(61,56,223)	(22,61,410)
Total Comprehensive Income	(73,71,239)	(32,94,221)
Add: Balance brought forward from last year	2,34,66,720	2,72,42,372
Distributable Profit	1,60,95,481	2,39,48,151
APPROPRIATIONS		
• Dividend	4,00,000	4,00,000
• Dividend Tax	82,221	81,431
• Balance carried to Balance Sheet	1,56,13,260	2,34,66,720
	1,60,95,481	2,39,48,151

Performance:

During the year under report, the turnover of your Company has decreased from Rs. 823.92 lakhs in the previous year to Rs. 768.21 lakhs in the current financial year. Resulting decrease in sales turnover by Rs 55.71 lakhs and it has effected on profitability of the company on account of lockdown from 23rd March 2020 due to Pandemic COVID 19.

The COVID-19 outbreak and containment measures towards the end of the year has significantly impacted our financial results. Company's plant being covered under essential services was functioning, though not at full strength resulting in reduced sales during the last quarter ended March, 2020 and affecting the profitability. Though the things were improving in the first quarter of Fiscal 2020-21, we anticipate overall effect of COVID-19 will have a significant impact on our financial performance in the ensuing year. Your Company is committed towards safety of its employees and all others associated with the Company. Strict measures relating to safety against COVID-19 as issued by Government are implemented at Company's office and plant.

Change(s) in the nature of business, if any:

During the year under report there has been no change in the nature of business of the Company.

Dividend:

Your Directors recommend a dividend of Rs. 0.50 per share.

Transfer of unclaimed dividend to Investor Education and Protection Fund:

During the upcoming financial year of 2019-20 an amount of Rs. 46,406.25 ps, unclaimed dividend for the Financial Year 2012-13 is due to be transferred to the Investor Education and Protection Fund on September

30, 2020.

Details of Unclaimed Dividend for the previous seven financial years is uploaded on the Company's website: www.govindpoy.com.

Changes in Share Capital:

During the year under review there has been no change in the Share Capital of the Company.

Management Discussion and Analysis Report:

A detailed analysis of Company's performance is discussed in the Management Discussion & Analysis Report attached as **Annexure I**.

Annual Evaluation of the Board:

Pursuant to the provisions of the Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board is in the process of conducting Annual Performance Evaluation of its own performance, its committees and the directors individually.

Directors' Responsibility Statement:

Pursuant to the provisions of Section 134 of the Companies Act, 2013(including any statutory modification(s), or re-enactment(s) thereof for the time being in force), the Directors of the Company confirm that:

- a) in the preparation of the annual accounts for the financial year ended 31st March 2020, the applicable Accounting Standards and Schedule III of the Companies Act, 2013, have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year as at 31st March, 2020 and of the Profit and Loss of the Company for the financial year ended 31st March 2020;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the accounts have been prepared on a 'going concern basis'; and
- e) proper internal financial controls laid down by the Directors were followed by the Company and that such internal financial controls are adequate and operating effectively; and
- f) proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems are adequate and operating effectively

Directors and Key Managerial Personnel:

During the year Ms. Shruti Subhash Nilekani resigned from the designation of Company Secretary of the Company with effect from 31st July, 2019 and Mr. Rakesh Rupchand Kankariya was appointed as the Company Secretary with effect from 1st August, 2019.

Shri Ashok P.Panvelkar and Smt. Binita S. Poy Raiturcar retire by rotation at the ensuing Annual General Meeting and are eligible for re-appointment.

Declaration given by Independent Directors:

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year under review, the Independent Directors meeting was held in accordance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Extract of Annual Return as Per Section 92 (3):

The Annual Return of the Company in Form MGT-7 for the year 2019-20 is available on the Company's website, which can be at.

Statutory Auditors:

At the 47th Annual General Meeting (AGM) held on 31st August, 2019, the Members approved appointment of M/s Sudha Suresh Pai & Associates (Firm Registration No. 118006W) as Statutory Auditors of the Company to hold office for a period of Four years from the conclusion of that AGM till the conclusion of the fifty First AGM, subject to ratification of their appointment by Members at every AGM, if so required under the Act. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the ensuing AGM and a note in respect of same has been included in the Notice for this AGM.

The Statutory Audit Report does not contain any qualification, reservation or adverse remark or disclaimer made by the Statutory Auditor.

Secretarial Audit Report:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors has appointed Mrs. Shilpa Keshav Dhulapkar (Company Secretary in Practice) to undertake the Secretarial Audit of the Company for the year ended 31st March 2020. The Secretarial Audit Report in Form MR-3 is annexed as **Annexure II**.

Risk Management Policy:

The Board of Directors of your Company is in the process of framing a policy on Risk Management of the Company.

Internal Financial Controls:

The Company has an in place Internal Financial Control System to monitor the financial operations of the Company, and the Internal Financial Control System is reviewed periodically and has been adequate for the purpose of controlling the internal financial control functions of the Company.

Conservation of energy, technology absorption, foreign exchange earnings and outgo:

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

Conservation of energy and Technology Absorption:

The Management of the Company continues its focus on energy conservation. Continuous monitoring of fuel consumption and the monitoring optimization of electrical energy consumption in all activities are being done.

The Company is also making efforts to acquire improved technology

Foreign exchange earnings and outgo:

During the year under report there are no foreign exchange earnings or outgo of foreign exchange.

Particulars of loans, guarantees or investments under section 186:

Particulars of investments held by the Company during the year under report are disclosed in Note 5 of the Financial Statements.

The Company did not give any loans or guarantees under section 186 during the year under report.

Managerial Remuneration:

None of the Company's employees were in receipt of remuneration in excess of the limits prescribed under Section 197 of the Companies Act, 2013 read with the Companies(Appointment and Remuneration of Personnel), Rules 2014.

Corporate Governance:

As the paid up share capital of the Company is less than Rs.10 crores and networth is less than Rs. 25 Crores, the compliance with the Corporate Governance provisions specified in SEBI (LODR) Regulations are not

applicable to the entity.

Particulars of contracts or arrangements with related parties:

All related party transactions done by the Company during the financial year were at arm's length basis and in the ordinary course of business. All related party transactions were placed in the meetings of the Board of Directors for their necessary review and approval.

During the financial year your company has not entered into any material transaction (as per clause 49 of the Listing Agreement) with any of its related parties that may have potential conflict with the interest of the Company at large. Accordingly, the disclosure required under Section 134(3) (h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

Disclosures pursuant to the Accounting Standards on the related party transactions have been made in the notes to the Financial Statements.

Significant and Material Orders Passed by the Regulators or Courts:

During the year of review there was no significant and material orders passed by the Regulators or Court or Tribunal which can impact the going concern status of the Company and its operations in future.

Acknowledgements:

Your Directors place on record their gratitude to the Government of Goa, Financial Institutions, Banks, Statutory Bodies, Valued Customers and all Stakeholders of the Company for their continued assistance, support, co-operation and encouragement extended to the Company. Further your Directors appreciate the excellent contributions made by the employees of the Company at all levels.

For an on behalf of the Board of Directors

(Sanjay A. Poy Raiturcar)
Chairman and Managing Director
(DIN00358326)

Date: 04/09/2020

Place: Margao, Goa

Annexure I to the Board's Report

Management Discussion and Analysis Report

The Board of Directors is pleased to present the Management Discussion and Analysis Report based on the current Government Policies and the Market Conditions.

Industry structure and developments

The Company is categorized as a Small Company as per the MSME Act, 2006 and operates in States in and around the State of Goa for the supply and manufacture of Industrial & Medical Gases. There has been no significant change or effect of the industry or any developments in the industry on the operations of the Company within the previous financial year, however the Company hopes to maintain an optimistic outlook toward the future.

Segment-wise or Product-wise performance

The Company operates in only one segment, i.e. the manufacture of Industrial & Medical Gases, and the primary products manufactured by the Company are Medical Oxygen and Industrial Gases such as Oxygen, Nitrogen, Dissolved Acetylene & Argon. The performance of the Company in this segment has been found to be satisfactory.

Opportunities

The Company's plant situated at Arlem, Salcete, Goa is equipped with latest technology and offers high quality products. The plant has all infrastructure facilities and is well connected with State highway. The Company

manufactures (a) Industrial gases viz. Oxygen, Nitrogen, Dissolved Acetylene and Argon and its related grades and (b) Medical Oxygen. The Company caters to various industries and hospitals in entire Goa and neighboring states of Maharashtra and Karnataka.

In order to provide better service to its customers, Company also has depot at Kolhapur that caters to our customers in Maharashtra.

Risks and concerns

The Company faces risks in the market due to competitive prices and increase in competition from other entities in its market segment. Although the Company has put in its best efforts to combat such risks this still remains a major concern for the Company.

The Company also faces risks which are common in the industry like high costs for transportation, safety in the production process and transportation of products and timely recovery of dues from its customers.

Outlook

The Company has an optimistic outlook for the future performance of the company due to increasing government incentives for the industry and SME's in particular. The Company aspires to provide quality products at fair prices to have a steady and sustainable rate of growth over the years.

Internal control systems and their adequacy

The Company's internal control system over its operation has found to be adequate for the scale and size of its operations. The management, in consultation with the audit committee of its board of directors regularly reviews the adequacy and effectiveness of the internal control systems and undertakes improvements wherever necessary.

Discussion on financial performance with respect to operational performance

The operational revenue of the company during the year was of Rs. 756.48 lakhs, which is lower in comparison to the previous year.

The Operational Highlights of the Company are given below, it is recommended that the same is read with the Financial Statements, the schedules and the notes thereto.

Particulars	F.Y. 2019-20	F.Y. 2018-19
Revenue from Operations	7,56,47,643	8,15,37,909
Less: Operational Expenses	(4,91,30,347)	(5,48,59,891)
Gross Profit (in Rs.)	2,65,17,296	2,66,78,018
Gross Profit Margin (%)	35.05%	32.72%

Material developments in Human Resources / Industrial Relations front, including number of people employed

The Company's relations with its employees across all the Company's units were cordial during the year under review, and the company employed 3 (Three) persons during the financial year.

Safety, Health and Environment

The Company gives utmost importance to safety, health and environment related issues. The employees are continuously educated and trained to improve their awareness and skills. All safety statutory requirements are being complied with. Requirements of environmental acts and regulations are also complied with.

Annexure II to the Board's Report

To,
The Members,
GOVIND POY OXYGEN LIMITED
CIN: L40200GA1972PLC000144
FABRICA DE GAS CARBONICO,
N.H. 17, NUVEM, SALCETE, GOA 403604

My Secretarial Audit Report of even date, for the financial year 2019-2020 is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility.

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to Secretarial Compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

5. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company,
6. We have not verified the correctness and appropriateness of the financial records and books of accounts of the Company.

Date : 01/09/2020
Place : Panaji, Goa

ShilpaKeshavDhulapkar
Company Secretary
FCS No.-7235
C.P. No.-7615
ICSI UDIN: FOO7235B000645279

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

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

GOVIND POY OXYGEN LIMITED
CIN: L40200GA1972PLC000144
FABRICA DE GAS CARBONICO,
N.H. 17, NUVEM, SALCETE, GOA 403604

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by GOVIND POY OXYGEN LIMITED (hereinafter called the company) for the financial year ended 31st March, 2020. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the GOVIND POY OXYGEN LIMITED, books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in

my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2020 (hereinafter called the 'Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by GOVIND POY OXYGEN LIMITED ("the Company") for the financial year ended on 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (***not applicable as there was no reportable events during the financial year under review***)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (***not applicable as there was no reportable events during the financial year under review***)
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (***not applicable as there was no reportable events during the financial year under review***)
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (***not applicable as there was no reportable events during the financial year under review***) and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 notified on 11th September, 2018; (***not applicable as there was no reportable events during the financial year under review***)
 - (i) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(vi) The Management has identified and confirmed the following laws as specifically applicable to the Company:

1. The Air (Prevention and Control of Pollution) Act, 1981
2. The Environment (Protection) Act, 1986
3. The Water (Prevention and Control of Pollution) Act 1974
4. The Factories Act, 1948
5. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
6. Employees' State Insurance Act, 1948
7. The Payment of Gratuity Act, 1972
8. Maternity Benefit Act, 1961
9. The Minimum Wages Act, 1948
10. The Payment of Wages Act, 1936
11. Explosives Act, 1884
12. The Petroleum Act, 1934
13. Drugs and Cosmetics Act, 1940
14. The Legal Metrology Act 2009
15. Income Tax Act, 1961

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

- (i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;
- (ii) SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and the Listing Agreements entered into by the Company with the Bombay Stock Exchange.

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

1. *During the year there was delay in furnishing outcome of board meeting held on 12/02/2020 after 30 minutes but within 24 hours of conclusion of board meeting as required under SEBI (LODR), Regulations, 2015*
2. *It is observed that the Company's shares are suspended for trading by Bombay Stock Exchange since Financial Year 2001-02 on account of failure of the company to file quarterly financial results. However company has updated the pending filing but on account of non-payment of listing fees to Bombay Stock Exchange for Financial Year 2014-15 to 2018-19 suspension for trading is still carried on.*
3. *Dematerialisation of Securities of the Company is in process as required under Regulation 40 (1) of SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018*

4. *Company is in the process of renewing license for storage of raw material under Explosive Act, 1884.*
5. *The Company has received show cause notice under section 124(7) of the Companies Act, 2013 read with Rule 6 of Investor Education & Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 Rules from the Deputy Director & Inspector of IEPF Authority for non filing of IEPF-4, whereby the Company replied to fulfill compliance after dematerialization of the shares of the Company.*

I further report that compliance of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

I further report that The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. During the year there was no change in the composition of the Board of Directors.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

I further report that during the audit period there was no instances of:

- (i) Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- (ii) Redemption / buy-back of securities.
- (iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013.
- (iv) Merger / amalgamation / reconstruction, etc.
- (v) Foreign technical collaborations.

This Report is to be read with our letter of even date which is annexed as Annexure II and forms an integral part of this report.

Date : 01/09/2020
Place : Panaji, Goa

ShilpaKeshavDhulapkar
Company Secretary
FCS No.-7235
C.P. No.-7615
ICSI UDIN: FOO7235B000645279

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF GOVIND POY OXYGEN LIMITED****Report on the Audit of the Financial Statements****Opinion**

We have audited the accompanying financial statements of **Govind Poy Oxygen Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sl No	Key Audit Matter	How our audit addressed the Key Audit Matter
1	<p>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers"</p> <p>Revenue is a key driver of the business and in respect of services provided there is a risk that revenue is recorded inappropriately relative to the provision of the underlying service. We have therefore identified revenue recognition as a key audit matter because of significant assessed risks of material</p>	<p>Our audit approach was a combination of test of internal controls and substantive procedures which included, but was not limited to the following</p> <ul style="list-style-type: none"> • Documenting our understanding of the systems and controls around the recording of the revenue and assessing the design and effectiveness of such controls. • Evaluation of the revenue recognition policies for compliance with Ind AS 115 'Revenue from contracts with customers' and consistency with the earlier period.

Sl No	Key Audit Matter	How our audit addressed the Key Audit Matter
	misstatement.	<ul style="list-style-type: none"> • Assessing of revenue transactions on sample basis against the supporting documentation to determine whether the income has been appropriately recognised in accordance with the Ind AS and the Company's accounting policy. • Comparison of the revenue with that of previous year and obtaining of explanations for significant or unusual variances. <p>Key observations: Based on our verification and according to the information and explanation given to us, we have found that revenues were being accounted for in accordance with the Company's accounting policy and Ind AS 115 'Revenue from contracts with customers'.</p>

Information Other than the 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 Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon. Our opinion on the 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 during the course of our audit or otherwise appears to be materially misstated. When we read the report containing other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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.

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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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 Section 143 (11) of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the order.

2. As required by Section 143(3) of the Act, we report that:
- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the Balance sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flow dealt with this Report are in agreement with the books of account;
 - d) in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act;
 - e) on the basis of written representations received from the directors of the Company as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of section 164(2) of the Act;
 - f) with respect to the adequacy of internal financial controls with reference to the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
 - g) With respect to 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 to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to the directors is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197 (16) which are required to be commented upon by us.

- h) with respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 28 to the financial statements;
 - ii. The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses and
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Sudha Suresh Pai and Associates
Chartered Accountants
Firm Regn. No. 118006W

Suresh M V Pai
Partner
Membership No. 046235
UDIN 20046235AAAABA1936

Place: Margao - Goa
Date : June 26, 2020

Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date to the Members of Govind Poy Oxygen Limited for the year ended 31st March 2020)

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- i. In respect of the Company’s fixed assets:
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. As explained to us, the company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
 - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. According to the information and explanations given to us, the management has conducted physical verification of inventories at reasonable intervals and no material discrepancies were noticed between the physical stock and book records on such physical verification.
- iii. The Company has not granted any loans secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 (‘the Act’) and accordingly reporting under paragraph 3 (iii) of the order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and Section 186 of the Act in respect of loans, making investments and providing guarantees and securities, as applicable.
- v. In our opinion, and according to information and explanations given to us, the company has not accepted any deposits as per the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Act and rules framed thereunder. Accordingly reporting under paragraph 3 (v) of the order is not applicable to the Company.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148 (1) of the Act for the Company. Accordingly reporting under paragraph 3 (v) of the order is not applicable to the Company.
- vii. In respect of statutory dues:
 - a. The Company is regular in depositing with appropriate authorities undisputed Statutory dues including provident fund, employees state insurance, income tax, sales tax, , customs duty, cess, goods and service tax, value added tax and other material statutory dues applicable to it. According to the information and explanations given to us, there are no undisputed amounts payable in respect of income tax, service tax, sales tax, customs duty, excise duty, goods and service tax, value added tax and cess which were outstanding as at 31st March 2020 for a period of more than six months from the date they became payable.
 - b. According to the information and explanations given to us, the following are the disputed statutory dues which have not been deposited on account of disputed matters pending before the appropriate authorities:

(Rs.)

Name of the Statute	Nature of dues	Forum where dispute is Pending	Amount	Period to which the amount relates
Central Excise Act, 1944	Excise Duty	Supreme Court	6,70,488.00	2000-2005

- viii. In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of loans to banks. The Company did not have any outstanding dues to financial institutions, Government and Debenture holders.
- ix. In our opinion and according to the information and explanation given to us, the moneys raised by way of term loan have been applied for the purpose for which they were obtained. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments).
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us and based on our examination of the records of the company, the company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly reporting under paragraph 3 (xii) of the order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, wherever applicable, and the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence reporting under paragraph 3 (xiv) of the order is not applicable to the Company.
- xv. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly reporting under paragraph 3 (xv) of the order is not applicable to the Company.
- xvi. In our opinion and according to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Sudha Suresh Pai and Associates
Chartered Accountants
Firm Regn. No. 118006W

Suresh M V Pai
Partner
Membership No. 046235
UDIN: 20046235AAAABA1936

Place: Margao-Goa
Date: June 26,2020

Annexure “B” to the Independent Auditor’s Report

(Referred to in paragraph 2 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date to the Members of Govind Poy Oxygen Limited for the year ended 31st March 2020)

Report on the Internal Financial controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls with reference to financial statements of Govind Poy Oxygen Limited (“the Company”) as at 31st March 2020 in conjunction with our audit of the 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 controls with reference to financial statements criteria established by the Company considering the essential components of internal controls 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 (‘ICAI’). These responsibilities include design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. 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 audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls 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 statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the 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 controls 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.

Opinion

In our opinion, the Company has in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March 2020, based on the internal controls with reference to financial statements criteria established by the company considering the essential components of internal controls stated in the Guidance Note issued by ICAI.

For Sudha Suresh Pai and Associates
Chartered Accountants
Firm Regn. No. 118006W

Suresh M V Pai
Partner
Membership No. 046235
UDIN: 20046235AAAABA1936

Place: Margao-Goa
Date: June 26, 2020

BALANCE SHEET AS AT MARCH 31, 2020				
Sr. No.	Particulars	Note Nos	As at 31.03.2020 Rupees	As at 31.03.2019 Rupees
I	ASSETS			
	(A) Non - Current Assets			
	(a) Property, Plant and Equipment	4	3,29,35,584	2,76,18,578
	(b) Capital Work-in-Progress		3,84,555	19,92,955
	(c) Financial Assets			
	(i) Investments	5	1,90,26,454	2,60,38,716
	(d) Deferred Tax Assets (Net)	6	9,41,795	9,28,037
	(e) Other Non - Current Assets	7	5,42,464	11,70,464
	Total Non - Current Assets (A)		5,38,30,852	5,77,48,750
	(B) Current Assets			
	(a) Inventories	8	36,73,643	33,94,779
	(b) Financial Assets			
	(i) Trade receivables	9	99,65,720	1,06,02,342
	(ii) Cash and cash equivalents	10	2,77,964	3,98,606
	(iii) Other bank balances	11	21,45,252	7,95,376
	(iv) Loans and Advances	12	11,42,660	35,00,262
	Total Current Assets (B)		1,72,05,239	1,86,91,365
	TOTAL - ASSETS (A+B)		7,10,36,091	7,64,40,115
II	EQUITY AND LIABILITIES			
	(A) Equity			
	(a) Equity Share Capital	13	40,00,000	40,00,000
	(b) Other Equity	14	1,56,13,260	2,34,66,720
	Total Equity (A)		1,96,13,260	2,74,66,720
	(B) Liabilities			
	1 Non - Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	15	84,01,639	67,83,973
	(b) Employee Benefit Obligation	16	14,12,776	11,61,879
	Total Non - Current Liabilities		98,14,415	79,45,852
	2 Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	15	50,93,722	73,31,861
	(ii) Trade Payables	17	32,58,765	36,95,525
	(iii) Other financial liabilities	18	3,27,89,091	2,95,11,937
	(b) Other Current liabilities	19	1,91,997	2,66,599
	(c) Employee Benefit Obligation	16	2,74,841	2,21,621
	Total Current Liabilities		4,16,08,416	4,10,27,543
	Total Liabilities (B)		5,14,22,831	4,89,73,395
	TOTAL - EQUITY AND LIABILITIES (A+B)		7,10,36,091	7,64,40,115
		1-33		
In terms of our report attached For SUDHA SURESH PAI & ASSOCIATES Chartered Accountants Firm Registration No. 118006W		For and on behalf of the Board of Directors		
		M. S. USGAONKAR Director (DIN 00358368)	ASHOK PANVELKAR Director (DIN 02757226)	
SURESH M. V. PAI Partners Membership No. 046235		SUDIN M. USGAONKAR Director (DIN 00326964)	NITIN A. KUNKOLIENKER Director (DIN 00005211)	
		SANJAY A. POYRAITURCAR Chairman & Managing Director (DIN 00358326)	BINITA S. POY RAITURCAR Director (DIN 00981788)	
		CS RAKESH R. KANKARIYA Company Secretary	NAGARAJ N. SHANBHAG Chief Finance Officer	
Place : Margao, Goa Date : 26/06/2020		Place: Nuvem, Salcete, Goa Date : 26/06/2020		

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

Sr. No.	Particulars	Note Nos.	Year ended	Year ended
			March 31, 2020	March 31, 2019
			Rupees	Rupees
I.	Revenue from operations	20	7,56,47,643	8,15,37,909
II.	Other income	21	11,72,971	8,53,604
III.	Total Income (I+II)		7,68,20,614	8,23,91,513
IV.	Expenses:			
	(a) Cost of materials consumed	22	2,38,56,622	2,80,75,461
	(b) Purchases of Traded goods	23	1,66,81,466	1,81,07,226
	(c) Changes in inventories of finished goods, work-in-progress and stock- in-trade	24	3,36,921	(4,75,155)
	(d) Employee benefits expense	25	1,00,27,060	92,16,163
	(e) Finance costs	26	16,65,753	7,63,376
	(f) Depreciation and amortisation expense	4	22,98,944	14,61,297
	(g) Other expenses	27	2,29,91,128	2,60,05,081
	Total Expenses		7,78,57,894	8,31,53,449
V.	Profit/ (Loss) Before Exceptional Items and Tax (III-IV)		(10,37,280)	(7,61,936)
VI.	Exceptional items			-
VII.	Profit/(Loss) before tax (V-VI)		(10,37,280)	(7,61,936)
VIII.	Tax expense :			
	(a) Current tax		-	-
	- Short / (Excess) Provision		4,48,039	-
	- MAT Credit Entitlement		(5,85,000)	-
	(b) Deferred tax	6	(40,775)	(2,70,875)
IX.	Net Profit/ (Loss) for the period (VII-VIII)		(12,15,016)	(10,32,811)
X.	Other Comprehensive Income (OCI):			
	Items that will not be reclassified to Profit or Loss			
	(a) Remeasurement gains / (losses) on defined benefit obligations		(2,09,742)	(4,53,284)
	(b) Change in Fair value of 'FVTOCI' Equity instruments		(61,35,103)	(19,25,980)
	(c) Income tax (expense)/credit relating to items that will not be reclassified to Profit or Loss		54,533	1,17,854
	Total Other Comprehensive Income/(Loss) for the year (Net of Tax)		(62,90,312)	(22,61,410)
XI.	Total Comprehensive Income /(Loss) for the period (IX+X)		(75,05,328)	(32,94,221)
XII.	Paid- up Equity Share Capital (Face Value per Share Rs.10 each)		40,00,000	40,00,000
XIII.	Earnings Per Equity share: (Face value of Rs.10 per share)			
	Basic & Diluted	30	(3.04)	(2.58)

In terms of our report attached

For SUDHA SURESH PAI & ASSOCIATES

Chartered Accountants

Firm Registration No. 118006W

SURESH M. V. PAI

Partners

Membership No. 046235

Place : Margao, Goa

Date : 26/06/2020

For and on behalf of the Board of Directors

M. S. USGAONKAR

Director

(DIN 00358368)

SUDIN M. USGAONKAR

Director

(DIN 00326964)

SANJAY A. POY RAITURCAR

Chairman & Managing Director

(DIN 00358326)

CS RAKESH R. KANKARIYA

Company Secretary

Place: Nuvem, Salcete, Goa

Date : 26/06/2020

ASHOK PANVELKAR

Director

(DIN 02757226)

NITIN A.

KUNKOLIENKER

Director

(DIN 00005211)

BINITA S. POY

RAITURCAR

Director

(DIN 00981788)

NAGARAJ N.

SHANBHAG

Chief Finance Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
	Rupees	Rupees
A. Cash Flows from Operating Activities		
Net Profit / (Loss) before Tax	(10,37,280)	(7,61,936)
Adjustments for:		
Depreciation	22,98,944	14,61,297
Interest Income	(1,48,729)	(96,180)
Interest Expense	16,65,753	7,63,376
Dividend Income	(6,34,879)	(6,21,130)
(Profit)/Loss on Sale of Assets	(3,85,249)	(32,690)
Adjustments in Other Comprehensive Income	(25,94,814)	(4,39,299)
	2,01,026	10,35,374
Operating Profit / (Loss) before Working Capital Changes	(8,36,254)	2,73,438
Adjustments for working capital changes:		
(Increase)/Decrease in Trade Receivables	6,70,354	(6,55,829)
(Increase)/Decrease in Inventories	(2,78,864)	7,269
(Increase)/Decrease in Other Non Current Assets	6,28,000	(33,000)
(Increase)/Decrease in Loans and Advances (Current)	23,57,602	(21,76,501)
Increase/(Decrease) in Trade Payables	(4,27,751)	11,20,268
Increase/(Decrease) in Other Financial Liabilities (Current)	32,77,154	44,22,572
Increase/(Decrease) in Non Current Provisions	2,50,897	4,46,154
Increase/(Decrease) in Current Provisions	53,220	10,882
Increase/(Decrease) in Other Current Liabilities	(74,602)	(9,82,810)
	64,56,010	21,59,004
Cash generated from Operations	56,19,756	24,32,443
Direct Taxes (Net)	(1,78,910)	(2,09,412)
Net Cash from/(used) in Operating Activities	54,40,846	22,23,031
B Cash Flows from Investing Activities		
Purchase of Fixed Assets	(60,79,251)	(1,22,83,890)
Sale of Fixed Assets	4,56,950	59,750
Investment in Equity instruments (purchased)/sold (net)	33,96,322	(24,39,731)
Other Bank Balances (net)	(13,49,876)	8,78,597
Interest Received	1,48,729	96,180
Dividend Received	6,34,879	6,21,130
Net Cash from/(used) in Investing Activities	(27,92,247)	(1,30,67,964)
C Cash Flows from Financing Activities		
Net change in Short Term Borrowings	(22,38,139)	54,07,117
Repayment of Long Term Borrowings	16,17,666	67,83,973
Interest Paid	(16,65,753)	(7,63,376)
Dividends and Corporate Dividend Tax Paid	(4,83,011)	(4,81,431)
Net Cash from/(used) in Financing Activities	(27,69,237)	1,09,46,283

Summary			
A	Net Cash from/(used) Operating Activities	54,40,846	22,23,031
B	Net Cash from/(used) in Investing Activities	(27,92,247)	(1,30,67,964)
C	Net Cash from/(used) in Financing Activities	(27,69,237)	1,09,46,283
	Net Increase (Decrease) in Cash and Cash Equivalents	(1,20,640)	1,01,350
	Cash and Cash Equivalents at beginning of the year	3,98,606	2,97,256
	Cash and Cash Equivalents at the end of the year	2,77,964	3,98,606
		(1,20,640)	1,01,350

Note: The above Cash Flow Statement has been prepared under the “Indirect Method set out in Indian Accounting Standard (Ind AS-7) “Statement of Cash Flows” prescribed under section 133 of the Companies Act, 2013

In terms of our report attached
For SUDHA SURESH PAI & ASSOCIATES
Chartered Accountants
Firm Registration No. 118006W

For and on behalf of the Board of Directors

M. S. USGAONKAR ASHOK PANVELKAR
Director Director
(DIN 00358368) (DIN 02757226)

SURESH M. V. PAI
Partners
Membership No. 046235

SUDIN M. USGAONKAR NITIN A. KUNKOLIENKER
Director Director
(DIN 00326964) (DIN 00005211)

SANJAY A. POY RAITURCAR BINITA S. POY RAITURCAR
Chairman & Managing Director Director
(DIN 00358326) (DIN 00981788)

CS RAKESH R. KANKARIYA NAGARAJ N. SHANBHAG
Company Secretary Chief Finance Officer

Place : Margao, Goa
Date : 26/06/2020

Place: Nuvem, Salcete, Goa
Date : 26/06/2020

Statement of Changes in Equity:

A. Equity Share Capital							
	Amount						
Balance as at 1st April, 2019	40,00,000						
Changes in equity share capital during the year	-						
Balance as at 31st March, 2020	40,00,000						
B. Other Equity							
	Reserves and Surplus				Other Comprehensive Income		Total
	Securities Premium/ Forfeiture of shares	Patenting Scheme 2003 subsidy	General Reserve	Retained earnings	Equity Instruments through OCI	Remeasurement of Defined Benefit Plans	
Balance as at 1st April, 2018	4,250	1,74,060	86,81,195	1,97,45,552	(12,46,388)	(1,16,297)	2,72,42,372
Profit for the year	-	-	-	(10,32,811)	-	-	(10,32,811)
Other comprehensive income for the year, net of tax	-	-	-	-	(19,25,980)	(3,35,430)	(22,61,410)
Transfer to General Reserve	-	-	-	-	-	-	-
Profit on sale of Investments, net of tax	-	-	-	-	-	-	-
Dividends (including Dividend Distribution Tax)	-	-	-	(4,81,431)	-	-	(4,81,431)
Balance as at 31st March, 2019	4,250	1,74,060	86,81,195	1,82,31,310	(31,72,368)	(4,51,727)	2,34,66,720
	Reserves and Surplus				Other Comprehensive Income		Total
	Securities Premium/ Forfeiture of shares	Patenting Scheme 2003 subsidy	General Reserve	Retained earnings	Equity Instruments through OCI	Remeasurement of Defined Benefit Plans	
Balance as at 1st April, 2019	4,250	1,74,060	86,81,195	1,82,31,310	(31,72,368)	(4,51,727)	2,34,66,720
Profit for the year	-	-	-	(12,15,016)	-	-	(12,15,016)
Other comprehensive income for the year, net of tax	-	-	-	1,34,089	(61,35,103)	(1,55,209)	(61,56,223)
Transfer to General Reserve	-	-	-	-	-	-	-
Realised Loss on Sale of Investment transferred from OCI	-	-	-	(25,05,177)	25,05,177	-	-
Dividends (including Dividend Distribution Tax)	-	-	-	(4,82,221)	-	-	(4,82,221)
Balance as at 31st March, 2020	4,250	1,74,060	86,81,195	1,41,62,985	(68,02,294)	(6,06,936)	1,56,13,260
In terms of our report attached For SUDHA SURESH PAI & ASSOCIATES Chartered Accountants Firm Registration No. 118006W	For and on behalf of the Board of Directors						
SURESH M. V. PAI Partners Membership No. 046235	M. S. USGAONKAR Director (DIN 00358368)		SUDIN M. USGAONKAR Director (DIN 00326964)		ASHOK PANVELKAR Director (DIN 02757226)		
	SANJAY A. POY RAITURCAR Chairman & Managing Director (DIN 00358326)		NITIN A. KUNKOLIENKER Director (DIN 00005211)		BINITA S. POY RAITURCAR Director (DIN 00981788)		
	CS RAKESH R. KANKARIYA Company Secretary				NAGARAJ N. SHANBHAG Chief Finance Officer		
Place : Margao, Goa Date : 26/06/2020	Place: Nuvem, Salcete, Goa Date : 26/06/2020						

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2020**1. Corporate Information**

Govind Poy Oxygen Ltd is a company registered under Companies Act 1956. The shares of the company are listed with Bombay Stock Exchange (BSE). The Company is in the business of production and trading of Medical Oxygen, Industrial Oxygen, Argon, Nitrogen, Dissolved Acetylene, etc.

The financial statements for the year ended 31st March, 2020 were approved by the board of directors and authorized for issue on 26th June, 2020.

2. Significant accounting policies**a) Statement of compliance**

These financial statements have been prepared in accordance with Indian Accounting Standards (“Ind AS”) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of Companies Act, 2013, (the ‘Act’) and other relevant provisions of the Act.

b) Basis of preparation

These financial statements have been prepared on historical cost basis except for certain financial instruments measured at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. These financial statements are presented in Indian Rupees (INR) which is the functional currency and all values are rounded to nearest Rupees.

c) Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

Key sources of estimation uncertainty at the date of the financial statements pertain to:

i. Useful lives of property, plant and equipment.

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

ii. Valuation of deferred tax assets

The Company reviews the carrying amount of deferred tax asset at the end of each reporting period. The policy for the same has been explained under note 2f.

iii. Provisions and contingencies (Refer Note 2e)

None of the above estimates present a significant risk of a material adjustment to the carrying amount of assets or liabilities within the next financial year.

d) Revenue recognition**1. Sale of Goods:**

Revenue is recognized as per Ind AS 115 on satisfaction of performance obligation provided commercial terms are known / agreed and reasonable assurance about the collectability of the transaction price exists. In respect of sale of products the performance obligation is considered as satisfied when risks and rewards of ownership of the goods are passed on to the customer – normally on delivery. Auxiliary revenue is recognized based on rights and obligations agreed with the customer / counter-party. Revenue represents the transaction price to which the Company is entitled excluding discounts, incentives and GST.

2. Interest and dividends:

Interest income is recognized on accrual basis wherever realisability is not in doubt. Dividends are recognized at the time the right to receive payment is established.

3. Penalty for delayed return of cylinders and other services:

Income is considered to accrue on time basis in accordance with the contractual terms with customers.

e) Provisions and contingencies

A provision is recognized where the Company has a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are discounted to its present value (unless of short term duration) and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognized in the financial statements

f) Income taxes

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in the income statement except when they relate to items that are recognized outside profit or loss, in which case tax is also recognized outside profit or loss (in other comprehensive income).

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961. Deferred tax is recognized, on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax assets are recognized if there is reasonable certainty that there will be sufficient future taxable income to realize such assets.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

g) Inventories

Inventories are valued at lower of cost and net realizable value on first in first out basis. For this purpose cost of bought out inventories comprises the purchase cost of the items net of GST availed and the cost of bringing them to the factory. The cost of manufactured inventories comprises the direct cost of production plus appropriate overheads. The net realizable value of bought out inventories is their current replacement cost.

h) Property, Plant and Equipment

Property, plant and equipment are stated at cost of acquisition or construction less depreciation and impairment if any. All cost relating to the acquisition and installation of property, plant and equipment are capitalized and include financing cost relating to borrowed funds attributable to construction or acquisition of fixed assets, upto the date the asset is ready for intended use.

Depreciation is provided on the Straight Line Method (SLM) over the estimated useful lives of the assets considering the nature, estimated usage, operating conditions, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support. Taking into account these factors, the Company has adopted estimated useful lives as under, which are different from those prescribed in Schedule II of the Act as under:

<u>Type of Asset</u>	<u>Estimated useful life</u>
• Factory Buildings	30 years
• Plant and Machinery	15 years
• Furniture and fixtures & Electrical Installation	10 years
• Vehicles	8 to 10 years
• Cylinder / Containers	20 years
• Office Equipments	3 to 5 years

i) Impairment of assets

Property, plant and equipment are evaluated for recoverability whenever there is any indication that their carrying amounts may exceed the amount recoverable through use or sale. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount and an impairment loss is recognized in the statement of profit or loss.

j) Financial instruments: Classification, recognition/ de-recognition and measurement:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial instruments are recognized on the balance sheet when the Company becomes a party to the contractual provisions of the instrument. Initially, a financial instrument is recognized at its fair value. Financial assets are de-recognized only when the contractual rights to the cash flows from the asset expires or substantially all the risks and rewards of ownership of the asset are transferred to another entity. Financial liabilities are de-recognized when these are extinguished, that is when the obligation is discharged, cancelled or has expired. Financial instruments are measured / remeasured according to the category in which they are classified.

Financial assets held at amortized cost:

Financial assets that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding and that are held within a business model whose objective is to hold such assets in order to collect such contractual cash flows are classified in this category. Subsequently, these are measured at amortized cost using the

effective interest method less any impairment losses. Expected credit loss is recognized for the entire dues from a customer as soon as the management review of receivables flags off a need for legal action or raises a significant doubt about recoverability.

These include trade receivables, balances with banks, short-term deposits with banks, other financial assets and investments with fixed or determinable payments.

Equity investments at fair value through other comprehensive income:

These include financial assets that are equity instruments and are irrevocably designated as such upon initial recognition. Subsequently, these are measured at fair value and changes therein are recognized directly in other comprehensive income, net of applicable income taxes.

Dividends from these equity investments are recognized in the Statement of Profit and Loss when the right to receive payment has been established. When the equity investment is de-recognized, the cumulative gain or loss in equity is transferred to retained earnings from Other Comprehensive Income.

Equity instruments issued by the Company:

An equity instrument is any contract that evidences residual interests in the assets of the Company. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Financial liabilities:

Financial liabilities are recognized based on the underlying contractual terms and measured at amortized cost using the effective interest method.

k) **Employee benefits**

i. Defined benefits plans

Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement/ termination or on death while in employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company funds its obligation in terms of its Group Gratuity cum Assurance Scheme with Life Insurance Corporation of India. The Company accounts for the liability for gratuity benefits payable in future based on an independent actuarial valuation, carried out as at the year end.

Remeasurement gains and losses

Remeasurement comprising actuarial gains and losses, the effect of the asset ceiling and the return on assets (excluding interest) relating to retirement benefit plans, are recognized directly in other comprehensive income in the period in which they arise. Remeasurement recorded in other comprehensive income is not reclassified to income statement.

The measurement date of retirement plans is 31st March.

ii. Defined contribution plans

The company has defined contribution plans for employees comprising of Provident Fund and Employee's State Insurance. The contributions paid/payable to these plans during the year are charged to the statement of profit and loss for the year.

iii. Other long-term employee benefits

Compensated absences

The Company provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment. The liability is provided based on the number of days of unutilized leave at each balance sheet date on the basis of an independent actuarial valuation, carried out as at the year end.

l) **Borrowing Cost**

Borrowing cost that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for the intended use. All other borrowing costs are recognized on accrual basis and charged to the statement of profit or loss.

m) **Segmental Reporting**

The company is engaged in the business of manufacturing and trading of gases in the domestic market only and hence has only a single reportable segment, in terms of Indian Accounting Standards 108. The board of directors assesses performance of the Company and allocates resources as Chief Operating Decision Maker. The reporting of entity level revenue, operating results, assets and liabilities as reflected in the financial statements, thus complies with the segment reporting requirement as the same is consistent with the internal reporting provided to the Chief Operating Decision Maker.

3. **New and amended Standards adopted by the Company**

The Company has applied the following standards and amendments for the first time for their annual reporting period commencing April 1, 2019:

- i) Ind AS 116 – Leases;
- ii) Income Tax consequences in case of dividends (Ind AS 12 – Income Taxes (amendments relating to Income Tax consequences of dividend));
- iii) Accounting for income tax when there is uncertainty over income tax treatment of an item by tax authorities (Ind AS 12 - Income Taxes (amendments relating to uncertainty over income tax treatment));
- iv) Accounting treatment for specific borrowings post capitalization of corresponding qualifying asset (Ind AS 23 – Borrowing Costs);
- v) Accounting for prepayment features with negative compensation in case of debt instruments (Ind AS 109 – Prepayment Features with Negative Compensation));
- vi) Accounting for plan amendment, curtailment or settlement occurring in-between the reporting periods in case of long term employee benefit plans (Ind AS 19 – Plan Amendment, Curtailment or Settlement);

The above amendments listed above did not have any material impact on the financial statements of the Company.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

4) Property, Plant and Equipment

(Figures in Rupees)

Property, Plant and Equipment	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Cylinders	Office Equipment	Electrical Installation	Total
Cost as at 1st April, 2018	1,48,915	22,60,635	2,76,71,813	19,58,756	1,23,63,909	6,52,88,918	31,31,403	3,61,475	11,31,85,824
Additions	-	-	48,84,558	-	8,80,372	46,48,772	2,21,788	-	1,06,35,490
Deductions	-	-	-	-	-	31,497	-	-	31,497
Cost as at 31st March, 2019	1,48,915	22,60,635	3,25,56,371	19,58,756	1,32,44,281	6,99,06,193	33,53,191	3,61,475	12,37,89,817
Accumulated depreciation as at 1st April, 2018	-	18,63,456	2,33,95,565	14,62,095	1,17,65,732	5,30,25,513	29,13,040	2,88,978	9,47,14,379
Depreciation for the year	-	16,163	4,84,957	84,646	57,548	7,18,284	85,269	14,430	14,61,297
Deductions	-	-	-	-	-	4,437	-	-	4,437
Accumulated depreciation as at 31st March, 2019	-	18,79,619	2,38,80,522	15,46,741	1,18,23,280	5,37,39,360	29,98,309	3,03,408	9,61,71,239
Net carrying amount as at 31st March, 2019	1,48,915	3,81,016	86,75,849	4,12,015	14,21,001	1,61,66,833	3,54,882	58,067	2,76,18,578
Cost as at 1st April, 2019	1,48,915	22,60,635	3,25,56,371	19,58,756	1,32,44,281	6,99,06,193	33,53,191	3,61,475	12,37,89,817
Additions	-	-	24,02,000	57,152	47,55,157	4,05,800	67,541	-	76,87,650
Deductions	-	-	67,15,956	-	-	2,63,997	-	-	69,79,953
Cost as at 31st March, 2020	1,48,915	22,60,635	2,82,42,415	20,15,908	1,79,99,438	7,00,47,996	34,20,732	3,61,475	12,44,97,514
Accumulated depreciation as at 1st April, 2019	-	18,79,619	2,38,80,522	15,46,741	1,18,23,280	5,37,39,360	29,98,309	3,03,408	9,61,71,239
Depreciation for the year	-	16,159	8,04,164	87,593	4,37,183	8,23,644	1,15,771	14,430	22,98,944
Deductions	-	-	66,87,585	-	-	2,20,668	-	-	69,08,253
Accumulated depreciation as at 31st March, 2020	-	18,95,778	1,79,97,101	16,34,334	1,22,60,463	5,43,42,336	31,14,080	3,17,838	9,15,61,930
Net carrying amount as at 31st March, 2020	1,48,915	3,64,857	1,02,45,314	3,81,574	57,38,975	1,57,05,660	3,06,652	43,637	3,29,35,584

Note:

- The factory and ancillary buildings stand on a freehold plot of land of approx. 24000 sq metres which falls in industrial zone. The portion occupied by buildings / roads for extent business is not insignificant. The land was acquired for and continues to be held for industrial use and not for earning rentals or capital appreciation. For the purpose of application of Ind AS 40, no part of the land is therefore considered as investment property.
- The company has opted for treating carrying values under the previous Gaap (IGAAP) as the deemed cost on the date of transition as permitted by Ind AS 101.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31st March, 2020 Rupees	As at 31st March, 2019 Rupees
5) INVESTMENTS		
Non-current		
Investments designated at fair value through OCI		
(a) <u>Investments in Equity Instruments (Quoted)</u>		
Coal India Ltd.	1,40,050	2,37,200
Godrej Agrovet Ltd.	-	2,54,150
Gujarat Gas Ltd.	-	-
Gujarat State Petronet Ltd.	60,35,750	66,74,498
ICICI Securities Ltd.	-	24,200
Indian Oil Corporation Ltd	8,16,500	16,28,500
ITC Limited	2,57,550	
The Indian Hotels Co. Ltd.	2,62,500	1,23,920
Kingfisher Airlines Ltd.	10,00,000	-
Mahanagar Gas Ltd	54,01,770	69,63,328
MOIL Ltd.	12,29,400	19,04,400
Mangalore Refinery and Petrochemicals Ltd.	9,72,300	31,20,600
N.M.D.C. Ltd.	11,92,000	31,33,500
Parag Milk Foods Ltd	3,83,482	15,64,500
The Fertilisers and Chemicals Travancore Ltd.	-	4,09,920
Adani Gas Limited	1,29,525	-
Tata Consumer Products Limited	3,68,562	-
Tata Metaliks Limited	3,31,700	
United Breweries Limited	5,05,365	
Western India Shipyard Ltd.	-	-
Total	1,90,26,454	2,60,38,716
Note:		
With a view to recognise the disposable assets at fair value while insulating the operating results from the volatility of fair value changes the management has designated these investments in quoted equity shares at Fair Value through OCI.		

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

		As at 31st March, 2020 Rupees	As at 31st March, 2019 Rupees	
6) Deferred Tax Asset				
(a) Deferred Tax Asset				
Assets:				
i Defined Benefit Obligations (Provision for gratuity & compensated absences)		4,93,313	3,59,710	
ii Provision for doubtful debts		4,48,482	4,80,603	
iii C/f Depreciation loss		41,50,180	30,51,819	
		50,91,975	38,92,132	
Liabilities:				
i Differences in tax and books written down values of Property, Plant and Equipment and Intangible Assets		(41,50,180)	(29,64,095)	
		(41,50,180)	(29,64,095)	
Net Deferred Tax Asset	Total	9,41,795	9,28,037	
(b) Movement in deferred tax Assets (net) for the year ended 31st March, 2020				
	Opening balance as at 1st April, 2019	Recognised in profit or loss	Recognised in other comprehensive income	Closing Balance as at 31st March, 2020
Tax effect of items constituting Deferred Tax Assets				
Defined Benefit Obligations (Provision for gratuity & compensated absences)	3,59,710	79,070	54,533	4,93,313
Provision for doubtful debts	4,80,603	(32,121)	-	4,48,482
C/f Depreciation loss	30,51,819	10,98,361	-	41,50,180
	38,92,132	11,45,310	54,533	50,91,975
Tax effect of items constituting Deferred Tax Liabilities				
Differences in tax and books written down values of Property, Plant and Equipment and Intangible Assets	(29,64,095)	(11,86,086)	-	(41,50,180)
	(29,64,095)	(11,86,086)	-	(41,50,180)
Tax adjustment in respect of FVTOCI investments sold	-	-	-	-
	9,28,037	(40,775)	54,533	9,41,795
(c) Movement in deferred tax Assets (net) for the year ended 31st March, 2019				
	Opening balance as at 1st April, 2018	Recognised in profit or loss	Recognised in other comprehensive income	Closing Balance as at 31st March, 2019
Tax effect of items constituting Deferred Tax Assets				
Defined Benefit Obligations (Provision for gratuity & Provision for doubtful debts)	2,38,564	3,292	1,17,854	3,59,710
C/f Depreciation loss	3,01,246	1,79,357	-	4,80,603
	21,47,923	9,03,896	-	30,51,819
	26,87,733	10,86,545	1,17,854	38,92,132
Tax effect of items constituting Deferred Tax Liabilities				
Differences in tax and books written down values of	(16,06,677)	(13,57,418)	-	(29,64,095)
	(16,06,677)	(13,57,418)	-	(29,64,095)
Tax adjustment in respect of FVTOCI investments sold	-	-	-	-
	10,81,056	(2,70,873)	1,17,854	9,28,037

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31st March, 2020 Rupees	As at 31st March, 2019 Rupees
7) OTHER NON CURRENT ASSETS:		
(Unsecured, Considered good)		
(a) Capital Advances	-	40,000
(b) Security Deposits	5,42,464	5,45,464
(c) MAT Credit Entitlement	-	5,85,000
Total	5,42,464	11,70,464
8) INVENTORIES		
(a) Manufactured & Traded goods	15,56,919	18,93,840
(b) Raw materials	15,68,518	8,95,568
(c) Stores & Spares	5,47,137	6,04,302
(d) Sundry materials	1,069	1,069
Total	36,73,643	33,94,779
9) TRADE RECEIVABLES		
<u>Unsecured</u>		
Considered good	99,65,720	1,06,02,342
Considered doubtful	17,24,929	18,48,472
	1,16,90,649	1,24,50,814
Less: Provision for doubtful trade receivables	17,24,929	18,48,472
Total	99,65,720	1,06,02,342
10) CASH AND CASH EQUIVALENTS		
(a) Cash on hand	81,374	41,889
(b) Balances with banks - In Current Accounts	1,96,590	3,56,717
Total	2,77,964	3,98,606
11) BANK BALANCES (OTHER THAN CASH AND CASH EQUIVALENTS)		
(a) Deposits with original maturity of more than 3 months	20,16,292	7,27,921
(b) Earmarked balances (Unpaid dividend account)	1,28,960	67,455
Total	21,45,252	7,95,376
12) LOANS AND ADVANCES		
(a) Advances recoverable in cash or in kind or for value to be received	7,26,323	20,12,104
(b) Income Tax (NET)	2,27,233	(1,39,793)
(c) Balances with Central Excise and VAT	1,26,951	3,59,811
(d) Deposits	62,153	12,68,140
Total	11,42,660	35,00,262

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31st March, 2020 Rupees	As at 31st March, 2019 Rupees
13) EQUITY SHARE CAPITAL		
Authorised:		
5,00,000 Equity shares of Rs. 10/- each	50,00,000	50,00,000
Total	50,00,000	50,00,000
Issued:		
4,00,000 Equity shares of Rs. 10/- each	40,00,000	40,00,000
Subscribed and fully paid-up :		
4,00,000 Equity shares of Rs. 10/- each	40,00,000	40,00,000
Total	40,00,000	40,00,000
Notes:		
(1) Par value per share	Rs. 10/-	Rs. 10/-
(2) Reconciliation of number of shares outstanding :		
(i) Ordinary Equity shares	Numbers	Numbers
Number of shares as at the beginning of the year	4,00,000	4,00,000
Number of shares as at closing of the year	4,00,000	4,00,000
(3) Terms and rights attached		
(i) Equity Shares		
Each holder of equity shares is entitled to one vote per share.		
In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.		
(4) Shares in the Company held by each shareholder holding more than 5 percent shares	Numbers	Numbers
(a) Bank of India	27,650	27,650
(b) Indian Overseas Bank	29,150	29,150
(c) Sanjay Atchut Poy Raiturcar	2,25,235	2,25,235
14) OTHER EQUITY*:		
*Refer Statement of Changes in Equity		
15) BORROWINGS:		
Non-current Secured		
(a) Term Loans		
(i) From Banks	84,01,639	67,83,973
Total	84,01,639	67,83,973
Note:		
The term loan is secured collaterally by equitable mortgage of factory land and building and hypothecation of plant and machinery and other fixed/movable assets of Arlem unit.		

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31st March, 2020 Rupees	As at 31st March, 2019 Rupees
(contd.....)		
Current Secured		
(a) Loans repayable on demand		
(i) From banks (Cash Credit Accounts)	50,93,722	73,31,861
Total	50,93,722	73,31,861
Note:		
Loans from Banks on Cash Credit Accounts are Secured by hypothecation of finished products, raw materials, stores, spares and book debts.		
16) EMPLOYEE BENEFIT OBLIGATION:		
Non-current		
(a) Provision for employee benefits		
i Provision for Compensated absences	3,13,378	2,53,404
ii Provision for Gratuity	10,99,398	9,08,475
Total	14,12,776	11,61,879
Current		
(a) Provision for employee benefits		
i Provision for Compensated absences	2,74,841	2,21,621
Total	2,74,841	2,21,621
17) TRADE PAYABLES		
(a) Outstanding due of Micro, Small and Medium Enterprises	5,50,989	1,33,445
(b) Outstanding due of Creditors other than Micro, Small and Medium Enterprises	27,07,776	35,62,080
Total	32,58,765	36,95,525
Note:		
There are no overdues and interest payable to MSM Enterprises during the year and there are no such outstanding dues as at the year end.		
18) OTHER FINANCIAL LIABILITIES		
(a) Security deposits received (against Fixed Assets (Cylinders))	2,75,96,696	2,52,06,521
(b) Creditors for expenses	22,51,214	18,08,562
(c) Unpaid dividends	2,61,181	2,33,521
(d) Current maturities of long term debt	26,80,000	22,63,333
Total	3,27,89,091	2,95,11,937
19) OTHER CURRENT LIABILITIES:		
(a) Advance from customers	66,443	91,267
(b) Other payables		
(i) Statutory dues	1,25,554	1,75,332
Total	1,91,997	2,66,599

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	Rupees	As at 31st March, 2020 Rupees	As at 31st March, 2019 Rupees
20) REVENUE FROM OPERATIONS			
(a) Sale of products (net of GST)		7,04,08,845	7,77,69,447
(b) Other operating revenue			
(i) Penalty for delayed return of cylinders and service charges	12,74,320		14,60,500
(ii) Freight Receipts	24,84,478		20,07,962
(iii) Machinery Hire Receipts	14,80,000		3,00,000
		52,38,798	37,68,462
Total		7,56,47,643	8,15,37,909
21) OTHER INCOME			
(a) Interest income			
(i) on bank deposits	1,17,255		96,180
(ii) other	31,474		95,066
(b) Dividend on financial instruments designated as FVTOCI		1,48,729	1,91,246
(c) Other non-operating income		6,34,879	6,21,130
(d) Profit on sale of assets		4,114	8,537
		3,85,249	32,691
Total		11,72,971	8,53,604
22) COST OF MATERIALS CONSUMED			
Details of materials consumed			
(a) Raw Material		1,09,81,878	1,17,19,904
(b) Liquified Gases		1,28,40,451	1,62,98,061
(c) Other Gases		34,293	57,496
Total		2,38,56,622	2,80,75,461
23) PURCHASE OF TRADED GOODS			
(a) Traded Goods - Industrial & Medical Gases		1,64,26,219	1,69,63,160
(b) Cylinders, Valves, etc		2,55,247	11,44,066
		1,66,81,466	1,81,07,226
24) CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK IN TRADE			
Opening stock			
Finished Goods	4,25,186		4,19,298
Stock-in-Trade	14,68,654		9,99,387
	18,93,840		14,18,685
Closing stock			
Finished Goods	7,15,715		4,25,186
Stock-in-Trade	8,41,204		14,68,654
	15,56,919		18,93,840
Total		3,36,921	(4,75,155)
<u>Note:</u>			
Details of Closing Inventories is as under			
<u>Finished Goods</u>			
(i) Manufactured Goods - Industrial & Medical Gases		7,15,715	4,25,186
<u>Stock-in-Trade</u>			
(i) Traded Goods - Industrial & Medical Gases		5,77,472	10,23,253
(ii) Cylinders, Valves, etc		2,63,732	4,45,401

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	Rupees	As at 31st March, 2020 Rupees	As at 31st March, 2019 Rupees
25) EMPLOYEE BENEFIT EXPENSE			
(a) Salaries and Wages		90,77,290	82,50,107
(b) Contribution to provident and other funds		8,36,563	8,54,717
(c) Workmen and Staff Welfare Expenses		1,13,207	1,11,339
Total		1,00,27,060	92,16,163
26) FINANCE COST			
(a) Interest expense on			
(i) Cash Credit & Term Loan account with bank		16,65,753	7,63,376
		16,65,753	7,63,376
27) OTHER EXPENSES			
(a) Consumption of stores, spare & consumables		5,17,086	4,93,095
(b) Power, Fuel & Water		10,48,989	9,85,219
(c) Production Expenses		-	-
(d) Contract Wages		28,54,468	28,72,971
(e) Repairs and maintenance:			
- buildings	8,29,893		16,68,468
- machinery	8,49,545		7,04,904
- others	70,97,255		80,07,213
		87,76,693	1,03,80,585
(f) Rent (Refer note 33)		3,64,300	4,32,000
(g) Insurance		4,01,991	2,90,971
(h) Licence, fees and taxes		5,60,134	11,98,127
(i) Travelling Expenses		7,02,892	8,62,042
(j) Security Charges		11,56,134	10,72,335
(k) Packing, freight and forwarding expenses		30,01,240	36,72,180
(l) Auditors Remuneration- (see note No 30)		2,00,000	2,07,500
(m) Legal & Other Professional charges		6,99,697	6,81,415
(n) Miscellaneous expenses		27,07,504	28,56,641
Total		2,29,91,128	2,60,05,081

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31st March, 2020 Rupees	As at 31st March, 2019 Rupees
28) Contingent liabilities not provided for:		
(a) Guarantees issued by the bank on behalf of the Company	2,50,000	2,50,000
(b) Disputed Excise Duty demands is in appeal before Supreme Court	6,70,488	6,70,488
Total	9,20,488	9,20,488
29) Payment to Auditors:		
(a) for Statutory Audit	1,25,000	1,25,000
(b) for Tax Audit	75,000	82,500
Total	2,00,000	2,07,500
30) Earnings per share (EPS)		
Earnings per share (EPS) is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year as under:-		
Profit for the period from continuing operations	(12,15,016)	(10,32,811)
Weighted average number of shares outstanding during the year	4,00,000	4,00,000
Basic and Diluted EPS (Rupees)	(3.04)	(2.58)
Nominal value per share (Rupees)	10	10
31) Employee Benefits (Insurer managed fund)		
A The disclosure as required under Ind AS-19 regarding the Company's defined benefit plans is as follows :		
(i) <u>Investment Risk:</u>		
The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. Currently, the gratuity liability is funded with Life Insurance Corporation of India which follows a regulated pattern of investment.		
(ii) <u>Interest Risk:</u>		
A decrease in the bond interest rate will increase the plan liability; however this will be partially offset by an increase in the return on the plan's debt investments.		
(iii) <u>Longevity risk:</u>		
The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.		
(iv) <u>Salary risk:</u>		
The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.		
I. Reconciliation of opening and closing balances of Defined Benefit Obligation		
	Current Year	Previous Year
	Gratuity (Funded)	Gratuity (Funded)
Defined Benefit obligation at beginning of the year	39,52,470	31,25,451
Current Service Cost	1,41,808	1,74,273
Interest Cost	2,31,340	2,06,392
Actuarial (gain) / loss	1,91,761	4,46,354
Benefits paid	(10,78,657)	-
Defined Benefit obligation at year end	34,38,722	39,52,470

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(contd.....)

II. Reconciliation of opening and closing balances of fair value of plan assets

	Gratuity (Funded)	Gratuity (Funded)
Fair value of plan assets at beginning of the year	30,43,995	26,53,718
Expected return on plan assets		
Interest on plan assets	1,91,967	1,97,262
Actuarial gain / (loss)	(17,981)	(6,930)
Employer contribution	2,00,000	1,99,945
Benefits paid	(10,78,657)	-
Fair value of plan assets at year end	23,39,324	30,43,995

III. Reconciliation of fair value of assets and obligations

	Gratuity (Funded)	Gratuity (Funded)
Present value of obligation as at 31st March, 2020	34,38,722	39,52,470
Fair value of plan assets as at 31st March, 2020	23,39,324	30,43,995
Amount recognized in Balance Sheet	(10,99,398)	(9,08,475)

IV. Expense recognized during the year (Under the head "Employee benefits expense" - Refer Note 25)

	Current Year Gratuity (Funded)	Previous Year Gratuity (Funded)
Current Service Cost	1,41,808	1,74,273
Interest Cost	39,373	9,130
Expected return on plan assets	-	-
Actuarial (gain) / loss	2,09,742	4,53,284
Net Cost	3,90,923	6,36,687

V. Actuarial assumptions -Gratuity (funded)

	Current Year	Previous Year
Discount rate/ Expected rate of return on plan assets (per annum)	5.85%	7.05%
Salary escalation	7.00%	7.00%
Remaining years of service	9.35	8.82

VI. The amounts of present value of the obligation, fair value of the plan assets, surplus or deficit in the plan, experience adjustments arising on plan liabilities and plan assets for the current annual period and previous annual period are as under:-

	2019-20	2018-19
Gratuity		
Present Value of Defined Benefit Obligation	34,38,722	39,52,470
Fair value of the Plan assets	23,39,324	30,43,995
Surplus or (Deficit) in the Plan	(10,99,398)	(9,08,475)
Experience Adjustment		
- On Plan liability (gain) / loss	1,91,761	4,46,354

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(contd.....)

VII. The assumptions of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment.

The Management of funds is entrusted with Life Insurance Corporation of India.

The investment of funds are made by Life Insurance Corporation of India as per its standard investment policy.

Sensitivity Analysis

Gratuity (Defined Benefit Obligation) is less sensitive to demographic assumptions. Discount rate and salary escalation rates are the two variables to which the estimate is particularly sensitive to. The impact on Defined Benefit Obligation (DBO) of 50 basis points (bps) change in these variables is summarised below:-

Particulars	2019-20	2018-19
	Change in DBO	
50 bps increase in discount rate	(67,399)	(64,030)
50 bps decrease in discount rate	70,150	66,797
50 bps increase in salary escalation rate	69,118	66,401
50 bps decrease in salary escalation rate	(67,055)	(64,425)

The Sensitivity analysis presented above have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the method and assumptions used in preparing the sensitivity analysis.

B The disclosure as required under Ind AS-19 regarding the Company's defined contribution plans is as follows :

I Contributions are made to recognized Provident Fund trust established by the Company and Family Pension Fund which covers eligible employees of the company. Employees and the Company make monthly contributions at a specified percentage of the covered employees salary (currently 12% of the employee's salary). The contribution as specified under the law are paid to the Regional Provident Fund Commissioner. Contribution towards Pension Fund is paid to the Regional Provident Fund Commissioner at specified percentage of the covered employee's salary on the monthly basis. Amount recognised as expense in respect of these defined contribution plans, aggregate to Rs 6,17,068/- (Previous Year Rs 6,70,179/-)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

32) Related Party Disclosures

A Related parties and nature of relationship

i) Key Management Personnel

- Shri Sanjay A. Poy Raiturcar - Managing Director (CEO)
- Shri Manohar S. Usgaonkar - Director
- Shri Ashok Panvelkar - Director
- Shri Nitin A. Kunkolienker - Director
- Mrs Binita S. Poy Raiturcar - Director
- Shri Sudin M. Usgaonkar - Director
- Mr Rakesh Rupchand Kankariya - Wholetime Company Secretary w.e.f. 01.08.2019
- Shri Nagaraj N. Shanbhag - Chief Finance Officer

ii) Enterprises over which persons in (i) above are able to exercise significant influence:

- Nasik Oxygen Co. Pvt. Ltd.
- Fabrica de Gas Carbonico Pvt. Ltd.
- Nalanda Agencies Pvt. Ltd.
- Venkatesh Automobiles

B Description of Transactions

Nature of transaction	Key Management Personnel		Enterprises where significant influence exists	
	2019-20 Rupees	2018-19 Rupees	2019-20 Rupees	2018-19 Rupees
EXPENDITURE				
Salary & Contribution to PF	27,05,556	27,35,877	-	-
Rent of office premises	1,92,000	1,92,000	36,000	36,000
Directors sitting fees	36,000	50,000	-	-
Travelling and Conveyance	86,560	4,98,091	-	-
Salary paid to CS & CFO	6,51,716	39,822	-	-
Purchase of Materials	-	-	59,61,954	67,62,847
Purchase of Assets	-	-	-	-
<i>Repairs & Maintenance:-</i>				
Plant & Machinery	-	-	1,28,063	1,22,730
Others	-	-	-	-
Delivery Maintenance	-	-	37,93,551	37,79,309
Contract Wages	-	-	33,11,182	33,32,646
Penalty on delayed return of cylinders	-	-	-	-
INCOME				
Supply of materials	-	-	4,96,482	2,53,700
Interest	-	-	-	-
Machinery Hire Receipts	-	-	17,46,400	3,54,000
TRADE RECEIVABLES / (PAYABLES)				
Fabrica De Gas Carbonico Pvt. Ltd.	-	-	(1,90,578)	(9,00,877)
Nalanda Agencies Pvt. Ltd.	-	-	1,81,897	52,420
Nasik Oxygen Co. Pvt. Ltd.	-	-	13,01,931	3,31,496
Venkatesh Automobiles	-	-	(3,60,411)	(3,66,557)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

33) Financial Instruments**(i) Capital management**

The Company manages its capital to ensure that it will be able to continue as a going concern while generating a fair return to shareholders through optimum combination of debt and equity. The Company is not subject to any externally imposed capital requirements.

(ii) Categories of financial instruments

Financial assets	As at 31st March, 2020	As at 31st March, 2019
<u>Measured at amortised cost*</u>		
(a) Cash and bank balances	24,23,216	11,93,982
(b) Trade receivables	99,65,720	1,06,02,342
(c) Loans and advances	11,42,660	35,00,262
	1,35,31,596	1,52,96,586
<u>Measured at Fair value through Other Comprehensive Income</u>		
(a) Investments	1,90,26,454	2,60,38,716
	1,90,26,454	2,60,38,716
	3,25,58,050	4,13,35,302

Financial liabilities	As at 31st March, 2020	As at 31st March, 2019
<u>Measured at amortised cost*</u>		
(a) Borrowings	50,93,722	73,31,861
(b) Trade payables	32,58,765	36,95,525
(c) Deposits received	2,75,96,696	2,52,06,521
(d) Other financial liabilities at amortised cost	51,92,395	43,05,416
	4,11,41,578	4,05,39,323

* These financial assets and liabilities are not measured at fair value but carrying amount approximates fair value.

(iii) Market Risk

The Company's activities does not expose it to the financial risks of changes in foreign currency exchange rates. Interest rate changes impacts the company in respect of borrowing cost for working capital which can largely be passed on to the customers in pricing. The residual risk is not considered to be significant.

(contd.....)

(iv) Credit risk management

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of avoiding concentration risks and only dealing with creditworthy counterparties, as a means of mitigating the risk of financial loss from defaults.

(v) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the management team led by the CEO/ managing director. The Company manages liquidity risk by maintaining adequate net working capital, arranging for working capital facilities in line with the forecast and regularly monitoring cash flows and investments.

Liquidity risk tables

The following tables detail the Company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

The table below provides details regarding the contractual maturities of financial liabilities as at 31.03.2020

Particulars	Carrying amount	Due in 1st year
Financial Liabilities		
(a) Borrowings	50,93,722	50,93,722
(b) Trade payables	32,58,765	32,58,765
(c) Deposits received**	2,75,96,696	2,75,96,696
(d) Other financial liabilities at amortised cost	51,92,395	51,92,395

The table below provides details regarding the contractual maturities of financial liabilities as at 31.03.2019

Particulars	Carrying amount	Due in 1st year
Financial Liabilities		
(a) Borrowings	73,31,861	73,31,861
(b) Trade payables	36,95,525	36,95,525
(c) Deposits received**	2,52,06,521	2,52,06,521
(d) Other financial liabilities	43,05,416	43,05,416

** As the deposits are in respect of cylinders given to regular customers, the company expects only a fraction of the deposits falling due for repayment in the short term. The same are classified as 'Current' since the company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. This is in compliance with Schedule III of Companies Act, 2013 and Ind AS 1 Presentation of Financial Statements.

(vi) Financing facilities

Particulars	31st March, 2020	31st March, 2019
Secured credit facility, reviewed annually and payable at call (refer note - (i)):		
- amount used	50,93,722	73,31,861
- amount unused	34,06,278	11,68,139

Note (i) - Credit facility includes Cash Credit.

In terms of our report attached
For SUDHA SURESH PAI & ASSOCIATES
Chartered Accountants
Firm Registration No. 118006W

For and on behalf of the Board of Directors

SURESH M. V. PAI
Partners
Membership No. 046235

M. S. USGAONKAR
Director
(DIN 00358368)

ASHOK PANVELKAR
Director
(DIN 02757226)

SUDIN M. USGAONKAR
Director
(DIN 00326964)

NITIN A.
KUNKOLIENKER
Director
(DIN 00005211)

SANJAY A. POY
RAITURCAR
Chairman & Managing Director
(DIN 00358326)

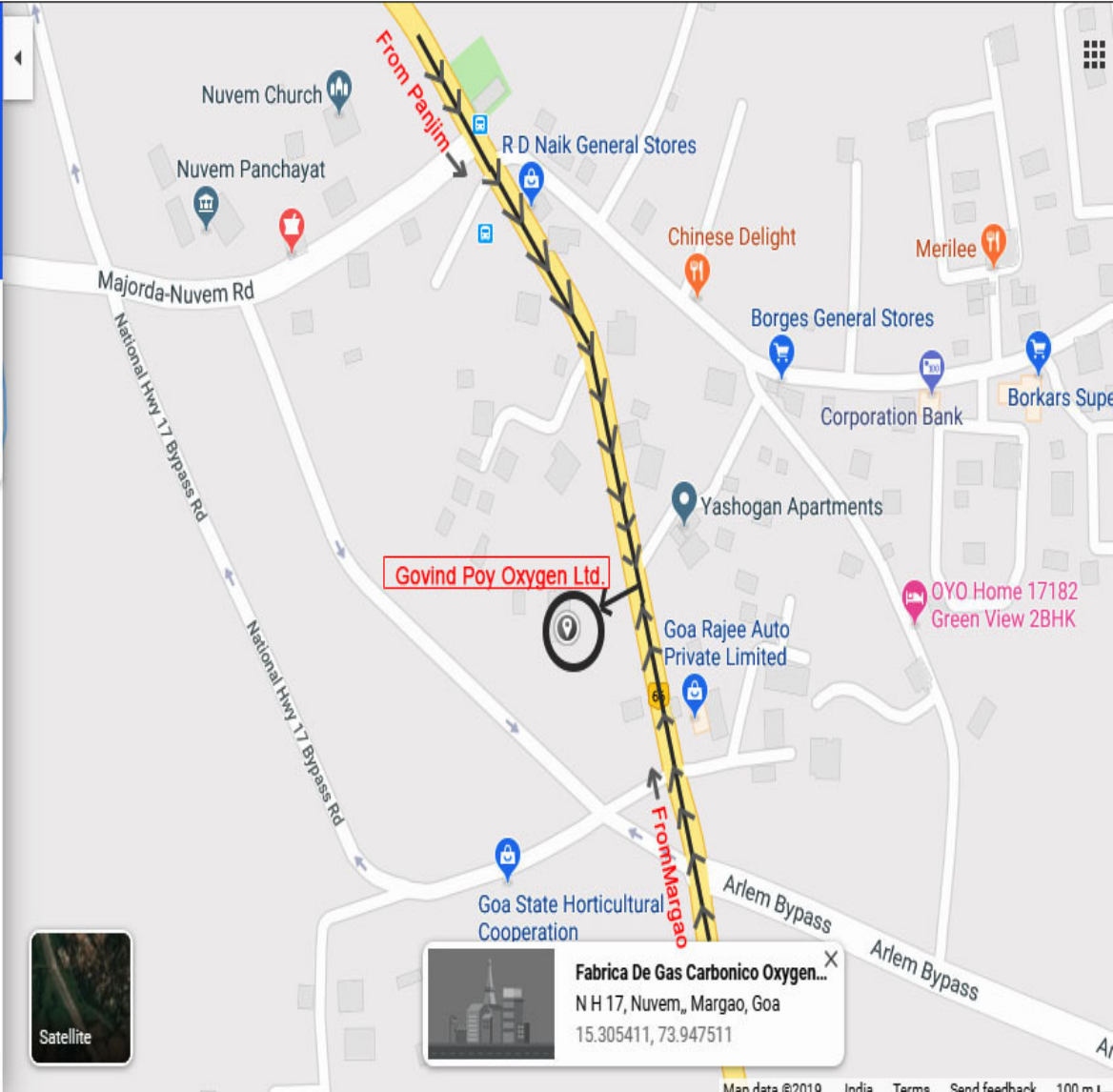
BINITA S. POY
RAITURCAR
Director
(DIN 00981788)

CS RAKESH R.
KANKARIYA
Company Secretary

NAGARAJ N.
SHANBHAG
Chief Finance Officer

Place : Margao, Goa
Date : 26/06/2020

Place: Nuvem, Salcete, Goa
Date : 26/06/2020



GOVIND POY OXYGEN LIMITED

Registered Office: Fabrica de Gas Carbonico, N.H. - 17, Nuvem, Salcete,Goa – 403713

CIN: L40200GA1972PLC000144

Form No. MGT-11
FORM OF PROXY

Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014.

Venue of the meeting: Fabrica De Gas Carbonico, N.H. 17, Nuvem, Salcete, Goa 403713

Date & Time: 30th September, 2020 at 11.30 a.m.

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

Name of the Member(s)	
Registered Address	
Email ID	
Folio No. / Client ID*	
DP ID*	

*Applicable for investors holding shares in Electronic form.

I/We _____ of _____ being a member/members of Govind Poy Oxygen Limited hereby appoint the following as my/our Proxy to attend vote (for me/us and on my/our behalf at the 48th Annual General Meeting of the Company to be held on 30th September, 2020 at 11.30 a.m. and at any adjournment thereof) in respect of such resolutions as are indicated below::

1. Name: _____
Address: _____

E-Mail ID: _____ or failing him;

2. Name: _____
Address: _____

E-Mail ID: _____ or failing him;

3. Name: _____
Address: _____

E-Mail ID: _____

I/We direct my/our Proxy to vote on the Resolutions in the manner as indicated below:

Sl. No.	Resolution	Number of shares held	For	Against
Ordinary Business				
1.	Adoption of audited Financial Statements for the financial year ended 31st March, 2020 and reports of the Board of Directors and the Auditors thereon.			
2.	Approval of final Dividend for 2019-20.			
3.	Re-appointment of Smt Binita S. Poy Raiturcar, who retires by rotation.			
4.	Re-appointment of Shri Ashok P. Panvelkar, who retires by rotation.			

Please put a tick mark (√) in the appropriate column against the resolutions indicated in the box.

Signed this _____ day of _____, 2020.

Signature (s) of Member(s)

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

Notes:

1. The Proxy to be effective should be deposited at the Registered office of the company not less than FORTY EIGHT HOURS before the commencement of the Meeting.
2. A Proxy need not be a member of the Company.
3. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
4. The form of Proxy confers authority to demand or join in demanding a poll.
5. The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.
6. In case a member wishes his/her votes to be used differently, he/she should indicate the number of shares under the columns "For" or "Against" as appropriate.

**Form No. SH-13
Nomination Form**

[Pursuant to Section 72 of the Companies Act, 2013 and rule 19 (1) of the Companies (Share Capital and Debentures) Rules 2014]

To,
Govind Poy Oxygen Limited,
Fabrica de Gas Carbonico,
N.H. - 17, Nuvem,
Salcete,Goa – 403713.

I/We _____
the holder(s) of the securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death:

(1) PARTICULARS OF THE SECURITIES (in respect of which nomination is being made):

Nature of securities	Folio No.	No. of securities	Certificate No.	Distinctive No.

(2) PARTICULARS OF NOMINEE/S:

(a)	Name	:	
(b)	Date of Birth	:	
(c)	Father's/Mother's/Spouse's name	:	
(d)	Occupation	:	
(e)	Nationality	:	
(f)	Address	:	
(g)	E-mail id	:	
(h)	Relationship with the security holder	:	

(3) IN CASE NOMINEE IS A MINOR:

(a)	Date of Birth	:	
(b)	Date of attaining majority	:	
(c)	Name of guardian	:	
(d)	Address of guardian	:	

Name	:	
Address	:	
Name of the Security Holder(s)	:	
Signature	:	
Witness with name and address	:	