

# M/s. Gujarat Speciality Lubes Ltd

## 25<sup>th</sup> Annual Report

Financial Year 2016-17

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### **Corporate Information**

**Corporate Identification No :** U23209GJ1991PLC016612

**Board of Directors** :

Mr. Kiran Padmanabh Baxi : Chairman (DIN: 01715268)

Mr. Vijay Padmanabh Baxi : Director (DIN: 01555721)

Mr. Shailesh Dhirajlal Shah : Director (DIN: 02456856)

Mr. Nalin Dhirajlal Shah : Director (DIN: 03198578)

**Registered Office** : Survey No 1285-86,  
Opp. Scott Glass Industries Limited,  
Village: Ankhi, Jambusar, Dist: Bharuch  
Gujarat – 392150, India.

**Auditors** : M/s. Shirish Desai & Co.,  
Chartered Accountants  
Vadodara

**Bankers** : Bank of Baroda

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**NOTICE**

Notice is hereby given that the 25<sup>th</sup> Annual General Meeting of the Members of **Gujarat Speciality Lubes Ltd** will be held on Saturday, the 30<sup>th</sup> September, 2017 at 11.00 a.m. at its Registered Office at Survey No 1285-86, Opp. Scott Glass Industries Limited, Village Ankhi, Jambusar – 392150, Dist. Bharuch, Gujarat to transact the following Business:

**Ordinary Business:**

**Item No. 1 – To consider and adopt Annual Financial Statements:**

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2017, including the audited Balance Sheet as at March 31, 2017, the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors ('the Board') and Auditors thereon.

**Item No. 2 : To consider Appointment of Director in place retiring Director :**


To appoint a director in place of Mr. Nalin Dhirajlal Shah, who retire by rotation and being eligible offer himself for re-appointment.

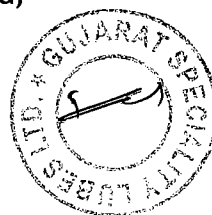
**Item No. 3 – To consider for re-appointment of Statutory Auditors:**

**To re-appointment of auditors of the Company, and to fix their remuneration and to pass the following resolution as an ordinary resolution thereof:**

"RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder M/s. Shirish Desai & Co., Chartered Accountants, Vadodara (Firm Registration No.112226W), who is retiring auditor at this AGM, be and is hereby re-appointed, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (25<sup>th</sup> AGM) till the conclusion of the 30<sup>th</sup> Annual General Meeting to be held in the calendar year 2022, subject to ratification by the members annually, at such remuneration as may be fixed by the Board of Directors of the Company."

Place: Vadodara  
Date: 3/09/2017

GUJARAT SPECIALITY LUBES LTD.  
For and on behalf of the Board,  
  
Kiran Padmanabh Baxi  
Chairman  
DIRECTOR / AUTHORIZED SIGN

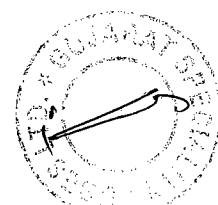


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**Notes:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.  
  
A person can act as a proxy on behalf of members, not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company, carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or Shareholder.
2. Corporate members intending to send their authorized representatives to attend the Meeting pursuant to section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the Board Resolution together with Specimen signatures of those representative(s) authorised under said resolution to attend and vote on their behalf at the Meeting.
3. Members are requested to:
  - (a) Bring their copy of the Annual Report and Attendance Slip with them at the Annual General Meeting.
  - (b) Quote their Regd. Folio Number/DP and Client ID Nos. in all their correspondence with the Company or its Registrar and Share Transfer Agent.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Annual Report and AGM Notice is available at the website of the Company at [www.gujspeciality.com](http://www.gujspeciality.com) in the Investor Relations Section.
6. **The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 23<sup>rd</sup> September 2017 to Saturday, 30<sup>th</sup> September, 2017 (both days inclusive) for the purpose of Annual General Meeting.**
7. Relevant documents referred to in the accompanying Notice and the Statement is open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
8. Members desirous of obtaining any information in respect of Accounts of the Company are requested to send their queries in writing to the company at its Registered Office so as to reach at least seven days before the date of the meeting.



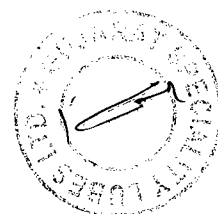
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9. SEBI has also mandated that for registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the Company for registration of transfer of securities.
10. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in physical form can submit their PAN details to the Company or to the Registrar and Share Transfer Agent.
11. Electronic copy of the Notice of the 25<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip, Proxy Form and Ballot Form is being sent to all the members whose e-mail IDs are registered with the Company / Depository Participant(s) for communication purpose unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the notice of the 25<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip, Proxy Form and Ballot Form is being sent in the permitted mode.
12. The Notice of the AGM along with the Annual Report 2016-17 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. Members may note that this Notice and the Annual Report 2016-17 will also be available on the Company's website viz. [www.gujspeciality.com](http://www.gujspeciality.com).
13. **Voting through electronic means:**  
Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its members the facility of 'remote e-voting' (e-voting from a place other than venue of the AGM) to exercise their right to vote at the 25<sup>th</sup> Annual General Meeting (AGM). The business may be transacted through e-voting services rendered by Central Depository Services (India) Limited (CDSL).

The facility for voting through ballot/polling paper shall be made available at the venue of the 25<sup>th</sup> AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

The Company has appointed Mr. Jayesh Vyas, Company Secretary in Practice, as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner. The instructions to members for voting electronically are as under:-



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- (i) The voting period begins on Wednesday, 27<sup>th</sup> September, 2017 at 09.00 a.m. and ends on Friday, 29<sup>th</sup> September, 2017 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 25<sup>th</sup> September, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5.00 p.m. on 29<sup>th</sup> September, 2017.
- (ii) Members holding the shares of the Company on 23<sup>rd</sup> September, 2017, being cut-off date, shall be sent copies of Annual Report by e-mail as well as physical copies through post.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) Now Enter your User ID;
- For CDSL : 16 digits beneficiary ID;
  - For NSDL : 8 Character DP ID followed by 8 Digits Client ID;
  - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Members holding shares in demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat.



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holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN of **Gujarat Speciality Lubes Ltd.**
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the Resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Non-Individual Shareholders and Custodians
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).



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**Contact Details**

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**Company** : **Gujarat Speciality Lubes Ltd**  
Regd. Office: Survey No 1285-86,  
Opp. Scott Glass Industries Limited,  
Village: Ankhi, Jambusar,  
Dist: Bharuch  
Telephone +91-9375921732  
E-mail: [kiranbaxi2004@yahoo.com](mailto:kiranbaxi2004@yahoo.com)  
Website: [www.gujspeciality.com](http://www.gujspeciality.com)

**CIN** : **U23209GJ1991PLC016612**

**E-Voting Agency** : Central Depository Services (India) Limited  
E-mail ID: [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

**Scrutinizer** : CS Jayesh Vyas,  
Practicing Company Secretary  
E-mail ID: [cs.jayeshvyas@hotmail.com](mailto:cs.jayeshvyas@hotmail.com)  
Phone: 09376212649

**In-House Share Transfer** : Same as Registered Office of the company

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**Important Communication to Members**

Pursuant to Section 101 and 136 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, and Clause 32(i) of the Listing Agreement, Annual Report of the Company has been sent through email to those members whose email ID is registered with the Company / Depository. In case any member wants a physical copy of the Annual Report he may write to the Company Secretary / RTA.

MEMBERS WHO HAVE NOT YET REGISTERED THEIR EMAIL ADDRESS ARE REQUESTED TO REGISTER THEIR EMAIL ADDRESS EITHER WITH THE DEPOSITORIES OR WITH THE COMPANY.

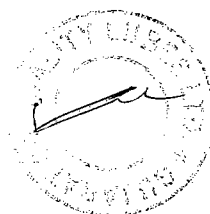
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**Details of Directors Seeking Appointment / Re-appointment at the Annual General Meeting**

Name of the Directors	Mr. NalinDhirajlal Shah
DIN	03198578
Date of Birth	15/03/1944
Date of Appointment	12/03/2012
Expertise in specific functional areas	More than 4 decades of Business experience in varied fields of business
Educational Qualifications	-
Directorships of other Public Limited Companies as on 31 <sup>st</sup> March, 2017	None
Chairman / Member of Committees of other Companies as on 31 <sup>st</sup> March, 2017	None
Number of Shares held	51210
Number of Meetings of the Board attended during the year	5
Remuneration drawn	NIL
Relationship with other directors and key managerial personnel	Mr. ShaileshDhirajlal Shah, brother of Mr. NalinDhirajlal Shah is Director of the Company.





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**BOARD'S REPORT**

To,  
The Members,  
Gujarat Speciality Lubes Ltd,  
Vadodara.

At the Outset, the Board of Directors wishes to inform to all the Members that owing to SEBI Circular no. SEBI/HO/MRD/DSA/CIR/P/2016/110 dated October 10, 2016, the Company has been removed from Dissemination Board and therefore it has lost the stature of Listed Company and now for the purpose of its governance, the Company shall henceforth be treated as Closely held Unlisted Public Limited Company. Accordingly, the Company would not be required to follow the directives of SEBI (Listing Obligation and disclosure requirements)2014 and other listing norms.

The Company has, therefore, not appended herewith the Report of the Corporate Governance, Management and Discussion and Analysis Report and not provided information which it was expected to be provided as Listed Company. In future, your Company shall be treated asClosely held Unlisted Public Limited Company

Your Directors have pleasure in presenting the 25<sup>th</sup>Annual Report togetherwith Audited Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2017.

**1. Financial Highlights& State of the Company's Affair:**

During the year under review, due to suspension of business operations and commercial activities of the Company, the Company does not earned any income. In absence of any Income, the finance & other expenses of Rs. 11,52,818/- incurred during the year, wastransferred to the Profit & Loss account as a Loss of the year.

Your Company was declared to be a Sick Industrial Company within the meaning of Section 3(1) (o) of the Sick Industries (Special Provisions) Act 1985 (SICA) with its registration no 24/2001 issued by BIFR as per the minutes of the hearing dated 30.05.2002, but as per the minutes of the hearing dated 1.7.2014, Hon'able BIFR has directed that the company ceases to be a sick industrial company within the meaning of Section 3(1) (o) of the Sick Industries (Special Provisions) Act 1985 (SICA) as its Net Worth has turned positive and that it is discharged from BIFR/SICA.

During the year under review, the Company has not changed its nature of business.

As the members are aware, your Company has suspended / discontinued its manufacturing activities since 2006. Now the Company intends to either restart production and sell of lubricants or diversify into a different product range or undertake trading activity of retail products as permitted by the Memorandum of Association of



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the Company and, if need be, with prior approval of members, in a very short future. Company is also in the process of arranging necessary working capital funds necessary for restarting its commercial activities.

**2. Dividend:**

In view of loss during the year under review, your Directors regret their inability to recommend payment of Dividend to the Equity Shareholders.

**3. Transfer to General Reserve:**

In view of losses, the Company does not propose to transfer any sum to the General Reserve.

**4. State of the Company's Affairs:**

As briefed above, during the year under review, due to suspension of Operational and Commercial activities, the Company, resultantly did not earn any Gross Income and fetched Net Loss of Rs.11,52,818/- as against Net loss of Rs. 21,91,268/- of the previous year.

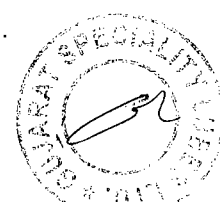
During the year under review, the Company has not changed its nature of business.

**5. Review of Business Operations and Future Prospects:**

Your Directors wish to state that during the year under review, the Company could not undertake any commercial or operational activities, due to paucity of long term and working capital and non-viability of the project conceived and implemented earlier. Hence the details of Business operations during the year under review are not provided hereunder.

**6. Status of Listing of the Company:**

The Company was listed on Ahmedabad Stock Exchange as well as Vadodara Stock Exchange but was transferred to Dissemination Board since all regional stock exchanges are being wound up. The Company has received SEBI Circular No. SEBI/HO/ MRD/ DSA/ CIR/ P/ 2016/110 dated October 10, 2016 from the Ahmedabad Stock Exchange as well as Vadodara Stock Exchange, which mandates the promoters of the company to either provide a trading platform (Main Board) with nationwide terminals or to give exit to its public shareholders. M/s. Vivro Financial Services Private Limited has been appointed as the Advisor / Valuer / Merchant Banker for the purpose of providing an Exit Offer to the shareholders of the company. Since the Company was transferred to the Dissemination Board of National Stock Exchange of India Limited, the Company submitted to NSE, a Letter of Intent to provide exit offer dated 07<sup>th</sup> February, 2017, as per the SEBI circular referred to above alongwith a Plan of Action and all other necessary papers/ documents as required under the circular. The Merchant Bankers M/s. Vivro Financial Services Private Limited submitted a valuation report as required. Since the valuation has come negative, no exit offer is given. The Company is awaiting the approval from NSE/SEBI of the proposal submitted by us and hope to receive the same in reasonable time.



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**7. Non-applicability of Listing Agreement and SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, consequent upon delisting of shares of the Company:**

The Company, being a non-listed Company at any the Stock Exchanges and therefore , as not required, it does not observe and comply with any of the listing guidelines and listing requirements of the Stock Exchanges or SEBI Rules and Regulations, as enforced so far.

The Company has therefore not provided any information inter alia, relating to report of Corporate Governance, Management Discussion and Analysis Report, Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, CSR Committee, Risk Management Policy and Management Committee, Vigil Mechanism, Related Party Transactions, Policy and appointment of Independent Directors their Disclosures and their evolution, Various policies such as Material nor web site details, details relating to Trading of Shares and Market price of the Shares at the Stock Exchanges in absence of listing and trading of shares. Consequently, on non-applicability, no Secretarial Audit Report is taken and provided.

**8. Material changes and commitment if any affecting the financial position of the company occurred between the end of the financial year to which these financial statements relate and the date of the report:**

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year to which these financial statements relate and the date of this report.

**9. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status & Company's operations in future:**

During the year under review, no significant and material order(s) passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

**10. Subsidiaries, joint ventures and associate companies:**

The Company does not have any Subsidiary, Joint venture or Associate Company.

**11. Performance and financial position of each of the subsidiaries, associates and joint venture companies included in the consolidated financial statement:**

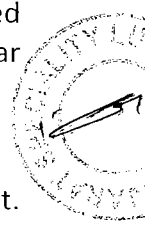
The Company does not have any Subsidiary, Joint venture or Associate Company and hence the same is not applicable.

**12. Deposits:**

The Company has neither invited nor accepted any deposit from Public. There is no unclaimed and unpaid deposit at the end of the Year. The Company has not committed any default, in repayment of deposits or payment of interest thereon during the year under review.

**13. Adequacy of Internal Financial Controls:**

The Company is a dormant, non-operative and non-functional Company, at present. Since its earlier operative days, it has in place adequate and effective Internal Financial



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Controls with reference to financial statements. Wherever required, such controls were tested and upgraded and no reportable material weaknesses in the design or operation were observed by the Board.

**14. Risk Management policy:**

During the year under review, the Company is non-operative and non-functional and in view thereof, whenever required, it uses a mechanism which is already in place, to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed by the Board, through mitigating actions on a continuing basis, from time to time.

**15. Particulars of Loans, Guarantees or Investments:**

During the year under review, your Company has not directly or indirectly -

- a) given any loan to any person or other body corporate other than usual advances envisaged in a contract of supply of materials, if any;
- b) given any guarantee or provided security in connection with a loan to any other body corporate or person; and
- c) acquired by way of subscription, purchase or otherwise, the securities of any other body corporate.

**16. Details of Directors and Key Managerial Personnel:**

The Company is an unlisted Company at any of the Stock Exchanges and therefore the as not applicable, the Company does not required to observe and to comply with any listing guidelines and listing requirements of the Stock Exchanges or SEBI Rules and Regulations. The Company has therefore not employed any KMP.

There was no change in the Director of the Company.

As the Company is a financial and economically sick, the operations are suspended for last more than decade. There being no work, and also due to economic reasons, the Company has not appointed qualified person as a Company Secretary despite of having its paid up capital more than Rs. 5Crore.

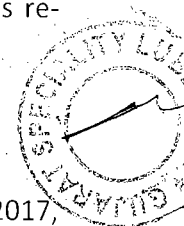
There was no change in the Directors of the Company.

During the year under review, Mr. Nalin Dhirajlal Shah, who retires by rotation and being eligible, offers himself for reappointment. Members are requested to consider his re-appointment.

**17. Auditors:**

**(i) Statutory Auditors:**

At this Annual General Meeting schedule to be held on 30<sup>th</sup> September 2017, M/s. Shirish Desai & Co., Chartered Accountants, Vadodara, who is retiring auditor, will be re-appointed as Statutory Auditors of the Company to hold office till the conclusion of 30<sup>th</sup> Annual General Meeting to be held in the calendar year 2022. Accordingly, the re-appointment of M/s. Shirish Desai & Co., Chartered Accountants, Vadodara, as statutory Auditors of the Company, is placed for the approval by the shareholders. In this regard, the Company has



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received a certificate from the Auditors to the effect that if their re-appointment, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

**(ii) Secretarial Auditors:**

Provisions of the Section 204 of the Companies Act, 2013, relating to Secretarial Audit are not applicable to the Company, being an unlisted Company.

**(iii) Internal Auditor:**

Provisions of the Section 138(2) of the Companies Act, 2013, relating to Internal Audit are not applicable to the Company, being an unlisted Company.

**(iv) Cost Auditors:**

Provisions of the Section 148 of the Companies Act, 2013, are not applicable to the Company.

**18. Explanation or comments on qualifications, reservations or adverse remarks or disclaimers made by the auditors and the practicing company secretary in their reports:**

There were no qualifications, reservations or adverse remarks made by the Auditors in their Report.

The provisions relating to submission of Secretarial Audit Report is not applicable to the Company.

**19. Changes in share capital:**

During the year under review, the Company has neither issued sweat equity shares nor issued any equity shares on Rights Basis or Bonus Shares nor issued any stock options to any person nor redeemed any Preference Shares nor shares bought back.

The paid-up Share Capital of the Company as at 31<sup>st</sup> March, 2017 is Rs. 5,50,00,000 Lacs, which is comprised of Rs. 3,10,00,000, being 31,00,000 Equity Shares of Rs. 10/- each and Rs. 2,40,00,000, being 24,00,000, 0% Non -Convertible, Redeemable, Cumulative Preference shares of Rs. 10/- each.

The Company, currently, has no outstanding shares issued with differential rights, sweat equity or ESOS.

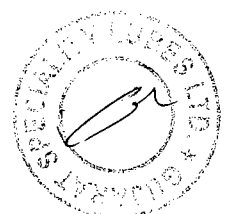
**20. Extracts of annual return:**

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in **Annexure- A** and is attached to this Report.

**21. Number of board meetings conducted during the year under review:**

During the year under review five Board meetings were held on, 31<sup>st</sup> May, 2016, 31<sup>st</sup> August 2016, 30<sup>th</sup> November 2016, 15<sup>th</sup> December 2016 and 28<sup>th</sup> February, 2017 where following Directors are present

Sr. No	Name of Directors	No of Board Meetings held				
		31/05/16	31/08/16	30/11/16	15/12/16	28/02/17



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**25<sup>th</sup> Annual Report : Financial Year 2016-17**

1	Kiran Baxi	Present	present	present	present	present
2	Vijay Baxi	Present	present	present	present	present
3	Shailesh Shah	Present	present	present	present	present
4	Nalin Shah	Present	present	present	present	present

**22. Declaration of Independent Directors:**

During the year under review, as the Company is delisted, the provision of Section 149(6) of the Companies Act, 2013, was not applicable to the Company.

**23. Corporate Social Responsibility (CSR):**

The Company has already constituted a Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Companies Act, 2013, however, in view of non-applicability, the Company has not pursued any initiative on CSR activities, during the year under review.

**24. Particulars of contracts or arrangements made with related parties:**

During the year under review, the Company entered in to the related party transaction with related party as defined under Section 188 of the Companies Act, 2013, details of transaction refer to notes 27 of the Financial Statement and as per **Annexure – B** attached herewith.

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

During the year under review, the Company being a dormant Company, has neither undertaken any manufacturing activities nor trading activities nor rendered any services. It has also not taken new technology for absorption nor imported any technology nor made any expenditure on research and developments and had not carried out any research and development activities. Foreign Exchange earnings and outgo: There was no inflow or outflow of foreign exchanges, during the year under review.

As a result, no information relating thereto, has been provided hereunder.

**26. Directors responsibility statement:**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:—

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) The Directors had 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 and of the Loss of the Company for that period;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for



**M/s. GujaratSpeciality Lubes Ltd.**  
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safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

- d) The Directors had prepared the annual accounts on a going concern basis; and
- e) That proper internal financial control system was in place and that the financial controls were adequate and were operating effectively.
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**27. Particulars of Employees:**

During the year under review, there was no employee drawing remuneration from the Company and therefore no details relating to remuneration are provided in terms of Rule 5 (1), (2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules.

**28. Vigil Mechanism/ Whistle Blower Policy:**

Section 177 of the Companies Act, 2013 is not applicable to the Company and therefore no policy was formed and no action has been taken on Whistle Blower Policy, during the year under review.

**29. Industrial Relations:**

There were no employees on the roll of the Company as it has suspended its operations for last more than decade.

**30. Safety and Environment:**

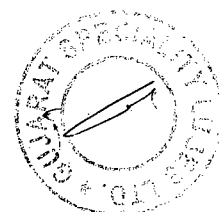
In view of being non-operational, the question of violation of any environmental laws and regulations made thereunder did not arise.

**31. Business outlook:**

As the members are aware, your Company had suspended / discontinued its manufacturing activities since 2006. The Company has recently come out of sickness. Company, now, intends to either restart its original activity of production and sell of lubricants or may even plan to diversify into an entirely different product range or a different business segment, including trading activity, as may be permitted by the Memorandum of Association of the Company and, if need be, with prior approval of members, in a very short future. Company is in the process of arranging necessary working capital funds necessary for restarting its commercial activities and, to that end, Company may need to dispose of some surplus assets that it has, including sizeable surplus land, depending on the nature of products that it plans to engage in future and, wherever required, it will seek the approval of members in general body meeting. The Company hopes that barring unforeseen circumstances, it would fare well in coming period.

**32. Insurance:**

There are no properties insurable of the Company.



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**25<sup>th</sup> Annual Report : Financial Year 2016-17**

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**33. Policy on prevention, prohibition and redressal of sexual harassment at workplace:**

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. The Company has also constituted an Internal Complaints Committee, known as the Prevention of Sexual Harassment (POSH) Committee, to inquire into complaints of sexual harassment and recommend appropriate action. At present there are no employees of the Company and it has not received any complaint of sexual harassment during the financial year 2016-17.

**34. Stock Exchange:**

The Company's equity shares are deregistered from listed on the BSE Limited, Ahmedabad Stock Exchange and Vadodara Stock Exchange due to non compliance of the provision of Listing Agreement and not paid listing fees since from 2005-06 in consequence of the non compliance the respective stock exchange deregistered shares the Company. The Company's listing with Bombay Stock Exchange was delisted under compulsory delisting on date 14<sup>th</sup> January, 2004.

The Company's equity shares are NOT listed at any Stock Exchange and therefore payment of Listing Fees of the Company for the Financial Year 2016- 2017 did not arise.

**35. Acknowledgement:**

Your Directors thank the Company's valued shareholders and all the concerned for their continued co-operation and support to the Company.

Place: Vadodara  
Date: 03/09/2017

GUJARAT SPECIALITY LUBES LTD.

For and on behalf of the Board,

DIRECTOR / AUTHO. SIGN

Kiran Padmanabh Baxi  
Chairman





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Annexure-A

Form No. MGT-9

**EXTRACT OF ANNUAL RETURN**

**as on the financial year ended on 31<sup>st</sup> March, 2017**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the  
Companies (Management and Administration) Rules, 2014]

**I. Registration and other details:**

<b>CIN</b>	U23209GJ1991PLC016612
<b>Registration date</b>	18/11/1991
<b>Name of the Company</b>	Gujarat Speciality Lubes Limited
<b>Category / Sub-Category of the Company</b>	Company having Share Capital
<b>Address of the registered office and contact details</b>	Survey No 1285-86, Opp. Scott Glass Industries Limited, Village : Ankhi, Jambusar, Dist: Bharuch 392150 E-mail Id: kiranbaxi2004@yahoo.com
<b>Whether listed company (Yes/No)</b>	No
<b>Name, address and contact details of Registrar and Transfer Agent, if any</b>	In House

**II. Principal of business activities of the Company:**

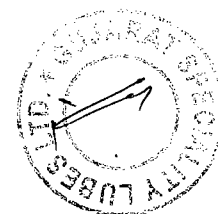
All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated:

<b>Sr. No.</b>	<b>Name and Description of main Products / Services</b>	<b>NIC Code of the Product / Service</b>	<b>% to total turnover of the Company</b>
01	Manufacture of other petroleum products	23209	0%

**III. Particulars of holding, subsidiary and Associate Companies:**

The Company does not have any Holding, Subsidiary or Associate Company.

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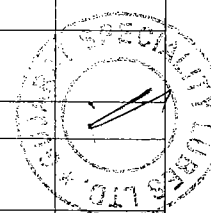


**M/s. Gujarat Speciality Lubes Ltd.**  
**25<sup>th</sup> Annual Report : Financial Year 2016-17**

**Shareholding Pattern**  
**(Equity share capital breakup as percentage of Total Equity):**

**(i) Category-wise Shareholding:**

Category of Share holder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Share <sup>(1)</sup>	
<b>A. PROMOTERS</b>									
<b>(1) INDIAN</b>									
a) Individual/ HUF	--	249,060	249,060	8.03		249,060	249,060	8.03	-----
b) Central Govt.	--								
c) State Govt(s)	--								
d) Bodies Corporate	--	2,00,800	2,00,800	6.48		2,00,800	2,00,800	6.48	-----
e) Banks/FI	--								
f) Any Other : Individual of Directors Relatives & Associates	--	1,88,330	1,88,330	6.08		1,88,330	1,88,330	6.08	-----
<b>Sub total (A)(1)</b>	--	<b>6,38,190</b>	<b>6,38,190</b>	<b>20.59</b>		<b>6,38,190</b>	<b>6,38,190</b>	<b>20.59</b>	-----
<b>(2) FOREIGN</b>	--								
a) NRI-individuals	--								
b) Other Individuals	--								
c) Bodies Corporate	--								
d) Banks/FI	--								
e) Any Other	--								
<b>Sub Total (A)(2)</b>	--								
<b>Total Shareholding of Promoter (A)=</b>	--	<b>6,38,190</b>	<b>6,38,190</b>	<b>20.59</b>		<b>6,38,190</b>	<b>6,38,190</b>	<b>20.59</b>	-----
<b>(A)(1) + (A)(2)</b>									
<b>B) Public Shareholding</b>		---	----	----	----	-----	-----	-----	-----
1) Institutions	--								
a) Mutual Funds	--								
b) Banks / FI	--								
c) Central Govt.	--								
d) State Govt (s)	--								
e) Venture Cap.Fund	--								
f) Insurance Companies	--								
g) FIIs	--								
h) Foreign Venture Capital Funds	--								
i) Others (specify)	--								
<b>Sub- total (B) (1)</b>	--								
<b>2) Non Institutions</b>									
a) Bodies Corporate		104700	104700	3.38		104700	104700	3.38	<b>0.08</b>
i) Indian	--								



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**25<sup>th</sup> Annual Report : Financial Year 2016-17**

ii) Overseas									
b) Individuals		2225610	2225610	71.79		2225610	2225610	71.79	(0.08)
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh									
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh									
c) Others (specify)		1,31,500	1,31,500	4.24		131500	131500	4.24	----
Top 50 Shareholders									
<b>Sub Total (B)(2)</b>		<b>24,61,810</b>	<b>24,61,810</b>	<b>79.41</b>		<b>24,61,810</b>	<b>24,61,810</b>	<b>79.41</b>	<b>----</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>									
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>		<b>3100000</b>	<b>3100000</b>	<b>100</b>		<b>3100000</b>	<b>3100000</b>	<b>100</b>	<b>----</b>

**(ii) Shareholding of Promoters:**

Sl. No.	Name of Share Holder	Share Holding at the Beginning of the year			Share Holding at the end of the Year			% Change During the Year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1	Kiran Padmanbh Baxi	70,720	2.28	---	70,720	2.28	---	---
2.	Vijay Padmanabh Baxi	67,620	2.18	---	67,620	2.18	---	---
3.	ShaileshDhirajlal Shah	59,510	1.92	---	59,510	1.92	---	---
4.	NalinDhirajlal Shah	51,210	1.65	---	51,210	1.65	---	---
5	Baxi Financial Cons. P Ltd	80,800	2.61	---	80,800	2.61	---	---
6	Crystal Organic (P) Ltd	1,20,000	3.87	---	1,20,000	3.87	---	---

**(iii) Change in Promoter's Shareholding:** There was no change in the promoters' shareholding.

**(iv) Shareholding Pattern of top ten Shareholders.**

(Other than directors, Promoters and Holders of GDRs and ADRs):

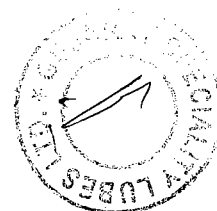
Sl. No.	For Each of the Top 10 Shareholders	Share Holding at the Beginning of the Year		Cumulative Shareholding during the year	
		No. of Equity Shares	% of total Shares of the Company	No. of Equity Shares	% of Total Shares of the Company

**M/s. Gujarat Speciality Lubes Ltd.**  
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01.	Pearl Bristlers Pvt. Ltd. At the beginning of the year At the end of the year	90000 90000	2.90 2.90	90000 90000	2.90 2.90
02.	Kiran N Bhayani At the beginning of the year At the end of the year	3000 3000	0.10 0.10	3000 3000	0.10 0.10
03..	Amigo Securities Private Limited At the beginning of the year At the end of the year	10000 10000	0.32 0.32	10000 10000	0.32 0.32
04.	Gunjan Patel At the beginning of the year At the end of the year	10000 10000	0.32 0.32	10000 10000	0.32 0.32
05.	Veerchandra K Vadera At the beginning of the year At the end of the year	9000 9000	0.29 0.29	9000 9000	0.29 0.29
06.	Aruna K Bhayani At the beginning of the year At the end of the year	5500 5500	0.18 0.18	5500 5500	0.18 0.18
07.	Nilesh R Mehta At the beginning of the year At the end of the year	4400 4400	0.14 0.14	4400 4400	0.14 0.14
08	Purnima Anjaria At the beginning of the year At the end of the year	3200 3200	0.12 0.12	3200 3200	0.12 0.12
09.	Ketan V Lakhani At the beginning of the year At the end of the year	3100 3100	0.10 0.10	3100 3100	0.10 0.10
10.	Vikram K Nagar At the beginning of the year At the end of the year	3000 3000	0.10 0.10	3000 3000	0.10 0.10

**(V) Shareholding of Directors and Key managerial Personnel:**

Sl. No.	For Each of the Directors and KMP	Share holding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Kiran Padmanabh Baxi	70720	2.28	70720	2.28
2.	Vijay Padmanabh Baxi	67620	2.18	67620	2.18
3.	Shailesh Dhirajlal Shah	59510	1.92	59510	1.92
4.	Nalin Dhirajlal Shah	51210	1.65	51210	1.65



**M/s. GujaratSpeciality Lubes Ltd.**  
**25<sup>th</sup> Annual Report : Financial Year 2016-17**

**IV. Indebtedness:** (Indebtedness of the Company including interest outstanding / accrued but not due for payment.)

Particulars	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtdness at the beginning of the financial year</b>				
i) Principal Amount	-----	2470900	-----	2470900
ii) Interest Due but Not Paid	-----	-----	-----	-----
iii) Interest Accrued but not due	-----	-----	-----	-----
<b>Total i + ii + iii</b>	-----	<b>2470900</b>	-----	<b>2470900</b>
<b>Change in indebtedness during the financial year</b>				
i) Addition	-----	310000	-----	310000
ii) Reduction	-----	-----	-----	-----
<b>Net Change</b>	-----	<b>310000</b>	-----	<b>310000</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-----	2780900	-----	2780900
ii) Interest Due but Not Paid	-----	-----	-----	-----
iii) Interest Accrued but not due	-----	-----	-----	-----
<b>Total I + ii + iii</b>	-----	<b>2780900</b>	-----	<b>2780900</b>

There was no Indebtedness of the Company during the year and that there are no outstanding unpaid loan from the Bank or Financial Institution.

**VI. Remuneration of Directors and Key Managerial Personnel :-**

**A. Remuneration to Director and Managing Director:-**

The Company did not pay any remuneration to its Directors during the year.

**B. Remuneration to other directors:-**

The Company did not pay any remuneration to its Directors during the year.

**C. Remuneration to Key Managerial Personnel other than MD / Manager/WTD :**

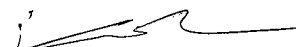
There is no any manager personnel in the Company and no payment made during the year.

**VII. Penalties / Punishment/ Compounding of Offences :-**

There were no penalties, punishment or compounding of offences during the year ended March 31, 2017.

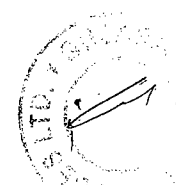
GUJARAT SPECIALITY LUBES LTD.

For and on behalf of the Board,



DIRECTOR / AUTHORIZED SIGN  
**Kiran Padmanabh Baxi**  
Chairman

Place: Vadodara  
Date: 03/09/2017



**M/s. Gujarat Speciality Lubes Ltd.**  
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**Annexure – B**  
**Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

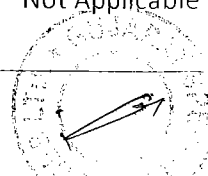
Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

(i) **Details of contracts or arrangements or transactions NOT at arm's length basis:**

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the Contracts / arrangements/ transactions	Salient terms of the contracts or Arrangements or Transactions including value, if any	Date(s) of approval by the Board	Amount paid as advance, if any	Date on which the special resolution was passed in General Meeting as required under first proviso to Section 188.
		<b>Not Applicable</b>				

(II) **Details of material contracts or arrangement or transactions at arm's length basis:**

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of Contracts / arrangement s/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any (Outstanding as on 31 <sup>st</sup> March, 2017)	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in General Meeting required under First proviso Section 188.
Kiran Padmanabh Baxi Director	Unsecured Loan	Working Capital Loan – Repayable on Demand	25,000	19/04/2014	--	Not Applicable
Shailesh Dhirajlal Shah Director	Unsecured Loan	Working Capital Loan – Repayable on Demand	12,00,900	19/04/2014	---	Not Applicable
Syndicate Textile Collection (Proprietorship of Mr. Nalin Shah, Director)	Unsecured Loan	Working Capital Loan – Repayable on Demand	9,05,000	19/04/2014	---	Not Applicable
Mr. Nalin Shah Director	Unsecured Loan	Working Capital Loan – Repayable on Demand	6,50,000	19/04/2014	---	Not Applicable





**INDEPENDENT AUDITOR'S REPORT**

To the Members of  
**GUJARAT SPECIALITY LUBES LIMITED.**

**Report on the Financial Statements**

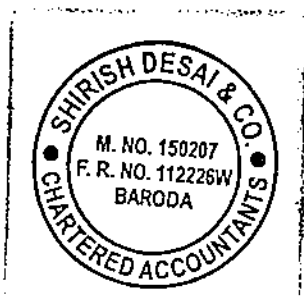
We have audited the accompanying financial statements of Gujarat Specialty Lubes Ltd. ('The Company'), which comprises the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and the Cash Flow Statement of the Company for the year then ended, March 31, 2017 and a summary of significant accounting policies and other explanatory information.

**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 Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) rules 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making Judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, 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.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and



auditing standards, and the matters which are required to be included in the audit report under the provisions of the Act, and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the company's preparation of the financial statements that give a true and fair view in order to design audit procedures, that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### **Opinion**

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 Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the State of affairs of the company as at 31<sup>st</sup> March 2017 and its losses and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the order") issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Act, we give in the **Annexure-A**, a statement on the matter specified in the Paragraph 3 & 4 of the order, to the extent applicable.





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 purpose of our audit.
  - b) In our opinion proper books of accounts as required by law have been kept by the company so far as it appears from our examination of those books.
  - c) The balance sheet, the statement of profit and loss and the cash flow statement dealt with by this report are in agreement with the books of accounts.
  - d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) rules, 2014;
  - e) On the basis of the written representations received from the directors as on 31st March 2017, taken on records by board of directors, none of the directors is disqualified as on 31st March 2017, from being appointed as a director in terms of section 164(2) of the Act;
  - f) With respect to the adequacy of internal controls over financial reporting of the Company & the operating effectiveness of such controls, refer to our separate in **Annexure-B** and
  - g) 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, 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 29 to the financial statements;
  - ii. the company is not required to make any provisions under the applicable law or accounting standards, for material foreseeable losses, on long term contracts including derivative contracts;

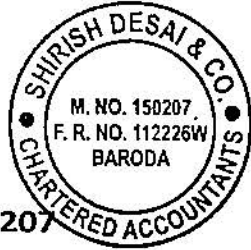


- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

**For, Shirish Desai & Co.**  
**Chartered Accountants**  
**Firm Registration No. 112226W**

*J. Samani*

**Jaydeep A Samani**  
**(Partner)**  
**Membership No.150207**



**Date: 03/09/2017**  
**Place: Vadodara**

**ANNEXURE- A TO THE INDEPENDENT AUDITORS' REPORT**  
**(REFERRED TO IN PARAGRAPH 1 UNDER REPORT ON OTHER LEGAL AND**  
**REGULATORY REQUIREMENTS' SECTION OF OUR REPORT OF EVEN DATE)**

The Annexure referred to in our Independent Auditors Report to the members of the company on the financial statements for the year ended 31 March 2017, we report that:

1. In respect of fixed assets

(a) The company has maintained proper records showing full particulars, including quantitative details and situations of fixed assets. .

(b) All fixed assets have been physically verified by the management during the year. There is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information & explanations given to us & on the basis of our examination of records of the Company, the title deeds of all immovable property are held in the Name of Company

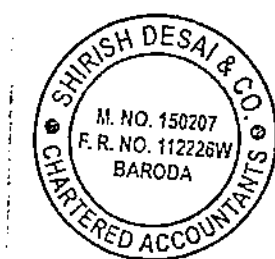
2. In respect of its inventories;

As the company has not purchased /sold goods during the year nor is there any opening stocks, requirement of reporting on physical verification of stocks or maintenance of inventory records, in our opinion does not arise.

3. The company has not granted unsecured loans to parties covered in the register maintained under section 189 of the companies Act 2013.

4. In our opinion and according to information and explanations given to us, the company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

5. According to information and explanations given to us, the company has not accepted any deposit and hence reporting under paragraph 3(v) of the order is not applicable.



6. The Company has prescribed maintenance of cost records as required by rule 3 of the Companies (Cost Records and Rules) 2014 made by the Central Government. Further, Company is not falling under purview of conducting cost audit for the period under review hence; the Company has not appointed Cost Auditor for the financial year 2016-17.
7. (a) According to the information and explanations given to us in respect of statutory and other dues we are informed that the provisions of Employees' Provident Fund Act & Employees' State Insurance Act, 1948 are not applicable to the Company during the year. According to the records of the Company, undisputed statutory dues including Investors' Education and Protection Fund, Income-tax, Sales-tax/ VAT, Wealth Tax, Custom Duty, Service Tax, Excise Duty, Cess, and other material statutory dues have been generally regularly deposited with the appropriate authorities.

According to the information and explanations given to us, there is following undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2017 for a period of more than six months from the date they become payable:

Name of the Statute	Nature of the Dues	Amount Rs In Lacs	Period for which amount Relates	Department
Sales Tax	Indirect Tax	4.80	From 1992 to 2004	Sales Tax Department
Entry Tax	Indirect Tax	0.07	From 1999 to 2000	Sales Tax Department
Income Tax	Direct Tax	4.67	From 1996 to 1998	Income Tax Department



- (b) According to the records of the Company, there are no dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax and cess on account of any dispute.
8. In our opinion and according to information and explanation given to us, the company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government during the year under audit. The company has not issued any debentures.
9. The company did not raise any money by way of initial public offer or further public office (including debt instruments) & term loans during the year. Accordingly, Paragraph 3(IX) of the order is not applicable.
10. To the best of our knowledge and according to information & 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 year.
11. In our opinion and according to the information & explanations given to us & based on our examination of the records of the company, the company has provided/paid for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Act.
12. In our opinion & according to the information & explanations given to us, the company is not a Nidhi company. Accordingly, paragraph 3(Xii) of the order is not applicable.
13. In our opinion and according to information's & explanations given to us & based on our examination of the records of the company, transactions with related parties are in compliance with section 177 & 188 of the Companies act, 2013 where applicable & details of such related party transaction have been disclosed in the financial statements as required by the applicable accounting standards.



14. During the year the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under paragraph 3(xiv) of the order is not applicable to the company.
15. In our opinion and according to the information and explanations given to us & based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with him. According the paragraph 3(xv) of the order is not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For, Shirish Desai & Co.**  
**Chartered Accountants**  
**Firm Registration No. 112226W**

*JASamani*

**Jaydeep A. Samani**  
**(Partner)**  
**Membership No.150207**



**Date: 03/09/2017**  
**Place: Vadodara**

## **ANNEXURE- B TO THE INDEPENDENT AUDITORS' REPORT**

### **Report on the Internal Financial Controls under clause (i) of sub-section 3 of Section 143 of Companies Act, 2013 ('the Act')**

We have audited the internal financial controls over financial reporting of Gujarat Speciality Lubes Limited ('the Company') as of 31<sup>st</sup> March, 2017 in conjunction with our audited financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

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



our audit in accordance with the guidance note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') & the Standard on auditing, issued by ICAI & 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 & both issued by Institute of Chartered Accountants of India. Those Standards & the Guidance Note require that we comply with ethical requirements & plan & perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established & maintained & if such controls operated effectively in all material respects.

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

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

### **Meaning of Internal Financial Controls over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable regarding the reliability of

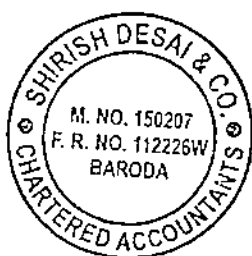




financial reporting & the Preparation & Presentation of Financial Statements for external purposes in accordance with generally accepted accounting principles .A company's internal financial controls over financial reporting includes those policies & procedures that (1) pertain to the maintenance of records that, in reasonable details, accurately & fairly reflect the transactions & 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, & that receipts & expenditure of the company are being made only in accordance with authorizations of the Management & directors of the Company; & (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 Over Financial Reporting**

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



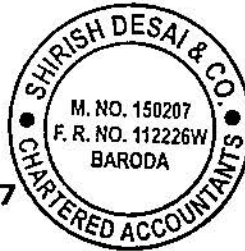
### **Opinion**

In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting & such internal financial controls over financial reporting were operating effectively as 31<sup>st</sup> March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India

**For, Shirish Desai & Co.**  
**Chartered Accountants**  
**Firm Registration No. 112226W**



**Jaydeep A. Samani**  
**(Partner)**  
**Membership No.150207**



**Date: 03/09/2017**  
**Place: Vadodara**

**GUJARAT SPECIALITY LUBES LTD.**  
**Balance Sheet As At 31st March, 2017**

Particulars	Notes	As At 31st March 2017 (Rs.)	As At 31st March 2016 (Rs.)
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	1	55,000,000	55,000,000
(b) Reserves and Surplus	2	(47,608,719)	(46,455,901)
		7,391,281	8,544,099
<b>(2) Non-Current Liabilities</b>			
(a) Other Long Term Liabilities	3	2,780,900	2,470,900
(b) Trade Payables	4	1,745,776	1,616,616
(c) Deferred Tax Liability(Net)		298,044	298,044
		4,824,720	4,385,560
<b>(3) Current Liabilities</b>			
(a) Short-Term Provisions	5	35,582	33,354
		35,582	33,354
<b>Total</b>		<b>12,251,583</b>	<b>12,963,013</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Fixed Assets			
i. Tangible Assets	6	11,019,639	11,792,343
(b) Non-current investments	7	14,350	14,350
(c) Long term loans and advances	8	230,000	230,000
(d) Trade receivable	9	611,250	611,250
(e) Preliminary Expense	10	147,000	220,500
		12,022,239	12,868,443
<b>(2) Current Assets</b>			
(a) Cash and cash equivalents	11	229,344	94,570
		229,344	94,570
<b>Total</b>		<b>12,251,583</b>	<b>12,963,013</b>
Significant Accounting Policies Notes on financial Statements	1 to 30		

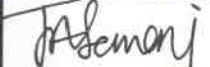
The accompanying notes are an integral part of the Financial Statements

As per our report of even date

For, Shirish Desai & Co.

Chartered Accountants

Firm Registration No :112226W



Jaydeep A. Samani  
Partner

Membership No.150207

Place: Vadodara

Date: 03/09/2017

For and on behalf of the board



Kiran Baxi  
Director  
(Din : 01715268)



Vijay Baxi  
Director  
(Din : 01555721)

**GUJARAT SPECIALITY LUBES LTD.**

**Statement of Profit and Loss for the year ended 31st March,2017**

Particulars	Notes	For the year ended 31st March,2017 (Rs.)	For the year ended 31st March,2016 (Rs.)
<b><u>Income:</u></b>			
Other Income	12	Nil	Nil
<b>Total</b>		Nil	Nil
<b><u>Expenses:</u></b>			
Changes in Inventories		Nil	Nil
Financial Costs	13	1,053	3,831
Other Expenses	14	1,151,765	2,187,437
<b>Total</b>		1,152,818	2,191,268
Profit/(Loss) before exceptional and extraordinary items and tax		(1,152,818)	(2,191,268)
Exceptional Items		Nil	Nil
Profit/(Loss) before extraordinary items and tax		(1,152,818)	(2,191,268)
Extraordinary Items		Nil	Nil
Profit/(Loss) before tax		(1,152,818)	(2,191,268)
<b><u>Tax expense:</u></b>			
(1) Current tax		Nil	Nil
(2) Deferred tax		Nil	Nil
Profit for the year		(1,152,818)	(2,191,268)
Earning per equity share:	15		
(1) Basic		(0.37)	(0.71)
(2) Diluted		Nil	Nil
<b>Significant Accounting Policies</b>	1 to 30		
<b>Notes on financial Statements</b>			


The accompanying notes are an integral part of the Financial Statements

As per our report of even date

For, Shirish Desai & Co.

Chartered Accountants

Firm Registration No :112226W



Jaydeep A Samani  
Partner

Membership No.150207

Place: Vadodara

Date: 03/09/2017

For and on behalf of the board



Kiran Baxi  
Director  
(Din : 01715268)



Vijay Baxi  
Director  
(Din : 01555721)

**GUJARAT SPECIALITY LUBES LTD.**  
**Statement of Cash Flow for the Year ended 31st March 2017**

Indirect Method :

Particulars	For the year ended 31st March, 2017 (Rs.)	For the year ended 31st March, 2016 (Rs.)
<b>Cash flows from operating activities</b>		
Net profit before taxation, and extraordinary item	(1152818)	(2191268)
Adjustments for:		
Preliminary Exp. Written Off	73500	73500
Loss on Sale of Fixed Assets	568204	415833
Credit Balance written back earlier taken as income	Nil	905000
Operating profit before working capital changes	(511114)	(796935)
Increase in sundry debtors	Nil	Nil
Decrease in Inventories	Nil	Nil
Increase in Loans & Advances	Nil	Nil
Increase in current liabilities	129160	67840
Increase in Provisions	2228	4500
Cash generated from operations	(379726)	(683066)
Income taxes paid	0	0
Cash flow before extraordinary item		(724595)
Proceeds from other sources	0	0
<b>Net cash from operating activities</b>	<b>(379726)</b>	<b>(724595)</b>
<b>Cash flows from investing activities</b>		
Purchase of fixed assets	0	0
Increase in Misc Expenses (Preoperative Expenses)	0	0
Proceeds from sale of Machinery	204500	195000
Interest received	0	0
Dividends received	0	0
<b>Net cash from investing activities</b>	<b>204500</b>	<b>195000</b>
<b>Cash flows from financing activities</b>		
Increase in Share Application money through Conversion of unsecured loans (Non-Cummulative, Redeemable, Convertible)	0	0
Proceeds from long-term borrowings	310000	575000
Repayment of long-term borrowings taxes	0	0
Interest paid	0	0
Dividends paid	0	0
<b>Net cash used in financing activities</b>	<b>310000</b>	<b>575000</b>
<b>Net increase in cash and cash equivalents</b>	<b>134774</b>	<b>45405</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>94570</b>	<b>49165</b>
<b>Cash and cash equivalents at end of period</b>	<b>229344</b>	<b>94570</b>

The accompanying notes are an integral part of the Financial Statements

1 to 38

As per our report of even date

For, Shirish Desai & Co.

Chartered Accountants

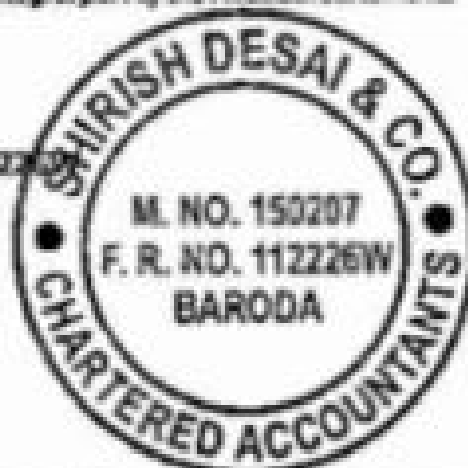
Firm Registration No : 112226W

 Jaydeep A. Samani  
Partner

Membership No. 150287

Place: Vadodara

Date : 03/09/2017



For and on behalf of the board



Kiran Baxi  
Director  
DIN 01715268



Vijay Baxi  
Director  
DIN 01555721

## Note : 1 Share Capital

Sr. No	Particulars	As At 31st March 2017 (Rs.)	As At 31st March 2016 (Rs.)
1	<b>AUTHORIZED SHARES</b>		
	55,00,000 (Previous Year 55,00,000) Equity Shares of Rs. 10/- each.	55,00,000	55,00,000
	<b>DIVIDED INTO</b>		
a	31,00,000 (Previous Year 31,00,000) Equity Shares of Rs. 10/- each, Fully paid up	31,00,000	31,00,000
b	24,00,000 Zero % Non-Cumulative, Convertible, Redeemable Preference Shares of Rs. 10 each, fully paid up (Previous Year 24,00,000)	24,00,000	24,00,000
		55,00,000	55,00,000
2	<b>ISSUED, SUBSCRIBED AND FULLY PAID UP SHARES (No.)</b>		
a	31,00,000 (Previous Year 31,00,000) Equity Shares of Rs. 10/- each, Fully paid up	31,00,000	31,00,000
b	24,00,000 Zero % Non-Cumulative, Convertible, Redeemable Preference Shares (Previous Year (24,00,000) of Rs. 10 each, fully paid up	24,00,000	24,00,000
	<b>Total Issued, subscribed and fully paid-up share capital</b>	<b>55,00,000</b>	<b>55,00,000</b>

## 1.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Class of Shares	No. of Shares	No. of Shares
a Equity Shares of Rs. 10/- each, Fully paid up		
At the beginning of the year	3,100,000	3,100,000
issued during the year	Nil	Nil
At the end of the year	3,100,000	3,100,000
Zero % Non-Cumulative, Convertible, Redeemable Preference Shares of Rs. 10 each,		
b fully paid up		
At the beginning of the year	2,400,000	2,400,000
issued during the year	Nil	Nil
At the end of the year	2,400,000	2,400,000

## Note:

During the financial year 2014-15, The company has issued 24,00,000 Preference Shares of Rs. 10/- each during the Year aggregating to Rs. 240 Lacs against the Unsecured loan from Promoters, Directors, Relatives and others amounting to Rs. 240 lacs.



1.2 Terms/rights attached to shares  
a Terms/rights attached to equity shares

- 1 Issued at par value of Rs. 10 per share.
- 2 Holder of these shares are entitled to vote at the meeting on one vote for every share held basis.

Terms/rights attached to Zero Percent Non-Cumulative, Reddemable, Convertible

b Preference shares

- 1 Issued at par value of Rs. 10 per share.
- 2 Holder of these shares is not entitled to vote at the meeting except on matters directly affecting the interests of the shareholder or in the event of winding up of the company.
- 3 Holder of these shares is not entitled to receive any dividend thereon.
- 4 The duration of 0% Non Cumulative Redeemable Convertible Preference Shares shall be for a period of 20 years from the date of its issue, compulsorily redeemable during its duration, at any time, at the option of the Company.

1.3 Shares held by holding/ultimate holding company and/or their subsidiaries/associates

The company has no Holding /ultimate holding company and /or their subsidiaries/associates.

1.4 Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

	As at 31st March, 2017	As at 31st March, 2016
a) Aggregate no and class of shares allotted as fully paid up pursuant to contract (s) without consideration being received in cash.	Nil	Nil
b) Aggregate no & Class of shares allotted by way of bonus shares	Nil	Nil
c) Aggregate no & class of shares bought back	Nil	Nil

1.5 Details of Shareholders holding more than 5% shares in the company

There are no equity shareholders holding more than 5% of equity shares in the company during the year were Nil (Previous Year: Nil).

Preference Shares of Rs.10 each fully paid up	As at 31st March,2017		As at 31st March,2016	
Name	Number	% holding in the class	Number	% holding in the class
BAXI FINANCIAL CONSULTANTS PRIVATE LIMITED	405,400	16.89	405,400	16.89
SHANTI ENTERPRISE	1,373,000	57.21	1,373,000	57.21
KIRAN N. BHAYANI	367,900	15.33	367,900	15.33

Note : 2 Reserve & Surplus

Sr. No	Particulars	As At 31st March 2017 (Rs.)	As At 31st March 2016 (Rs.)
1	Capital Reserve	16,859,766	16,859,766
2	Surplus/(deficit) in the Statement of Profit & Loss		
	Balance as per last financial statements	(63315667)	(61,124,399)
	Less: Profit for the year transferred from Statement of profit & Loss	(1,152,818)	(2,191,268)
	At the Close of the Reporting Period	(64,468,485)	(63,315,667)
	Total	(47,608,719)	(46,455,901)





**Note : 3 Other Long Term Liability**

Sr. No	Particulars	As At 31st March 2017 (Rs.)	As At 31st March 2016 (Rs.)
1	Unsecured, Consider Good Loan from related Parties Loan from Directors (Refer Note 27) Other Loans	Nil 2,780,900 Nil	Nil 2,470,900 Nil
	<b>Total</b>	<b>2,780,900</b>	<b>2,470,900</b>

**Note : 4 Trade Payables**

Sr. No	Particulars	As At 31st March 2017 (Rs.)	As At 31st March 2016 (Rs.)
1	Trade Payables  For Expenses	  1,745,776	  1,616,616
	<b>Total</b>	<b>1,745,776</b>	<b>1,616,616</b>

- 4.1 The Company has not received any intimation from the 'suppliers' regarding their status under the Micro, Small and Medium Enterprises development Act, 2006 and hence disclosures if any relating to amounts unpaid as at 31st March, 2017 together as required under the said Act, have not been given.

**Note : 5 Short Term Provisions**

Sr. No	Particulars	As At 31st March 2017 (Rs.)	As At 31st March 2016 (Rs.)
1	<u>Provisions</u> Provision for expenses	35,582	33,354
	<b>Total</b>	<b>35,582</b>	<b>33,354</b>





**GUJARAT SPECIALITY LUBES LTD.**  
**Notes on Financial Statement for the year ended 31st March, 2017**

**Note : 6 Fixed Assets**

**Current Year (1.4.2016 to 31.3.2017)**

Sr. No	Particulars	Gross Block			Depreciation/Amortisation			Net Block			
		As At 1st April, 2016	Additions	Deductions/ Adjustments	As At 31st March, 2017	As At 1st April, 2016	for the year	Deductions/ Adjustments	up to 31st March, 2017	As At 31st March, 2017	As At 31st March, 2017
Tangible Assets											
1	Free hold- Factory Land	501,978	Nil	Nil	501,978	Nil	Nil	Nil	Nil	501,978	501,978
2	Factory Building & Site	5,189,110	Nil	Nil	5,189,110	1,888,937	Nil	1,888,937	1,888,937	3,300,173	3,300,173
3	Office Equipment	338,066	Nil	Nil	338,066	242,736	Nil	242,736	242,736	95,330	95,330
4	Furnitures & Fixtures	146,001	Nil	Nil	146,001	96,762	Nil	96,762	96,762	49,239	49,239
5	Plant & Machinery	16,316,608	Nil	1,794,827	14,521,781	9,292,029	Nil	10,221,23	8,269,906	6,251,875	7,024,571
6	Laboratory Equipment	951,149	Nil	Nil	951,149	493,906	Nil	Nil	493,906	457,241	457,241
7	Electrical Installaton	820,081	Nil	Nil	820,081	456,280	Nil	Nil	456,280	363,801	363,801
	*TOTAL	24,262,993			22,468,166	12,470,650			11,448,527	11,019,639	11,792,330

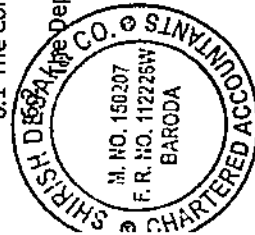
**Previous Year (1.4.2015 to 31.3.2016)**

Sr. No	Particulars	Gross Block			Depreciation/Amortisation			Net Block			
		As At 1st April, 2015	Additions	Deductions/ Adjustments	As At 31st March, 2016	As At 1st April, 2015	for the year	Deductions/ Adjustments	up to 31st March, 2016	As At 31st March, 2016	As At 31st March, 2016
Tangible Assets											
1	Free hold- Factory Land	501,978	Nil	Nil	501,978	Nil	Nil	Nil	Nil	501,978	501,978
2	Factory Building & Site	5,189,110	Nil	Nil	5,189,110	1,888,937	Nil	1,888,937	1,888,937	3,300,173	3,300,173
3	Office Equipment	338,066	Nil	Nil	338,066	242,736	Nil	242,736	242,736	95,330	95,330
4	Furnitures & Fixtures	146,001	Nil	Nil	146,001	96,762	Nil	96,762	96,762	49,239	49,239
5	Plant & Machinery	17,735,443	Nil	1,418,835	16,316,608	10,100,031	Nil	808,002	9,292,029	7,024,579	7,635,449
6	Laboratory Equipment	951,149	Nil	Nil	951,149	493,906	Nil	493,906	493,906	457,243	457,243
7	Electrical Installaton	820,081	Nil	Nil	820,081	456,280	Nil	456,280	456,280	363,801	363,801
	*TOTAL	25,681,828	Nil	Nil	24,262,993	13,278,652	Nil	12,470,650	12,470,650	11,792,343	12,403,191

\* Note:

6.1 The Company has not having any Intangible Assets.

Depreciation has not been provided on the fixed assets as the assets are not used during the year.



**Note : 7 Non-current Investments**

Sr. No	Particulars	As At 31st March 2017 (Rs.)	As At 31st March 2016 (Rs.)
1	<u>Unquoted Investments :</u> Equity Instruments: (valued at cost unless stated otherwise) Equity shares of Jan Kalyan Sahakari Bank Ltd.	14,350	14,350
	<b>Total</b>	<b>14,350</b>	<b>14,350</b>

**Note : 8 Long Term Loans and Advances**

Sr. No	Particulars	As At 31st March 2017 (Rs.)	As At 31st March 2016 (Rs.)
1	<u>Security Deposit</u> Unsecured, Considered Good : Security Deposit	30,000	30,000
		30,000	30,000
3	<u>Other Loans &amp; Advances</u> Unsecured, considered good	200,000	200,000
	<b>Total</b>	<b>230,000</b>	<b>230,000</b>

**Note: 9 Trade Receivable**

Sr. No	Particulars	As At 31st March 2017 (Rs.)	As At 31st March 2016 (Rs.)
1	<u>Unsecured, considered doubtful unless stated otherwise</u>  Outstanding for a period exceeding six months from the date they are due for payment	611,250	611,250
		611,250	611,250

**Note : 10 Preliminary Expense (To the extent not Written Off)**

Sr. No	Particulars	As At 31st March 2017 (Rs.)	As At 31st March 2016 (Rs.)
1	Preliminary Expense	220,500	294,000
	Less : Written off during the Year	73,500	73,500
	<b>Total (A+B)</b>	<b>147,000</b>	<b>220,500</b>

**Note : 11 Cash & Cash Equivalent**

Sr. No	Particulars	As At 31st March 2017 (Rs.)	As At 31st March 2016 (Rs.)
1	<u>Cash Balance</u> Cash on Hand Total (A)	48,084	29,229
		48,084	29,229
2	<u>Balance with Bank</u> In current account Total (B)	181,260	65,341
		181,260	65,341
	<b>Total (A+B)</b>	<b>229,344</b>	<b>94,570</b>



**Note : 12 Other Income**

Sr. No	Particulars	As At 31st March 2017 (Rs.)	As At 31st March 2016 (Rs.)
1	Non Operating Income	Nil	Nil
	<b>Total</b>	<b>Nil</b>	<b>Nil</b>

**Note :13 Finance Cost**

Sr. No	Particulars	As At 31st March 2017 (Rs.)	As At 31st March 2016 (Rs.)
1	Bank Charges	1,053	3,831
2	Bank Interest	Nil	Nil
	<b>Total</b>	<b>1,053</b>	<b>3,831</b>

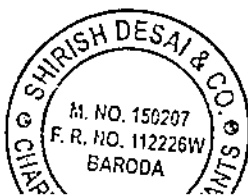
**Note : 14 Other Expenses**

Sr. No	Particulars	As At 31st March 2017 (Rs.)	As At 31st March 2016 (Rs.)
	Auditors Remuneration		
	- Audit Fees	13483	8,427
	- Tax & Consultancy	8,427	8,427
	Advertisement Expenses	22,985	21,235
	Legal & Professional Expenses	314500	39,000
	Rent, Rates & Taxes	23,500	23,300
	Postage & Telephone Expenses	58,045	496,067
	Listing Charges	-	13,750
	Website Charges	5,000	14,000
	Misc. Expense	9,521	18,940
	Printing & Stationery	54,600	149,958
	Preliminary Expense	73,500	73,500
	Loss on Sale of Fixed Assets	568,204	415,833
	Credit Balance written back earlier taken as income	-	905,000
	<b>Total</b>	<b>1,151,765</b>	<b>2,187,437</b>

**Note : 15 Earning Per Share (EPS)**

The following reflects the profit and share data used in the basic EPS Computation.

Sr. No	Particulars	As At 31st March 2017 (Rs.)	As At 31st March 2016 (Rs.)
	<b>Total Operation for the year</b>		
	Profit after tax	(1152818.00)	(2,191,268)
	<b>Net Profit for calculation of basic EPS</b>	<b>(1,152,818)</b>	<b>(2,191,268)</b>
	<b>Number of Equity Shares</b>	<b>3,100,000</b>	<b>3,100,000</b>
	<b>Number of Equity Shares for calculation of basic EPS</b>	<b>3,100,000</b>	<b>3,100,000</b>
	<b>Earning Per Share (EPS)</b>	<b>(0.37)</b>	<b>(0.71)</b>



**SIGNIFICANT ACCOUNTING POLICIES & NOTES ON FINANCIAL STATEMENTS**

**16. SIGNIFICANT ACCOUNTING POLICIES:**

**A. Basis of Preparation:**

The financial statements have been prepared under the historical cost convention, in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 2013, as adopted consistently by the Company. All revenue/income and cost/expenditure having a material bearing on the financial statements are recognized on accrual basis as and when earned or incurred except recognition of dividend income and retirement benefit expenditure except non provision of non moving stock & certain expenses which cannot be estimated on a reasonable basis.

**B. Change in Accounting Policy:**

The company has also reclassified the previous year figure in accordance with the requirements applicable in the current year.

**C. Use of Estimates:**

The preparation of financial statements in conformity with Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of financial statements, and the reported amounts of revenues and expenses during the reporting period.

**D. Fixed Assets:**

Fixed Assets are recorded at historical cost along with capitalized portion of specific and allocated expenses. Fixed Assets acquired and constructed are stated at historical cost including attributable cost and incidental expenses, erection/ commissioning expenses for bringing the asset to its intended use.

**E. Inventories:**

Raw materials are valued at cost or net realizable value in case the cost of raw material has declined and the realization value of the finished products is expected to be lower than the cost of the product. Raw materials are valued at cost on First in First out basis.



Finished stock is valued at cost or net realizable value whichever is lower.

Work in progress is valued at net realizable value.

Trading stock is valued at cost or net realizable value whichever is lower.

"Cost" comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventory to their present location and condition. Cost of purchase includes duties, taxes, freight and other expenses net of trade discounts, rebates, sales tax set off and liquidated damages. Valuation of stock of finished goods is exclusive of all duties & taxes.

**F. Retirement Benefits:**

The company has accounted for liability for Gratuity and Privilege Leave encashment on retirement/ separation by making provision on the basis of actuarial valuation at the year end.

**G. Amortization of Preliminary & Public Issue Expenditure**

Preliminary & Public Issue Expenditure are amortized over a period of 10 year on Straight Line Method.

**H. Income Tax**

Income taxes are accounted for in accordance with Accounting Standard-22 AS "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India. Tax expense comprises both current and deferred tax. Current tax is measured at the amount expected to be paid to/ recovered from the tax authorities using the applicable tax rates. Deferred tax assets and liabilities are recognized for future tax consequences attributable to timing differences between taxable income and accounting income that are capable of reversing in one or more subsequent periods and are measured using the relevant enacted tax rates.

**I. Investment:**

(1) All long term investments are valued at cost & provision for diminution in value is made, whenever such diminution is not temporary.

(2) All current investments are valued at lower of cost or fair market value.

**J. Provisions and Contingent Liabilities:**

(1) Provisions are recognized when there is a present obligation as a result of past event.

(2) Contingent Liability –



2.1 Show Cause notice issued by various Government Authorities are not considered as obligation.

2.2 When the demand notice are raised against such show cause notices and are disputed by the company, then these demands are classified as obligations.

2.3 The treatment in respect of disputed obligations is as under.

(a) A provision is recognizing in respect of present obligations where the out flow of resources is probable.

(b) All other cases are disclosed as contingent liabilities unless the possibility of outflow of resources is remote

**K. Borrowing Cost:**

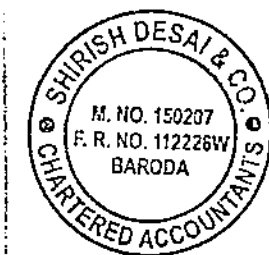
Borrowing cost that are contributable to the acquisition of qualifying assets are capitalized up to the period such assets are ready for its intended use. All other borrowing assets are charges to profit & Loss a/c

**L. Accrual Basis:**

All income and expenditure items having a material bearing on the financial statements are recognized on accrual basis. The capital subsidy is accounted on receipt basis.

**M. Impairment of Assets:**

At each Balance Sheet date, the company reviews the carrying amount of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss and provide for impairment. Where the impairment loss subsequent reverses, the carrying amount of the assets(cash generating units) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the assets in prior accounting periods.



**Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2017:**

17. Company was declared to be a Sick Industrial Company within the meaning of Section 3(1) (o) of the Sick Industries (Special Provisions) Act 1985 (SICA) with its registration no 24/2001 issued by BIFR as per the minutes of the hearing dated 30.05.2002, but as per the minutes of the hearing dated 1.7.2014, Hon'able BIFR has directed that the company ceases to be a sick industrial company within the meaning of Section 3(1) (o) of the Sick Industries (Special Provisions) Act 1985 (SICA) as its Net Worth has turned positive and that it is discharged from BIFR/SICA.

18. The Company has examined carrying cost of its identified Cash Generating Units (CGU) by comparing present value of estimated future cash flows from such CGUs, in terms of Accounting Standard – 28 on Impairment of Assets, according to which no provision for impairment is required as assets of none of the CGUs are impaired as on 1<sup>st</sup> April, 2016. There have been no indications of impairment during the financial year ended 31<sup>st</sup> March, 2017.

19. The company has not followed the AS-22 of accounting for taxes on income, due to uncertainty of future tax liability to arise in future, and the management believes that it will not affect the true financial position of the company on not following the Accounting Standard. Thus the Deferred Tax Liability is not provided for in the books for the current year. However, deferred tax liability provided in earlier years of Rs. 2,98,044/- is shown as a liability.

**20. Contingent Liabilities Not Provided For:**

**(a) Disputed Liabilities:**

Particulars	Amount (Rs. in Lacs)
1 Interest and Penalty on Income tax Liability for AY 1996-97 & 1997-98	4.67



**21. Auditor's remuneration**

	As at the year ended 31/03/2017	As at the year ended 31/03/2016
<b>For Audit Fees</b>	10955	8427
<b>For Taxation Matters</b>	8427	8427
<b>Total</b>	19382	16854

**22. Earnings in Foreign Currency: FOB Value Of Exports: NIL**

**23. C.I.F value of import: NIL**

**24. In the opinion of the Management, Current Assets, Loans & Advances are approximately of the value stated, except otherwise stated, if realized in the ordinary course of business. The provision of all known liabilities, is adequate and not in excess of the amounts reasonably necessary.**

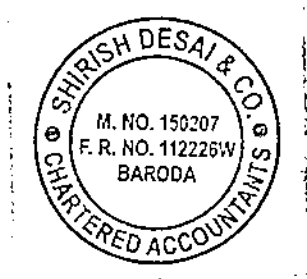
**25. Balance Confirmation/adjustment/reconciliation:**

Balances in Long Term Loans and Advances, Deposits received/paid, Trade receivables, Trade Payables and Other Long Term liabilities are subject to third party confirmations and adjustments/reconciliation, if any.

**26. Transactions in respect of which documentary evidences are not available have been certified by the directors as true & correct. Directors have confirmed that no personal expenses have been charged to revenue.**

**27. Related Party Disclosure**

As per Accounting Standard – 18, the disclosure of transaction with related Parties are given below:





<b><u>LOANS TAKEN:</u></b>	<b>As at</b>	<b>As at</b>
<b>Particulars</b>	<b>31<sup>st</sup> March, 2017</b>	<b>31st March, 2016</b>
<b>From Directors</b>		
K. P. Baxi	25000	25000
S. D. Shah	1200900	950900
Syndicate Textile Collection (Prop. Nalin Shah)	905000	905000
Nalin D. Shah	650000	590000
<b>TOTAL(A)</b>	<b>2780900</b>	<b>2470900</b>

28. Pursuant to section 203 of the Companies Act 2013, the Company could not obtain the services of a full time Company Secretary in Spite of its best efforts. The management has explained to us that the financial condition of the company does not warrant the appointment of a whole time company secretary.

29. The company has reclassified previous year figures to confirm to this year's classification.

30. The details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as provided in the Table below:-

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016 (+) Permitted receipts	Nil	40583	40583
(+) Permitted receipts	Nil	Nil	Nil
(-) Permitted payments	Nil	Nil	Nil

(-) Amount deposited in Banks	Nil	Nil	Nil
Closing cash in hand as on 30.12.2016	Nil	40583	40583

As per our report of even date

For Shirish Desai & Co.

Chartered Accountants

F.R.No.112226W



Jaydeep A. Samani

(Partner)

Membership No. 150207

Place : Vadodara

Date: 03/09/2017

For and on behalf of the Board



Kiran Baxi

Director

DIN : 01715268



Vijay Baxi

Director

DIN 01555721

**M/s. Gujarat Speciality Lubes Ltd.**  
**25<sup>th</sup> Annual Report : Financial Year 2016-17**

**ATTENDANCE SLIP**

**Annual General Meeting the Saturday, 30<sup>th</sup> September 2017 at 11.00 a.m.**

I / We hereby record my / our presence at the Annual General Meeting of the Company held at Survey No 1285-86, Opp. Scott Glass Industries Limited, Village: Ankhi, Jambusar-392150 on Saturday, the 30<sup>th</sup> September, 2017 at 11.00a.m.

Folio No. \_\_\_\_\_

No. of Shares held \_\_\_\_\_

Member's / Proxy's name in Block Letters

Member's / Proxy's Signature

**Note : Please complete and sign this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the AGM**

----- TEAR HERE -----

**M/s Gujarat Speciality Lubes Limited**

**Regd. Office: Survey No 1285-86, Opp. Scott Glass Industries Limited, Village Ankhi,  
Jambusar, Dist: Bharuch 392 150  
CIN: U23209GJ1991PLC016612**

**PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the members	
Registered Address	
Email ID	
Folio No.	

I/We being a member / members of \_\_\_\_\_ shares of the above named company, hereby appoint  
Name : ..... E-mail Id : .....

Address: .....

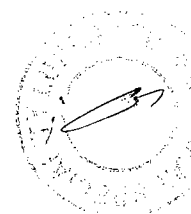
..... Signature: ..... or failing him

Name : ..... E-mail Id : .....

Address: .....

..... Signature : ..... or failing him

Name : ..... E-mail Id : .....



**M/s. Gujarat Speciality Lubes Ltd.**  
**25<sup>th</sup> Annual Report : Financial Year 2016-17**

Address: .....  
 ..... Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Saturday, the 30<sup>th</sup> September, 2017 at 11.00 a.m. at Survey No 1285-86, Opp. Scott Glass Industries Limited, Village Ankhi, Jambusar-392150 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution number	Resolution	Vote (Optional see Note 2) (Please mention no. of shares)	
		For	Against
Ordinary business			
1.	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2017, and the reports of the Board of Directors ('the Board') and Auditors thereon.		
2.	Re-appointment of Director.		
3.	Re Appointment of Auditor.		

Signed this on \_\_\_\_ day of September, 2017.

Affix Re. l  
Revenue  
Stamp

\_\_\_\_\_  
Signature of the member

\_\_\_\_\_  
Signature of the proxy holder(s)

**Note:**

- The proxy form in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- It is optional to indicate your preference. If you leave the for or against column blank against any or all resolutions, you proxy will be entitled to vote in the manner as he/she may deem appropriate.
- Your proxy will be entitled to vote in the manner as he/she may deem appropriate at 25<sup>th</sup> Annual General Meeting of Members of the Company, to be held on Saturday, the 30<sup>th</sup> September, 2017 at 11:00 a.m. at the Registered Office at Survey No 1285-86, Opp. Scott Glass Industries Limited, Village Ankhi, Jambusar-392 150 or at any adjournment thereof.

EVSN ( Electronic Voting Sequence Number)	Default Pan*
	USE YOUR PAN

\*Only Member who have not updated their PAN with Company / Depository Participant(s) shall use default PAN in the Pan filed.