

M/s. Gujarat Speciality Lubes Ltd.
26th Annual Report : Financial Year 2017-18

Corporate Information

Corporate Identification No : U23209GJ1991PLC016612

Board of Directors:

Mr. Kiran Padmanabh Baxi	:	Chairman
Mr. Vijay Padmanabh Baxi	:	Director
Mr. Shailesh Dhirajlal Shah	:	Director
Mr. Nalin Dhirajlal Shah	:	Director

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

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

Bankers : Bank of Baroda

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NOTICE

Notice is hereby given that the 26th Annual General Meeting of the Members of **Gujarat Speciality Lubes Ltd.** will be held on **Friday, the 28th September, 2018 at 1.00 p.m.** at its Registered Office at Survey No 1285-86, Opp. Scott Glass Industries Limited, Village Ankhi, Jambusar – 392 150, 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 31st March, 2018, including the audited Balance Sheet as at 31st March, 2018, 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. Vijay Padmanabh Baxi, who retires by rotation and being eligible offer himself for re-appointment.

Item No. 3: To approve Change in address of Registered Office within the State

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

“RESOLVED THAT subject to approval of the Members of the Company, in terms of the provisions of Section 12 (5) and any other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014, the Board hereby decides to shift its Registered Office from **Survey No 1285-86, Opp. Scott Glass Industries Limited, Village Ankhi, Jambusar – 392 150, Dist. Bharuch, Gujarat** to **A-5. Samarpan Housing Complex, Behind Raneshwar Temple, Vasna Road, Vadodara - 390016, Gujarat**, within the state of the Gujarat, so as to facilitate smoother business operation of the Company.”

“FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things as deemed necessary, proper or desirable and to sign and execute all necessary documents, applications and requisite returns filing of E-form INC.22 and MGT.14 as required for the purpose of giving effect to the aforesaid resolution with the Registrar of Companies, Gujarat / MCA for and on behalf of the Board of Directors of the Company”.

For and on behalf of the Board,

Place: Vadodara
Date: 31/08/2018

Kiran Padmanabh Baxi
Chairman

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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 in the Investor Relations Section.
6. **The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 22nd September 2018 to Saturday, 28th September, 2018 (both days inclusive) for the purpose of Annual General Meeting.**
7. Explanatory Statement pursuant to Section 101 of the Companies Act, 2013, in respect of Special Business, is annexed herewith
8. 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.

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9. 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.
10. 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.
11. 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.
12. Electronic copy of the Notice of the 26th 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 26th 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.
13. The Notice of the AGM along with the Annual Report 2017-18 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 2017-18 will also be available on the Company's website viz. www.gujspeciality.com.
14. **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 26th 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 26th 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.

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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:-

- (i) The voting period begins on Tuesday, 25th September, 2018 at 10.00 a.m. and ends on Thursday, 27th September, 2018 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. 14th September, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5.00 p.m. on 27th September, 2018.
- (ii) Members holding the shares of the Company on 30th September, 2018, 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.
- (iv) Click on Shareholders.
- (v) Now Enter your User ID;
 - a. For CDSL : 16 digits beneficiary ID;
 - b. For NSDL : 8 Character DP ID followed by 8 Digits Client ID;
 - c. 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 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"> 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.
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"> Please enter the DOB or Dividend Bank Details in order to

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	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).
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- (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 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 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
 - 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 and on approval of the accounts they would be able to cast their vote.

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- 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 under help section or write an email to helpdesk.evoting@cdslindia.com.

Contact Details

Company	:	Gujarat Speciality Lubes Ltd Regd. Office: Survey No 1285-86, Opp. Scott Glass Industries Limited, Village: Ankhi, Jambusar, Dist: Bharuch -392150. Telephone +91-9375921732 E-mail: info@gujspeciality.com or kiranbaxi2004@yahoo.com Website: www.gujspeciality.com
CIN	:	U23209GJ1991PLC016612
E-Voting Agency	:	Central Depository Services (India) Limited E-mail ID: helpdesk.evoting@cdslindia.com
Scrutinizer	:	CS Jayesh Vyas, Practicing Company Secretary E-mail ID: cs.jayeshvyas@hotmail.com Phone: 09376212649
In-House Share Transfer	:	<u>A-5. Samarpan Housing Complex,</u> <u>Behind Raneshwar Temple,</u> <u>Vasna Road, Vadodara - 390016, Gujarat</u>

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.

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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. Vijay Padmanbh Baxi
DIN	01555721
Date of Birth	26/07/1962
Date of Appointment	18/11/1991
Expertise in specific functional areas	Production & Overall management
Educational Qualifications	
Directorships of other Public Limited Companies as on 31 st March, 2018	None
Chairman / Member of Committees of other Companies as on 31 st March, 2018	None
Number of Shares held	69320
Number of Meetings of the Board attended during the year	5
Remuneration drawn	NIL
Relationship with other directors and key managerial personnel	Mr. Kiran P. Baxi, brother is also Director of the Company.

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BOARD'S REPORT

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

Your Directors have pleasure in presenting the 26th Annual Report together with Audited Financial Statements for the Financial Year ended 31st March, 2018.

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

During the year under review, suspension of business operations and commercial activities of the Company continued. Whereas the Company has not earned any income in current year, it earned, by way of other income, a sum of Rs. 406664/- on account of Sundry balances Written off in previous year. As against this, Company also had to dispose off the entire block of remaining Plant and Machineries and Electrical Fittings, acquired almost two and a half decade back during the period 1993 to 1994 and now having corroded as they were lying unused since more than a decade and degrading due to corrosion The same were disposed off on scrap value basis, resulting in a loss of Rs. 5665677/- on this account. The finance & other expenses incurred during the year alongwith loss on sale of fixed assets coupled with some other income as above resulted in a net loss of Rs. 6223791/- which was then transferred to the Profit & Loss account as a Loss of the year.

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. 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 the Company and, if need be, with prior approval of members, in a very short future. Company is desperately trying to arrange working capital funds necessary for restarting its commercial activities and in that pursuit, Company has put up for sale, large land at its factory at the best possible price to generate necessary funds.

2. Dividend:

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

3. Transfer to General Reserve:

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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. 62,23,791/- as against Net loss of Rs. 11,52,818/- 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. The 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 National Stock Exchange of India Limited's Dissemination Board, the Company submitted to NSE, a Letter of Intent to provide exit offer dated 07th February, 2017, as per the SEBI circular referred to above 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 finally removed from Dissemination Board as per NSE circular number 0870/2017 dated 01.09.2017 and as per BSE Notice 20171226-37 dated 26.12.2017 and therefore, company, for all purpose, is an unlisted public company.

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,

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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 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 require 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.

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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 a 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 appoint qualified person as a Company Secretary despite of having its paid up capital more than Rs. 5 Crore.

There was no change in the Directors of the Company.

During the year under review, Mr. Vijay P. Baxi retires by rotation and being eligible, offers himself for reappointment. Members are requested to consider his re-appointment.

17. Auditors:

(i) Statutory Auditors:

M/s. Shirish Desai & Co., Chartered Accountants, Vadodara, are reappointed as the Statutory Auditors of the Company to hold office till the conclusion of 30th Annual General Meeting to be held in the calendar year 2022, subject to the ratification annually, by the shareholders . However, Vide notification dated May 7, 2018; the Ministry of Corporate Affairs has done away with the requirement of seeking ratification of members for appointment of auditors at every Annual General Meeting. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the 26th Annual General Meeting.

(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 a unlisted Company.

(iv) Cost Auditors:

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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 31st March, 2018 is Rs.5,50,00,000/-, comprising of Rs. 3,10,00,000/- divided in to 31,00,000 Equity Shares of Rs. 10/- each and Rs.2,40,00,000 divided in to 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, 30.06.2017, 31.08.2017, 30/09/2017, 31.12.2017 and 28.02.2018 were following Directors are present

Sr. No	Name of Directors	No of Board Meetings held				
		30.06.2017	31.08.2017	30.09.2017	31.12.2017	28.02.2018
1	Kiran Baxi	YES	YES	YES	YES	YES
2	Vijay Baxi	YES	YES	YES	YES	YES
3	Shailesh Shah	YES	YES	YES	NO	YES
4	Nalin Shah	YES	YES	YES	YES	NO

22. Declaration of Independent Directors:

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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 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.

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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 there under, 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.

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 2017-18.

34. Stock Exchange:

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The Company's equity shares are deregistered from listed on the BSE Limited by way of compulsory delisting on dated 14th January, 2004. Company was continuing to be listed on Ahmedabad Stock Exchange and Vadodara Stock Exchange inspite of its non-compliance of the provision of Listing Agreement and default in payment of listing fees since from 2005-06. Since all the regional stock Exchanges are being discontinued, company was shifted to Dissemination Board and as per SEBI Circular No. SEBI/HO/ MRD/ DSA/ CIR/ P/ 2016/110 dated October 10, 2016, company carried out the necessary procedure and company's name was finally removed from Dissemination Board as per NSE circular number 0870/2017 dated 01.09.2017 and as per BSE Notice 20171226-37 dated 26.12.2017, thereby, making the company an unlisted public company.

Hence, Company's equity shares are NOT listed at any Stock Exchange and therefore payment of Listing Fees of the Company for the Financial Year 2017- 2018 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.

For and on behalf of the Board,

Place: Vadodara
Date: 31/08/2018

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 31st March, 2018

[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:

CIN	U23209GJ1991PLC016612
Registration date	18/11/1991
Name of the Company	Gujarat Speciality Lubes Limited
Category / Sub-Category of the Company	Company limited by Shares
Address of the registered office and contact details	Survey No 1285-86, Opp. Scott Glass Industries Limited, Village : Ankhi, Jambusar, Dist: Bharuch 392150 E-mail Id: info@gujspecialitylubes.com , kiranbaxi2004@yahoo.com
Whether listed company (Yes/No)	No
Name, address and contact details of Registrar and Transfer Agent, if any	Not Applicable.

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:

Sr. No.	Name and Description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
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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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 ⁽¹⁾	
A. PROMOTERS									
(1) INDIAN									
a) Individual/ HUF	--	249060	249060	8.03		250960	250960	8.09	0.06
b) Central Govt.	--								
c) State Govt(s)	--								
d) Bodies Corporate	--	200800	200800	6.48		200800	200800	6.48	0.00
e) Banks/FI	--								
f) Any Other : Individual of Directors Relatives & Associates	--	188330	188330	6.08		196130	196130	6.32	0.24
Sub total (A)(1)	--	638190	638190	20.59		647890	647890	20.89	0.30
(2) FOREIGN	--								
a) NRI-individuals	--								
b) Other Individuals	--								
c) Bodies Corporate	--								
d) Banks/FI	--								
e) Any Other	--								
Sub Total (A)(2)	--								
Total Shareholding of Promoter (A)=	--	638190	638190	20.59		647890	647890	20.90	0.31
(A)(1) + (A)(2)									
B) Public Shareholding		---	----	----	----	-----	-----	-----	-----
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)	--								
Sub- total (B) (1)	--								
2) Non Institutions									

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a) Bodies Corporate		104700	104700	3.38		104700	104700	3.38	0.00
i) Indian	--								
ii) Overseas									
b) Individuals		2225610	2225610	71.79		2213910	2213910	71.42	(0.37)
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)		131500	131500	4.24		133500	133500	4.30	0.06
Top 50 Shareholders									
Sub Total (B)(2)		2461810	2461810	79.41		2452110	2452110	79.10	(0.31)
Total Public Shareholding (B)=(B)(1)+ (B)(2)		2461810	2461810	79.41		2452110	2452110	79.10	(0.31)
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)		3100000	3100000	100		3100000	3100000	100	-----

(ii) Shareholding of Promoters:

Sr. No.	Name of the Promoter	Date	Shareholding 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
A(1) (a)	DIRECTORS					
1.	Kiran Padmanabh Baxi					
	At the beginning of the year	01-04-2017	70720	2.28	70720	2.28
	Purchase by Transmission	30-06-2017	200	0.006	70920	2.29
	At the end of the year	31-03-2018	70920	2.29	70920	2.29
2.	Vijay Padmanabh Baxi					
	At the beginning of the year	01-04-2017	67620	2.18	67620	2.18
	Purchase by Transmission	30-06-2017	1700	0.054	69320	2.24
	At the end of the year	31-03-2018	69320	2.24	69320	2.24

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3.	Shailesh Dhirajlal Shah					
	At the beginning of the year	01-04-2017	59510	1.92	59510	1.92
	Purchase / Sale	----	---	--	59510	1.92
	At the end of the year	31-03-2018	59510	1.92	59510	1.92
4.	Nalin Dhirajlal Shah					
	At the beginning of the year	01-04-2017	51210	1.65	51210	1.65
	Purchase / Sale	---	---	--	51210	1.65
	At the end of the year	31-03-2018	51210	1.65	51210	1.65
A(1) (d)	PROMOTERS – BODY CORPORATES					
5.	Baxi Financial Cons. P Ltd					
	At the beginning of the year	01-04-2017	80800	2.61	80800	2.61
	Purchase / Sale	---	----	--	80800	2.61
	At the end of the year	31-03-2018	80800	2.61	80800	2.61
6.	Crystal Organic (P) Ltd					
	At the beginning of the year	01-04-2017	120000	3.87	120000	3.87
	Purchase / Sale	-----	----	--	120000	3.87
	At the end of the year	31-03-2018	120000	3.87	120000	3.87
A(1) (f)	PROMOTERS – RELATIVES, OTHER THAN DIRECTORS AND BODY CORPORATES					
7.	Padmanabh J Baxi					
	At the beginning of the year	01-04-2017	41520	1.34	41520	1.34
	Purchase by Transmission	30-06-2017	7800	0.25	49320	1.59
	At the end of the year	31-03-2018	49320	1.59	49320	1.59
8.	Bharat Dhirajlal Shah					
	At the beginning of the year	01-04-2017	36010	1.16	36010	1.16
	Purchase / Sale					
	At the end of the year	31-03-2018	* 45410	1.46	45410	1.46
9.	Sandhya Padmanabh Baxi					
	At the beginning of the year	01-04-2017	21900	0.71	21900	0.71
	Purchase by Transmission	30-06-2017	20900	0.67	42800	0.67
	At the end of the year	31-03-2018	42800	1.38	42800	1.38
10.	Jayashree Bharat Shah					
	At the beginning of the year	01-04-2017	32400	1.04	32400	1.04
	Purchase / Sale	----	---	--	32400	1.04
	At the end of the year	31-03-2018	32400	1.04	32400	1.04
11.	Priti Shailesh Shah					
	At the beginning of the year	01-04-2017	6500	0.21	6500	0.21

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	Purchase / Sale	-----	---	--	6500	0.21
	At the end of the year	31-03-2018	6500	0.21	6500	0.21
12.	Sandhya Nalin Shah					
	At the beginning of the year	01-04-2017	6000	0.19	6000	0.19
	Purchase / Sale	-----	---	--	6000	0.19
	At the end of the year	31-03-2018	6000	0.19	6000	0.19
13.	Radhika V. Baxi					
	At the beginning of the year	01-04-2017	5800	0.19	5800	0.19
	Purchase / Sale	-----	---	--	5800	0.19
	At the end of the year	31-03-2018	5800	0.19	5800	0.19
14.	Prapti M. Joshipura					
	At the beginning of the year	01-04-2017	4700	0.15	4700	0.15
	Purchase / Sale	-----	---	--	4700	0.15
	At the end of the year	31-03-2018	4700	0.15	4700	0.15
15.	Manjula D Shah					
	At the beginning of the year	01-04-2017	3000	0.10	3000	0.10
	Purchase / Sale	-----	---	--	3000	0.10
	At the end of the year	31-03-2018	3000	0.10	3000	0.10
16.	Apurva B. Shah					
	At the beginning of the year	01-04-2017	100	0.003	100	0.003
	Purchase / Sale	-----	---	--	100	0.003
	At the end of the year	31-03-2018	100	0.003	100	0.003
17.	Nira N. Shah					
	At the beginning of the year	01-04-2017	100	0.003	100	0.003
	Purchase / Sale	-----	---	--	100	0.003
	At the end of the year	31-03-2018	100	0.003	100	0.003

NOTE - * CLASSIFIED AS PROMOTER'S RELATIVE.

Change in Promoter's Shareholding: Change in the promoters' shareholding took place due to intra
- promoters transmission upon death and no fresh purchase/sale took place during the year.

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(iii) **Shareholding Pattern of top ten Shareholders.**
(Other than directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	For each of the top 10 Shareholders	Date	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
1.	Pearl Bristlers Pvt. Ltd.					
	At the beginning of the year	01-04-2017	90000	2.90	90000	2.90
	Purchase of Shares		----	----	90000	2.90
	At the end of the year	31-03-2018	90000	2.90	90000	2.90
2.	Kiran N Bhayani					
	At the beginning of the year	01-04-2017	14400	0.46	14400	0.46
	Purchase of Shares		----	----	14400	0.46
	At the end of the year	31-03-2018	14400	0.46	14400	0.46
3.	Amigo Securities Private Limited					
	At the beginning of the year	01-04-2017	10000	0.32	10000	0.32
	Purchase of Shares		----	----	10000	0.32
	At the end of the year	31-03-2018	10000	0.32	10000	0.32
4.	Gunjan Patel					
	At the beginning of the year	01-04-2017	10000	0.32	10000	0.32
	Purchase of Shares		----	----	10000	0.32
	At the end of the year	31-03-2018	10000	0.32	10000	0.32
5.	Veerchandra K Vadera					
	At the beginning of the year	01-04-2017	9000	0.29	9000	0.29
	Purchase of Shares		----	----	9000	0.29
	At the end of the year	31-03-2018	9000	0.29	9000	0.29
6.	Aruna K Bhayani					
	At the beginning of the year	01-04-2017	5500	0.18	5500	0.18
	Purchase of Shares		----	----	5500	0.18
	At the end of the year	31-03-2018	5500	0.18	5500	0.18
7.	Ragini D Baxi					
	At the beginning of the year	01-04-2017	5300	0.17	5300	0.17
	Purchase of Shares		----	----	5300	0.17
	At the end of the year	31-03-2018	5300	0.17	5300	0.17
8.	Nilesh R Mehta					
	At the beginning of the year	01-04-2017	4400	0.14	4400	0.14
	Purchase of Shares		----	----	4400	0.14

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	At the end of the year	31-03-2018	4400	0.14	4400	0.14
9.	Purnima Anjaria					
	At the beginning of the year	01-04-2017	3200	0.12	3200	0.12
	Purchase of Shares		----	----	3200	0.12
	At the end of the year	31-03-2018	3200	0.12	3200	0.12
10.	Ketan V Lakhani					
	At the beginning of the year	01-04-2017	3100	0.31	3100	0.31
	Purchase of Shares		----	----	3100	0.31
	At the end of the year	31-03-2018	3100	0.31	3100	0.31

(V) Shareholding of Directors and Key managerial Personnel:

Sr. No.	For Each of the Directors and KMP	Date	Shareholding 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
1.	Kiran Padmanabh Baxi					
	At the beginning of the year	01-04-2017	70720	2.28	70720	2.28
	Purchase by Transmission	30-06-2017	200	0.006	70920	2.29
	At the end of the year	31-03-2018	70920	2.29	70920	2.29
2.	Vijay Padmanabh Baxi					
	At the beginning of the year	01-04-2017	67620	2.18	67620	2.18
	Purchase by Transmission	30-06-2017	1700	0.054	69320	2.24
	At the end of the year	31-03-2018	69320	2.24	69320	2.24
3.	Shailesh Dhirajlal Shah					
	At the beginning of the year	01-04-2017	59510	1.92	59510	1.92
	Purchase / Sale	----	---	--	59510	1.92
	At the end of the year	31-03-2018	59510	1.92	59510	1.92
4.	Nalin Dhirajlal Shah					
	At the beginning of the year	01-04-2017	51210	1.65	51210	1.65
	Purchase / Sale	---	---	--	51210	1.65
	At the end of the year	31-03-2018	51210	1.65	51210	1.65

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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
Indebtdness at the beginning of the financial year				
i) Principal Amount	-----	2780900	-----	2780900
ii) Interest Due but Not Paid	-----	-----	-----	-----
iii) Interest Accrued but not due	-----	-----	-----	-----
Total i + ii + iii	-----	2780900	-----	2780900
Change in indebtedness during the financial year				
i) Addition	-----		-----	
ii) Reduction	-----	50000	-----	50000
Net Change	-----	(-)50000	-----	(-)50000
Indebtedness at the end of the financial year				
i) Principal Amount		2730900	-----	2730900
ii) Interest Due but Not Paid	-----	-----	-----	-----
iii) Interest Accrued but not due	-----	-----	-----	-----
Total I + ii + iii	-----	2730900	-----	2730900

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, 2018.

For and on behalf of the Board,

Place: Vadodara
Date: 31/08/2018

Kiran Padmanabh Baxi
Chairman

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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 arms 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.
		Not Applicable				

(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 / arrangements/ Transactions	Salient terms of the contracts or arrangements or transactions including the value, if any (Outstanding as on 31 st March, 2018)	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in General Meeting as required under First proviso to Section 188.
Kiran Padmanabh Baxi Director	Unsecured Loan		25,000		--	Not Applicable
Shailesh Dhirajlal Shah Director	Unsecured Loan		12,00,900		---	Not Applicable
Syndicate Textile Collection (Proprietorship of Mr. Nalin Shah)	Unsecured Loan		9,05,000		---	Not Applicable
Mr. Nalin Shah Director	Unsecured Loan		6,00,000		---	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 SPECIALITY LUBES LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the 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 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial 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 matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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 misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the 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. 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Basis for Qualified Opinion

In the view of discontinued operations and no commercial operations by the company since 2006 and due to sale of substantial assets i.e entire plant and machinery during year it is uncertain that company may be able to revive its commercial operations in near future.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the aforesaid standalone 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 31st March 2018, and its loss and its cash flows for the year ended on that date:

Emphasis of Matters

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

- a) Note 29 to the financial statements which, describes the company has disposed of entire plant and machinery.
- b) Note 30 in the financial statements which indicates that the Company has accumulated losses and its net worth has been substantially eroded, the Company has incurred a net loss during the current and previous year's and, the Company's current liabilities exceeded its current assets as at the balance sheet date. These conditions, along with other matters set forth in Note 30, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

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 account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account,
- 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 March 31, taken on records by board of directors, none of the directors is disqualified as on March 31, 2018, 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 no pending litigations which would impact its financial position as on the date;
- 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, Hence, there is no delay in transferring the amount;
- iv. The disclosures regarding details of specified bank notes held and transacted during November 8, 2016 to December 30, 2016 has not been made since the requirement does not pertain to financial year ended March 31, 2018. However, corresponding disclosure as appearing in the audited financial statements for the period ended March 31, 2017 have been disclosed.

Place:-Vadodara
Date: 31/08/2018

For Shirish Desai & Co.
Chartered Accountants
FRN: 0112226W

CA Dilip K Thakkar
(Partner)
Membership No. 031269



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)

- I. In respect of its fixed assets:
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) The company has a regular programme of physical verification of its fixed assets by which fixed assets are verified at reasonable interval of time.
 - c) According to the information & explanations given to us & on the basis of our examination of records of the Company, there no immovable property held in the Name of Company.
- II. 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.
- III. The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the companies Act 2013.
- IV. In our opinion and according to information and explanations given to us, the company has not given any loans, made investments or given guarantees to persons covered u/s 185 of the companies Act, 2013. In respect of loans, investments, guarantee & security to parties, the company has complied with the provisions of section 186 of the companies Act, 2013.
- V. The company has not accepted any deposits from the public during the year to which the directives issued by the Reserve Bank of India & provision of section 73 to 76 & other relevant provisions of the act & the rules framed there under apply.
- VI. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the act, for any of the services rendered by the company.
- VII. 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, Goods and Service tax, 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 are following undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2018 for a period of more than six months from the date they become payable.

Name of the Statute	Nature of the Dues	Amount (Rs)	Period for which amount Relates	Department
Sales Tax	Indirect Tax	4,80,241	From 1992 to 2004	Sales Tax Department
Income Tax	Direct Tax	4,67,256	From 1996 to 1998	Income Tax Department

(b) According to the records of the Company, there are no dues outstanding of income-tax, Goods and Service Tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax and cess on account of any dispute.

- VIII. The company has not any outstanding of loans or borrowings from banks for more than 6 months as on balance sheet date.
- IX. The company did not raise any money by way of initial public offer or further public offer (including debt instruments) & term loans during the year. Accordingly, Paragraph 3(IX) of the order is not applicable.
- X. 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 course of our audit.
- XI. 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.
- XII. 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.

- XIII. According to Information & Explanation 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 act where applicable & details of such transaction have been disclosed the financial statements as required by the applicable accounting standards.
- XIV. According to the information & explanations given to us & based on examination of the records of the company, the company has not made any preferential allotment or private placement of shares of fully or partly convertible debenture during the year.
- XV. According to the information and explanations given to us & based on & 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.
- XVI. 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
FRN: 0112226W**

**Place:-Vadodara
Date: 31/08/2018**

**Dilip K Thakkar
(Partner)
Membership No. 031269**



ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT

Report on Internal Financial Controls over Financial Reporting

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of GUJARAT SPECIALITY LUBES LIMITED ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and 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, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over 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 assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the 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 and not be detected. 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 control 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 and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, 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
FRN: 0112226W**

**Place:-Vadodara
Date: 31/08/2018**

**Dilip K Thakkar
(Partner)
Membership No. 031269**

Balance Sheet as at 31st March 2018

₹ in rupees

Particulars	Note No.	As at 31st March 2018	As at 31st March 2017
EQUITY AND LIABILITIES			
Shareholder's funds			
Share capital	1	5,50,00,000	5,50,00,000
Reserves and surplus	2	(5,38,32,510)	(4,76,08,719)
Money received against share warrants			
		11,67,490	73,91,281
Share application money pending allotment			
Non-current liabilities			
Long-term borrowings			
Deferred tax liabilities (Net)	3	2,98,044	2,98,044
Other long term liabilities	4	27,30,900	27,80,900
Long-term provisions	5		
		30,28,944	30,78,944
Current liabilities			
Short-term borrowings			
Trade payables	6		
(A) Micro enterprises and small enterprises			
(B) Others		3,08,297	7,31,086
Other current liabilities	7	10,18,217	10,14,690
Short-term provisions	5	44,500	35,582
		13,71,014	17,81,358
TOTAL		55,67,448	1,22,51,583
ASSETS			
Non-current assets			
Fixed assets	8		
Tangible assets		44,03,963	1,10,19,639
Intangible assets			
Capital work-in-Progress			
Intangible assets under development			
Non-current investments	9	14,350	14,350
Deferred tax assets (net)	3		
Long-term loans and advances	10	2,05,000	2,30,000
Other non-current assets	11	73,500	1,47,000
		46,96,813	1,14,10,989
Current assets			
Current investments			
Inventories			
Trade receivables	12		6,11,250
Cash and cash equivalents	13	8,70,635	2,29,344
Short-term loans and advances	10		
Other current assets			
		8,70,635	8,40,594
TOTAL		55,67,448	1,22,51,583

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Shirish Desai & Co.
Chartered Accountants
(FRN: 0112226W)

For and on behalf of the Board of Directors

Dilip K Thakkar
Partner
Membership No.: 031269
Place: Vadodara
Date: 31/08/2018

Kiran Padmanabh Baxi
Director
DIN: 01715268

Vijay Padmanabh Baxi
Director
DIN: 01555721

SURVEY NO.1285-86,, ANAKHI, JAMBUSAR

Statement of Profit and loss for the year ended 31st March 2018

₹ in rupees

Particulars	Note No.	31st March 2018	31st March 2017
Revenue			
Revenue from operations			
Less: Excise duty			
Net Sales			
Other income	14	4,06,664	
Total revenue		4,06,664	
Expenses			
Cost of material Consumed			
Purchase of stock-in-trade			
Changes in inventories			
Employee benefit expenses			
Finance costs	15	923	1,053
Depreciation and amortization expenses			
Other expenses	16	66,29,532	11,51,765
Total expenses		66,30,455	11,52,818
Profit before exceptional, extraordinary and prior period items and tax		(62,23,791)	(11,52,818)
Exceptional items			
Profit before extraordinary and prior period items and tax		(62,23,791)	(11,52,818)
Extraordinary items			
Prior period item			
Profit before tax		(62,23,791)	(11,52,818)
Tax expenses			
Current tax			
Deferred tax			
Excess/short provision relating earlier year tax			
Profit(Loss) for the period		(62,23,791)	(11,52,818)
Earning per share			
Basic	17		
Before extraordinary Items		(2.01)	(0.37)
After extraordinary Adjustment		(2.01)	(0.37)
Diluted			
Before extraordinary Items			
After extraordinary Adjustment			

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Shirish Desai & Co.

Chartered Accountants

(FRN: 0112226W)

For and on behalf of the Board of Directors

Dilip K Thakkar
Partner
Membership No.: 031269
Place: Vadodara
Date: 31/08/2018

Kiran Padmanabh Baxi
Director
DIN: 01715268

Vijay Padmanabh Baxi
Director
DIN: 01555721

SURVEY NO.1285-86,, ANAKHI, JAMBUSAR

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March 2018

₹ in rupees

	PARTICULARS	31st March 2018	31st March 2017
A.	Cash Flow From Operating Activities		
	Net Profit before tax and extraordinary items(as per Statement of Profit and Loss)	(62,23,791)	(11,52,818)
	Adjustments for non Cash/ Non trade items:		
	Finance Cost	923	1,053
	(Profit) / Loss on Sale Of Assets	56,65,676	5,68,204
	Other Inflows / (Outflows) of cash	98,500	73,500
	Operating profits before Working Capital Changes	(4,58,692)	(5,10,061)
	Adjusted For:		
	(Increase) / Decrease in trade receivables	6,11,250	
	Increase / (Decrease) in trade payables	(4,22,789)	
	Increase / (Decrease) in other current liabilities	12,445	1,31,388
	Cash generated from Operations	(2,57,786)	(3,78,673)
	Net Cash flow from Operating Activities(A)	(2,57,786)	(3,78,673)
B.	Cash Flow From Investing Activities		
	Proceeds from sales of tangible assets	9,50,000	2,04,500
	Net Cash used in Investing Activities(B)	9,50,000	2,04,500
C.	Cash Flow From Financing Activities		
	Finance Cost	(923)	(1,053)
	Increase in / (Repayment) of Long term borrowings	(50,000)	3,10,000
	Net Cash used in Financing Activities(C)	(50,923)	3,08,947
D.	Net Increase / (Decrease) in Cash & Cash Equivalents(A+B+C)	6,41,291	1,34,774
E.	Cash & Cash Equivalents at Beginning of period	2,29,344	94,570
F.	Cash & Cash Equivalents at End of period	8,70,635	2,29,344
G.	Net Increase / (Decrease) in Cash & Cash Equivalents(F-E)	6,41,291	1,34,774

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Shirish Desai & Co.

Chartered Accountants

(FRN: 0112226W)

For and on behalf of the Board of Directors

Dilip K Thakkar
Partner
Membership No.: 031269
Place: Vadodara
Date: 31/08/2018

Kiran Padmanabh Baxi
Director
DIN: 01715268

Vijay Padmanabh Baxi
Director
DIN: 01555721

Note:

1. The Cash Flow Statement has been prepared by Indirect Method as per AS-3 issued by ICAI.
2. Figures of previous year have been rearranged/regrouped wherever necessary
3. Figures in brackets are outflow/deductions

SURVEY NO.1285-86,, ANAKHI, JAMBUSAR**Notes to Financial statements for the year ended 31st March 2018**

The previous year figures have been regrouped / reclassified, wherever necessary to confirm to the current year presentation.

Note No. 1 Share Capital

₹ in rupees

Particulars	As at 31st March 2018	As at 31st March 2017
Authorised :		
3100000 (31/03/2017:3100000) Equity shares of Rs. 10/- par value	3,10,00,000	3,10,00,000
2400000 (31/03/2017:2400000) Preference shares of Rs. 10/- par value	2,40,00,000	2,40,00,000
Issued :		
3100000 (31/03/2017:3100000) Equity shares of Rs. 10/- par value	3,10,00,000	3,10,00,000
2400000 (31/03/2017:2400000) Preference shares of Rs. 10/- par value	2,40,00,000	2,40,00,000
Subscribed and paid-up :		
3100000 (31/03/2017:3100000) Equity shares of Rs. 10/- par value	3,10,00,000	3,10,00,000
2400000 (31/03/2017:2400000) Preference shares of Rs. 10/- par value	2,40,00,000	2,40,00,000
Total	5,50,00,000	5,50,00,000

Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period**Equity shares**

₹ in rupees

	As at 31st March 2018		As at 31st March 2017	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the period	31,00,000	3,10,00,000	31,00,000	3,10,00,000
Issued during the Period				
Redeemed or bought back during the period				
Outstanding at end of the period	31,00,000	3,10,00,000	31,00,000	3,10,00,000

Preference shares

₹ in rupees

	As at 31st March 2018		As at 31st March 2017	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the period	24,00,000	2,40,00,000	24,00,000	2,40,00,000
Issued during the Period				
Redeemed or bought back during the period				
Outstanding at end of the period	24,00,000	2,40,00,000	24,00,000	2,40,00,000

Right, Preferences and Restriction attached to shares**Equity shares**

The company has only one class of Equity having a par value Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

Preference shares

The company has only one class of Preference having a par value Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Preference shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

Right, Preferences and Restriction attached to shares**Equity shares**

The company has only one class of Equity having a par value Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

Preference shares

SURVEY NO.1285-86,, ANAKHI, JAMBUSAR

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. Holder of these shares is not entitled to receive any dividend thereon. 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.

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.

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

Details of shareholders holding more than 5% shares in the company

Type of Share	Name of Shareholders	As at 31st March 2018		As at 31st March 2017	
		No. of Shares	% of Holding	No. of Shares	% of Holding
Preference [NV: 10]	Baxi Financial Consultant Private Ltd.	4,05,400	16.89	4,05,400	16.89
Preference [NV: 10]	Shanti Enterprise	13,73,000	57.21	13,73,000	57.21
Preference [NV: 10]	Kiran N. Bhayani	3,67,900	15.33	3,67,900	15.33
	Total :	21,46,300	89.43	21,46,300	89.43

Note No. 2 Reserves and surplus

₹ in rupees

Particulars	As at 31st March 2018	As at 31st March 2017
Surplus		
Opening Balance	(6,44,68,485)	(6,33,15,667)
Add: Addition during the year		
Less: Loss for the year	(62,23,791)	(11,52,818)
Closing Balance	(7,06,92,276)	(6,44,68,485)
Capital reserve		
Opening Balance	1,68,59,766	1,68,59,766
Add: Addition during the year		
Less : Deletion during the year		
Closing Balance	1,68,59,766	1,68,59,766
Balance carried to balance sheet	(5,38,32,510)	(4,76,08,719)

Note No. 3 Deferred Tax

₹ in rupees

Particulars	As at 31st March 2018	As at 31st March 2017
Deferred tax liability		
Deferred Tax Liability	2,98,044	2,98,044
Gross deferred tax liability	2,98,044	2,98,044
Net deferred tax liability	2,98,044	2,98,044

Note No. 4 Other long term liabilities

₹ in rupees

Particulars	As at 31st March 2018	As at 31st March 2017
Others		
Loan from Directors	27,30,900	27,80,900
	27,30,900	27,80,900
Total	27,30,900	27,80,900

SURVEY NO.1285-86,, ANAKHI, JAMBUSAR

Note No. 5 Provisions

₹ in rupees

Particulars	As at 31st March 2018			As at 31st March 2017		
	Long-term	Short-term	Total	Long-term	Short-term	Total
Other provisions						
Provision for Audit Fees		17,700	17,700		10,955	10,955
Provision for Legal and Professional Charges		25,000	25,000		15,000	15,000
Provision for Consultancy Charges					8,427	8,427
Provision for Rates and Taxes		1,800	1,800		1,200	1,200
		44,500	44,500		35,582	35,582
Total		44,500	44,500		35,582	35,582

Note No. 6 Trade payables

₹ in rupees

Particulars	As at 31st March 2018	As at 31st March 2017
(B) Others		
For Expenses	3,08,297	7,31,086
	3,08,297	7,31,086
Total	3,08,297	7,31,086

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 No. 7 Other current liabilities

₹ in rupees

Particulars	As at 31st March 2018	As at 31st March 2017
Others payables		
Duties and taxes	10,18,217	10,14,690
	10,18,217	10,14,690
Total	10,18,217	10,14,690

GUJARAT SPECIALITY LUBES LIMITED

(F.Y. 2017-2018)

SURVEY NO.1285-86,, ANAKHI, JAMBUSAR
Note No. 8 Property, Plant and Equipment (Fixed Assets) Chart as at 31st March 2018

₹ in rupees

	Assets		Gross Block							Accumulated Depreciation/ Amortisation				Net Block	
		Useful Life (In Years)	Balance as at 1st April 2017	Additions during the year	Revaluation increase (decrease)	Deletion during the year	Increase (Decrease) through net exchange difference	Other Adjustment (Gross Block)	Balance as at 31st March 2018	Balance as at 1st April 2017	Provided during the year	Deletion / adjustments during the year	Balance as at 31st March 2018	Balance as at 31st March 2018	Balance as at 31st March 2017
A	Tangible assets														
	Own Assets														
	Free hold - Factory Land		5,01,978						5,01,978					5,01,978	5,01,978
	Factory Building and Site		51,89,110						51,89,110	18,88,937			18,88,937	33,00,173	33,00,173
	Office Equipment		3,38,066						3,38,066	2,42,736			2,42,736	95,330	95,330
	Laboratory Equipment		9,51,149						9,51,149	4,93,906			4,93,906	4,57,243	4,57,243
	Furniture and Fixtures		1,46,001						1,46,001	96,762			96,762	49,239	49,239
	Plant and Machinery		1,45,21,781			1,45,21,781				82,69,906		82,69,906			62,51,875
	Electrical Installation		8,20,081			8,20,081				4,56,280		4,56,280			3,63,801
	Total (A)		2,24,68,166			1,53,41,862			71,26,304	1,14,48,527		87,26,186	27,22,341	44,03,963	1,10,19,639

Property, Plant and Equipment Fixed Assets Chart as at 31st March 2017

₹ in rupees

Property, Plant and Equipment - Fixed Assets (Part A) as at 31st March 2021															
	Assets		Gross Block							Accumulated Depreciation/ Amortisation				Net Block	
		Useful Life (In Years)	Balance as at 1st April 2016	Additions during the year	Revaluation increase (decrease)	Deletion during the year	Increase (Decrease) through net exchange difference	Other Adjustment (Gross Block)	Balance as at 31st March 2017	Balance as at 1st April 2016	Provided during the year	Deletion / adjustments during the year	Balance as at 31st March 2017	Balance as at 31st March 2017	Balance as at 31st March 2016
A	Tangible assets														
	Own Assets														
	Free hold - Factory Land		5,01,978						5,01,978					5,01,978	5,01,978
	Factory Building and Site		51,89,110						51,89,110	18,88,937			18,88,937	33,00,173	33,00,173
	Office Equipment		3,38,066						3,38,066	2,42,736			2,42,736	95,330	95,330
	Laboratory Equipment		9,51,149						9,51,149	4,93,906			4,93,906	4,57,243	4,57,243
	Furniture and Fixtures		1,46,001						1,46,001	96,762			96,762	49,239	49,239
	Plant and Machinery		1,63,16,608			17,94,827			1,45,21,781	92,92,029		10,22,123	82,69,906	62,51,875	70,24,579
	Electrical Installation		8,20,081						8,20,081	4,56,280			4,56,280	3.63,801	3,63,801
	Total (A)		2,42,62,993			17,94,827			2,24,68,166	1,24,70,650		87,26,186	1,14,48,527	1,10,19,639	1,17,92,343

The Company has not having any Intangible Assets.

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

GUJARAT SPECIALITY LUBES LIMITED**SURVEY NO.1285-86,, ANAKHI, JAMBUSAR****Note No. 9 Non-current investments****₹ in rupees**

Particulars	As at 31st March 2018	As at 31st March 2017
Trade Investment(Valued at cost unless stated otherwise)		
Investments in equity Instruments (Unquoted)		
In Others		
Equity Instrument (Lower of cost and Market value)	14,350	14,350
Gross Investment	14,350	14,350
Net Investment	14,350	14,350
Aggregate amount of unquoted investments	14,350	14,350

Note No. 10 Loans and advances**₹ in rupees**

Particulars	As at 31st March 2018		As at 31st March 2017	
	Long-term	Short-term	Long-term	Short-term
Security Deposit				
Unsecured, considered good	5,000		30,000	
	5,000		30,000	
Other loans and advances				
Unsecured, considered good(Head)	2,00,000		2,00,000	
	2,00,000		2,00,000	
Total	2,05,000		2,30,000	

Note No. 10(a) Loans and advances : Other loans and advances: Unsecured, considered good(Head)**₹ in rupees**

Particulars	As at 31st March 2018		As at 31st March 2017	
	Long-term	Short-term	Long-term	Short-term
Loans and Advances	2,00,000		2,00,000	
Total	2,00,000		2,00,000	

Note No. 11 Other non-current assets**₹ in rupees**

Particulars	As at 31st March 2018	As at 31st March 2017
Other Assets		
Preliminary Expenses	73,500	1,47,000
Total	73,500	1,47,000

Note No. 12 Trade receivables**₹ in rupees**

Particulars	As at 31st March 2018	As at 31st March 2017
Exceeding six months		
Unsecured, Considered Good		6,11,250
Total		6,11,250
Total		6,11,250

Note No. 13 Cash and cash equivalents**₹ in rupees**

Particulars	As at 31st March 2018	As at 31st March 2017
Balance with banks		
In Current account	8,66,352	1,81,260
Total	8,66,352	1,81,260
Cash in hand		
Cash on Hand	4,283	48,084
Total	4,283	48,084
Total	8,70,635	2,29,344

Note No. 14 Other income**₹ in rupees**

Particulars	31st March 2018	31st March 2017
Other non-operating income		
Prior Period Item (Excess provision written off)	1,682	

GUJARAT SPECIALITY LUBES LIMITED

SURVEY NO.1285-86,, ANAKHI, JAMBUSAR

Sundry Balances written off	4,04,982	
	4,06,664	
Total	4,06,664	

Note No. 15 Finance costs

₹ in rupees

Particulars	31st March 2018	31st March 2017
Other Borrowing costs		
Bank Charges	923	1,053
	923	1,053
Total	923	1,053

Note No. 16 Other expenses

₹ in rupees

Particulars	31st March 2018	31st March 2017
Audit fees	17,700	13,483
Tax and Consultancy		8,427
Advertisement Expenses	77,415	22,985
Legal and Professional Expenses	45,500	3,14,500
Rent , Rates and Taxes	13,120	23,500
Postage and Telephone Expenses	49,000	58,045
Website Charges	5,000	5,000
Misc. Expenses		9,521
Printing and Stationery	50,600	54,600
Preliminary expenses written off	73,500	73,500
Loss on Sale of Fixed Assets	56,65,677	5,68,204
AGM Holding Expenses	20,770	
Bad debts written off	6,11,250	
Total	66,29,532	11,51,765

Note No. 16(a) Other expenses:Bad debts written off

₹ in rupees

Particulars	31st March 2018
Bad debts (Amount more than 1 lakh & Pan not available)	6,11,250
Total	6,11,250

Note No. 17 Earning Per Share

₹ in rupees

Particulars	Before Extraordinary items		After Extraordinary items	
	31st March 2018	31st March 2017	31st March 2018	31st March 2017
Basic				
Profit after tax (A)	(62,23,791)	(11,52,818)	(62,23,791)	(11,52,818)
Weighted average number of shares outstanding (B)	31,00,000	31,00,000	31,00,000	31,00,000
Basic EPS (A / B)	(2.01)	(0.37)	(2.01)	(0.37)
Face value per share	10	10	10	10

GUJARAT SPECIALITY LUBES LIMITED

SURVEY NO.1285-86,OPP. SCOTT GLASS INDUSTRIES
LIMITED,ANAKHI,JAMBUSAR,BHARUCH,GUJARAT,392150
CIN : U23209GJ1991PLC016612,
Email : kiranbaxi2004@yahoo.com

18. SIGNIFICANT ACCOUNTING POLICIES & NOTES ON FINANCIAL STATEMENTS

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. Property, Plant & Equipment and Intangible assets (Fixed Assets and Depreciation):

Property, Plant & Equipment and intangible assets are stated at cost less accumulated depreciation/amortization and net of impairment. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable costs of bringing the item to its working condition for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

The cost of property, plant and equipment not available for use as at each reporting date is disclosed under capital work in progress.

Depreciable amount for assets is the cost of an asset, less its estimated residual value. Any gain or loss arising on the disposal or retirement of an item of Property, Plant & Equipment and intangible assets is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

When the use of a property changes from owner occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.
Depreciation on fixed assets is provided on the basis of utility of life specified in schedule III of the Companies Act, 2013.

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 outflow 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 costs are charged 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 subsequently 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 31st March,2017:

- 19.** During the year, there has been change in Accounting policy due to adoption of Accounting Standard-10 "Property, Plant and Equipment" in place of Former Accounting Standard-10 "Accounting for Fixed Assets" and Accounting Standard-6 "Depreciation Accounting"
- 20.** 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.
- 21.** 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 1st April, 2016. There have been no indications of impairment during the financial year ended 31st March, 2017.
- 22.** 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.
- 23.** Earnings in Foreign Currency: FOB Value Of Exports: NIL
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.** 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.

- 28.** During the year, Company has disposed of entire block of Plant and Machinery with Electrical Equipment, held as Substantial Asset having carrying value of Rs. 66,15,676, sold for Rs. 9,50,000 on the basis of Special Resolution passed by the shareholders of the Company through Postal Ballot as on 23rd April, 2016; which authorized Board of Directors to sell, transfer or otherwise dispose of the Land together with Building and other related assets pertaining to the property, held by the Company.
- 29.** The Company has accumulated losses and its net worth has been substantially eroded, the Company has incurred a net loss during the current and previous year's and, the Company's current liabilities exceeded its current assets as at the balance sheet date.
- 30.** The company has not followed AS 26 "Intangible Assets" i.e Preliminary Expenses are not written off in first year but amortized and written off in five years as per Income Tax Act, 1961. During the year company has written off Rs. 73,500 and has balance of Rs. 73,500 of Preliminary Expenses in Assets.
- 31.** Confirmation of concerned parties for the amounts due to them/account due from them as per the books of the company are not received, necessary adjustments, if any will be made when the accounts are reconciled and settled.

Related Party disclosures as per Accounting Standards – 18

Following are Transactions with related parties

Sr. No.	Particulars	Relation	Nature of Transaction	Amount (Previous Year Amount)	Maximum Amount during the year (for loans)
1.	K. P. Baxi	Director	Loan Taken	25000 (25000)	25000 (25000)
2.	S. D. Shah	Director	Loan Taken	1200900 (1200900)	1200900 (1200900)
3.	Syndicate Textile Collection (Proprietor: Nalin D Shah)	Director	Loan Taken	905000 (905000)	905000 (905000)
4.	Nalin D Shah	Director	Loan Taken	600000 (650000)	650000 (650000)

32. Auditor's Remuneration:

Particulars	2017-2018	2016-2017
Statutory Audit Fees	17700	10955
Income Tax Matters		8427
Total	17700	19382

- 33.** The company has reclassified previous year figures to confirm to this year's classification.

- 34.** The disclosures regarding details of specified bank notes held and transacted during November 8, 2016 to December 30, 2016 has not been made since the requirement does not pertain to financial year ended March 31, 2018. Corresponding disclosure as appearing in the audited financial statements for the period ended March 31, 2017 have been disclosed below:

Details of Specified Bank Notes (SBN) held and transacted during the period November 8, 2016 to December 30, 2016:

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 attached,

**For Shirish Desai & Co.
Chartered Accountants**

For and on behalf of Board of Directors,

**(Dilip K Thakkar)
Partner
Membership No. 031269
Registration No. 0112226W
Place:- Vadodara
Date: - 31/08/2018**

Kiran Padmanabh Baxi Director DIN : 01715268	Vijay Padmanabh Baxi Director DIN : 01555721
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M/s. Gujarat Speciality Lubes Ltd.
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ATTENDANCE SLIP

Annual General Meeting the Friday, 28th September 2018 at 1.00 p.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 Friday, the 28th September, 2018 at 1.00 p.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.

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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 Friday, the 28th September, 2018 at 1.00 p.m. at Survey No 1285-86, Opp. Scott Glass Industries Limited, Village Ankhi, Jambusar-392 150 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, 2018, and the reports of the Board of Directors ('the Board') and Auditors thereon.		
2.	To consider Re-appointment of Director.		
3.	To consider change of Registered office within the state of Gujarat.		

Signed this on ____ day of September, 2018.

Signature of the member

Signature of the proxy holder(s)

Affix Re.1
Revenue
Stamp

Note:

1. 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.
2. 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.
3. Your proxy will be entitled to vote in the manner as he/she may deem appropriate at 25th Annual General Meeting of Members of the Company, to be held on Friday, the 28th September, 2018 at 1.00 p.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.