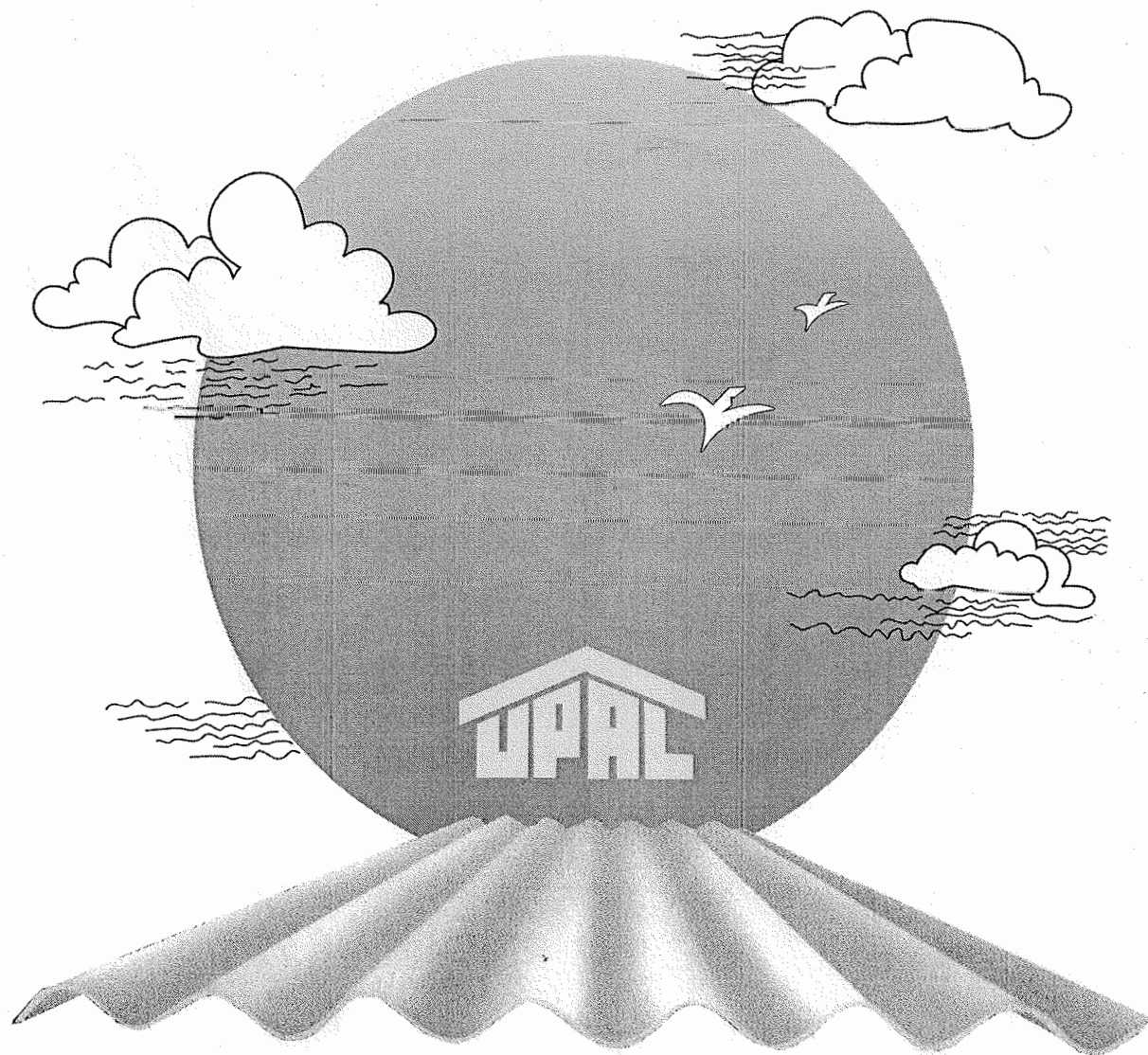


# **ANNUAL REPORT**

## **2022 - 2023**



**U.P. Asbestos Ltd.**

## **U.P. ASBESTOS LIMITED**

### **DIRECTORS** (As on 31.03.2023) :

Smt. Mala Agrawal (DIN 07134639)  
Shri Paras Nath Singh (DIN 08470004)  
Shri Qamar Syed Wajahat (DIN 01692185)  
Shri Amitabh Tayal (DIN 00556569), Managing Director  
Shri Priyank Tayal (DIN 00556534)

### **COMPANY SECRETARY & COMPLIANCE OFFICER**

Ms. Sakshi Pandey

### **BANKERS**

Union Bank of India  
Clarks Awadh Branch  
8, M.G. Road, Lucknow-226001

### **AUDITORS**

M/s Jain Kapoor & Company  
(ICAI Firm Registration Number 000705C),  
Chartered Accountants  
B-1/130 A, LGF, Vipul Khand-1, Gomti Nagar,  
Lucknow-226010 (U.P)

### **REGISTERED OFFICE**

P.O. Mohanlalganj  
Distt. Lucknow, U.P. - 226301

### **WORKS**

- i) P.O. Mohanlalganj  
Distt. Lucknow, U.P. - 226 301
- ii) VIII. (PO) Bishara  
Tehsil Dadri (Dadri NTPC Road)  
Distt. Gautam Budh Nagar, U.P. - 203007

### **ADMINISTRATIVE OFFICE**

Mahmoodabad Estate Bldg.,  
15, Hazratganj,  
Lucknow - 226 001 (U.P.)

To,  
The Members,

Your Directors have pleasure in presenting their 49<sup>th</sup> Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31<sup>st</sup>, 2023.

**1. Financial summary or highlights/Performance of the Company**

The Board's Report shall be prepared based on the stand alone financial statements of the company.

(Rs. In Lakhs)

Particulars	2022-23	2021-22
Revenue From operations	19,403.69	19,164.73
Other Income	1,077.78	606.48
<b>Profit/Loss Before Interest, Depreciation and Exceptional Items</b>	<b>2,167.57</b>	<b>2,047.18</b>
Finance Charges	1,154.38	1,043.63
<b>Profit/Loss before Depreciation and Tax</b>	<b>1,013.19</b>	<b>1,003.55</b>
Provision for Depreciation	410.37	423.34
Exceptional Item/Extraordinary Items	Nil	Nil
<b>Profit Before Tax/ Loss</b>	<b>602.82</b>	<b>580.21</b>
<b>Profit After Tax/ Net Loss(including Deferred Tax)</b>	<b>445.17</b>	<b>442.37</b>

**2. State of Company's affair**

Our company at present has two units-one at Lucknow and other at Dadri. The company had undergone restructuring and to enhance its financial positions and overall shareholders' value, the company has given its Dadri unit and Lucknow unit on lease. The aggregate lease rentals are shown as lease rentals.

During the financial year under review, your Company's revenue from operations has been Rs. **19,403.69/-** (in Lakhs) as compared to Rs. **19,164.73/-** (in Lakhs) last year. The company's revenue has increased by **1.24%** in comparison to last year; the company had a Profit before tax of Rs. **602.82/-** (in Lakhs) as compared to profit before tax of Rs. **580.21/-** (in Lakhs) last year, Profit after tax has been Rs. **445.17/-** (in Lakhs) compared to a profit after tax Rs. **442.37/-** (in Lakhs) in last year.

Highlights of the performance of the company had been discussed in detail in the Management Discussion and Analysis report attached as **Annexure III**.

**3. DIVIDEND**

To conserve the resources, the Board recommends no dividend during the year under report.

**4. RESERVES**

No amount is proposed to be transferred to the reserves during the year under report.

**5. DEPOSITS**

The company has not accepted any deposits from the public during the year under report.

**6. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

During the year the company witnessed no change in Board of Directors. The Board does not have any regular Chairman.

**7. DIRECTOR'S RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is confirmed that:

- in the preparation of the annual accounts for the year ended March 31, 2023, the applicable accounting standards have been followed and there are no material departures from the same;
- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2023 and of the profit of the company for the year ended on that date;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- the Directors have prepared the annual accounts of the Company on a going concern basis;
- the Directors had laid down the internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**8. EXTRACT OF ANNUAL RETURN**

As required pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in Form **MGT-9** as a part of this Annual Report as **ANNEXURE I** has been uploaded on website of the Company [www.upal.in](http://www.upal.in) under investor section.

**9. MEETINGS DURING THE YEAR**

The Board met Four times during the financial year ending on 31<sup>st</sup> March, 2023. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations"). For further details in respect of Composition, number and attendance of each director in various Committees of Board as required in accordance with Secretarial Standard-1 on Board Meetings and Listing Regulations, please refer Corporate Governance Report annexed herewith as **ANNEXURE II**.

**10. DETAILS OF FRAUD REPORTED BY THE AUDITORS UNDER SECTION 143(12) OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT**

No such fraud has been reported under section 143(12) of the Companies Act, 2013.

**11. SUBSIDIARY, ASSOCIATES & JOINT VENTURES**

As the Company has no subsidiary, associates & joint ventures, the Company is not required to provide a report on the performance and financial position of each of the subsidiaries, associates and joint venture companies included in the consolidated financial statements.

**12. PARTICULARS OF EMPLOYEES**

Pursuant to the Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, statement of particulars of employees is annexed as **ANNEXURE VI**.

**13. BOARD EVALUATION**

Regulation 10(19)(4) and 20(4) of LODR Regulations of the Listing Agreement mandates that the Board shall monitor and review the board evaluation framework. The Companies Act, 2013 states that an annual evaluation needs to be made by the board of its own performance and that of its committees and individual directors, Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The said criteria also contemplate evaluation of the directors based on their performance as director apart from their specific role as independent, non-executive and executive directors as mentioned below: -

1. Executive Director, being evaluated as directors as mentioned above, will also be evaluated on basis of targets/criteria given to them by board from time to time as well as their terms of appointment.
2. Independent Director, as director will be evaluated on meeting their obligations connected with their independence criteria as well as adherence with the requirements of professional conduct, roles, etc. applicable to independent directors as described in the Schedule IV of the Companies Act, 2013.  
None of the Independent Directors are due for retirement.

**BOARD AND ITS COMMITTEES**

During the financial year under review the Board and its committees were constituted in the following manner :-

Sr. No.	Name of Committee	Members	
1.	Audit Committee	Smt. Mala Agarwal	Chairperson
		Shri Paras Nath Singh	Member /NED
		Shri Qamar Syed Wajahat	Member /NED
		Ms. Sakshi Pandey	Secretary to the Committee
2.	Nomination and Remuneration Committee	Smt. Mala Agarwal	Chairperson
		Shri Paras Nath Singh	Member /NED
		Shri Qamar Syed Wajahat	Member /NED
		Ms. Sakshi Pandey	Secretary to the Committee

## DIRECTORS' REPORT



3.	Stakeholders' Relationship Committee	Smt. Mala Agarwal	Chairperson
		Shri Amitabh Tayal	Member /ED
		Shri Paras Nath Singh	Member /NED
		Ms. Sakshi Pandey	Secretary to the Committee
4.	Share Transfer Committee	Shri Amitabh Tayal	Chairman
		Smt. Mala Agarwal	Member /NED
		Ms. Sakshi Pandey	Secretary to the Committee
5.	Internal Audit Committee	Shri Amitabh Tayal	Chairman
		Shri Priyank Tayal	Member/ED
		Smt. ShaillyTayal	Member
		Ms. Sakshi Pandey	Secretary to the Committee

#### 14. DECLARATION BY AN INDEPENDENT DIRECTOR(S) AND REAPPOINTMENT, IF ANY

The company has received declaration from all the Independent Director(s) under section 149 (6) of the Companies Act, 2013 that he/she meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and the Listing Guidelines.

#### 15. DETAILS OF EQUITY SHARES WITH DIFFERENTIAL VOTING RIGHTS, ESOP'S & SWEAT EQUITY

The Company has not issued any equity shares with differential voting rights, ESOP's & Sweat Equity.

#### 16. AUDITORS

##### A. STATUTORY AUDITOR:

The Auditors, M/s Sharma Prakash & Associates had retired and Jain Kapoor & Co., Chartered Accountants Lucknow were appointed in place of the retiring Auditor as the Statutory Auditor of the company for a term of 5 years. The Auditors in their Report to the members as attached herewith have given 2 qualified opinions and the response of your directors with respect to it is as follows: -

1. Auditors have expressed inability to comment on the short provision and unable to compute the impact on profit on account of short provision in respect of outstanding of trade receivable exceeding one year.
2. Auditors are unable to comment on the extent of impairment losses, if any, not recognised by the company in the financial statements and the impact of the same on the profit for the year and reserves and surplus of the company as at year-end.

##### Response to Point 1.

The Company has changed its business line from manufacturing to leasing in FY 2021-22. Outstanding more than one year pertains to those parties who had business transactions with the Company before change of business. For FY 2022-23, The Company has recovered Rs. 1800.08 lacs out of these parties from the total outstanding debtors relating to manufacturing activity of Rs. 2516.48 lacs as on 31 Mar'2022. The Company is hopeful in recovering the balance amount in due course of time.

##### Response to Point 2.

The company has undertaken warehouse project on vacant land at its Mohanlalganj, Lucknow premises for which capital expenditure of Rs. 681.55 lacs has been incurred and debited under the head Capital work in progress. The said project has been on hold since fresh negotiations with Phoenix Mills Ltd. for joint construction of warehouse are under progress. The management estimates that the recoverable amount of the capital expenditure incurred on the warehousing project by the company is higher than the carrying amount since further construction is proposed to be undertaken on the area in continuation with the construction already done and the capital expenditure already incurred by the company shall be considered as Company's contribution towards joint construction cost under the project. The company is, therefore, of the opinion that capital expenditure incurred for the warehouse project as on 31 March, 2023 is not impaired in terms of Ind AS – 36 notified under the Companies (Indian Accounting Standard) Rules, 2015.

##### A. SECRETARIAL AUDIT REPORT:

In terms of Section 204 of the Companies Act, 2013 and Rules made there under, M/s. Aditya & Associates, Practicing Company Secretary had been appointed as the Secretarial Auditors of the Company for the financial year ending on 31<sup>st</sup> March, 2023. The Secretarial Audit report for the **F.Y. 2022-23** is attached as **ANNEXURE IX** to this report.

##### B. INTERNAL AUDITOR:

M/s M. Rishabh & Associates had been appointed as its Internal Auditor. During the year, the Company implemented their suggestions and recommendations to improve the control environment. Their scope of work

includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

**C. COST AUDITOR:**

M/s SHISHIR JAISWAL & CO., Cost Accountants (Firm Registration No. 102450) were appointed as the "Cost Auditors" of the Company for the Financial Year 2022-23, for all the applicable products, pursuant to the provisions of Section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014. The Company has prepared and maintained cost accounts and records for the Financial Year 2022-23, as per sub-section (1) of Section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014.

**17. MATERIAL CHANGES AND COMMITMENTS, AFFECTING FINANCIAL POSITION OF THE COMPANY OCCURRING BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY AND THE DATE OF THE REPORT**

No material change has occurred affecting the financial position of the company between the end of the financial year of the company and date of the report.

**18. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS.**

The company has adequate internal financial control with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

**19. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:**

No such order has been passed against the Company.

**20. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:**

The company has made loans and investment within the prescribed limit of section 186 of the Companies Act, 2013 and rules made thereunder and also elaborated in **Note 55** of the Balance Sheet. The Loans made are detailed as under: -

SL. No.	Details of Borrower	Amount (in Lakhs)	Purpose of loan/investment for the recipient	Date of BR	Date of SR (if reqd)	ROI (%)
1.	Casmet Packagings Pvt Ltd.	100.00	Business Operation	20.05.2013	NA	12
2.	Shri Ghata Mehendipur Balaji LLP	150.00	Business Operation	25.07.2017	NA	12
3.	Ubuild Better Private Limited	515.34	Business Operation	14.08.2020	24.09.2020	10.50
4.	Prabhat Ramesh Land Developers LLP	200.00	Business Operation	27.12.2021	NA	12

**21. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto shall be disclosed in Form No. **AOC-2** as **ANNEXURE-VII**.

**22. CORPORATE GOVERNANCE & MANAGEMENT DISCUSSION AND ANALYSIS**

The Corporate Governance Report, Management Discussion and Analysis Report, the Certificate of Practicing Company Secretary's certifying compliance of conditions of Corporate Governance and the Declaration for Code of Conduct by the company has been made part of the Annual Report and annexed herewith as **ANNEXURE II, III, IV, and V**. A CFO certification is attached herewith as **ANNEXURE X**.

**23. VIGIL MECHANISM**

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for Directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at [www.upal.in](http://www.upal.in) under investors/policy documents/Vigil Mechanism Policy link.

**24. OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

In order to prevent sexual harassment of women at work place a new act The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been notified on 9<sup>th</sup> December, 2013. Under the said Act every company is required to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at work place of any women employee. Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up Committee for implementation of said policy. During the year Company has not received any complaint of harassment.

**25. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

A statement giving details of conserving of energy, technology absorption, foreign earnings and outgo in accordance with Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014 is annexed to the Directors Report as **ANNEXURE-VIII**.

**26. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

During the Financial Year 2022-23, your Company was required to spend Rs.10,40,734 towards CSR Activities in terms of the mandatory provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, while the actual CSR spending for the year was ₹ 12,00,000/-. Thus, the mandatory amount for the Financial Year 2022-23 has been fully spent by the Company.. Therefore, the company spent the said amount through Madhayam Samajik Sanstha.

Further CSR contribution is less than Rs.50,00,000/- and hence the Company is exempt from formation of CSR Committee under Section 135(9) of the Companies Act, 2013. All the function related to CSR shall be performed by the Board of Directors itself. The report on CSR is attached as **ANNEXURE-XI**.

**27. LISTING WITH STOCK EXCHANGES**

The Company was earlier listed with Delhi Stock Exchange Limited and UP Stock Exchange Limited. However, with de-recognition of Delhi Stock Exchange and UP Stock Exchange, the company got its shares listed with Metropolitan Stock Exchange of India Ltd. w.e.f. 08.02.2016. The Company has made payment of all dues to the Stock Exchanges.

**28. Optimizing Financial Arrangements and Enhancing Asset Value**

Our company has successfully transferred all its loans previously held with Union Bank of India to Kotak Mahindra Bank Limited and ICICI Bank Limited. This transition has enabled us to benefit from a lower interest rate, resulting in improved financial terms for the company. Furthermore, we are pleased to note that the valuation of the land and building of the company has experienced a significant increase. This strategic move reflects our commitment to optimizing our financial arrangements and capitalizing on the enhanced value of our assets.

**29. ACKNOWLEDGEMENTS**

An acknowledgement to all with whose help, cooperation and hard work the Company is able to achieve the results.

For : U.P. Asbestos Limited

Place: Lucknow  
Date: 11.08.2023

(Priyank Tayal)  
Whole-time Director  
(DIN: 00556534)

(Amitabh Tayal)  
Managing Director  
(DIN: 00556569)

**COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

The Company firmly believes in practicing good and effective Corporate Governance and endeavors to improve on these aspects on an ongoing basis. These must balance individual interest with corporate goals and operate within accepted norms of propriety, equity, fair play and sense of justice. Accountability improves decision-making and transparency helps to explain the rationale behind decisions, and thereby builds shareholders and other stakeholders' confidence.

In keeping with the essence and philosophy of Corporate Governance, the Company has adopted a frame-work governed by values of quality, customer orientation, commitment, discipline, integrity, transparency, teamwork and trust. The Company is making all efforts to imbibe high standards of corporate governance.

UPAL's philosophy of corporate governance is based upon commitment of the Board of Directors and the senior officers of the company in managing the company in a transparent manner for maximizing long term shareholder value. Adequate control systems exist to enable the Board to effectively discharge its responsibilities in making fair and transparent decisions.

**BOARD OF DIRECTORS**
**Composition of the Board**

The composition of the Board is in conformity with Regulation 17 of SEBI (LODR) Regulations, 2015 which stipulates that if the Chairman is a non-executive Director, at least one-third of the Board should comprise of independent Directors. The appointments made during the year are on the recommendation of the Nomination and Remuneration Committee after considering the qualifications, positive attributes.

**Composition & Category of Directors**

Particulars	Number of Directors	Percentage of composition
Executive Director	2	40%
Non-executive Directors	3	60%
<b>Total</b>	<b>5</b>	<b>100%</b>

Total non-executive directors are 3 out of whom 3 directors are non-executive independent directors.

**Director's Attendance Record, Directorship held and Status**

During the year under review, 4 Board meetings were held and conducted on 26<sup>th</sup> May, 2022; 10<sup>th</sup> August 2022; 11<sup>th</sup> November 2022 and 10<sup>th</sup> February, 2023. The composition of Board of Directors, attendance of directors at the board meetings and Annual General Meeting and also the number of other directorships in Indian Public Limited Companies and memberships of the committees of the Board of such companies are as follows:

Name of the Director	Category of Director	Attendance at last AGM	No. of Board meetings attended	No. of other Directorships in Public Ltd. Companies	No. of meetings eligible to attend	Other Board's Committees	
						Chairman	Member
Shri Qamar Syed Wajahat	*NED	Yes	04	NIL	04	NIL	02
Smt. Mala Agarwal	*NED	Yes	04	NIL	04	03	01
Shri Priyank Tayal	ED	Yes	03	NIL	04	NIL	01
Shri Amitabh Tayal	ED	Yes	04	1	04	02	01
Shri Paras Nath Singh	*NED	Yes	04	NIL	04	NIL	03

\* Non Executive Independent Director & ED-Executive Director

**(iii) Disclosure of relationships between directors inter-se**

Name of the Director	Designation of Director	Relationships Inter-se
Shri Paras Nath Singh (DIN: 08470004)	Non-executive Independent Director	No Relationship Inter se
Shri Qamar Syed Wajahat (DIN:01692185)	Non-executive Independent Director	No Relationship Inter se
Smt. Mala Agarwal (DIN: 07134639)	Non-executive Independent Director	No Relationship Inter se
Shri Priyank Tayal (DIN: 00556534)	Whole-time Director	Son of Shri Amitabh Tayal, who is a Managing Director of the Company
Shri Amitabh Tayal (DIN: 00556569)	Managing Director	Father of Shri Priyank Tayal, who is a Whole-time Director of the Company



None of the Directors is a member of more than 10 Board level Committees or is a Chairman of more than 5 such Committees.

**AUDIT COMMITTEE**

The composition of the Audit Committee is in conformity with the SEBI (LODR) Regulations, 2015 and under Section 177 of the Companies Act, 2013. All the members of the committee are financially literate. There were 4 (Four) Meetings of the Audit Committee held during the Financial Year 2022-23, (i.e., May 26, 2022, August 10, 2022, November 11, 2022 and February 10, 2023). The particulars of the meeting attended by the members and changes in composition during the year are as follows:-

Name of the Director	Position	No. of Meetings		No. of Meetings entitled to attend
		Held	Attended	
Smt. Mala Agarwal	Chairperson	04	04	04
Mr. Paras Nath Singh	Member	04	04	04
Shri Qamar Syed Wajahat	Member	04	04	04
Ms. Sakshi Pandey	Secretary to the Committee			04

**Role of Audit Committee**

The Audit Committee has been formed to provide directions and review functions of the Audit Department. It will evaluate internal audit policies, plan, procedure and performance and review the other functions through various internal audit reports and other year-end certificate issued by the Statutory Auditors, to ensure accurate and timely disclosure that maintain the transparency, integrity and quality of financial control and reporting.

**Powers of Audit Committee**

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

**INDEPENDENT DIRECTORS MEETINGS**

The Composition of the Board is in conformity with point no. VII. of Schedule IV of Companies Act, 2013. The independent directors of the company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of management. All the independent directors of the company were present at such meeting.

Name of the Director	Position	No. of Meetings		No. of Meetings entitled to attend
		Held	Attended	
Shri Qamar Syed Wajahat	Member	01	01	1
Smt. Mala Agarwal	Chairperson	01	01	1
Shri Paras Nath Singh	Member	01	01	1

**STAKEHOLDERS' RELATIONSHIP COMMITTEE**

(Earlier Known as Shareholders' Grievance Committee)

The Composition of Stakeholders' Relationship Committee is in conformity with the SEBI (LODR) Regulations, 2015 and under Section 178 of the Companies Act, 2013. The Company Secretary is the Compliance Officer. There were 4 (Four) Meetings of the Stakeholders Relationship Committee held during the Financial Year 2022-2023, (i.e., May 26, 2022, August 10, 2022, November 11, 2022 and February 10, 2023). The particulars of the meeting attended by the members and changes in composition during the year are as follows: -

Name of the Director	Position	No. of Meetings		No. of Meetings entitled to attend
		Held	Attended	
Smt. Mala Agarwal	Chairperson	04	04	04
Shri Amitabh Tayal	Member	04	04	04
Shri Paras Nath Singh	Member	04	04	04
Ms. Sakshi Pandey	Secretary to the Committee			04

**Details of investors' complaints received and redressed**

The total numbers of complaints redressed to the satisfaction of the investors during the year ended at 31st March 2023 were 27.

**Role of Stakeholders' Relationship Committee**

- To monitor the security holders' grievance
- To remedy the grievance.
- To make efforts to minimize grievance.

**Powers of Stakeholders' Relationship Committee**

- To call for information from any Officer or Registrar & Share Transfer Agent or
- To issue necessary directions for remedy of Security holders grievance.

**SHARE TRANSFER COMMITTEE**

The Share Transfer Committee comprises following persons to enable it to accord its approval on the request for transfer of physical shares of the company lodged from time to time. There was 1(one) Meeting of the Share Transfer Committee held during the Financial Year 2022-2023, (i.e., March 17, 2023).The particulars of the meeting attended be the members and changes in composition during the year are as follows:-

Name of the Director	Position	No. of Meetings		No. of Meetings entitled to attend
		Held	Attended	
Shri Amitabh Tayal	Chairman	01	01	01
Smt. Mala Agarwal	Member	01	01	01
Ms. Sakshi Pandey	Secretary to the Committee			01

**NOMINATION & REMUNERATION COMMITTEE**

(Earlier Known as Remuneration Committee)

The Composition of Nomination & Remuneration Committee is in conformity with the SEBI (LODR) Regulations, 2015 and under Section 178 of the Companies Act, 2013.The Company Secretary is the Compliance Officer. There were 3 (Three) Meetings of the Nomination & Remuneration Committee held during the Financial Year 2022-2023, (i.e., May 26, 2022, November 11, 2022 and February 10, 2023). The particulars of the meeting attended be the members and changes in composition during the year are as follows: -

Name of the Director	Position	No. of Meetings		No. of Meetings entitled to attend
		Held	Attended	
Smt Mala Agarwal	Chairperson	03	03	03
Shri Qamar Syed Wajahat	Member	03	03	03
Shri Paras Nath Singh	Member	03	03	03
Ms. Sakshi Pandey	Secretary to the Committee			03

**INTERNAL AUDIT COMMITTEE**

The Composition of Internal Audit Committee is in conformity with the SEBI (LODR) Regulations, 2015 and Companies Act, 2013.The Company Secretary is the Compliance Officer. There was 01 (One) Meeting of the Internal Audit Committee held during the Financial Year 2022-2023, (i.e. November 25, 2022). The particulars of the meeting attended be the members and changes in composition during the year are as follows: -

Name of the Director	Position	No. of Meetings		No. of Meetings entitled to attend
		Held	Attended	
Shri Amitabh Tayal	Chairman	01	01	01
Shri Priyank Tayal	Member	01	01	01
Smt. Shailly Tayal	Member	01	01	01
Ms. Sakshi Pandey	Secretary to the Committee			01

**GENERAL BODY MEETINGS**

49<sup>th</sup> Annual General Meeting would be held on 29<sup>th</sup> September, 2023.

Details of last three Annual General Meetings are as follows –

Financial Year	Date	Time	Venue	No. of Special Resolutions considered
2019-2020	24.09.2020	11.00 A.M.	Mohanlalganj, Lucknow-226301	03
2020-2021	27.09.2021	11.00 A.M.	Mohanlalganj, Lucknow-226301	05
2021-2022	27.09.2022	11.00 A.M.	Mohanlalganj, Lucknow-226301	00

No business requiring approval by way of Postal Ballot is proposed to be transacted at the forthcoming Annual General Meeting.

**DISCLOSURES**

Related Party Transaction and their basis

There were no materially significant transactions of the company with the Directors or the Management or their relatives etc. that may have any potential conflict with the interests of the Company at large and all related party transactions made during the year are as per statutory compliance of the relevant statute in this regard.

Disclosure of Accounting Treatment

The financial statements are prepared under the historic cost convention and statements have been prepared in accordance with applicable mandatory accounting standards prescribed by the Institute of Chartered Accountants of India & relevant presentational requirement of the Companies Act, 2013.

Financial Year of the Company starts from 1<sup>st</sup> April of a year and ends on 31<sup>st</sup> March of the subsequent following year.

**MEANS OF COMMUNICATION**

Information to Stock Exchanges and Newspaper publicity –

The Company has always promptly reported dates of its various Board Meetings, General Meetings, Book Closures / Record Date to Stock Exchanges and also published information pertaining thereto in reputed newspapers for information of shareholders.

Quarterly / Half-yearly/Annual Results of the Company are published in the newspapers in compliance of SEBI (LODR)

<b>Listing on Stock Exchanges</b>	Metropolitan Stock Exchange of India Ltd.
<b>ISIN No.</b>	INE181C01016
<b>Share Transfer Agent</b>	KFIN TECHNOLOGIES LIMITED. Karvy Selenium Tower B, Plot No. 31-32 Gachibowli, Financial District, Nanakramguda, Seriligampally Mandal Hyderabad – 500032
<b>Share Transfer System</b>	1. Equity Shares in physical form are processed by the share transfer agents of the Company. Transfer of Dematerialized shares can be affected by following the procedure prescribed for the purpose by two national depositories namely NSDL and CDSL with whom the Company has entered into an agreement. 2.Pursuant Regulation 40(9) of SEBI (LODR) Regulations, 2015, a Practicing Company Secretary has been issuing on half yearly basis Certifying that all transfers have been affected within the prescribed period.

Regulations, 2015 or the website of the Company [www.upal.in](http://www.upal.in)

**GENERAL SHAREHOLDER INFORMATION**

<b>Annual General Meeting</b>	<b>Date</b> :	29 <sup>th</sup> September, 2023
	<b>Time</b> :	11:00 AM
	<b>Venue</b> :	P.O. Mohanlalganj, Lucknow – 226301

Dates of Book Closures from 22.09.2023 to 28.09.2023 both days inclusive

Distribution Schedule as on 31.03.2023 is follows –

DISTRIBUTION SCHEDULE AS ON 31/03/2023					
Sl.	Category	Cases	% of Cases	Amount	% Amount
1	1-5000	893	77.58	19,14,710.00	2.11
2	5001- 10000	107	9.29	7,22,500.00	0.79
3	10001- 20000	70	6.08	10,01,000.00	1.09
4	20001- 30000	27	2.34	6,96,000.00	0.76
5	30001- 40000	7	0.60	2,30,00.00	0.25
6	40001- 50000	5	0.43	2,37,000.00	0.26
7	50001- 100000	3	0.26	1,65,000.00	0.19
8	100001 & Above	39	3.38	8,61,05,720.00	94.55
	<b>Total</b>	<b>1151</b>	<b>100.00</b>	<b>9,10,71,930.00</b>	<b>100.00</b>

**Other Disclosure:**

The company has adopted various policies as applicable under SEBI (LODR), 2015 guidelines available on the website of the Company www.upal.in

**Dematerialization of Shares**

The trading of Company's equity shares falls under the category of compulsory delivery in dematerialized mode in respect of all categories of investors. The members are encouraged to go in for dematerialization of their shareholding to derive benefits of scrip less trading. As on 31<sup>st</sup> March 2023, the position of NSDL & CDSL was as under-

Category	No. of Shares	(%)
<b>A. DEMAT</b>		
NSDL	68,85,531	75.61
CDSL	6,29,091	6.91
<b>B. PHYSICAL</b>	15,92,571	17.48
<b>TOTAL [A+B]</b>	<b>91,07,193</b>	<b>100.00</b>

**ADDRESSES:**

<b>Registered Office</b>	P.O. Mohanlalganj, Distt. Lucknow (U. P.) – 226 301	Tel. No.: +91 7897885557-58
<b>Corporate Office</b>	Mahmoodabad Estate Bldg., 15-Hazratganj, Lucknow – 226001	Tel. No.: 0522-2622905-6,

**PLANT LOCATIONS:**

Plants: 1 – 3	P.O. Mohanlalganj, Distt. Lucknow (U. P.) – 226 301	Tel. No.: +91 7897885557-58
Plant: 4	PO. Bishara , Tehsil – Dadri, Distt. Gautam Budh Nagar (U. P.) - 203 007	Tel. No.: +91 8750315566

**COMPLIANCE OFFICER**

Ms. Sakshi Pandey  
U. P. Asbestos Ltd.  
Mahmoodabad Estate Building,  
15, Hazratganj, Lucknow – 226 001  
Phone : 0522 – 2622905  
Email : cs@upasbestos.com

**UNCLAIMED DIVIDENDS/DEPOSITS & INTEREST**

The amount of dividend/deposits or interest thereon remain un-claimed for a period of 7 years, is transferred to the credit of Investors Education & Protection Fund in accordance with the provisions of section 124(5) & (6) of the Companies Act, 2013.

**NOMINATION FACILITIES**

Shareholders who hold shares in the physical form and wish to make/change a nomination in respect of their shareholding in the Company, as permitted under section 72 of the Companies Act, 2013, may submit to the Registrar and Transfer Agent/Company.

**"Important Update: Ensure Your KYC, Signature, and Nomination Details are Updated before 01.10.2023"**

As per the SEBI Circular (SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37) dated 16.03.2023, we kindly request all our valued investors to promptly update their KYC, Signature, and Nomination details. To facilitate this process, please visit the provided link: <http://www.upal.in/home/investors> and download the necessary forms from the 'Forms' section.

For : **U.P. Asbestos Limited**

Place: Lucknow

Date: 11.08.2023

**(Priyank Tayal)**  
Whole-time Director  
(DIN: 00556534)

**(Amitabh Tayal)**  
Managing Director  
(DIN: 00556569)

## MANAGEMENT DISCUSSION AND ANALYSIS

Your company is engaged in the business manufacturing and marketing of fibre and cement sheets under the brand name "UPAL". The Company has made a strategic shift to play it safer and increase the profitability and has given both the units on fixed long term lease at attractive lease amounts. Management Discussion and Analysis is provided hereunder:

### Industry Structure and Development

This industry exists for the last 49 years in India. Cement Asbestos Products continue to be in demand because of the efforts made in making inroads into rural markets for the product, its affordability and other qualities such as corrosion resistance, weather and fire proof nature. Currently there are about 20 entities in the Industry with about 53 manufacturing plants with an annual capacity of approximately 4 million metric tonnes of cement asbestos sheet throughout the Country.

The International Monetary Fund (IMF) described the Indian economy as the "bright spot" in the global landscape. Indian economy showed a visible growth compared to last year. The GDP exhibited a promising projection of 6.1% growth for the fiscal year 2022-2023. Looking ahead, the IMF anticipates India's growth to moderate slightly, forecasting a 6.8% expansion in the subsequent fiscal year of 2023-2024.

### Opportunities for A.C. Sheets

AC Roofing Sheets are being used in large scale for roofing purposes, cattle sheds, godowns, etc. besides commercial use of this product. The Indian population consists of 60% of rural sector and with increased focus of government to develop the infrastructure and housing facility in the rural sector the cement asbestos sector is likely to grow.

The abnormal hike in the cost of building material such as Cement, Steel, etc. besides the increased cost of labour and in comparison to GI Sheet, A.C. Sheet is found to be much cheaper and durable. This factor led the users to switch over to A.C. products which they find more cost effective and users friendly.

Cement, fly ash etc. are our main raw materials. Cement & fly ash is available in the proximity of our plants. Our industry performance is directly linked to performance of rural/semi-urban economies. The year 2020-21 and 2021-22 noticed slow growth owing to the poor monsoon, COVID-19 pandemic and market uncertainty as compared to 2022-23. The industry witnessed a significant slowdown in rural demand due to poor monsoon. Capacity build up over last few years by many players also resulted in excess supply. Demand off-take was also weaker than expected due to muted growth in infrastructure sector. The company has a developmental approach and is upgrading technology with automated plant and incorporating Solar Energy project.

### Strength, Threats, Risks and Concerns & Business Segment

Through a strong formal system which from time to time & periodically indicates risk areas, UPAL identifies risk prone areas and evaluates consequences; initiates risk mitigation strategies and implements corrective actions wherever required.

Our Company is at present having two units – one at Lucknow and another at Dadri. Lucknow unit has three plants whereas Dadri Unit has only one plant. The Company has made a strategic shift to play it safer and increase the profitability and has given both the units on fixed long term lease at attractive lease amounts.

These initiatives of the Company has enabled the Company to carry out business restructuring in improving its financial position, earning capacities, the net worth and result in enhancement of overall shareholder's values. The improved earnings shall be available for developing more profitable opportunities & reducing debt.

### Internal control systems and their Adequacy

For better control of all activities and management information the company has designed and developed various systems of controls, procedures over the years.

The internal audits are being conducted periodically to review all its operational activities, administrative procedures to have proper control. The reports on the audits are reviewed and corrective action is taken, if necessary. The existing procedures and systems ensure that all the transactions be checked at every level. The reports are also placed periodically before the Audit Committee.

**Finance**

The company continued its thrust on effective working capital management. During the year under review the Company has recorded a Sales Turnover(Net) of Rs.17,529.99 lac, Profit before Tax of Rs. 602.82 lac and Profit (Net) of Rs.445.17 lac as against Sales Turnover (Net) of Rs.17,892.17 lac, Profit before Tax of Rs.580.21 and Profit (Net) of Rs.442.37 lac respectively in the previous year.

**Human Resources/Industrial Relations**

Our Company is dedicated to the development of the employees and maintaining a good relationship with them. There have been excellent relations between the employees at various levels and the management. During the year under review, the Management has made sincere and continuous efforts for the development of an atmosphere of mutual cooperation, confidence and honour duly recognizing the rights of the workers. The excellent Industrial Relations at all the manufacturing plants of UPAL continue to be cordial.

**For : U.P. Asbestos Limited**

**Place: Lucknow**

**Date: 11.08.2023**

**(Priyank Tayal)**

**Whole-time Director  
(DIN: 00556534)**

**(Amitabh Tayal)**

**Managing Director  
(DIN: 00556569)**

**ADITYA & ASSOCIATES**

Practicing Company Secretaries

Office : 307-308, Murli Bhawan, Ashok Marg, Lucknow-226001

Mobile : 94536 59707 ; E-mail : csmanishaditya@gmail.com

**CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE**

To,  
The Members,  
**U. P. ASBESTOS LIMITED,**  
**(CIN - L26942UP1973PLC003743)**  
**PO Mohanlalganj, Lucknow, UP -226301**

1. We have examined the compliance of conditions of Corporate Governance by U. P. ASBESTOS LIMITED ("the Company"), for the year ended on March 31, 2023, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India.
4. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the respective periods of applicability as specified under paragraph 1 above, during the year ended March 31, 2023.

We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: 11.08.2023  
Place: Lucknow

For Aditya & Associates  
Company Secretaries

CS Aditya Agrawal  
Proprietor  
Membership No: FCS 8780  
CP: 16366  
UDIN: F008780E000771245  
P.R.C. No. – 1812/2022



**Declaration of Compliance with code of conduct  
(As required under Regulation 17(5) of SEBI (LODR) Regulations, 2015, the declaration for Code  
of Conduct)**

**The Members of  
U.P. Asbestos Limited**

This is to certify that as provided under Regulation 17(5) of SEBI (LODR) Regulations, 2015, the Board Members and the Senior Management personnel have affirmed to the compliance with the Code of Conduct and Ethics for the twelve months' period ended on March 31, 2023.

**For U.P. Asbestos Limited**

**Place: Lucknow  
Date: 11.08.2023**

**(Priyank Tayal)  
Whole-time Director  
(DIN: 00556534)**

**(Amitabh Tayal)  
Managing Director  
(DIN: 00556569)**

Details pertaining to remuneration as required under section 197(12) of the Companies Act, 2013 read with rule 5(1) of the companies (appointment and remuneration of managerial personnel) rules, 2014

- a. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, during the financial year, Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

SL	Name of Director/KMP and Designation	Remuneration of Director/KMP for financial year 2022-23	% increase in Remuneration in the Financial Year 2022-23	Ratio of remuneration of Director/KMP to median remuneration of employees
1.	Amitabh Tayal (Managing Director)	22,52,461.00	0.10	9.92
2.	Priyank Tayal (Whole Time Director)	27,64,467.00	0.03	12.17
3.	Gaurav Arora (Chief Financial Officer)	16,02,421.00	0.11	7.06
4.	Sakshi Pandey (Company Secretary)	5,43,861.00	0.26	2.39

- b. The median remuneration of employees of the Company during the financial year ending on 31.03.2023 was: **227061**
- c. The percentage increase in the median remuneration of employees in the Financial Year ending on 31.03.2023: **0.16**
- d. Number of permanent employees on the rolls of the Company as on March 31, 2023: **177 (excluding the KMP)**
- e. Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. **2022-23** was **8.00%** whereas the increase in the managerial remuneration for the same financial year was **0.06%**.
- f. The key parameters for any variable component of remuneration availed by the directors: **N/A**
- g. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: **N/A**
- h. It is hereby affirmed that the remuneration is as per the as per the Remuneration Policy of the Company.

Information as required under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and forming part of the Director's Report for the Financial Year ended 31.03.2023

Following disclosures are required in respect of following employees:

Top ten employees in terms of salary withdrawn;

- if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than one Crore and two Lakhs rupees; **None**
- if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakhs fifty thousand rupees per month; **None**
- if employed throughout the financial year or part thereof, was in receipt of remuneration in that year, which in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company; **None**

For U.P. Asbestos Limited

Place: Lucknow  
Date: 11.08.2023

(Priyank Tayal)  
Whole-time Director  
(DIN: 00556534)

(Amitabh Tayal)  
Managing Director  
(DIN: 00556569)

**FORM NO. AOC -2**

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

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

**1. Details of contracts or arrangements or transactions not at Arm's length basis- N.A.**

None of the contracts or arrangements or transactions entered by the company with related parties is beyond Arm's length basis.

**2. Details of contracts or arrangements or transactions at Arm's length basis.**

**\*NOTE:**

- 1. A detailed description of the Related Party Transactions entered during the year is disclosed as Note 37 of the Financial Statements.**
- 2. Transaction of payment of remuneration is as per the terms approved by shareholders. The advances to made employees reflects advances salary entered as per the terms of their condition of service as applicable to all employees.**

**For U.P. Asbestos Limited**

Place: Lucknow  
Date: 11.08.2023

**(Priyank Tayal)**  
Whole-time Director  
(DIN: 00556534)

**(Amitabh Tayal)**  
Managing Director  
(DIN: 00556569)

FORM A: Conservation of Energy

	Current Year 2022-23	Previous Year 2021-22
<b>1. Electricity</b>	NIL	
(a) Purchased		
Unit		29,57,040
Total Amount		Rs.2,54,91,904.00/-
Rate/unit		Rs.8.62/-
(b) Own Generation		
(i) Through Diesel Generator		
Unit		121819
Unit per Ltr. Of Diesel Oil		3.23 Unit/Ltr
Cost/unit		Rs.27.89
(ii) Through steam turbine/generator		
Units		
Units per ltr. of fuel oil/gas		
Cost/unit		
<b>2. Coal (specify quality and where used)</b>		
Quantity (tones)		
Total cost		
Average rate		
<b>3. Furnace oil</b>		
Quantity (kl. ltrs.)		
Total amount		
Average rate		
<b>4. Others/internal generation (please give details)- SOLAR</b>		
Quantity	3,45,595	
Total cost	Rs.12,31,192/-	
Rate/unit	Approx. Rs.3.56 PU	

**FORM B: Foreign Exchange Earnings/Outgo: -**

The company has made expenditure in Foreign exchange amounting to overseas travelling and Rs.NIL interest on Buyers Credit.

For U.P. Asbestos Limited

Place: Lucknow  
Date: 11.08.2023

(Priyank Tayal)  
Whole-time Director  
(DIN: 00556534)

(Amitabh Tayal)  
Managing Director  
(DIN: 00556569)

**ADITYA & ASSOCIATES**

Practicing Company Secretaries

Office : 307-308, Murli Bhawan, Ashok Marg, Lucknow-226001

Mobile : 94536 59707 ; E-mail : csmanishaditya@gmail.com

**SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31.03.2023**

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

To,  
The Members,  
U.P. Asbestos Limited  
CIN: L26942UP1973PLC003743

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **U.P. Asbestos Limited** (hereinafter referred to as the Company). Secretarial Audit has been conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2023 complied with the statutory provisions listed here under and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

- We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2023 to ascertain the compliance of various provisions of:
  - (i) The Companies Act, 2013 and the rules made thereunder;
  - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
  - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
  - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
    - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and 2015;
    - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the Company has not issued any shares during the financial year 2022-23)**
    - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company has not issued any shares during the financial year 2022-23)**
    - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company has not issued any shares during the financial year 2022-23)**
    - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) (Amendment) Regulations, 2006 regarding the Companies Act and dealing with client; **(Not applicable to the Company has not issued any shares during the financial year 2022-23)**
    - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Financial Year 2022-23)**

- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. **(Not applicable to the Company during the Financial Year 2022-23);**
- (vi) The Employees State Insurance Act, 1948
- (vii) Employees Provident Fund and Miscellaneous Provisions Act, 1952
- (viii) Employers Liability Act, 1938
- (ix) Environment Protection Act, 1986 and other environmental laws
- (x) Air (Prevention and Control of pollution) Act, 1981
- (xi) Factories Act, 1948
- (xii) Industrial Dispute Act, 1947
- (xiii) Payment of Wages Act, 1936 and other applicable labour laws.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with the Metropolitan Stock Exchange of India Limited (MSEI) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We report that during the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that**

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried through while the dissenting member's views are captured and recorded as part of the minutes.

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

**We further report that** during the audit period there were no instance having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines and standards, etc. referred to above.

**Note:** This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.

**Date: 11.08.2023**  
**Place: Lucknow**

**For Aditya & Associates**  
**Company Secretaries**

**CS Aditya Agrawal**  
**Proprietor**  
**Membership No: FCS 8780**  
**CP: 16366**  
**UDIN: F008780E000753581**  
**P.R.C. No. – 1812/2022**

To,  
The Members,  
**U.P. Asbestos Limited**  
**Lucknow**

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
5. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**Date: 11.08.2023**  
**Place: Lucknow**

**For Aditya & Associates**  
**Company Secretaries**

**CS Aditya Agrawal**  
**Proprietor**  
**Membership No: FCS 8780**  
**CP: 16366**  
**UDIN: F008780E000753581**  
**P.R.C. No. – 1812/2022**

**Certificate under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015**

This is to certify that:

1. We have reviewed financial statements and the cash flow statement for the year ended on 31<sup>st</sup> March, 2023 and that to the best of our knowledge and belief:
  - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps they have taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit committee:
  - i. significant changes in internal control over financial reporting during the year;
  - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.
5. We confirm that all Directors and Members of the Senior Management have affirmed compliance with UPAL's Code of Business Conduct & Ethics.

**Amitabh Tayal**  
**Managing Director**  
**DIN: 00556569**

**Gaurav Arora**  
**Chief Financial Officer**

**Place: Lucknow**  
**Date: 11.08.2023**



**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the CSR policy and projects or programmes CSR policy is stated herein below:

**CSR Policy**

The Company's programs are guided by Corporate Social Responsibility Policy ('CSR Policy') duly approved by the Board. The Company's CSR Policy framework details the mechanisms for undertaking various programs in accordance with section 135 of the Companies Act, 2013 (the "Act") read with Schedule VII to the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 ("Rules") for the benefit of the community.

The Company is committed towards its works and its CSR policy by making a big and lasting difference, through sustainable measures, by actively contributing to the Social, Economic and Environmental development of the community in which we operate ensuring participation from the community and thereby create value for the nation.

Our CSR initiatives focus on social-economic development of host communities and create social awareness towards the literacy, and providing the infrastructure to the poor people, BPL class and down trodden category of the society to avail the basic education facility, free of cost or at nominal cost depending upon their socio-economic condition. To pursue these objectives we will continue to:

Engage actively in eradicating illiteracy and extending educational opportunities. We offer financial support to promote education, including special education, while also focusing on empowering children, women, the elderly, and individuals with differing abilities through enhanced vocational skills training. Our commitment extends to uplifting the underserved segments of society through livelihood enhancement projects. Additionally, we provide essential medical assistance to those in need, particularly in rural areas. And now, with our Plantation Drive initiative, we're taking an extra step to nurture the environment and foster a greener, healthier world.

Collaborate with like minded bodies like voluntary organizations, Charitable Trust, Governments, academic institutes, Non- Government Organization in pursuit of our goals.

Interact regularly with stakeholders, review and publicly report our CSR initiatives.

2. **Prescribed CSR Expenditure:**

Average net profit of the Company for last three financial years:Rs.5,20,36,702/- (Rupees Five CroresTwenty Lacs Thirty Six Thousand and Seven HundredTwo Only). The Company is required to spend Rs.10,40,734/- (Rupees Ten lacs Forty thousand Seven Hundred Thirty-Four Only ) towards CSR expenditure for the F.Y. 2022-23.

3. **Details of CSR expenditure during the financial year 2022-23.**

The Board of Directors had decided to develop 10 Model villages by holistic approach with a focus to promote eco system in the Block Mohanlalganj of district Lucknow in the state of Uttar Pradesh. For this the Company had collaborated with "Madhyamik Samajik Sanstha (MSS)" a non-profit and non- political organization for implementing its CSR activities and other allied activities. The MSS is entrusted with the responsibility to execute the CSR Policy of the Company as approved by the Board to comply with the CSR requirements as per the provision of section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility) Rules, 2014. The contribution towards the CSR obligation under the said provisions has been transferred to the account of the MSS. MSS has spent Rs.12,00,000/- (Rupees Twelve Lacs only) provided by the company in Tree plantation Drive, School level Programmes & Free Distribution of Warm Clothes.A responsibility statement of the Board members that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

- a) Total amount to be spent for the financial year: Rs. 12,00,000/- (Rupees Twelve Lacs only)
- b) Manner in which the amount spent during the financial year is detailed below.

Sl. No.	Project / Implementing Agency	Sector	Amount spent on the projects or programs	Amount spent : Direct or through implementing agency (Through MSS)
1.	MSS	Tree Plantation Drive	6,36,756.00	6,36,756.00
		School Level Programme	1,65,785.00	1,65,785.00
		Free distribution of warm clothes	76,854.00	76,854.00
		Administrative Expenses	3,20,605.00	3,20,605.00
	<b>Total</b>		<b>12,00,000.00</b>	<b>12,00,000.00</b>

For U.P. Asbestos Limited

Place: Lucknow  
Date: 11.08.2023

(Priyank Tayal)  
Whole-time Director  
(DIN: 00556534)

(Amitabh Tayal)  
Managing Director  
(DIN: 00556569)

**JAIN KAPOOR & CO.  
CHARTERED ACCOUNTANTS**

**B-1/130A, LGF, VIPUL KHAND-1,  
GOMTI NAGAR,  
LUCKNOW –226010.**

**INDEPENDENT AUDITORS' REPORT**

**To The Members of  
U.P. Asbestos Limited**

**Report on the Audit of the Financial Statements**

**Qualified Opinion**

We have audited the accompanying financial statements of U.P. Asbestos Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (here-in-after referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ("Ind AS") specified under section 133 of the Act, of the state of affairs of the Company as at 31<sup>st</sup> March, 2023, and its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Basis for Qualified Opinion**

1. Attention is invited to Note 9 of Notes to Financial Statements wherein the company has given an ageing schedule of Trade Receivables outstanding as at year-end. In respect of Trade Receivables outstanding for a period exceeding one year as at the balance sheet date, the company has made provision for bad & doubtful debts of Rs. 153.49 lacs. However, in the absence of any evidence being produced before us by the management regarding the realizability of such debts, we are unable to comment on the short provision, if any, on account of bad and doubtful debts in respect of the same in the financial statements. The impact on the profit of the company on account of short provision, if any, for bad & doubtful debts cannot, therefore, be ascertained.
2. Attention is invited to Note 36(b) of Notes to the Financial Statements wherein the management has stated that capital expenditure of Rs. 681.55 Lacs debited under Capital Work-in-progress in respect of the warehouse project of the company which is on hold, is not impaired in terms of Ind AS-36 notified under the Companies (Indian Accounting Standards) Rules, 2015. In the absence of necessary evidence on the basis of which the management has estimated that the recoverable amount of the capital expenditure incurred on the warehousing project by the company is higher than the carrying amount, we are unable to comment on the extent of impairment, if any, in this regard in terms of Ind AS-36 notified under the Companies (Indian Accounting Standards) Rules, 2015. The impact on the profit of the company on account of impairment, if any, of Capital Work in progress cannot, therefore, be ascertained.

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

**Emphasis of Matters**

1. Balance with Revenue Authorities in Note 7(2)(ii) of Notes to Financial Statements include Rs. 169.26 Lacs determined by the management as refundable from Sales Tax Department for various years. Pending completion of assessments/appeals of the company by the revenue authorities, the ultimate outcome of liability against the company/ refund due to the company cannot presently be determined. Consequently, no provision for any liability that may result has been made in the financial statements. (Also refer Note 40 of Notes to financial statements)

2. Attention is invited to Note 46 of Notes to Financial Statements regarding non-confirmation/ non-reconciliation of balances with parties.
3. Attention is invited to Note 60 of Notes to Financial Statements regarding shortage of inventory of AC sheets assessed by the Goods & Services Tax (GST) department during the course of search operations on the company during the year.
4. We draw attention to Note 52 of Notes to Financial Statements regarding acceptance of payment in respect of outstanding trade receivables by the company through RTGS instead of by realizing payment by depositing cheques appearing in the financial statements as Cheques in Hand.
5. We draw attention to Note 53 of Notes to financial statements regarding the matter contained therein.

**Our opinion is not qualified/ modified in respect of these matters.**

**Key Audit Matters**

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<b>The Key Audit Matter</b>	<b>How the matter was addressed in our audit</b>
<p><b><u>Physical Verification and Valuation of Inventory</u></b></p> <p>Inventory of asbestos fibre of Rs. 623.66 Lacs carried in the financial statements and lying in stock at Mohanlalganj, Lucknow premises of the company is a significant part of the Total Inventory of the Company.</p> <p>Consequent to leasing by the company of its manufacturing facilities at Mohanlalganj, Lucknow unit, the inventory belonging to the Company as well as that belonging to the lessee is being kept adjoining to each other in the same premises.</p> <p>In view of significant management judgement involved in Identification of inventory belonging to the company and physically verifying and categorizing the unsaleable items of inventory for valuation of the same at lower of cost or net realizable value, we determined this area to be an area of audit focus, and accordingly, a key audit matter.</p>	<p>The management has identified the inventory of asbestos fibre and has represented to us that the same belongs to the company. The management has further represented that the godown in which the inventory of asbestos fibre is kept is in the physical control of the company. We have placed reliance on the aforesaid representations of the management (Refer Note 63 of Notes to Financial Statement). In addition, following audit procedures were applied in this area:</p> <p>(a) Obtaining an understanding of the areas used by both the parties for storing their inventories and identifying the godown in which, as represented by the management, inventory belonging to the company has been stored.</p> <p>(b) Obtaining the physical verification report of the inventory conducted by the management and comparing the quantity of physical stock mentioned in stock audit report with the book records.</p> <p>(c) Obtaining an understanding of the useful life of asbestos fibre and manner in which it may become unsaleable due to damage or obsolescence.</p> <p>(d) Evaluating the sale price of inventory sold subsequent to the balance sheet date and the entries passed in the books of account and stock records.</p>

**Other Matters**

1. We have been explained that the Company has leased its manufacturing facilities at both its units i.e. Mohanlalganj, Lucknow and Dadri Units to companies under the same group. As part of the lease agreement, the company is also obligated to supply asbestos fibre to the lessees at cost price. The agreement between the company and the lessee does not envisage any specific terms of payment against supply of asbestos fiber by the company. Consequently, the company carries substantial outstanding balances recoverable from the parties under the said Group in the form of Unsecured Trade Receivables. Out of total Outstanding Trade Receivables (net of credit balances) of Rs. 3963.12 Lacs

as at year-end, the outstanding balance recoverable by the company from the said Group is Rs. 3330.41 Lacs. The company, therefore, have a significant exposure in the form of unsecured Trade Receivables towards one Group. Our opinion is not modified in respect of this matter.

2. The comparative financial information of the company for the year ended 31st March, 2022 are based on the previously issued Financial Statements audited by the predecessor auditor whose report for the year ended 31st March 2022 dated 26th May 2022 expressed a qualified opinion on those financial statements.

#### **Information Other than the Financial Statements and the Auditors' Report thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report, but does not include the financial statements and our auditors' report thereon.

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

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

#### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

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

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risk of material misstatement of the financial statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide the basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control.
- Obtain an understanding of internal control in relevance to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for explaining our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosure made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence, whether a material uncertainty exist related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that the material uncertainty exist, we are required to draw attention in our auditor's report to related disclosure in the financial statements or, if such disclosure are inadequate, to modify our opinion. Our conclusions are based on audit evidence obtain up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the Key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that our matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

1. As required by the Companies (Auditor's Report) Order, 2020 ("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 matters specified in paragraphs 3 and 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 purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - (d) Except to the extent stated above in paragraph 2 of Basis for Qualified Opinion, 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 stated to have been received from the directors as on 31<sup>st</sup> March, 2023 and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure 'B'.
  - (g) As required by Section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V of the Act.
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the

explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 33 of Notes to the financial statements.
- ii. As informed to us, the Company did not enter into any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- v. The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vi. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.
- vii. The company has not declared or paid any dividend during the year.
- viii. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

for **Jain Kapoor & Co.,**  
Chartered Accountants  
(Firm Reg. No.: 000705C)

Place : Lucknow  
Date : 24.05.2023

**Radhika Tandon**  
Partner  
Membership No. 400478  
UDIN: 23400478BGZFER9017

**ANNEXURE 'A' TO INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS OF U. P. ASBESTOS LIMITED FOR THE YEAR ENDED 31.03.2023.** (Referred to under Report on Other Legal and Regulatory Requirements in our Independent Auditors' Report of even date)

- (i) (a) (A) The Company is maintaining records of Property, Plant & Equipment. In our opinion, the records maintained by the company need to contain particulars of quantity, situation and identification of Property, Plant & Equipment in a manner that the entry in the records can be easily identified with the concerned asset.  
 (B) As informed to us, the company does not have any intangible assets. Accordingly, clause 3(i)(a)(B) of the order is not applicable.
- (b) As informed to us, the company has devised a program for physical verification of Property, Plant and Equipment in a phased manner so that all items of Property, Plant & Equipment are verified once every three years. In our opinion the frequency of verification is reasonable. However, in the absence of any evidence being produced before us of physical verification of Property, Plant and Equipment conducted by the management during the year, we are unable to comment whether any material discrepancies were noticed during the course of such verification.
- (c) We have been explained that the title deed of immovable properties is applicable only in respect of land held by the company. We have been informed that land is held in the name of the company, however, since the title deeds of land are pledged with the bank, hence the photocopy of the title deeds of land was produced before us for verification.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets or both during the year.
- (e) It has been represented to us by the management that no proceedings have been initiated or are pending against the company under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) It has been represented to us by the management that no discrepancies of 10% or more in aggregate for each class of inventory were noticed during the course of physical verification conducted by the management at year-end except for materials lying with third parties for which no physical verification has been conducted. However, in our opinion, consequent to leasing by the company of its manufacturing facilities at Mohanlalganj, Lucknow unit and the fact that inventory belonging to the Company and that belonging to the lessee is being kept adjoining to each other in the same premises, the company ought to have conducted physical verification of inventory at shorter intervals during the year. With respect to physical verification conducted by the management at year-end of inventory identified by the management and represented to us as belonging to the company, we are of the opinion that the coverage and procedure of physical verification of the same is appropriate. (Also refer Note 60 of Notes to Financial Statements)
- (b) The company has been sanctioned working capital limits in excess of five crore rupees from banks which is secured against current assets of the company. The statements produced before us for verification, stated to have been filed by the company with such banks, are generally in agreement with the books of accounts of the company.
- (iii)(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments in or provided guarantee or security to companies, firms, Limited Liability partnerships (LLPs) or any other parties during the year. However, the Company has granted unsecured loans and advances in the nature of loans during the year to companies and other parties, details of which are stated below:
- (A) As represented to us by the management, the Company does not have any subsidiaries, joint ventures and associates.
- (B) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has granted unsecured loans and advances in the nature of loans to parties other than subsidiaries, joint venture and associates as per details given below:

(Amount in Rs. lacs)

PARTICULARS	Loans to Companies	Advances in the nature of loans – Employee advances
Aggregate amount of loan or advances in the nature of loans granted during the year	185.74	23.75



## AUDITORS' REPORT



Balance with reference to the above loans or advances in the nature of loans granted during the year and outstanding at the Balance Sheet date	185.74	10.81
--	--------	-------

- (b) In our opinion and according to the information and explanations furnished to us, the terms and conditions of interest-bearing unsecured loans of Rs. 515.34 Lacs granted by the company to a related party is not prejudicial to the interests of the company. In respect of other loans of Rs. 450.00 lacs, the terms and conditions informed to us by the management is that the same are interest-bearing, unsecured, repayable on demand and are granted for use for business purposes of the lending party. In the absence of borrower's financial standing, credit rating and other evidences for determining borrower's ability to repay the loan as and when demanded, we are unable to comment whether the same are prejudicial to the Company's interests.
- (c) It has been explained to us that the above unsecured loans and interest thereon are repayable on demand and there is no schedule of repayment of principal and payment of interest. Hence, we are unable to comment on the regularity of receipt of principal and interest on the aforesaid loans.
- (d) As there are no stipulations regarding receipt of principal and interest, we are unable to comment whether principal and interest were overdue for recovery.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loans granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans or advances in the nature of loans given to same parties.
- (f) The company has granted loans or advances in the nature of loans repayable on demand, the details of which are herein given below:

(Amount in Rs. Lacs)

Particulars	Related Party	Other Parties	Total Loans Granted
Aggregate Amount	515.34	450.00	980.27
Percentage			98.48%

- (iii) In our opinion and according to the information and explanations given to us, in respect of loans granted and investments made, the Company has complied with the provisions of section 185 and 186 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits during the year within the meaning of section 73 to section 76 or any other relevant provisions of the Act and the Rules framed thereunder. Further, the management is of the opinion that the deposit from dealers (including unclaimed deposits) shall not qualify as deposits within the meaning of section 73 to section 76 or any other relevant provisions of the Act and the Rules framed thereunder. (Refer Note 50 of Notes to Financial Statements)
- (vi) We have been informed that the Company has maintained cost records pursuant to Section 148(1) of the Act. We have been explained that the said records are being updated for current year. We have, therefore, not been able to make an examination of the cost records with a view to determine whether they are accurate or complete (Refer note 58 of Notes to Financial Statements)
- (vii) (a) On the basis of information and explanations given to us and according to the records of the company, amounts deducted/ accrued in the books of account in respect of the undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to the company are generally being regularly deposited by the company with the appropriate authorities. According to the books of accounts and other information and explanations furnished to us, we report that there are no undisputed statutory dues as at the last day of the financial year outstanding for a period of more than six months from the date they become payable except Rs. 0.14 lacs for the financial year 2010-11 under the Maharashtra Value Added Tax Act, 2002, Rs. 2.17 lacs and Rs. 0.64 lacs for the financial year 2004-05 and 2012-13 respectively under the Central Sales Tax Act, 1956 and Rs. 0.18 lacs in respect of service tax under the Finance Act, 1994.
- (b) The information furnished to us by the management regarding the amount involved and the forum where the dispute is pending in respect of statutory dues referred to in sub-clause (a) above which have not been deposited

## AUDITORS' REPORT



on account of any dispute are given here-in-below:

Name of the Statute	Nature of the Dues	Amount (Rs. in lacs)	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax Act, 1956	Central Sales Tax	6.34	2006-07	Addl. Commissioner (Appeal) Lucknow
		1269.44	2009-10	Tribunal, Lucknow*
Central Sales Tax Act, 1956	Central Sales Tax alongwith interest & Penalty	97.23	2002-03	Maharashtra Sales Tax Tribunal
		125.51	2003-04	Jt Commissioner of Sales Tax (Appeal), Nagpur
		110.90	2004-05	Jt Commissioner of Sales Tax (Appeal), Nagpur
		34.51	2005-06	Dy. Commissioner of Sales Tax (Appeal), Nagpur
The Uttar Pradesh Tax on Entry of Goods Act, 2007	Entry Tax	1.06	2006-07	Tribunal, Lucknow
		1.76	2009-10	Tribunal, Lucknow*
Income Tax Act, 1961	Income Tax	176.53	2012-13(A.Y.)	Allahabad High Court (Department appeal)
	Income Tax	159.55	2013-14(A.Y.)	Allahabad High Court (Department appeal)
Central Excise Act, 1944	Excise Duty	22.21	02-06-1998	Allahabad High Court (Department Appeal)
	Cenvat Credit Penalty	168.03	2005-06 to 2009-10	Allahabad High Court (Department Appeal)
		168.03		
Sevice tax	17.17	April to June 2017	Commissioner (Appeals) Custom, CGST & Central Excise	
BST Act, 1959	Sales Tax alongwith interest & penalty	1.49	2003-04	Jt Commissioner of Sales Tax (Appeal), Nagpur
U.P. Trade Tax Act	Trade Tax	16.74	2006-07	Tribunal, Lucknow
Uttar Pradesh	Value Added	4.48	2009-10	Tribund, Lucknow
Uttaranchal Vat Act, 2005	Uttaranchal Vat	1.88	2001-02	Jt Commissioner (A) CT Dehradun
		15.62	2002-03	- do -
		14.29	2003-04	- do -
		15.38	2004-05	- do -
		10.71	2005-06	Addl. Commissioner (Appeal) Dehradun

\* Refer note no. 33 of Notes to Financial Statements wherein it has been stated that subsequent to the balance sheet date the matter has been remanded back by the Commercial Tax Tribunal, Lucknow to the Jt. Commissioner (Commercial Tax), Lucknow for fresh adjudication.

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix)(a) According to the information and explanations furnished to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or other lender.
- (c) To the best of our knowledge and belief and according to the information and explanations given to us, term loans availed by the company during the year has been applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The company does not have any subsidiaries, joint ventures or associate companies. Hence, clause (ix) (e) of the Order is not applicable.
- (f) The company does not have any subsidiaries, joint ventures or associate companies. Hence, clause (ix) (f) of the Order is not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi)(a) It has been represented to us by the management that no fraud by the company or any fraud on the company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) It has been represented to us by the management that no whistle blower complaints have been received during the year.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3 (xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv)(a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the report of the Internal Auditors of the Company issued till date for the period under audit.
- (xv) According to information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi)(a) As informed to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) As informed to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities.

Accordingly, clause 3(xvi)(b) of the Order is not applicable.

- (c) As informed to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CICs
- (xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

for **Jain Kapoor & Co.**  
Chartered Accountants  
(Firm Reg. No.: 000705C)

Place : Lucknow  
Date : 24.05.2023

**Radhika Tandon**  
Partner  
Membership No. 400478  
UDIN: 23400478BGZFER9017

---

**ANNEXURE 'B' TO INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS OF U. P. ASBESTOS LIMITED FOR THE YEAR ENDED 31.03.2023** (Referred to in paragraph 2(f) under Report on Other Legal and Regulatory Requirements in our Independent Auditors' Report of even date)

---

**Report on the Internal Financial Controls under Clause (i) of Sub section 3 of Section 143 of the Act**

We have audited the internal financial controls over financial reporting of U P Asbestos Limited ("the company") as on March 31, 2023 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 controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities includes 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 Act.

**Auditor's 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 Act 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 ICAI. Those standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 judgment, 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 controls 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 expenditure 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 controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Disclaimer of Opinion**

Attention is invited to Note 51 of Notes to Financial Statements, wherein it has been stated that the company has adequate internal financial controls over financial reporting for ensuring orderly and efficient conduct of its business and though such internal financial controls are yet to be formally documented the same are being followed as part of company's routine functioning. In the absence of proper documentation of internal financial controls over financial reporting on criteria based on or considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI, we are unable to obtain sufficient appropriate audit evidence to provide a basis of our opinion whether the company had adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2023.

We have considered the disclaimer reported above in determining the nature, timing and extent of audit tests applied in our audit of the financial statements of the company and the disclaimer does not affect our opinion on the financial statements of the company except to the extent stated in Basis of Qualified opinion in our Independent Auditors' Report.

for **Jain Kapoor & Co.**  
Chartered Accountants  
(Firm Reg. No.: 000705C)

**Radhika Tandon**  
Partner

Membership No. 400478  
UDIN: 23400478BGZFER9017

Place : Lucknow  
Date : 24.05.2023

**BALANCE SHEET as at 31st March, 2023**

(Rupees in Lacs)

<b>PARTICULARS</b>	<b>NOTE NO.</b>	<b>As at 31st March 2023</b>	<b>As at 31st March 2022</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, Plant and Equipment	02(a)	43.46	30.60
(b) Capital work-in-progress	02(c)	1,244.96	519.30
(c) Investment Property	02(b)	9,837.40	9,803.46
(d) Inventory	03	-	567.70
(e) Financial Assets			
(i) Investments	04	5.47	8.77
(ii) Trade receivables	05	-	1,582.14
(iii) Others Financial Assets	06	7.69	7.09
(f) Income tax assets (net)		-	-
(g) Other non-current assets	07	712.51	649.96
<b>Current assets</b>			
(a) Inventories	08	2,066.57	4,195.06
(b) Financial Assets			
(i) Trade receivables	09	4,141.70	1,194.91
(ii) Cash and cash equivalents	10	3,021.43	3,173.49
(iii) Bank balances other than (ii) above	11	65.58	65.58
(iv) Loans	12	982.93	893.11
(v) Others Financial Assets	13	246.24	223.78
(c) Current Income Tax Assets (Net)		3.33	-
(d) Other current assets	14	837.95	271.59
<b>Total Assets</b>		<b>23,217.22</b>	<b>23,186.54</b>

Contd....

**BALANCE SHEET as at 31st March, 2023**


(Rupees in Lacs)

PARTICULARS	NOTE NO.	As at 31st March 2023	As at 31st March 2022
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	15	911.71	911.71
(b) Other Equity		10,269.98	9,835.28
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	16	7,757.23	4,686.69
(ii) Lease Liabilities		-	-
(b) Provisions	17	75.75	81.32
(c) Deferred tax liabilities (Net)	18	520.35	534.75
(d) Other non-current liabilities	19	58.27	58.27
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	20	2,572.31	5,948.55
(ii) Lease Liabilities		-	-
(iii) Trade payables		-	-
(A) Total outstanding dues of micro enterprises and small enterprises		-	-
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises (refer note no. 38)	21	385.08	205.67
(iii) Other financial liabilities	22	127.04	208.52
(b) Other current liabilities	23	511.14	682.67
(c) Provisions	24	28.36	24.40
(d) Current Tax Liabilities (Net)		-	8.71
<b>Total Equity and Liabilities</b>		<b>23,217.22</b>	<b>23,186.54</b>

Contd....

See accompanying note nos. 1 to 67 forming part of the financial statements

In terms of our report of even date  
 For Jain Kapoor & Co.  
 Chartered Accountants  
 (Firm Registration No: 000705C)

**Radhika Tandon**  
 Partner  
 M. No. 400478  
 Date: 24th May 2023  
 Place: Lucknow

**Gaurav Arora**  
 Chief Financial Officer

**Sakshi Pandey**  
 Company Secretary  
 and Compliance Officer

**Amitabh Tayal**  
 Managing Director  
 DIN- 00556569

**Priyank Tayal**  
 Director  
 DIN - 00556534



Statement of Profit & Loss for the year ended on 31st March, 2023



(Rupees in Lacs)

PARTICULARS	NOTE NO.	As at 31st March 2023	As at 31st March 2022
I Revenue From Operations	25	19,403.69	19,164.73
II Other Income	26	1,077.78	606.48
III <b>Total Income (I+II)</b>		<b>20,481.47</b>	<b>19,771.21</b>
IV <b>EXPENSES</b>			
Cost of materials consumed	27	-	5,473.69
Purchases of Stock-in-Trade		14,028.61	11,999.35
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	28	2,655.82	(2,019.07)
Employee benefits expense	29	767.51	749.07
Finance costs	30	1,154.38	1,043.63
Depreciation and amortization expense	31	410.37	423.34
Other expenses	32	861.96	1,520.99
<b>Total expenses (IV)</b>		<b>19,878.65</b>	<b>19,191.00</b>
V Profit/(loss) before exceptional items and tax (III-IV)		602.82	580.21
VI Exceptional Items		-	-
VII <b>Profit/(loss) before tax (V-VI)</b>		<b>602.82</b>	<b>580.21</b>
VIII <b>Tax expense:</b>			
(1) Current tax		170.64	124.89
(2) Deferred tax		(12.99)	12.95
IX <b>Profit (Loss) for the year (VII-VIII)</b>		<b>445.17</b>	<b>442.37</b>

Contd....

Statement of Profit & Loss for the year ended on 31st March, 2023



(Rupees in Lacs)

PARTICULARS	NOTE NO.	As at 31st March 2023	As at 31st March 2022
<b>Other Comprehensive Income/(Loss)</b>			
(A) Items that will not be reclassified to profit or loss			
(a) Re- measurement gains/(losses) on defined benefit obligation		(5.07)	(5.42)
X (b) Gains/(losses) on Fair Value of Equity Instruments through other Comprehensive Incomes		(3.30)	2.12
(c) Income Tax Effect on above		1.41	1.51
(B) Items that will be reclassified to profit or loss			
(a) Re- measurement gains/(losses) on defined benefit obligation		-	-
(b) Income Tax Effect on above		-	-
<b>Total Comprehensive Income for the year</b>			
XI (IX+X) (Comprising Profit / (Loss) and Other Comprehensive Income for the year)		<b>438.21</b>	<b>440.58</b>
<b>Earnings per equity share</b>			
XII (1) Basic		4.89	4.86
(2) Diluted		4.89	4.86

See accompanying note nos. 1 to 67 forming part of the financial statements

In terms of our report of even date  
For Jain Kapoor & Co.  
Chartered Accountants  
(Firm Registration No: 000705C)

**Radhika Tandon**  
Partner  
M. No. 400478  
Date: 24th May 2023  
Place: Lucknow

**Gaurav Arora**  
Chief Financial Officer

**Sakshi Pandey**  
Company Secretary  
and Compliance Officer

**Amitabh Tayal**  
Managing Director  
DIN- 00556569

**Priyank Tayal**  
Director  
DIN - 00556534

Statement of Changes in Equity for the year ended 31st March, 2022



(Rupees in Lacs)

A. Equity Share Capital  
Current reporting period

Balance at the beginning of the current reporting period As at 1 April 2021	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period
911.71	-	-

Changes in equity share capital during the current year	Balance at the end of the current reporting period As at 31 March 2022
-	911.71

B. Other Equity

Particulars	Reserves and Surplus					Other Comprehensive Income		Total
	Securities Premium Reserve	General Reserve	Investment Allowance Reserve	Retained Earnings	Revaluation Surplus	Equity Instruments through Other Comprehensive Income	Defined Benefit Obligation through Comprehensive Income	
Balance as at 01/04/2021	756.47	12.10	7.64	3,561.04	5,047.95	6.43	6.14	9,397.76
Changes in accounting policy or prior period errors	-	-	-	0.43	-	-	-	0.43
Restated balance at the beginning of the reporting period	756.47	12.10	7.64	3,561.46	5,047.95	6.43	6.14	9,398.18
Profit/(Loss) for the Year	-	-	-	442.37	-	-	-	442.37
Other Comprehensive Income/(Losses) for the year	-	-	-	-	-	2.12	(3.91)	(1.79)
Total Comprehensive Income/(Losses) for the year	-	-	-	442.37	-	2.12	(3.91)	440.58
Transfer to / From Revaluation Reserve	-	-	-	-	(3.50)	-	-	(3.50)
Balance as at 31/03/2022	756.47	12.10	7.64	4,003.84	5,044.45	8.55	2.23	9,835.28

See accompanying note nos. 1 to 67 forming part of the financial statements

In terms of our report of even date  
For Jain Kapoor & Co.  
Chartered Accountants  
(Firm Registration No: 000705C)

**Radhika Tandon**  
Partner  
M. No. 400478  
Date: 24th May 2023  
Place: Lucknow

**Gaurav Arora**  
Chief Financial Officer

**Sakshi Pandey**  
Company Secretary  
and Compliance Officer

**Amitabh Tayal**  
Managing Director  
DIN- 00556569

**Priyank Tayal**  
Director  
DIN - 00556534

Statement of Changes in Equity for the year ended 31st March, 2023



(Rupees in Lacs)

A. Equity Share Capital  
Previous reporting period

Balance at the beginning of the current reporting period As at 1 April 2022	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period
911.71	-	-

Changes in equity share capital during the current year	Balance at the end of the current reporting period As at 31 March 2023
-	911.71

B. Other Equity

Particulars	Reserves and Surplus					Other Comprehensive Income		Total
	Securities Premium	General Reserve	Investment Allowance Reserve	Retained Earnings	Revaluation Surplus	Equity Instruments through Other Comprehensive Income	Defined Benefit Obligation through Comprehensive Income	
Balance as at 01/04/2022	756.47	12.10	7.64	4,003.84	5,044.45	8.55	2.23	9,835.28
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	756.47	12.10	7.64	4,003.84	5,044.45	8.55	2.23	9,835.28
Profit/(Loss) for the Year	-	-	-	445.17	-	-	-	445.17
Other Comprehensive Income/(Losses) for the year	-	-	-	-	-	(3.30)	(3.66)	(6.96)
Total Comprehensive Income/(Losses) for the year	-	-	-	445.17	-	(3.30)	(3.66)	438.21
Transfer to / From Revaluation Reserve	-	-	-	-	(3.50)	-	-	(3.50)
Balance as at 31/03/2023	756.47	12.10	7.64	4,449.02	5,040.94	5.25	(1.43)	10,269.98

See accompanying note nos. 1 to 67 forming part of the financial statements

In terms of our report of even date  
For Jain Kapoor & Co.  
Chartered Accountants  
(Firm Registration No: 000705C)

**Radhika Tandon**  
Partner  
M. No. 400478  
Date: 24th May 2023  
Place: Lucknow

**Gaurav Arora**  
Chief Financial Officer

**Sakshi Pandey**  
Company Secretary  
and Compliance Officer

**Amitabh Tayal**  
Managing Director  
DIN- 00556569

**Priyank Tayal**  
Director  
DIN - 00556534

Note No.1

**1. Company Overview**

The Company was incorporated on 18 July, 1973. The company was engaged in the business of manufacturing Asbestos Corrugated Sheets, Plain Boards and Profile Sheets. However, now both the manufacturing facilities of the company i.e. Mohanlalganj, Lucknow unit and Dadri unit has been leased to two companies under the same Group. The manufacturing facility at Mohanlalganj, Lucknow has been leased to Navnidhi Continental Private Limited w.e.f 01.01.2022 and Dadri unit has been leased to SMSN Continental Private Limited w.e.f. 01.02.2014. The Company is also trading in Paints, Cables, Fibre, Cement and Rubber Washers.

These financial statements for the year ended 31.03.2023 were approved by the Board of Directors on May 24, 2023

**2. SIGNIFICANT ACCOUNTING POLICIES**

**a) Basis of Preparation of Financial Statements**

- i) These Financial Statements are prepared on a going concern basis under the historical cost convention on the basis of accrual system of accounting, except for certain fixed assets which are revalued and certain financial assets and liabilities that are measured at fair value, in accordance with generally accepted accounting principles in India and complied with the accounting standards notified under section 133 of the Companies Act, 2013 ("the Act") read together with Rule 7 of Companies (Accounts) Rules, 2014 and read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other relevant provisions of the Companies Act, 2013.
- ii) Ind AS enjoins management to make estimates and assumptions related to financial statements, that affect reported amount of assets, liabilities, revenue, expenses and contingent liabilities pertaining to the year. Actual result may differ from such estimates. Any revision in accounting estimates is recognized prospectively in the period of change and material revision, including its impact on financial statements, is reported in the notes to accounts in the year of incorporation of revision.

**b) Functional and presentation currency**

These Financial Statements are prepared in Indian Rupee which is the Company's functional currency.

**c) Revenue Recognition**

**(i) Sale of goods**

Sales comprise sale of goods dealt with by the company in the ordinary course of its business net of returns, discount and Goods & Services Tax (GST). Revenue from sales of goods is recognised when control of the goods has been transferred being when the goods are delivered to the customers.

**(ii) Rental Income**

Rental Income from operating lease where the company is a lessor is recognised in income on a straight line basis over the lease term.

**d) Property Plant and Equipment**

**i) Property, Plant and Equipment**

Property, Plant and Equipment are stated at historical cost (net of recoverable duties & taxes) or revalued cost, less accumulated depreciation and impairment, if any. Direct costs, including borrowing costs in accordance with Indian Accounting Standard (Ind AS)-23 on Borrowing Costs, wherever applicable, in bringing an asset to working condition or location for its intended use are capitalised to the cost of the property, plant and equipment.

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the statements of profit and loss in the period in which the costs are incurred. Major repair and overhaul expenditure is capitalized if the recognition criteria are met.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income/other expenses in statement of profit and loss.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

**ii) Capital Work-in- Progress**

Capital Work-in-progress comprises of the cost of assets in the course of construction that are not yet capable of operating in the manner intended by management.

**iii) Depreciation**

- i) Depreciation including depreciation on the revalued portion of certain assets is provided based on useful life of the assets as prescribed in Schedule II of the Companies Act, 2013.
- ii) The Useful lives of fixed assets is taken as per Schedule II of Companies Act, 2013 which are as follows:-

Buildings	5/30 Years
Plant & Equipments	15 Years
Electrical Installation and Equipments	10 Years
Office Equipments	5 Years
Computers	3 Years
Furniture & Fixture	10 Years
Vehicles	8 Years

- iii) When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

**e) Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

**f) INVENTORIES**

- i) Raw Materials, Stores and Spare parts and Finished Products are valued at lower of cost and net realisable value in accordance with Ind AS-2 on Valuation of inventories. Materials in transit and material with third parties are included in inventories.
- ii) Cost of finished goods includes material, labour and other manufacturing overheads and other costs incurred in bringing the inventories to their present location and condition. Cost of Raw Material, Stores & spare parts is determined on first-in, first-out (FIFO) method. Due allowance is estimated and made for breakage, defective and obsolete items, wherever necessary.

**g) RETIREMENT BENEFITS**

**i) Short Term Employee Benefits**

Liabilities for salaries and wages including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefits obligations in the Balance Sheet.

**ii) Long Term Employee Benefits**

**i) Defined Contribution Plan**

The Company has Defined Contribution Plans for its employees such as Provident Fund and Employees State Insurance and contribution to these plans are charged to the statement of Profit & Loss as incurred, as the company has no further obligation beyond making the contribution.

**ii) Defined Benefit Plan**

- i) The Company provides for gratuity in accordance with Payment or Gratuity Act, 1972. The Company's liability for gratuity is actuarially determined using the Projected Unit Credit Method at the end of each years as required by Ind AS-19 and is provided for in the financial statements.
- ii) In accordance with the requirements of Ind AS 19 the company has provided for unutilised leave benefit available to the employees on the basis of an actuarial valuation made as at the end of each year.

**h) PROVISION FOR LIABILITIES AND CHARGES, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

- i) The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable IND AS.
- ii) Provisions represent liabilities to the Company for which the amount or timing is uncertain. Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.
- iii) Contingent liabilities are not provided for and are disclosed by way of notes to financial statements.
- iv) Contingent assets are not recognised but disclosed in the financial statements.

**i) Taxation**

**Current income tax**

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with prevailing income tax law.

**Deferred tax**

Deferred tax is recognised for all the temporary differences by using the liability method, only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company reassesses unrecognised deferred tax assets, if any.

**j) Earnings per share**

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit and loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

**k) Cash Flow Statement**

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**l) Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. Revenue and expenses are identified to segments on the basis of their relationship to the operating activities of the segment. Inter segment revenue are accounted for based on the cost price. Revenue, expenses, assets and liabilities which are not allocable to segments on a reasonable basis, are included under "Unallocated revenue/ expenses/ assets/liabilities".

**m) Foreign Currency Transactions**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss. Foreign currency denominated monetary assets and liabilities at the year end are translated at the year-end exchange rates, and the resultant exchange difference is recognised in the Statement of Profit and Loss. Non-monetary foreign currency items are carried at cost.

**n) Impairment of Assets**

At each balance sheet date, the Company reviews the carrying value of assets for any possible impairment. An impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. The recoverable

amount is determined as higher of the asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the levels for which there are separately identifiable cash flows (cash generating unit). Assessment is done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting period may no longer exist or may have decreased. An impairment loss is reversed to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

**o) Financial instruments**

**i) Financial Assets**

**A. Initial recognition and measurement** All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

**B. Subsequent measurement**

**a) Financial assets carried at amortised cost (AC)**

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**b) Financial assets at fair value through other comprehensive income (FVTOCI)** A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**c) Financial assets at fair value through profit or loss (FVTPL)** A financial asset which is not classified in any of the above categories are measured at FVTPL.

**C. Other Equity Investments** All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

**D. Impairment of financial assets**

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL). Expected credit losses are measured through a loss allowance at an amount equal to: The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument) For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed. For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

**ii) Financial liabilities**

**A. Initial recognition and measurement**

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

**B. Subsequent measurement**

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.



iii) **Derecognition of financial instruments**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

p) **Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. Lessor accounting under Ind AS 116 which supersedes Ind AS 17 is substantially unchanged compared to Ind AS 17. Lessee accounting is in respect of short-term leases and the same is considered as recognition exemption for the company from the requirement of the application of Ind AS 116.

q) **Investment Property**

Investment property are properties that are held to earn rentals or for capital appreciation. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss if any. Though the Group measures investment property using cost-based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined on an evaluation performed by an accredited external independent valuer based on current prices in the active market for similar properties, quantum, areas, location demand, restrictive entry to the complex, age of building and trend of fair market.

Gain or loss on disposal of investment properties is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognized in the statement of profit and loss in the period of the disposal. Transfer to, or from, investment property is done at the carrying amount of property.

**PROPERTY, PLANT AND EQUIPMENTS AND INVESTMENT PROPERTY (Combined 2(a) + 2(b))**

(Rupees in Lacs)

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	AS ON 01/04/2022	ADDITIONS MADE DURING THE YEAR	DEDUCTIONS MADE DURING THE YEAR	AS ON 31/03/2023	AS ON 01/04/2022	CHARGED DURING THE YEAR	DEDUCTION / ADJUSTMENT	AS ON 31/03/2023	AS ON 31/03/2023	AS ON 31/03/2022
Land	5,143.18	-	-	5,143.18	-	-	-	-	5,143.18	5,143.18
Building	2,469.57	76.97	-	2,546.53	1386.83	75.84	-	1462.67	1,083.86	1,082.73
Plant & Equipments	9,130.69	359.47	-	9490.16	5558.50	328.66	-	5887.61	3602.55	3,571.74
Furniture & Fixture	18.38	-	-	18.38	17.01	0.11	-	17.11	1.28	1.37
Vehicles	159.73	23.55	52.43	130.86	130.73	6.40	48.58	88.55	42.30	29.00
Office Equipment	73.99	4.51	0.37	78.14	67.96	2.84	0.35	70.45	7.69	6.04
<b>CURRENT YEAR TOTAL</b>	<b>16,995.54</b>	<b>464.50</b>	<b>52.79</b>	<b>17407.25</b>	<b>7161.48</b>	<b>413.83</b>	<b>48.93</b>	<b>7526.38</b>	<b>9,880.86</b>	<b>9,834.05</b>
<b>PREV. YEAR (2021-22) TOTAL</b>	<b>15,871.50</b>	<b>709.01</b>	<b>1.85</b>	<b>16578.65</b>	<b>6215.01</b>	<b>521.39</b>	<b>1.76</b>	<b>6734.64</b>	<b>9,844.01</b>	<b>9,656.49</b>

**NOTE 02(a) : PROPERTY, PLANT AND EQUIPMENTS**

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	AS ON 01/04/2022	ADDITIONS MADE DURING THE YEAR	DEDUCTIONS MADE DURING THE YEAR	AS ON 31/03/2023	AS ON 01/04/2022	CHARGED DURING THE YEAR	DEDUCTION / ADJUSTMENT	AS ON 31/03/2023	AS ON 31/03/2023	AS ON 31/03/2022
Land	-	-	-	-	-	-	-	-	-	-
Building	-	-	-	-	-	-	-	-	-	-
Plant & Equipments	-	-	-	-	-	-	-	-	-	-
Furniture & Fixture	7.81	-	-	7.81	6.95	0.09	-	7.04	0.77	0.86
Vehicles	144.58	23.55	52.43	115.70	116.32	6.40	48.58	74.15	41.55	28.25
Office Equipment	5.05	-	-	5.05	3.58	0.35	-	3.90	1.14	1.49
<b>CURRENT YEAR TOTAL</b>	<b>157.44</b>	<b>23.55</b>	<b>52.43</b>	<b>128.55</b>	<b>126.84</b>	<b>6.83</b>	<b>48.68</b>	<b>86.10</b>	<b>43.46</b>	<b>30.60</b>
<b>PREV. YEAR (2020-21) TOTAL</b>	<b>11840.29</b>	<b>709.01</b>	<b>1.85</b>	<b>12547.45</b>	<b>3790.12</b>	<b>305.63</b>	<b>1.76</b>	<b>4093.99</b>	<b>8,453.48</b>	<b>8050.17</b>

**NOTE 02(b) : INVESTMENT PROPERTY**

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	AS ON 01/04/2022	ADDITIONS MADE DURING THE YEAR	DEDUCTIONS MADE DURING THE YEAR	AS ON 31/03/2023	AS ON 01/04/2022	CHARGED DURING THE YEAR	DEDUCTION / ADJUSTMENT	AS ON 31/03/2023	AS ON 31/03/2023	AS ON 31/03/2022
Land	5143.18	-	-	5143.18	-	-	-	-	5143.18	5143.18
Building	2469.57	76.97	-	2546.53	1386.83	75.84	-	1462.67	1083.86	1082.73
Plant & Machinery	9130.69	359.47	-	9490.16	5558.95	328.66	-	5887.61	3602.55	3571.74
Furniture & Fixture	10.57	-	-	10.57	10.06	0.02	-	10.07	0.50	0.51
Vehicles	15.15	-	-	15.16	14.41	-	-	14.40	0.75	0.75
Office Equipment	68.94	4.51	0.37	73.09	64.41	2.49	0.35	66.55	6.54	4.55
<b>CURRENT YEAR TOTAL</b>	<b>16838.10</b>	<b>440.94</b>	<b>0.37</b>	<b>17278.69</b>	<b>7034.65</b>	<b>407.00</b>	<b>0.35</b>	<b>7441.30</b>	<b>9837.40</b>	<b>9803.46</b>
<b>PREV. YEAR (2020-21) TOTAL</b>	<b>4031.20</b>	<b>-</b>	<b>-</b>	<b>4,031.20</b>	<b>2424.89</b>	<b>215.77</b>	<b>-</b>	<b>2640.65</b>	<b>1390.55</b>	<b>1606.32</b>

**Note :**

The fair value of investment properties, as required to be disclosed as per Ind AS 40, is Rs. 17,291.16 lacs. The fair value is based on valuations performed by an accredited external Independent valuer on the basis of replacement cost method. For Lien / charge against property, plant & equipment & Investment Property refer note no.16 & 20

**NOTE 02(c) : Capital-Work-in Progress (CWIP)**

**CWIP aging schedule**

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	890.34	354.62	-	-	1,244.96
Pr. Year	(442.50)	-	(62.69)	(14.11)	(519.30)

Notes to Financial Statements for the year ended 31st March, 2023



NOTE NO. 03: NON CURRENT : INVENTORIES

(Rupees in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023		AS AT 31ST MARCH 2022	
	1	2	3	
	No of Shares	Rs.	No of Shares	Rs.
1 Finished Goods		-		567.70
		-		567.70

NOTE NO. 04: FINANCIAL ASSETS - NON CURRENT : INVESTMENTS

PARTICULARS	AS AT 31ST MARCH 2023		AS AT 31ST MARCH 2022	
	1	2	3	
	No of Shares	Rs. In Lacs	No of Shares	Rs. In Lacs
Investment in Equity Instruments Quoted (Fully Paid) Carried at Fair Value through Other Comprehensive Income				
1 NAME OF COMPANIES	No of Shares	Rs. In Lacs	No of Shares	Rs. In Lacs
M/s Uniplas India Ltd.	100	-	100	-
M/s Prakash Industries Ltd.	225	0.12	225	0.17
M/s Hyderabad Industries Ltd	200	4.80	200	7.95
M/s Everest Industries Ltd	50	0.38	50	0.36
M/s Roofit Industries Ltd	200	-	200	-
M/s Visaka Industries Ltd	50	0.17	50	0.29
		5.47		8.77
<b>Aggregate of Investments</b>	<b>At cost</b>	<b>At Market Value</b>	<b>At cost</b>	<b>At Market Value</b>
Total Investment (Quoted)	0.22	5.47	0.22	8.77
<b>Total</b>	<b>0.22</b>	<b>5.47</b>	<b>0.22</b>	<b>8.77</b>

NOTE NO. 05 : FINANCIAL ASSETS-NON CURRENT : TRADE RECEIVABLES

PARTICULARS	AS AT 31ST MARCH 2023		AS AT 31ST MARCH 2022	
	1	2	3	
1 Trade Receivables		NIL		NIL
(a) Trade Receivables considered good - Secured;		-		-
(b) Trade Receivables considered good - Unsecured;		-		1,582.14
(c) Trade Receivables which have significant increase in Credit Risk; and		-		-
(d) Trade Receivables - credit impaired.		-		-
		-		1,582.14
<b>Less : Trade Receivables which have significant increase in Credit Risk; and</b>		-		-
		-		1,582.14

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	-	-	-	-	-
Pr Year	(70.04)	(1,511.44)	(0.65)	-	-	(1,582.14)

**NOTE NO. 06 : FINANCIAL ASSETS-NON CURRENT : OTHER**

(Rupees in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022
1	2	3
1. Deposit with Banks held as Margin Money against bank guarantee (Including Interest accrued)	5.49	4.99
2. Deposit with Banks against Unclaimed Fixed Deposit	2.20	2.10
	<u>7.69</u>	<u>7.09</u>

**NOTE NO. 07 : OTHER NON-CURRENT ASSETS**

(Rupees in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022
1	2	3
1 Capital Advances	83.56	16.05
2 Advances other than capital advances		
i Security Deposits (Refer Note No. 53)	163.12	193.12
ii Balances with Revenue Authorities	447.66	422.62
iii Other Receivables	18.17	18.17
	<u>712.51</u>	<u>649.96</u>

**NOTE NO. 08 : INVENTORIES**

(Rupees in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022
1	2	3
1 Finished Goods	265.22	2,250.00
2 Trading goods	1,419.40	1,770.10
3 Stores & Spares (held for sale)	134.59	174.96
4 Goods-in Transit (Raw Material)	247.36	-
	<u>2,066.57</u>	<u>4,195.06</u>

**Mode of Valuation**

Trading Goods, Stores and Spares parts and Finished Products are valued at lower of cost or net realisable value in accordance with Ind AS-2 on Inventories notified under section 133 of the Companies Act, 2013 ("the Act") read with Companies (Accounts) Rules, 2014 and provisions of the Act.

Inventory held at net realizable value amounted to Rs.50.73 lacs and Rs.55.46 lacs as at March 31, 2023 and March 31, 2022 respectively. The write down of inventory for the year ended March 31, 2023 amounted to Rs. 41.41 lacs and write down on these inventory amounted to Rs. 37.86 lacs for the year ended March 31, 2022.

Entire inventory has been hypothecated as security against certain bank borrowings of the Company as at March 31, 2023 and March 31, 2022. For lien/charge against inventories refer note no. 16 and 20.

## NOTE NO. 09 : FINANCIAL ASSETS - CURRENT : TRADE RECEIVABLES

(Rupees in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022
<b>A. Trade Receivables</b>		
(a) Trade Receivables considered good - Secured ;	2.01	16.49
(b) Trade Receivables considered good - Unsecured;	4,139.69	1,178.42
(c) Trade Receivables which have significant increase in Credit Risk ; and	131.00	56.81
(d) Trade Receivables - Credit Impaired.	22.49	18.30
	<u>4,295.19</u>	<u>1,270.02</u>
Less : Allowances for Trade Receivables which have significant increase in Credit Risk	153.49	75.11
	<u>4,141.70</u>	<u>1,194.91</u>

Trade Receivables ageing schedule

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	3,573.09	5.68	130.60	154.22	278.10	4,141.70
Pr Year	(383.34)	(315.10)	(216.64)	(96.09)	(183.74)	(1,194.91)
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	28.67	33.85	68.48	131.00
Pr Year			(20.36)	(16.02)	(20.42)	(56.81)
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	22.49	22.49
Pr Year	-	-	(18.30)		-	(18.30)

**Out of the above Trade Receivables**

Trade Receivable less than 1 year for which no provision is made	3,578.78
Pr Year	(698.43)
Trade Receivable more than 1 year for which provision of Rs. 153.49 lacs has been made	716.41
Pr Year	(571.59)

## NOTE NO. 10 : FINANCIAL ASSETS - CURRENT : CASH &amp; CASH EQUIVALENTS

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022
1	2	3
1. Balance with Banks	199.87	246.35
2. Cash in Hand	1.56	2.14
3. Cheques in Hand (Refer Note No . 52)	2,820.00	2,925.00
	<u>3,021.43</u>	<u>3,173.49</u>

(Rupees in Lacs)

**NOTE NO. 11 : FINANCIAL ASSETS - CURRENT : OTHER BANK BALANCES**

PARTICULARS 1	AS AT 31ST MARCH 2023 2	AS AT 31ST MARCH 2022 3
1. Other Deposit with Banks (Maturity period more than 3 month but less than 12 months)	64.86	64.86
2. Earmarked Balances with Banks	0.72	0.72
	<u>65.58</u>	<u>65.58</u>

**NOTE NO. 12 : FINANCIAL ASSETS - CURRENT : LOANS**

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022
1. Loans Receivables : Secured & Considered Good	-	-
<b>2. <u>Loans Receivables - Unsecured &amp; Considered Good</u></b>		
a. Advances to Employees	15.59	17.98
b. Loan to Others (Refer Note No. 55)	967.34	875.13
3. Loans Receivables which have significant increased in credit risk ; and	-	-
4. Loans Receivables - credit impaired	-	-
	<u>982.93</u>	<u>893.11</u>
Less : Allowances for Loans Receivables which have significant increase in Credit Risk ;	-	-
	<u>982.93</u>	<u>893.11</u>

**NOTE NO. 13 : FINANCIAL ASSETS - CURRENT : OTHERS**

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022
1 Interest Accrued but not due on Deposit with Banks	16.41	11.52
2 Interest Accrued and due on Loan to Related Parties	41.59	33.87
3 Interest Accrued Others (Refer Note no 49)	126.02	126.02
4 Interest Accrued and due on Loan to Others	61.45	51.60
5 Other Receivables Unsecured & Considered Good	0.77	0.77
	<u>246.24</u>	<u>223.78</u>

**NOTE NO. 14 : OTHER CURRENT ASSETS**

(Rupees in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023		AS AT 31ST MARCH 2022	
	1	2	3	
1. Advance with Suppliers/ Service providers				
a. Unsecured & Considered Good	664.95		216.01	
b. Doubtful	0.84		0.84	
	<u>665.79</u>		<u>216.85</u>	
Less : Allowance for Bad & Doubtful Advances	<u>0.84</u>	<u>664.95</u>	<u>0.84</u>	<u>216.01</u>
2. Balance with Revenue Authority Unsecured & Considered Good		2.08		2.08
3. Prepaid Expenses Unsecured & Considered Good		157.95		38.49
4. Security Deposit Unsecured & Considered Good		12.97		15.01
		<u>837.95</u>		<u>271.59</u>

**NOTE NO. 15 : SHARE CAPITAL**

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022
-------------	-----------------------	-----------------------

**1 Authorised Capital**

(a) 25,000 (previous year 25,000) Preference Shares of Rs. 100/- each redeemable or otherwise entitled to such rate of annual dividend as the Director may determine	25.00	25.00
(b) 1,50,00,000 (previous year 1,50,00,000) Equity Shares of Rs. 10/- each	1,500.00	1,500.00
	<u>1,525.00</u>	<u>1,525.00</u>

**2 Issued Subscribed and Paid-up Equity Share Capital**

91,07,193 (previous year 91,07,193) Equity Shares of Rs. 10 each fully paid up in cash	910.72	910.72
<b>Forfeited Shares</b> Amount originally received as allotment money and calls on account of 33300 equity shares	0.99	0.99
	<u>911.71</u>	<u>911.71</u>

3 There is no change in issued, subscribed and paid-up share capital during the current year and corresponding previous year

4 Shares in the Company held by each shareholder holding more than 5% shares	No. of Shares	% holding in the shares	No. of Shares	% holding in the shares
(a) Uniglobe Glycols Limited	20,57,508.00	22.59	20,57,508.00	22.59
(b) Mashino Textile Private Limited	15,39,100.00	16.90	15,39,100.00	16.90
(c) The Rohtak & Hissar Districts Electric Supply Company Private Limited	8,83,350.00	9.70	8,83,350.00	9.70
(d) Jaiprakash Associates Limited	8,40,000.00	9.22	8,40,000.00	9.22
(e) R & H Power Company Private Limited	6,01,998.00	6.61	5,89,998.00	6.48
(f) Mr. Priyank Tayal	5,28,700.00	5.81	5,28,700.00	5.81

## 5. Shares held by promoters at the end of the current year

S. No	Promoter Name	No. of Shares	% holding in the shares	% Change during the year
1	DOON INDUSTRIAL FUND PVT. LIMITED	37,500.00	0.41	-
2	GANGA CORPORATION PVT. LTD	1,10,150.00	1.21	-
3	THE ROHTAK AND HISSAR DIST ELEC SUPL CO PVT LTD	8,83,350.00	9.70	-
4	UNIGLOBE GLYCOLS LIMITED	20,57,508.00	22.59	-
5	EVEREST ROOFING PRIVATE LIMITED	4,29,471.00	4.72	-
6	MASHINOTEXTILE (P) LTD	15,39,100.00	16.90	-
7	AMITABH TAYAL - HUF	68,649.00	0.75	-
8	MANJU TAYAL	97,098.00	1.07	-
9	AMITABH TAYAL	1,33,598.00	1.47	-
10	PRIYANK TAYAL	5,28,700.00	5.81	-
11	AVANTI MOHTA	4,54,800.00	4.99	-
12	MOHAN MANGALAM TRUST	1,70,850.00	1.88	-

## Shares held by promoters at the end of the previous year

S. No	Promoter Name	No. of Shares	% holding in the shares	% Change during the year
1	DOON INDUSTRIAL FUND PVT. LIMITED	37,500.00	0.41	-
2	GANGA CORPORATION PVT LTD	1,10,150.00	1.21	-
3	THE ROHTAK AND HISSAR DIST ELEC SUPL CO PVT LTD.	8,83,350.00	9.70	-
4	UNIGLOBE GLYCOLS LIMITED	20,57,508.00	22.59	-
5	EVEREST ROOFING PRIVATE LIMITED	4,29,471.00	4.72	-
6	MASHINOTEXTILE (P) LTD	15,39,100.00	16.90	-
7	AMITABH TAYAL - HUF	68,649.00	0.75	-
8	MANJU TAYAL	97,098.00	1.07	-
9	AMITABH TAYAL	1,33,598.00	1.47	-
10	PRIYANK TAYAL	5,28,700.00	5.81	-
11	AVANTI MOHTA	4,54,800.00	4.99	-
12	MOHAN MANGALAM TRUST	1,70,850.00	1.88	-



Notes to Financial Statements for the year ended 31st March, 2023



Note No. - 16 Financial Liabilities - Non Current Borrowings

Notes to Financial Statements

(Rupees in Lacs)

PARTICULARS		AS AT 31ST MARCH 2023		AS AT 31ST MARCH 2022	
		2		3	
1		CURRENT (Refer Note No. 20 (3))	NON-CURRENT	CURRENT (Refer Note No. 20 (3))	NON-CURRENT
1	<b>Secured Loan</b>				
	<b>(a) Term Loan from Banks &amp; Financial Institution</b>				
	(i) <b>Union Bank Of India</b> (Secured by hypothecation of vehicle purchased)  (Refer Terms of Repayment (i))	1.20	2.50	1.12	3.65
	(ii) <b>HDFC Bank</b> (Secured by hypothecation of vehicle purchased)  (Refer Terms of Repayment (ii & iii) )	5.60	17.46	1.81	5.90
	(iii) <b>Union Bank Of India</b> (Secured by way of first charge on entire fixed assets (both present and future) of the company and by Corporate Guarantee of Uniglobe Glycols Limited and personal guarantee Managing Director and a Director of the Company and pledge of 201366 shares of the company by the Managing Director and a Director of the Company)  ( In the month of March,2023 secured term loans of Rs. 4561.69 lacs and Rs. 871.68 lacs has been taken over by Kotak Mahindra Bank Limited and ICICI bank limited respectively from Union Bank of India on the terms and conditions mentioned in term of repayment below)	-	-	492.76	2,477.16
	(iv) <b>Kotak Mahindra Bank Limited</b> (Secured by first and exclusive hypothecation charge on all existing and future current assets and moveable fixed assets of Lucknow plant and collaterally secured by first and exclusive equitable mortgage of company's immovable properties being of land and building measuring at 46.68 acres situated at Mohanlalganj, district Lucknow and by Corporate Guarantee of Uniglobe Glycols Limited and Ganga Corporation Private Limited and personal guarantee of managing director and his wife & whole time director and his wife of the company and pledge of 201366 shares of the company by the managing director and whole time director of the company).  (Refer Terms of Repayment (iv) to (vii) and Note No. 64)	536.02	4,002.59		

	(v) ICICI Bank Limited (Secured by first and exclusive equitable mortgage of company's immovable properties being of land and building situated at Village Bishara, Noida, Dadri, U.P). (Refer Terms of Repayment viii)	124.53	736.77		
<b>2</b>	<b>Unsecured Loan</b>				
	<b>Loan from Banks</b>				
	<b>ICICI Bank</b> (Secured by equitable mortgage on the immovable property of Managing Director and personal guarantee of Managing Director & a Director of the Company)  (Refer Terms of Repayment (ix))	99.11	1,296.71	-	-
	<b>Loan from Others</b>				
	(a) Unpaid Matured Fixed Deposits from Others (Including interest Accrued and Due) (Refer Terms of Repayment (x))	-	-	0.93	-
	(b) Loan from Related Parties : From Companies From Others		878.14 823.06		1,083.08 1,116.90
		<b>766.46</b>	<b>7,757.23</b>	<b>496.63</b>	<b>4,686.69</b>

#### I Terms of Repayment

- i. **Union Bank of India Rs. 3.70 Lacs (Rs. 4.77 Lacs)**  
Terms of Repayment - Rate of Interest @ 9.90% p.a. and Repayable in 60 EMI of Rs. 11,995/- starting from Feb 2021 .
- ii. **HDFC Bank Rs. 5.90 Lacs (Rs. 7.71 Lacs)**  
Terms of Repayment - Rate of Interest @ 7.25 % p.a. Repayable in 48 EMI of Rs. 19,250/- starting From Feb 2022.
- iii. **HDFC Bank Rs. 17.16 Lacs (NIL)**  
Terms of Repayment - Rate of Interest @ 7.25 % p.a. Repayable in 60 EMI of Rs. 39,933/- starting From June 2022.
- iv. **Kotak Mahindra Bank Limited Rs. 689.42 Lacs (Rs. NIL)**  
Terms of Repayment - Rate of Interest @ 9.35% p.a. and Repayable in 34 EMI of Rs. 23,16,012/- starting from April 2023 .
- v. **Kotak Mahindra Bank Limited Rs. 440.00 Lacs (Rs. NIL)**  
Terms of Repayment - Rate of Interest @ 9.35% p.a. and Repayable in 56 EMI of Rs. 9,72,567/- starting from April 2023 .
- vi. **Kotak Mahindra Bank Limited Rs. 1032.25 Lacs (Rs. NIL)**  
Terms of Repayment - Rate of Interest @ 9.35% p.a. and Repayable in 46 EMI of Rs. 26,78,802/- starting from April 2023 .
- vii. **Kotak Mahindra Bank Limited Rs. 2400.00 Lacs (Rs. NIL Lacs)**  
Terms of Repayment - Rate of Interest @ 9.35% p.a. and only Interest is payable from april 2023 to jan 2027 thereafter EMI of Rs. 50,22,872/- starting from Feb 2027 to Jan 2032.
- viii. **ICICI Bank Limited Rs. 861.30 Lacs (NIL)**  
Terms of Repayment - Rate of Interest @ 9.60% p.a. and Repayable in 84 EMI of principal of Rs. 10,37,711/- plus interest starting from March 2023 .
- ix. **ICICI Bank Limited Rs. 1395.81 Lacs (NIL)**  
Terms of Repayment - Rate of Interest @ 8.90% p.a. and Repayable in 180 EMI of principal of Rs. 8,25,927/- plus interest starting from May 2022 .
- x. Fixed deposits of Rs. NIL (Rs. 0.93 Lacs) represent deposit accepted from public in earlier years under the relevant provision of the Companies Act, 1956.

(Rupees in Lacs)

**NOTE NO. 17 : NON CURRENT PROVISIONS**

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022
1. Provisions for Employees Benefit		
(a) Gratuity	32.36	31.43
(b) Leave Encashment	43.39	49.89
	<u>75.75</u>	<u>81.32</u>

**NOTE NO. 18 : DEFERRED TAX LIABILITY (NET)**

Deferred Tax Liability		
Related to Fixed Assets	587.31	580.35
<b>Less : Deferred Tax Assets</b>	-	-
Others	(66.96)	(45.60)
<b>TOTAL</b>	<u>520.35</u>	<u>534.75</u>

**NOTE NO. 19 : OTHER NON CURRENT LIABILITIES**

1. Security Deposit	58.27	58.27
	<u>58.27</u>	<u>58.27</u>

**NOTE NO. 20 FINANCIAL LIABILITIES - CURRENT : BORROWINGS**

(Rupees in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022
<b>1 Secured Loan</b>		
(a) Working Capital Loan from Banks		
(i) Union Bank Of India	-	3,015.16
(Secured by hypothecation of stores, work-in-progress, stocks, goods-in-transit, book-debts, and collaterally secured by equitable mortgage of company's immovable properties consisting of land, building, plants & machinery and other fixed assets both present & future and by Corporate Guarantee of Uniglobe Glycols Limited and personal guarantee of managing director & a director of the company and pledge 201366 shares of the company by the managing director and a director of the company).		

(The above cash credit limit from Union Bank of India has been taken over by Kotak Manindra Bank Limited in the month of March, 2023)

(Rupees in Lacs)

(ii) Kotak Mahindra Bank Limited (Secured by first and exclusive hypothecation charge on all existing and future current assets and moveable fixed assets of Lucknow plant and collaterally secured by first and exclusive equitable mortgage of company's immovable properties being of land and building measuring at 46.68 acres situated at Mohanlalganj, district Lucknow and by Corporate Guarantee of Uniglobe Glycols Limited and Ganga Corporation Private Limited and personal guarantee of managing director and his wife & whole time director and his wife of the company and pledge of 201366 shares of the company by the managing director and whole time director of the company).	345.30	-
--	--------	---

**2 Unsecured Loan**

(a) Over Draft Limit From ICICI Bank (Secured by equitable mortgage on the immovable property of Managing Director and personal guarantee of Managing Director & a Director of the Company)	-	1,420.94
--	---	----------

(The above overdraft facility has been converted into Unsecured Term loan from ICICI Bank Ltd of Rs. 15 crore during the year)

(a) Loan from Companies	972.00	322.00
(b) <b>Loan from Related Parties</b>		
(i) From Companies	485.55	417.32
(ii) From Others	3.00	276.50

**3 Current Maturity of Long Term Debts  
(refer note no. 16)**

766.46	496.63
<b>2,572.31</b>	<b>5,948.55</b>

**NOTE NO. 21 TRADE PAYABLES**

(Rupees in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022
1 Total outstanding dues of micro enterprises and small enterprises	-	-
2 Total outstanding dues of creditors other than micro enterprises and small enterprises (refer note no. 38)	385.08	205.67
	<b>385.08</b>	<b>205.67</b>

Outstanding for following periods from due date of payment					
Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed dues					
(i) MSME	-	-	-	-	-
(ii) Others	301.40	30.96	5.21	47.51	385.08
Pr Year	(143.00)	(13.08)	(9.20)	(40.39)	(205.67)
(iii) Disputed dues	-	-	-	-	-
(iv) Disputed dues	-	-	-	-	-

(Rupees in Lacs)

**NOTE NO. 22 FINANCIAL LIABILITIES - CURRENT : OTHERS**

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022
1 Capital Creditors	70.76	130.76
2 Interest Accrued and due on Borrowings	13.71	17.11
3 Deposit from Stockists, Distributors, & Contractors etc.	42.57	60.65
	<u>127.04</u>	<u>208.52</u>

**NOTE NO. 23 OTHER CURRENT LIABILITIES**

1 Credit balances of Customers	332.22	533.41
2 Amount due to employees	49.90	59.82
3 Statutory dues/duties, taxes payable	129.02	89.44
	<u>511.14</u>	<u>682.67</u>

**NOTE NO. 24 PROVISIONS**

<b>1 Provisions for Employees Benefit</b>		
(a) Bonus	17.74	18.79
(b) Leave Encashment	10.62	5.61
	<u>28.36</u>	<u>24.40</u>

**NOTE NO. 25 REVENUE FROM OPERATIONS**

1 Sale of Products	17,529.99	17,892.17
2 Other Operating Income (Net of Expenses)	-	82.86
3 Lease Rent	1,873.70	1,189.70
	<u>19,403.69</u>	<u>19,164.73</u>

**NOTE NO. 26 OTHER INCOME**

1 Interest Income	421.83	251.03
2 Dividend Income	0.13	0.08
3 Other non- operating Incomes	654.84	355.37
4 Profit on Sale of Fixed Assets	0.98	-
	<u>1,077.78</u>	<u>606.48</u>

(Rupees in Lacs)

**NOTE NO. 27 COST OF RAW MATERIAL CONSUMED**

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022
1 Cement	-	1,980.27
2 Asbestos Fibre	-	2,677.74
3 Slag	-	21.64
3 Steel	-	512.28
4 Other	-	281.76
	-	<b>5,473.69</b>

**NOTE NO. 28 CHANGES OF INVENTORIES OF FINISHED GOODS**

**Stock in hand at the beginning of the year**

1 Finished Goods - AC Sheet	2,817.71	2,470.34
Trading goods	1,715.23	2.48
Trading Goods - Cable	41.54	37.76
Finished Goods Profile Sheet	-	42.96
Trading Goods -Paint	13.32	15.21

**Less : Stock in hand at the end of the year**

2 Finished Goods -AC Sheet	265.22	2,817.71
Trading Goods	1,614.48	1,715.23
Trading Goods - Cable	39.90	41.54
Finished Goods Profile Sheet	-	-
Trading Goods - Paint	12.38	13.32
Decrease / (Increase) in Stock	<b>(2,655.82)</b>	<b>(2,019.07)</b>

**NOTE NO. 29 EMPLOYEES BENEFIT EXPENSES**

1. Salaries & Wages	710.67	692.93
2. Contribution to Provident & Other Funds	52.92	47.57
3. Staff Welfare Expenses	3.92	8.63
	<b>767.51</b>	<b>749.07</b>

**NOTE NO. 30 FINANCE COST**

1. Interest Expenses	1,114.19	1,008.33
2. Other Borrowing Costs	40.19	35.30
	<b>1,154.38</b>	<b>1,043.63</b>

(Rupees in Lacs)

**NOTE NO. 31 DEPRECIATION AND AMORTISATION EXPENSE**

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022
Depreciation	413.87	426.84
Less : Transferred from revaluation reserve (Refer Statement of Changes in Equity)	3.50	3.50
	<u>410.37</u>	<u>423.34</u>

**NOTE NO. 32 OTHER EXPENSES**

1 Consumption of Stores & Spare parts	-	267.45
2 Power & Fuel	39.77	327.89
3 Rent	0.18	30.18
4 Repairs to Building	0.64	70.54
5 Repairs to Machinerics	6.34	73.52
6 Insurance	9.94	40.10
7 Rates & Taxes	67.95	31.15
8 Breakages	70.85	39.00
9 Miscellaneous expenses	302.55	145.37
10 Transport, Packing & Forwarding exp.	77.13	479.43
11 Payments to Auditors		
i. As Auditor	3.00	1.25
ii. For Other Services	1.48	0.79
iii. For Reimbursement of expenses	-	-
12 Bad debts/Irrecoverable claims written off	4.48	2.04
13 Provision for Bad Debts	20.91	0.73
14 Loss of Damaged Stock (Refer Note No.60)	78.38	4.59
15 Corporate Social Responsibility (Refer Note No.61)	170.84	-
	12.00	9.00
	<u>861.96</u>	<u>1,520.99</u>

**NOTE NO. 33 CONTINGENT LIABILITIES AND COMMITMENTS****1. CONTINGENT LIABILITIES**

(a) Claim against the company not acknowledge as debt

(i) Sales Tax	507.80	1,773.73
(ii) Entry Tax	1.41	3.17

(b) Guarantees 15.00 14.50

(c) Tax matters pending in appeals etc.

(i) Income Tax	336.08	336.08
(ii) Service & Excise Tax	375.44	375.44

**2. COMMITMENTS**

(a) Custom Duty on Raw Material	-	-
(b) Capital Commitments	-	24.94

Note : The Company has not considered amount of Rs. 1269.44 lacs and Rs. 1.76 lacs as contingent liability in the current year figures for the Central Sales Tax and Entry Tax case respectively for the F.Y. 2009-10 as the same has been remanded by the Commercial Tax Tribunal, Lucknow to Joint Commissioner on Commercial Tax for fresh adjudication assessment as per order dated 28th Apr'2023.

**NOTES ON ACCOUNTS**

34. The company has leased its Mohanlalganj, Lucknow unit to Navnidhi Continental Private Limited (Lessee) w.e.f. 01.01.2022 after completion of trial period from 01.09.2021 to 31.12.2021 in terms of its agreement dated 01.01.2022 as modified by addendum dated 01.03.2022 to the said agreement. During the trial period the Lessee was allowed to conduct due diligence of the company's assets at its Mohanlalganj, Lucknow unit. Consequently, no production was done by the company w.e.f. 01.09.2021.
35. The segment reporting of the Company has been prepared in accordance with Ind AS-108, "Operating Segment" (specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2015). For management purposes, the Company is classified into business activities based on its products and services and has two reportable segments as follows:

(a) Leasing & Activities - Incidental to Leasing ; (b) Sale of Asbestos & Other Products

Segments have been identified as reportable segments by the Company's Chief Operating Decision Maker ("CODM"). Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segments and amount allocated on a reasonable basis. Unallocated expenditure consists of common expenditure incurred for all the segments and expenses incurred at corporate level. The assets and liabilities that cannot be allocated between the segments are shown as unallocated corporate assets and liabilities respectively

The accounting policies of the reportable segments are the same as the Company's accounting policies described in Note 1.

(Rupees in Lacs)

Particulars	Leasing & Activities - Incidental to Leasing		Sale of Asbestos & Other Products		TOTAL	
	Rs.		Rs.		Rs.	
	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
Revenue	16,030.81	10,259.21	4,450.66	9,512.00	20,481.47	19,771.21
Segment Result	846.84	526.73	448.34	810.79	1,295.18	1,337.52
Interest Expenses					1,114.19	1,008.33
Interest Income					421.83	251.03
Profit Before Tax and Exceptional Item					602.02	500.21
Tax Expenses					157.65	137.84
Net Profit for the year					445.17	442.37
Assets	14,083.84	10,658.00	9,133.38	12,529.00	23,217.22	23,186.54
Liabilities	257.32	457.00	11,778.20	11,982.55	12,035.52	12,439.55
Depreciation	403.54	415.56	6.83	7.78	410.37	423.34
Capital Work-in-Progress	1,244.96	519.30	-	-	1,244.96	519.30

- 36 (a). The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the assets. The management is of the opinion that the recoverable amount of Company's assets or the recoverable amount of the cash generating unit to which the asset belongs as on 31.03.2023 is higher than the carrying amount. As such, the assets of the Company are not impaired in terms of Ind AS-36 notified under the Companies (Indian Accounting Standards) Rules, 2015.
- 36 (b). The company has undertaken warehouse project on vacant land at its Mohanlalganj, Lucknow premises for which capital expenditure of Rs. 681.55 lacs has been incurred and debited under the head Capital work in progress. The said project has been on hold since fresh negotiations with Phoenix Mills Ltd. for joint construction of warehouse are under progress. The management estimates that the recoverable amount of the capital expenditure incurred on the warehousing project by the company is higher than the carrying amount since further construction is proposed to be undertaken on the area in continuation with the construction already done and the capital expenditure already incurred by the company shall be considered as Company's contribution towards joint construction cost under the project. The company is, therefore, of the opinion that capital expenditure incurred for the warehouse project as on 31 March, 2023 is not impaired in terms of Ind AS – 36 notified under the Companies (Indian Accounting Standard) Rules, 2015.



**37 Related Party Disclosures**

List of Related Parties and Relationship

**i) ENTITIES JOINTLY CONTROLLED BY KEY MANAGEMENT PERSONNEL**

Mashino Textile (P) Ltd  
Everest Roofings (P) Ltd  
The Rohtak & Hissar District Electric Supply Co. (P) Ltd  
Ganga Corporation (P) Ltd  
UPAL Hotels (P) Ltd.  
MTX Hotels (P) Ltd.  
Doon Industrial Fund Private Limited  
Ecogreen Developers (P) Ltd.  
Uniglobe Glycols Limited  
Antarrashtriya Hindi Vidhyapeeth  
Amitabh Tayal (HUF)- HUF of Managing Director  
Ubuild Better Private Ltd.

**ii) KEY MANAGEMENT PERSONNEL, CLOSE MEMEBER AND OTHER EXECUTIVE OFFICERS**

Mr. Amitabh Tayal - Managing Director  
Mr. Priyank Tayal - Director  
Mrs. Mala Agarwal- Director  
Mr. Paras Nath - Director  
Mr. Qamar Syed Wajahat - Director  
Mrs. Shailly Tayal - Wife of Mr. Priyank Tayal.  
Mrs. Manju Tayal- Wife of Managing Director  
Mrs. Avanti Mohta- Daughter of Managing Director  
Mr. Gaurav Arora - Chief Financial Officer  
Ms. Sakshi Pandey - Company Secretary (Effective from 27.12.2021)

Note:- Related party relationship is identified by the company and relied upon by the auditors

## Transactions with Related Parties and Outstanding balances as on 31-03-2023

(Rs. In Lacs)

Transactions	ENTITIES JOINTLY CONTROLLED BY KEY MANAGEMENT PERSONNEL	KEY MANAGEMENT PERSONNEL & OTHER EXECUTIVE OFFICERS	CLOSE MEMEBER	Total
	Rs.	Rs.	Rs.	Rs.
<b>EXPENSES</b>				
Interest Paid	164.57 (173.00)	79.73 (111.35)	19.78 (24.74)	264.09 (309.11)
Remuneration Paid	- (-)	71.59 (67.81)	6.00 (3.00)	77.59 (70.81)
Repair & Maintenance	2.24 (3.22)	(-) (-)	(-) (-)	2.24 (3.22)
<b>INCOME</b>				
Interest Received/Receivable	46.21 (24.47)	- (-)	- (-)	46.21 (24.47)
Rental Income	42.00 (20.06)	0.00 (-)	0 (-)	42.00 (20.06)
Manpower Income	16.58 (5.60)	0.00 (-)	0.00 (-)	16.58 (5.60)
<b>OTHER TRANSACTION</b>				
Advances Given for purchases	0.00 (89.60)	- (-)	- (-)	0.00 (89.60)
Advances Squared off	0.00 (89.60)	- (-)	- (-)	0.00 (89.60)
Loan Given	185.74 (397.60)	- (-)	- (-)	185.74 (397.60)
Loan Received Back	- (221.00)	- (-)	- (-)	0.00 (221.00)
Loan Received	588.00 (153.00)	219.00 (110.00)	0 (-)	807.00 (263.00)
Loan Repaid	721.96 (421.21)	772.94 (63.00)	16.40 (-)	1511.30 (484.21)
<b>RECEIVABLES</b>				
Loan Given	515.34 (329.60)	- (-)	- (-)	515.34 (329.60)
<b>PAYABLES</b>				
Loan	1,377.19 (1491.31)	581.56 (1135.50)	231.00 (247.40)	2,189.75 (2874.21)

38. 'There are no Micro, Small and Medium Enterprises to whom the Company owes dues, which are outstanding for more than 45 days as at 31.03.2023. This information as required to be disclosed under Micro, Small and Medium Enterprise Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

39. a) **Defined Contribution Plan**

- i) 'Company's contribution to Government Administered Provident Fund / Family Fund during the year is Rs. 43.96 Lacs (Rs. 45.57 Lacs)
- ii) 'Company's contribution towards Employees State Insurance Fund is Rs. 8.96 Lacs (Rs. 9.03 Lacs)  
The contribution to provident fund is made to Employees' Provident Fund managed by Provident Fund Commissioner. The contribution towards ESIC is made to Employees State Insurance Corporation. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

b) **Defined Benefit Plan**

The employees' Gratuity Fund is managed by the Life Insurance Corporation of India. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation

i) **'Gratuity (As per actuarial valuation as on 31.03.2023)**

Amounts in Balance Sheet	31-03-23	31-03-22
Defined Benefit Obligation (DBO)	296.61	262.12
Fair Value of Plan Assets	264.25	230.69
Funded Status - (Surplus)/Deficit	32.35	31.43
Unrecognized Past Service Cost / (Credit)	-	-
Unrecognised Asset due to Limit in Para 64(b)	-	-
Liability/(Asset) recognised in the Balance Sheet	32.35	31.43

Amount Recognised in the Statement of Profit & Loss	31-03-23	31-03-22
Current Service Cost	24.52	23.64
Interest Cost	17.62	14.61
Expected Return on Plan Assets	(16.30)	(13.03)
Past Service Cost	-	-
(Gain)/Loss due to Settlements/ Curtailments/Acquisitions/Divestitures	-	-
Total Expense/(Income) included in "Employee Benefit"	25.85	25.23

Amount recognised in Other Comprehensive Income (OCI)	31-03-23	31-03-22
Amount recognized in OCI, Beginning of Period	(1.83)	(7.24)
Remeasurements due to :	-	-
<i>Effect of Change in financial assumptions [C]</i>	(1.11)	(7.66)
<i>Effect of Change in demographic assumptions [D]</i>	-	-
<i>Effect of experience adjustments [E]</i>	4.85	13.06
Actuarial (Gains)/Losses ( C+ D +E )	3.73	5.41
Return on plan assets (excluding interest)	(1.34)	(0.01)
Total remeasurements recognized in OCI	5.07	5.42
Amount recognized in OCI, End of Period	3.25	(1.83)

Change in Present Value of Benefit Obligation during the Period	31-03-23	31-03-22
Defined Benefit Obligation, Beginning of Period	262.12	225.04
Current Service Cost	24.52	23.64
Interest Cost	17.62	14.61
Actual Plan Participants' Contributions	-	-
Actuarial (Gains)/Losses	3.73	5.41
Acquisition/Business Combination/Divestiture	-	-
Actual Benefits Paid	(11.39)	(6.59)
Past Service Cost	-	-
Changes in Foreign Currency Exchange Rates	-	-
Loss / (Gains) on Curtailments	-	-
Liabilities Extinguished on Settlements	-	-
<b>Defined Benefit Obligation, End of Period</b>	<b>296.61</b>	<b>262.12</b>

Change in Fair Value of Plan Assets during the Period	31-03-23	31-03-22
Fair value of Plan Assets, Beginning of Period	230.69	194.25
Interest Income Plan Asset	16.30	13.03
Actual Enterprise's Contributions	30.00	30.00
Actual Plan Participants' Contributions	-	-
Actual Benefits Paid	(11.39)	(6.59)
Actuarial Gains/(Losses)	(1.34)	(0.01)
Acquisition/Business Combination/Divestiture	-	-
Changes in Foreign Currency Exchange Rates	-	-
Liabilities Extinguished on Settlements	-	-
<b>Fair Value of Plan Assets, End of Period</b>	<b>264.25</b>	<b>230.69</b>

Current / Non Current Benefit Obligation	31-03-23	31-03-22
Current Liability	-	-
Non Current Liability	32.35	31.43
Liability/(Asset) Recognised in the Balance Sheet	32.35	31.43

Category of Assets	31-03-23	31-03-22
Govl. of India Securities (Central and State)	0.00%	0.00%
High quality corporate bonds (incl PSU Bonds)	0.00%	0.00%
Equity shares of listed companies	0.00%	0.00%
Real Estate / Property	0.00%	0.00%
Cash (including Special Deposits)	0.00%	0.00%
Other (including assets under Schemes of Ins.)	100.00%	100.00%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

#### Sensitivity Analysis

	31-03-23	
Defined Benefit Obligation (Base)	296.61	
Sensitivity Analysis	31-03-23	
	Decrease	Increase
Discount Rate	308.08	285.87
Impact of increase/decrease in 50 bps on DBO	3.87%	-3.62%
Salary Growth Rate	286.71	306.84
Impact of increase/decrease in 50 bps on DBO	3.34%	3.45%

(Rs. In Lacs)

Financial Assumptions	31-03-23	31-03-22
Discount Rate	7.15%	7.10%
Salary Escalation Rate	8.00%	8.00%
Expected Return on Assets	7.15%	7.10%
Withdrawal Rate	5.00%	5.00%
Mortality rates	IAL Mortality (2012-14) Ult.	IAL Mortality (2012-14) Ult.

- ii) As per Actuarial Valuation Report Liability towards Leave Encashment as on 31st March 2023 is Rs. 54.01 Lacs (Rs. 55.50 Lacs). Liability for Leave Encashment of Rs. 1.49 Lacs has been reversed for the year.
40. The Sales Tax and Value Added Tax assessments/appeals under the provisions of respective State Acts and the Central Sales Tax under the provision of the Central Sales Tax Act, 1957 for certain past years are pending. Pending completion of such assessments/appeals/acceptance of refund claim, amount of Rs.169.26 lacs (Rs.188.53 lacs) determined as refundable from the departments has been treated as unsecured and considered good under Balance with Revenue Authorities [Refer Note No. 7 (2) (ii)]. However liability, if any, would be ascertained either at the time of filing of returns/ revised returns, wherever required, for the relevant assessment years or on finalization of assessments/appeals by the concerned authorities.
41. Advance Income Tax & Fringe Benefit Tax (Net of Provisions) of Rs. 14.59 lacs (Rs. 17.62 lacs) in respect of which reconciliation with the assessment/apellate order is in progress for some assessment years. The aforesaid amount is subject to adjustment on the basis of the aforesaid reconciliation.
42. In the FY 2008-09, the company has revalued its entire lands situated at Mohanlalganj Lucknow and at Village Bishara, Dadri, Gautam Buddha Nagar. The aforesaid lands have been revalued at fair market value by external valuers on the basis of the enquiries made by the valuers of the prevailing market price of similar properties in the vicinity and giving weightage to the peculiar situation of the aforesaid lands. Revalued amount of lands at Mohanlalganj Lucknow and Village Bishara, Dadri, Gautam Buddha Nagar aggregates to Rs. 5143.18 Lacs which had been recognized in the financial statement by increasing the existing value of the land by Rs. 4926.01 Lacs and crediting the increase in the net book value to the owner's interest under the head revaluation reserve.
43. The State Government of Rajasthan has withdrawn benefit available to the company under Rajasthan Value Added Tax Act 2003 on sale of A C Sheet containing Fly Ash more than 25% by weight. A writ petition of the company against this withdrawal of benefit before Hon'ble Rajasthan Highcourt, Jaipur Bench, Jaipur has been decided against the company. Civil Appeals of the company against the order of The Hon'ble Rajasthan Highcourt, Jaipur Bench, Jaipur are pending before Hon'ble Supreme Court. However, on conservative basis demands raised against the company has been charged to revenue in the years in which the same were paid by the company.
44. Selling price, discounts, commission and breakage compensation is determined by negotiation with customers. Such negotiation done telephonically / in meeting is evidenced by approval of the management of the company. The company has, during the year, accounted for the discount, commission, breakages on this basis. Since payments from customers are received in lump-sum and the balance confirmation sent by the company are generally not responded by the customers, the balances in the accounts of customers are subject to the reconciliation, confirmation and consequent adjustment, if any.
45. The management has, on the basis of its assessment of the realizability of trade receivables within or beyond twelve months from the balance sheet date, classified its trade receivable into current and non-current assets.
46. Balances of Trade Receivables (except few parties), Trade Payables, balances with customers & employees included in Other current liabilities, non current liabilities, Other current financial liabilities, balances with creditors & deposits with distributors etc.included in other financial liabilities, other current and non current assets, advances to employees and State Bank of India (Bombay) are subject to reconciliation, confirmation and consequent adjustments, if any.

**47. Financial Instruments**

Financial risk management objective and policies

This section gives an overview of the significance of financial instruments for the Company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial assets and financial liabilities are disclosed in Note 1.

**I Financial assets and liabilities as at**

(Rs. In Lacs)

Particulars	March 31, 2023				
	FVTPL	FVTOCI	Amortised Cost	Carrying Value	Fair Value
<b>Financial Assets</b>					
Cash and Cash Equivalents	-	-	3,021.43	3,021.43	3,021.43
Other bank balances	-	-	65.58	65.58	65.58
Non Current investments	-	5.47	-	5.47	5.47
Loans- current	-	-	982.93	982.93	982.93
Current trade receivables	-	-	4,141.70	4,141.70	4,141.70
Non-Current trade receivables	-	-	-	-	-
Other Non-current financial assets	-	-	272.54	272.54	272.54
Other Current financial assets	-	-	927.49	927.49	927.49
	-	5.47	9,411.67	9,417.14	9,417.14
<b>Financial Liabilities</b>					
Borrowings- Non Current	-	-	7,757.23	7,734.16	7,734.16
Borrowings- Current	-	-	2,572.31	2,572.31	2,572.31
Trade payables	-	-	385.08	385.08	385.08
Other Non-Current financial liabilities	-	-	58.27	58.27	58.27
Other Current financial liabilities	-	-	537.52	537.52	537.52
	-	-	11,310.41	11,287.34	11,287.34

Particulars	March 31, 2022				
	FVTPL	FVTOCI	Amortised Cost	Carrying Value	Fair Value
<b>Financial Assets</b>					
Cash and Cash Equivalents	-	-	3,173.49	3,173.49	3,173.49
Other bank balances	-	-	65.58	65.58	65.58
Non Current investments	-	8.77	-	8.77	8.77
Loans- current	-	-	893.11	893.11	893.11
Current trade receivables	-	-	1,194.91	1,194.91	1,194.91
Non-Current trade receivables	-	-	1,582.14	1,582.14	1,582.14
Other Non-current financial assets	-	-	234.43	234.43	234.43
Other Current financial assets	-	-	454.80	454.80	454.80
	-	8.77	7,598.46	7,607.23	7,607.23
<b>Financial Liabilities</b>					
Borrowings- Non Current	-	-	4,686.69	4,686.69	4,686.69
Borrowings- Current	-	-	5,948.55	5,948.55	5,948.55
Trade payables	-	-	205.67	205.67	205.67
Other Non-Current financial liabilities	-	-	58.27	58.27	58.27
Other Current financial liabilities	-	-	834.86	834.86	834.86
	-	-	11,734.04	11,734.04	11,734.04

## Fair Value Hierarchy

The table shown below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly

(i.e., derived from prices)

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

Financial Instruments	March 31, 2023		
	Level 1	Level 2	Level 3
<b>Financial assets</b>			
Investments at fair value through other comprehensive income	5.47	-	-
<b>Total</b>	<b>5.47</b>	-	-
Financial liabilities	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>
Financial Instruments	March 31, 2022		
	Level 1	Level 2	Level 3
<b>Financial assets</b>			
Investments at fair value through other comprehensive income	8.77	-	-
<b>Total</b>	<b>8.77</b>	-	-
Financial liabilities	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>

The below table summarises the fair value of financial liabilities which are carried at amortised cost as at March 31, 2023, and March, 31 2022:

Financial Instruments	Level 1	Level 2	Level 3
<b>March 31, 2023</b>			
Non Current & Current Borrowings		10,306.47	
Current maturities of long term borrowings		766.46	
<b>Total</b>		<b>11,072.93</b>	
<b>March 31, 2022</b>			
Non Current & Current Borrowings		10,635.24	
Current maturities of long term borrowings	-	496.63	-
<b>Total</b>	<b>-</b>	<b>11,131.87</b>	<b>-</b>

The fair value of the financial assets and liabilities are included at the amount that would be received to sell an asset and paid to transfer a liability in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:

- Non-current borrowings including current maturity of long term borrowings: Fair value has been determined by the Company based on parameters such as interest rates, specific country risk factors, and the risk characteristics of the financed project.
- Other non-current financial assets and liabilities: Fair value is calculated using a discounted cash flow model with market assumptions, unless the carrying value is considered to approximate to fair value.
- Trade receivables, cash and cash equivalents, other bank balances, loans, other current financial assets, current borrowings, trade payables and other current financial liabilities: Approximate their carrying amounts largely due to the short-term maturities of these instruments. Fair value of investments are on the basis of quoted prices in active market on the balance sheet.

There has been no transfer between Level 1 & Level 2 during the above periods

#### Financial Risk Management Objectives and Policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies.

#### Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows arising out of change in the price of a financial instrument. These include change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments.

The company manages market risk through a risk management committee engaged in, inter alia, evaluation and identification of risk factors with the object of governing/mitigating them according to Company's objectives and declared policies in specific context of impact thereof on various segments of financial instruments. The Board provides oversight and reviews the Risk management policy on a quarterly basis.

#### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The company is not exposed to significant interest rate risk as at the respective reporting dates.

#### Foreign currency risk

The company does not have any exposure to foreign currency risk

#### Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of account receivables. Individual risk limits are set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. The company considers reasonable and supportive forward-looking information.

Financial assets are written off when there is no reasonable expectation of recovery, such as debtor failing to engage in a repayment plan with the company.

The company is monitoring production, realization, demand of the products and continuous payment to the company by the lessee in order to mitigate the risk involved due to high outstanding balance in a single go, hence the Company's concentration of risk with respect to trade receivables is low.



### Liquidity Risk

The Company's Current assets aggregate to Rs. 11365.72 lacs (Rs. 10017.52 lacs) including Cash & cash equivalents and other bank balance balances of Rs. 3087.01 lacs (Rs.3239.07 lacs) against an aggregate Current liability of Rs. 3623.92 lacs (Rs. 7078.53); Non-current liabilities amounting to Rs. 8411.59 lacs (Rs. 5361.03 lacs) on the reporting date. Further, while the company's total equity stands Rs. 11181.69 lacs (Rs. 10746.99 lacs), it has borrowing of Rs. 10329.54 lacs (Rs 10635.24 lacs). In such circumstances, liquidity risk or the risk that the company may not be able to settle or meet its obligations as they become due does not exist.

### 48. The Company as lessor

Rental Income from operating lease is in respect of Land, Building and Plant & Machinery at the Dadri Unit and Mohanlalganj, Lucknow Unit of the Company. The Dadri Unit has been leased out by the company for a period of 15 years w.e.f. 01.04.2019 and Mohanlalganj, Lucknow Unit for a period of 10 years w.e.f. 01.01.2022 (registered agreement entered into for 10 years for land and building and for 5 years for plant and machinery which shall be further registered after 5 years after updating the list of Plant & Machinery). The lease rental is recognized on a straight line basis over the term of the relevant lease.

The aggregate of future minimum lease payments in respect of Non-Cancellable leasing arrangement required to be disclosed as per IndAS-116 as under:

a. Not Later than one year	Rs.	1930.24 Lacs
b. Later than one year and not later than five years up to 31.03.2028	Rs.	8411.63 Lacs
c. Later than five years	Rs.	11553.56 Lacs

### The Company as lessee

The company's leasing arrangements are in respect of short-term leases for obtaining premises such as godowns, offices, etc. and the same is recognized as an expense on either a straight-line basis over the lease term.

- 49 Pending receipt of interest on refund of Rs. 79.70 lacs from the Commercial Tax authorities in the matter pertaining to financial year 2004-05 in respect of tax exemption on usage of fly ash in production of finished goods, an estimated amount of Rs. 126.02 lacs have been recognized by the company as interest income during the financial year 2020-21. The amount is still recoverable from the commercial tax authorities.
50. The company has not accepted any deposits during the year within the meaning of section 73 to section 76 or any other relevant provisions of the Act and the Rules framed thereunder. The management is of the opinion that deposits (including unclaimed deposits) from dealers to whom the company supplies goods shall not qualify as deposits with the meaning of section 73 to section 76 or any other relevant provisions of the Act and the Rules framed thereunder.
51. The company has adequate internal financial controls over financial reporting for ensuring the orderly and efficient conduct of its business including adherence to company's policies, 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 by the Companies Act, 2013. However, such internal controls are being followed as a part of company's routine functioning and are yet to be formally documented. The company is in the process of documenting its processes which ensure adequate internal financial controls so as to be able to demonstrate the existence and effective implementation of such control.
52. The company has received cheques of Rs. 2820 lacs from M/s Navnidhi Continental Private Limited in the month of March, 2023 against outstanding Trade Receivables. The same has been disclosed under the head Cheques-In-Hand in Note 10 of the financial statements. On insistence of the party, the company instead of depositing the aforesaid cheques for realizing its payment, accepted payment from the party through RTGS. However, the amount corresponding to such cheques of Rs. 2050 lacs were actually paid by the party through RTGS after the balance sheet date till 20th May'2023.
53. Deposit Payment (Refer Note no.7(2)(i) includes security deposit of Rs. 100 lacs ( Rs. 130 lacs ) to M/s Brij Bhushan Enterprises LLP given by the company for facilitating regular supply of Raw Material Cement.

54. Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties

**Repayable on demand**

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoter	-	-
Directors	-	-
KMPs	2.60	0.27%
	(4.40)	(0.49%)
Related Parties	515.34	52.57%
	(329.60)	(36.90%)

55. Particulars of Loan , Guarantees and Investments under section 186:

SL No.	Details of Borrower	Opening Balance as on 01/04/2022	Loan Given During the year	Unsecured Loan Received back during the year	Total amount Outstanding at the end of F.Y 2022-23	Purpose for which the loan is to be utilized by the recipient
1	Big Apple Real Estate Private Limited	NIL Interest (Gross) 11.85	NIL	NIL	NIL NIL	For Business Operation Purposes
2	Castmet Packagings Private Limited	139.89 Interest (Gross): 16.79	NIL	39.89	100.00 Interest (Gross): 12.00	For Business Operation Purposes
3	Pasondia Cables Pvt. Ltd.	38.04 Interest (Gross): 15.93	NIL	38.04	NIL	For Business Operation Purposes
4	Shri Ghata Mehndipur Balaji LLP	150.00 Interest (Gross): 18.00	NIL	NIL	150.00 Interest (Gross): 18.00	For Business Operation Purposes
5	Ubuild Better Private Limited	329.60 Interest (Gross): 24.47	185.74	NIL	515.34 Interest (Gross): 46.21	For Business Operation Purposes
6	Prabhat Ramesh Land Developers LLP	200.00 Interest (Gross): 5.65	NIL	NIL	200.00 Interest (Gross): 24.00	For Business Operation Purposes

**56. Managerial Remuneration:**

(a) Paid/provided for during the year to the directors	2022-23 (Rs. lacs)	2021-22 (Rs. lacs)
(i) Salary & Allowance	46.20	46.20
(ii) Commission	-	-
(ii) Perquisites	3.97	2.60
	50.17	48.80

**57. Earnings per share (EPS)**

Particulars	31-Mar-23	31-Mar-22
Net profit/(loss) after tax for the year (Rs in Lacs)	445.17	442.37
Weighted number of ordinary shares for basic EPS	9117130	9117130
Nominal value of ordinary share (in Rs. per share)	10/-	10/-
Basic and Diluted earnings for ordinary shares (in Rs. per share)	4.89	4.86

58. The Company maintains cost records pursuant to Section 148(1) of the Companies Act, 2013. Whereas the cost records for Financial Year 2022-23 are in the process of updation, the cost records for financial year 2021-22 have been prepared and audited by the Cost Auditors of the company.

**59. Prior Period Errors**

The company has taken impact of Net prior period credits of Rs. NIL (Rs. 0.43) lacs through SOCE in the surplus of financial year 2020-21 in the financial statements of the company in accordance with IndAS-8 on Accounting Policies, Changes in Accounting Estimates and Errors.

60. During the year a search was conducted by the Goods & Services Tax (GST) Department at Mohanlalganj, Lucknow unit of the company. During the course of search, the GST department has assessed shortage of stock of AC Sheets of 2148.892 MT out of total stock of 17018.23 MT as on 20.02.2023 as per books of accounts. The said shortage of stock of AC sheets has arisen since after leasing out of its facilities at Mohanlalganj, Lucknow unit, the company was disposing off old stocks during the year resulting several sheets in complete stacks getting broken and reduced to scrap. Such broken sheets were not considered by the GST department as inventory recorded in the stock records, hence, the GST department treated the same as stock shortage. Pending completion of proceedings by the GST department, the GST of Rs. 30.94 Lacs computed by the GST department on the alleged shortage of AC sheets has been paid by the company and the cost of shortage of stock of 2148.892 MT of Rs. 170.83 lacs has been charged off by the company as an expense in the Statement of Profit & Loss for the financial year 2022-23.

**61. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

As per section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately Preceding three financial years on corporate social responsibility (CSR) activities.

Particulars	As at	
	March 31, 2023	March 31, 2022
i) Amount required to be spent by the company during the year	10.41	8.7
ii) Amount of expenditure incurred	12	9
iii) Shortfall at the end of the year	-	-
iv) Total of previous years shortfall	-	-
v) Reason for shortfall	NA	NA

vi)	Nature of CSR activities	Development of model villages by holistic approach with a focus to promoting of ecosystem in the block Mohanlalganj, of District Lucknow in the state of U.P.				Welfare of the below poverty line children and students focussing on orphaned street children.
vii)	Details of related parties transaction, e.g. contribution to a trust controlled by the company in relation to CSR expenditure as per relevant accounting standards(1)				NA	NA
viii)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision				NA	NA

**62. Ratios**

The following are analytical ratios for the year ended March 31, 2023 and March 31, 2022.

Particulars	Numerator	Denominator	Unit	31st March 2023	31st March 2022	Variance	Reason for Variance
Current Ratio	Current Assets	Current liabilities	Times	3.14	1.42	120.87%	Improved primarily due to decrease in working capital loan
Debt-Equity Ratio	Total Debt	Shareholder's Equity	Times	1.70	1.89	-10.05%	-
Debt Service Coverage Ratio	Earnings available for debt service <sup>(1)</sup>	Debt Service	Times	0.94	1.16	-18.84%	-
Return on Equity (ROE)	Net Profits after taxes	Average Shareholder's Equity	%	7.25%	7.77%	-0.52%	-
Trade receivables turnover ratio	Revenue	Average Trade Receivable	Times	5.61	5.97	-6.05%	-
Trade payables turnover ratio	Purchases of goods and other expenses	Average Trade Payables	Times	50.41	38.32	31.56%	Repayment of Trade payables has resulted in an improvement in the ratio.
Inventory Turnover Ratio	Sales	Average Inventory	Times	5.13	3.46	48.55%	Changed primarily due to Sale of old Stock of Finished Goods
Net capital turnover ratio	Revenue	Working Capital	Times	2.65	6.68	-60.40%	Changed primarily due to decrease in working capital loan
Net Profit Ratio	Net Profit	Revenue	%	2.17%	2.25%	-0.08%	-
Return on capital employed (ROCE)	Earning before Interest and taxes	Capital Employed <sup>(2)</sup>	%	28.63%	25.89%	2.74%	-
Return on Investment (ROI) Quoted	Income generated from investment	Investments	%	0.00%	0.00%	0.00%	-

(1) Net profit after taxes+ Non-cash operating expenses + Interest+other adjustments like loss on sale of Fixed assets etc.

(2) Equity Share Capital+ Other Equity -Revaluation Surplus-Other Comprehensive Income.

63. Inventories of AC Sheets and Asbestos fibre as at year-end has been kept by the company at identified locations in the same premises as that of the lessee. Whereas the entire inventory of AC sheets has been sold subsequent to the balance sheet date, the inventory of Asbestos Fibre valued at cost at Rs. 623.66 lacs has been kept in a separate godown under the physical control of the company. The company is in the process of disposing off the said inventory of Asbestos Fibre at a Net Realisable value which is in higher of the cost of the inventory on which the same has been carried in the financial statements.
64. The company has availed term loans from Kotak Mahindra Bank Ltd of Rs. 4561.68 lacs in the month of Mar'2023 (against take over of term loans of the same amount from UBI). As per Ind AS -109, the company is carrying the financial liabilities at amortized cost using effective interest method, hence the value of said term loans have been decreased by the transaction cost i.e. the processing fee of Rs. 23.07 lacs to comply with the said Ind AS -109. The details of said term loans are given below :

(Rs. In Lacs)

Particulars	Fair Value	Carrying Value
Term loans from Kotak Mahindra Bank Ltd.	4,561.68	4,538.61

**65. ADDITIONAL REGULATORY INFORMATION**

- i. There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deed is not held in the name of the Company.
  - ii. The Company has not revalued its Property, Plant and Equipment during the year.
  - iii. There are no intangible assets under development as at March 31, 2023 or as at March 31, 2022.
  - iv. The Company do not have any Benami property. No proceedings have been initiated or pending against the Company for holding any Benami property.
  - v. Quarterly returns or statements of current assets filed by the Company with banks during the year are in agreement with the books of accounts.
  - vi. The Company is not declared wilful defaulter by any bank or financial institution or lender during the year.
  - vii. On the basis of available information, there is are no transactions with struck-off companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, during current and previous years.
  - viii. There are no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period in the current as well as in the previous year.
  - ix. The Company has complied with the number of the layers prescribed under clause (87) of section 2 of the Companies Act read with the Companies (Restriction on Number of Layers) Rules 2017.
  - x. The Company have not traded or invested in Crypto currency or virtual currency during the period / year.
  - xi. The Company have not advanced or loaned or invested funds to any other person (s) or entity (es) including foreign entities (intermediates) with the understanding that the intermediary shall :
    - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
    - b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
  - xii. The Company has not received any fund from any person (s) or entity (ies) including foreign entities (Funding party) with the understanding that the company shall -
    - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
    - b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - xiii. There are no transactions that has been surrendered or disclosed by the Company as income during the year in the tax assessments in the Income tax Act, 1961. As such, the question of recording of the same in the books of accounts does not arise.
  - vi. The Company does not have any Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
66. Previous year figures have been regrouped/ reclassified to make it comparable with current year's figures.
67. Figures in brackets relate to the previous year.

# CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2023



(Pursuant to Listing Agreement with Stock Exchange)

(Rs. In Lacs)

	2022-23		2021-22	
	Rs.	Rs.	Rs.	Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>				
NET PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS AS PER STATEMENT OF PROFIT & LOSS		602.82		580.21
Adjustment for:				
Depreciation and amortisation expense ( Net of Excess Depreciation written back)	410.37		423.34	
Finance cost	1,154.38		893.63	
Provision for doubtful debts/ Bad Debts Written off	96.65		5.32	
Actuarial gain/(loss) on defined benefit plan	(5.07)		(5.42)	
Foreign Exchange (+)Loss / (-)Gain	-		-	
(Profit)/ Loss on Sale of Fixed assets (Net)	(0.98)		-	
Interest Earned	(421.83)		(101.03)	
Dividend Earned	(0.13)	1,233.39	(0.09)	1,215.75
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>		<b>1,836.21</b>		<b>1,795.96</b>
Adjustment for:				
Increase (-) / Decrease In Trade and other Receivables	(1,995.84)		990.43	
Increase (-) / Decrease in Inventories	2,696.19		828.72	
Increase / Decrease (-) in Trade Payables, current liabilities and provisions	(27.03)	673.32	(397.04)	1,422.11
<b>CASH GENERATED FROM OPERATIONS</b>		<b>2,509.53</b>		<b>3,218.07</b>
Direct Tax Refund (Net of Tax Paid)		(278.40)		(137.84)
<b>NET CASH FROM OPERATING ACTIVITIES</b>		<b>2,231.13</b>		<b>3,080.23</b>
Exceptional Item ( Profit on Sale of Equity Shares)		-		-
<b>NET CASH FROM OPERATING ACTIVITIES AFTER EXCEPTIONAL ITEM</b>		<b>2,231.13</b>		<b>3,080.23</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Loan and Advances		(92.21)		(394.21)
Advances for Property Plant and Equipments		(67.51)		44.28
Purchase of Property Plant and Equipments		(1,190.25)		(806.58)
Proceeds from sale of Property Plant and Equipments		4.90		0.28
Interest Received		421.83		101.03
Dividend Received		0.13		0.09
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>		<b>(923.11)</b>		<b>(1,055.11)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceeds from Long Term Borrowing and other borrowings (net of repayment)		(305.70)		1,710.47
Finance cost		(1,154.38)		(893.63)
Foreign Exchange (-)Loss / (+)Gain		-		-
<b>NET CASH USED IN FINANCING ACTIVITIES</b>		<b>(1,460.08)</b>		<b>816.84</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>		<b>(152.06)</b>		<b>2,841.96</b>
CASH AND BANK BALANCE AS AT BEGINNING OF THE YEAR		3,239.07		397.11
CASH AND BANK BALANCE AS AT END OF THE YEAR		3,087.01		3,239.07

