

DIRECTORS' REPORT



To,
The Members,
Your Directors have pleasure in presenting their 46th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31st, 2020.

1. Financial summary or highlights/Performance of the Company

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

(Rs. In Lakhs)

Particulars	2019-2020	2018-2019
Revenue From operations	16239.71	15233.73
Other Income	677.55	728.31
Profit/Loss Before Interest, Depreciation and Exceptional Items	1742.22	1591.90
Finance Charges	876.71	777.47
Profit/Loss before Depreciation and Tax	865.81	814.43
Provision for Depreciation	500.11	498.54
Exceptional Item/Extraordinary Items	0	0
Profit Before Tax/ Loss	365.70	315.89
Profit After Tax/ Net Loss	217.94	118.90

2. State of Company's affair

The company manufactures Corrugated Fibre Asbestos Cement Sheets and Profile Sheets which are widely used in industrial sector.

Our company at present has two units-one at Lucknow and other at Dadri. The company has undergone restructuring and to enhance its financial positions and overall shareholders' value the company has given its Dadri 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. **16239.71** Lakhs as compared to Rs. **15233.73** Lakhs in last year. The company's revenue has increased by 6.60% in comparison to last year; the company had a Profit before tax of Rs. **365.70** as compared to profit before tax of Rs. **315.89** Lakhs in last year, Profit after tax has been Rs. **217.94 lakhs** compared to a profit after tax Rs. **118.90** Lakhs in last year.

Highlights of the performance of the company has 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 review however the deposits existing on 1st April, 20 with the company has been timely paid off. A Return in DPT-3 is filed with ROC regarding the same. However unclaimed/disputed deposits amounting to Rs.65000 and interest thereon are lying with the Company as on 31.03.2020.

6. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year the company witnessed a change in Board of Directors on appointment of Mr. Paras Nath Singh as Non-Executive Independent Director w.e.f. 10.07.2019 and resignation of Mr. Rakesh Seth from the post of the Non-Executive Independent Director w.e.f. 18.02.2020. Mr. Paras Nath Singh was designated regular Chairman of the Board w.e.f. 18.02.2020.

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, 2020, the applicable accounting standards have been followed and there are no material departures from the same;

- 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 **MGT 9** as a part of this Annual Report as **ANNEXURE I** has been uploaded on website of the Company www.upal.in under investor section.

9. MEETINGS DURING THE YEAR

The Board met seven times during the financial year ending on 31st March, 2020. 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 was constituted in the following manner :-

Sl.	Name of Committee	Members	
1.	Audit Committee	Shri Paras Nath Singh (18.02.2020 onwards)	Chairman

		Sri Dharam Mohan Tayal	Member /NED
		Smt Mala Agrawal	Member /NED
		Shri Rakesh Seth (till 18.02.2020)	Member /NED
		Shri Manish Kumar Singh	Secretary to the Committee
2.	Nomination and Remuneration Committee	Shri Paras Nath Singh (18.02.2020 onwards)	Chairman
		Shri Rakesh Seth (till 18.02.2020)	Member /NED
		Smt Mala Agrawal	Member /NED
		Shri Dharam Mohan Tayal	Member /NED
		Shri Manish Kumar Singh	Secretary to the Committee
3.	Stakeholders' Relationship Committee	Shri Dharam Mohan	Chairman
		Shri Amitabh Tayal	Member /ED
		Smt Mala Agrawal	Member /NED
		Shri Manish Kumar Singh	Secretary to the Committee
4.	Share Transfer Committee	Shri Amitabh Tayal	Chairman
		Smt. Mala Agrawal	Member /NED
		Shri Manish Kumar Singh	Secretary to the Committee
5.	Internal Audit Committee	Shri Dharam Mohan	Chairman
		Shri Priyank Tayal	Member/ED
		Shri Rakesh Seth (till 18.02.2020)	Member/NED
		Smt. ShaillyTayal	Member
		Shri Manish Kumar Singh	Secretary to the Committee

The Board has accepted all recommendations made by the Audit Committee from time to time.

1. DECLARATION BY AN INDEPENDENT DIRECTOR(S) AND RE-APPOINTMENT, 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.

2. 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.

3. AUDITORS: -

A. STATUTORY AUDITOR:

The Auditors M/s Sharma Prakash & Associates are appointed 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 5 qualified opinions and the response of your directors with respect to it is as follows: -

1. Auditors have expressed inability to compute the impact on profit on account of non-confirmation and non-reconciliation of balances with those parties from whom balance confirmations have not been received by the company.
2. In view of the uncertainty about its ultimate collection, Auditors are unable to form an opinion as to the recoverability of this amount.
3. 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.
4. The company has recognised interest income of Rs. 11.85 lacs on loan granted in an earlier year to an erstwhile related Party M/s Big Apple Real Estate Private Limited covered u/s 189 of the Companies Act, 2013. The loan repayable on demand has been recovered. However, interest on loan for financial year 2015-16 till the date of its repayment in July, 2015 is yet to be recovered. The Auditors are unable to comment on the recoverability of the same.
5. The Auditors are unable to comment on the effectiveness of the internal control with respect to identification of unserviceable or damaged items of inventory for valuation of the same at lower of cost or Net realizable value.

1. Response to Point 1.
Adjustments on account of any selling price, discounts, commission and breakage compensation is negotiated with the customers and effect of the same is taken after finalization. Majority of the balances with the customers have been confirmed either telephonically or by way of obtaining balance confirmation letters from them. Necessary evidences regarding balance confirmation not evidenced by confirmation letters is in process to be obtained.
2. Response to Point 2.
The Company is hopeful of recovery of Rs. 79.70 lacs from the Commercial Tax Department of the Government of Uttar Pradesh as similar matter in this respect has also been decided in favour of Company in F.Y. 2013-14 by Hon'ble Supreme Court.
3. Response to point 3.
The Company has assessed the recoverable amount of the company's assets on the basis of several factors. The Company shall soon get a valuation of its Fixed Assets done in order to compute impairment of Assets in accordance with Ind AS-36 to demonstrate the same. However, the company has got a valuation of its fixed assets done for the purpose of its bankers and on the basis of the same the recoverable cost of the Fixed Assets is higher than its carrying amount.
4. Response to Point 4.
The loan amount was recovered in July' 2015 but interest income of Rs. 11.85 lacs is yet to be recovered. Management is hopeful for recovery of this amount.
5. Response to Point 5.
Identification of unserviceable or damaged items of inventory is done at the time of physical verification and necessary action is taken in the books of accounts.

B. SECRETARIAL AUDIT REPORT

In terms of Section 204 of the Companies Act, 2013 and Rules made there under, M/s. Aditya & Associates, Company Secretaries had been appointed as the Secretarial Auditors of the Company for the financial year ending on 31.03.2020.

C. COST AUDITOR

In terms of the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, M/s. Aman Malviya & Associates, Cost Accountants have been appointed as Cost Auditors to conduct the audit of cost records of your company for the financial year 2020-21. The remuneration payable to the Cost Auditor is subject to ratification by the members at the ensuing Annual General Meeting of the Company.

Your Company submits its Cost Audit Report with the Ministry of Corporate Affairs within the stipulated time period.

D. INTERNAL AUDITOR:

The Company continues to engage Mr. O.P. Singh as its Internal Auditor. During the year, the Company continued to implement 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.

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 51** of the Balance Sheet The Loans made are detailed as under :-

S L	Details of Borrower	Amount	Purpose of loan/investment for the recipient	Date of BR	Date of SR (if reqd)	ROI (%)
1	Big Apple Real Estate Limited	11,84,570	Business Operations		NA	
2.	CasmetPackagings Pvt Ltd.	1,26,25,196	Business Operation	20.05.2013	NA	16
3.	Pasondia Cables Private Limited	38,03,607	Business Operation	30.06.2016	NA	19
4.	Shri Ghata Mehendipur Balaji LLP	1,50,000,00	Business Operation	25.07.2017	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 has been 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 CEO Declaration for Code of Conduct and certificate of Practicing Company Secretary certifying compliance of conditions of Corporate Governance by the company has been made part of the annual report and annexed herewith as **Annexure II, III, IV, and V**. ACFO 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 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 9th 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)

The company does not fall in the criteria mentioned under section 135 of the Companies Act, 2013. Therefore, the Company was not required to form CSR Committee or frame CSR Policy. Accordingly, the Company was not required to make any expenditure towards CSR. However, the company has voluntarily made expenditure for the purpose of CSR.

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. ACKNOWLEDGEMENTS

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

Place: Lucknow
Date:14.08.2020

For U.P. Asbestos Limited
(Amitabh Tayal)
Managing Director
(DIN: 00556569)

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2020

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L26942UP1973PLC003743
2.	Registration Date	July 18, 1973
3.	Name of the Company	U. P. Asbestos Limited
4.	Category/Sub-category of the Company	Public Company/Limited by shares
5.	Address of the Registered office & contact details	P O Mohanlalganj, Lucknow – 226 301, Uttar Pradesh, India. Phone No.: +91-522-2622905 Email: upasbestos@upasbestos.com Website: www.upal.in
6.	Whether listed company	Yes, on MSEI Limited
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	KFin Technologies Karvy Selenium Tower B Plot No. 31 & 32, Gachibowli, Financial District Nanakramguda, Hyderabad – 500032 Phone No.: +91-40-67162222, 33211000 Fax No.: +91-40-23420814 Email:support@karvy.com; Website:www.karvy.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

The business activities contributing 10% or more of the total turnover of the company is stated :

S.No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Corrugated Cement Asbestos Sheets	23959	70.28
2	Profile Steel Sheet	25910	03.44
3	Miscellaneous Services	-	26.28

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S. N	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/SUBSIDIARY / ASSOCIATE	% of shares held	Applicable Section
NIL					

III. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year[As on 01-April-2019]				No. of Shares held at the end of the year[As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	1282845	-	1282845	14.09	1282845	-	1282845	14.09	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-

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d) Bodies Corp.	5057079	-	5057079	55.53	5057079	-	5057079	55.53	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	170850	-	170850	1.88	170850	-	170850	1.88	-
Total shareholding of Promoter (A)	6510774	-	6510774	71.50	6510774	-	6510774	71.50	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	
b) Banks / FI	-	-	-	-	-	-	-	-	
c) Central Govt	-	-	-	-	-	-	-	-	
d) State Govt(s)	-	-	-	-	-	-	-	-	
e) Venture Capital Funds	-	-	-	-	-	-	-	-	
f) Insurance Co.'s	-	-	-	-	-	-	-	-	
g) FIs	-	-	-	-	-	-	-	-	
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	
i) Others (specify)	-	-	-	-	-	-	-	-	
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	594898	1300400	1895298	20.81	597698	1300400	1898098	20.84	0.03 (Inc.)
ii) Overseas	-	-	-	-	-	-	-	-	
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 2 lakh	205150	316021	521171	5.72	214650	296771	511421	5.62	0.10 (Dec.)
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	176900	100	177000	1.94	183850	100	183950	2.02	0.08 (Inc.)
c) Others (specify)	-	-	-	-	-	-	-	-	-
NRI	2950	-	2950	0.03	2950	-	2950	0.03	-
Sub-total (B)(2):-	979898	1616521	2596419	28.50	999148	1597271	2596419	28.50	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)									
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	7490672	1616521	9107193	100.00	7509922	1597271	9107193	100.00	-

B) Shareholding of Promoter-

Sl.	Shareholder's Name	Shareholding at the beginning of the year 1 st April, 2019			Shareholding at the end of the year 31 st March, 2020			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Amitabh Tayal	133598	1.47	0.42	133598	1.47	0.42	-
2	Manju Tayal	97098	1.07	0.00	97098	1.07	0.00	-
3	Priyank Tayal	528700	5.81	1.79	528700	5.81	1.79	-
4	Avanti Mohta	454800	4.99	0.00	454800	4.99	0.00	-
5	Amitabh Tayal (HUF)	68649	0.75	0.00	68649	0.75	0.00	-
6	Mohan Manglam Trust	170850	1.88	0.00	170850	1.88	0.00	-
7	Ganga Corporation Pvt. Ltd.	110150	1.21	0.00	110150	1.21	0.00	-
8	Doon Industrial Fund Ltd	37500	0.41	0.00	37500	0.41	0.00	-
9	Everest Roofings Pvt Ltd	429471	4.72	0.00	429471	4.72	0.00	-
10	The Rohtak and Hissar Districts Electric Supply Company Ltd	883350	9.70	0.00	883350	9.70	0.00	-
11	Mashino Textile Pvt. Ltd.	1539100	16.90	0.00	1539100	16.90	0.00	-
12	Uniglobe Glycols Limited	2057508	22.59	0.00	2057508	22.59	0.00	-
	Total	6510774	71.50	2.21	6510774	71.50	2.21	-

C) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Promoters At the beginning of the year (01.04.2019)	NO CHANGE			
	Changes During the year				
	At the end of the year (31.03.2020)				

D) Shareholding Pattern of top ten Shareholders

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

SN	Name of Shareholder's	Shareholding at the beginning of the year 01.04.2019		Cumulative Shareholding at the end of the year 31.03.2020	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Jaiprakash Associates Ltd.				
	Opening balance	840000	9.22	840000	9.22
	No change				
	Closing balance	840000	9.22	840000	9.22
2.	R and H Power Co. (P) Ltd.				
	Opening balance	589998	6.48	589998	6.48
	No change				
	Closing balance	589998	6.48	589998	6.48

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3.	Camsoft India (P) Ltd. Opening balance	59400	0.65	59400	0.65
	No change				
	Closing balance	59400	0.65	59400	0.65
4	Emkey Commercial Co. Ltd. Opening balance	49500	0.54	49500	0.54
	No change				
	Closing balance	49500	0.54	49500	0.54
5	Pareshkumar Chimanlal Shah Opening Balance	0	0.00	42650	0.47
	No change				
	Closing balance	0	0.00	42650	0.47
6	Kalpesh Bajranlal Agrawal Opening balance	42150	0.46	42150	0.46
	No change				
	Closing balance	42150	0.46	42150	0.46
7	D. M. Tayal Opening balance	40100	0.44	40100	0.44
	No change				
	Closing balance	40100	0.44	40100	0.44
8	Hitech Computech Pvt. Ltd. Opening balance	37400	0.41	37400	0.41
	No change				
	Closing balance	37400	0.41	37400	0.41
9	B.T. Technet Ltd. Opening balance	34100	0.37	34100	0.37
	No change				
	Closing balance	34100	0.37	34100	0.37
10	Aduri Sales Pvt. Ltd. Opening balance	33000	0.36	33000	0.36
	No change				
	Closing balance	33000	0.36	33000	0.36

E) Shareholding of Directors and Key Managerial Personnel :

SN	Shareholding of each Director and each Key Managerial Personnel	Shareholding at the beginning of the year 1 st April, 2019		Cumulative Shareholding at the end of the year 31 st March, 2020	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	D.M. Tayal	40100	0.44	40100	0.44
2	Amitabh Tayal	133598	1.47	133598	1.47
3	Priyank Tayal	528700	5.81	528700	5.81
4.	Rakesh Seth	100	0.00	100	0.00
5.	Mala Agrawal	-	-	-	-
6.	Manish Kumar Singh	-	-	-	-
7.	Gaurav Arora	-	-	-	-

F) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	54,63,55,339.08	22,43,61,628.00	3,50,000.00	77,10,66,967.08
ii) Interest due but not paid	-	-	2,69,328.00	2,69,328.00
iii) Interest accrued but not due	5,062.00	3,53,102.00	-	3,58,164.00
Total (i+ii+iii)	54,63,60,401.08	22,47,14,730.00	6,19,328.00	77,16,94,459.08
Change in Indebtedness during the financial year				
Addition	7,55,37,823.73	5,20,73,972.00	-	11,76,11,795.73
Reduction	-	-	(4,91,527.00)	(4,91,527.00)
Net Change	7,55,37,823.73	5,20,73,972.00	(4,91,527.00)	12,71,20,267.73
Indebtedness at the end of the financial year				
i) Principal Amount	62,18,98,224.81	27,46,19,626.00	65,000.00	89,65,82,850.81
ii) Interest due but not paid	-	21,69,076.00	62,801.00	22,31,877.00
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	62,18,98,224.81	27,67,88,702.00	1,27,801.00	89,88,14,727.81

XI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL -

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTM/ Manager		Total Amount
		Priyank Tayal WTD	Amitabh Tayal MD	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	27,00,000.00	19,20,000.00	46,20,000.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	2,05,673.00	1,30,702.00	3,36,375.00
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option			
3	Sweat Equity			
4	Commission specify...	-	-	-
5	Others, please specify (Employers Contribution to PF)	21,600.00	-	21,600.00
	Total (A)	29,27,273.00	20,50,702.00	56,50,176.00

B. Remuneration to other directors: NIL

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTM

SN	Particulars of Remuneration	Key Managerial Personnel		
		Manish Kumar Singh (CS)	Gaurav Arora CFO	Total

1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4,64,976.00	11,45,594.00	16,10,570.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	21,744.00	54,000.00	75,744.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2	Stock Option			
3	Sweat Equity			
4	Commission			
	- as % of profit			
	others, specify...			
5	Others, please specify(Employers Contribution to PF)	21,600.00	21,600.00	43,200.00
	Total	5,08,320.00	12,21,194.00	17,29,514.00

XII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There are no penalties, punishments or compounding of any offence on directors or on Company or any other officer in default for the year ended on 31st March, 2020.

For U.P. Asbestos Limited

Place: Lucknow

Date:14.08.2020

(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%
Total	5	100%

Total non-executive directors are 3 out of whom 2 directors are non-executive independent directors.

Director's Attendance Record, Directorship held and Status

During the year under review, 7 Board meetings were held and conducted on 28th May, 2019, 09th July 2019, 13th August, 2019, 13th November, 2019, 31st January 2019, 07th March 2020 and 25th March, 2020. 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 Dharam Mohan	*NED	Yes	07	NIL	07	1	3
Shri Rakesh Seth	**NED	Yes	05	NIL	05	NIL	2
Smt. Mala Agrawal	**NED	Yes	07	NIL	07	NIL	3
Shri Priyank Tayal	ED	Yes	07	NIL	07	NIL	NIL
Shri Amitabh Tayal	ED	Yes	07	1	07	NIL	1
Shri Paras Nath Singh	**NED	Yes	05	NIL	05	1	2

*NED-Non Executive Director, ** 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 Dharam Mohan Tayal (DIN 00161800)	Chairman & Non-executive Director	Director in Promoter Group Company
Shri Rakesh Seth (DIN03533529)	Non-executive Independent Director	No Relationship Inter se

DIRECTORS' REPORT



Smt. Mala Agrawal (DIN 07134639)	Non-executive Independent Director	No Relationship Inter se
Shri Priyank Tayal (DIN00556534)	Whole-time Director	Son of Shri Amitabh Tayal, who is a Managing Director of the Company
Shri Amitabh Tayal (DIN00556569)	Managing Director	Father of Shri Priyank Tayal, who is a Whole-time Director of the Company
Shri Paras Nath Singh (DIN: 08470004)	Non-executive Independent Director	No Relationship Inter se

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. 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	
Mr. Paras Nath Singh (18.02.2020 onwards)	Chairman	12	3	3
Smt. Mala Agrawal	Member	12	12	12
Shri Rakesh Seth (till 18.02.2020)	Member	12	9	9
Shri Dharam Mohan Tayal	Member	12	12	12
Mr. Manish Kumar Singh	Secretary to the Committee			12

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 Rakesh Seth	Member	01	01	1
Smt. Mala Agrawal	Member	01	01	1
Shri Paras Nath Singh	Chairman	01	01	1

STAKEHOLDERS' RELATIONSHIP COMMITTEE

(Earlier Known as Shareholders' Grievance Committee)

The Composition of Stakeholders' Relationship Committee is in compliance with Section 178 of the Act read with SEBI (LODR) Regulations, 2015. The Company Secretary is the Compliance Officer. The attendance of the members at the meeting during the year under review keeping account the re-constitution of the Board as mentioned in the Directors' Report is as under :

Name of the Director	Position	No. of Meetings		No. of Meetings entitled to attend
		Held	Attended	
Shri Dharam Mohan	Chairman	04	04	4
Shri Amitabh Tayal	Member	04	04	4

DIRECTORS' REPORT



Smt. Mala Agrawal	Member	04	04	4
Mr. Manish Kumar Singh	Secretary to the Committee			4

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 2020 were 63.

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 Board has re-constituted the Share Transfer Committee comprising of 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. The members of the committee as on 31.03.2020 is as follows –

Name of the Director	Position	No. of Meetings		No. of Meetings entitled to attend
		Held	Attended	
Shri Amitabh Tayal	Chairman	04	04	4
Smt. Mala Agrawal	Member	04	04	4
Mr. Manish Kumar Singh	Secretary to the Committee			4

NOMINATION & REMUNERATION COMMITTEE (Earlier Known as Remuneration Committee)

The members of the nomination & remuneration committee at the end of the financial year were as follows:

Name of the Director	Position
Shri Paras Nath Singh	Chairman
Shri Dharam Mohan	Member
Shri Rakesh Seth (till 18.02.2020)	Member
Smt Mala Agrawal	Member
Mr. Manish Kumar Singh	Secretary to the Committee

INTERNAL AUDIT COMMITTEE

The internal audit committee comprising of following persons as on 31.03.2020 :

Name of the Member	Position
Shri Dharam Mohan	Non-Executive Director & Chairman
Shri Priyank Tayal	Member
Shri Rakesh Seth (till 18.02.2020)	Member
Shri Paras Nath Singh (18.02.2020 onwards)	Member
Smt. Shailly Tayal	Member (Head- Financial Audit)
Mr. Manish Kumar Singh	Secretary to the Committee

GENERAL BODY MEETINGS

46TH Annual General Meeting would be held on 24th September, 2020.

Details of last three Annual General Meetings are as follows –

Financial Year	Date	Time	Venue	No. of Special Resolutions considered
2016-17	29.09.2017	11.00 A.M.	Mohanlalganj, Lucknow-226301	02
2017-18	29.09.2018	11.00 A.M.	Mohanlalganj, Lucknow-226301	01
2018-19	27.09.2019	11.00 A.M.	Mohanlalganj, Lucknow-226301	02

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 1st April of a year and ends on 31st 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) Regulations, 2015 or the website of the Company www.upal.in

GENERAL SHAREHOLDER INFORMATION

Annual General Meeting	Date	:	24 th September, 2020
	Time	:	11:00 AM
	Venue	:	P.O. Mohanlalganj District – Lucknow– 226301

Dates of Book Closures from 16.09.2020 to 24.09.2020 both days inclusive

Listing on Stock Exchanges	Metropolitan Stock Exchange of India Ltd.
ISIN No.	INE181C01016
Share Transfer Agent	KFIN TECHNOLOGIES PRIVATE LTD. Karvy Selenium Tower B, Plot No. 31 -32 Gachibowli, Financial District, Nanakramguda, Seriligampally Mandal Hyderabad – 500032
Share Transfer System	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.

Distribution Schedule as on 31.03.2020 is follows –

DISTRIBUTION SCHEDULE AS ON 31/03/2020					
Sl.	Category	Cases	% of Cases	Amount	% Amount
1	upto 1 - 5000	899	77.5	1918710.00	2.11
2	5001 - 10000	107	9.22	721000.00	0.79
3	10001 - 20000	72	6.21	1019000.00	1.12
4	20001 - 30000	27	2.33	703000.00	0.77

DIRECTORS' REPORT



5	30001 - 40000	6	0.52	202500.00	0.22
6	40001 - 50000	5	0.43	237000.00	0.26
7	50001 - 100000	5	0.43	285000.00	0.31
8	100001 & ABOVE	39	3.36	85985720	94.42
	Total	1160	100.00	91071930.00	100.00

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 31st March 2020, the position of NSDL & CDSL was as under –

	No. of Shares	(%)
A. DEMAT		
NSDL	6895131	75.71
CDSL	614791	6.75
B. PHYSICAL	1597271	17.54
TOTAL [A+B]	9107193	100.00

ADDRESSES :

Registered Office	P.O. Mohanlalganj, Distt. Lucknow (U. P.) – 226 301	Tel. No.: +91 7897885557-58
Corporate Office	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	P.O. Bishara, Tehsil–Dadri, Distt. Gautam Budh Nagar (U. P.) -203 007	Tel. No.: +91 8750315566

COMPLIANCE OFFICER

Mr. Manish Kumar Singh
U. P. Asbestos Ltd.
Mahmoodabad Estate Building,
15, Hazratganj, Lucknow – 226 001
Phone : 0522 – 2622905
Email : cs@upasbestos.com

UNCLAIMED DIVIDENDS & 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.

For U.P. Asbestos Limited

Place: Lucknow
Date:14.08.2020

(Amitabh Tayal)
Managing Director
(DIN: 00556569)

MANAGEMENT DISCUSSION AND ANALYSIS

Your company is engaged in the business of manufacture and sale of Cement Asbestos Sheets, Management Discussion and Analysis is provided hereunder:

Industry Structure and Development

This industry exists for the last 48 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 projected overall growth of 4.2 % in 2019-2020 however is a slow growth. According to the IMF, India's growth is expected to rebound 6.9% in 2020-2021 owing to the strong increase in private consumptions.

Opportunities,

In 2016, demonetisation had affected the economy and while the country was recovering the government announced RERA and GST implementation in 2017 in succession increasing uncertainty and consumer hesitation leading the country towards slow growth in 2019-2020. Further end of 2019-20 has been hit by nationwide lockdown due to COVID-19 pandemic. The world is facing this crisis with no prediction of its end in future. It has impacted negatively and vastly the whole economy.

However, the Indian market in construction and building is expected to grow stealthily and the real estate market size is expected to grow sevenfold by 2028. The rural and urban India has a shortage of housing facility and approximately 65 million Indians live in houses without pucca roofs. The government of India has targeted to provide housing to all by 2022 catalysing the building products Industry.

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 2018-19 and 2019-20 noticed slow growth owing to the good monsoon but implementation of new policies and market uncertainty as compared to 2017-18 where 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.

The company has enhanced its business of operations and ventured in various other products as paints, cables, profile sheets which in the significant financial year witnessed slow start owing to huge Brand competition but the company is optimistic of increased sales in near future.

Strength, Threats, Risks and Concerns

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.

Business Segment

As on 31st March 2020, the total licensed and installed capacity of the Company is as detailed below :

DIRECTORS' REPORT



Particulars	Licensed Capacity M.T.	Installed Capacity M.T.
Asbestos Cement Sheet & Non-Asbestos Cement Sheets	2,31,000	1,44,000
Profile Steel Sheet	25,000	12,000

The Company is operating at over 90% capacity utilization and has registered production of 143578.10 M.T. Total sales during the year were 140471.18 MT.

Outlook of the Company

The company manufactures Corrugated Fiber Cement Sheets and Plain Boards under Building Products Segment. The Company currently enjoys a decent market share in the AC sheets industries. "UPAL" brand AC sheets have been in the market for over 45 years, and are considered synonymous with providing shelter for housing and industrial construction and false ceiling.

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.16239.71 lacs, Profit before Tax of Rs.365.70 lacs and Profit (Net) of Rs.217.94 lacs as against Sales Turnover (Net) of Rs.15233.73 lacs, Profit before Tax of Rs.315.89 and Profit (Net) of Rs.118.90 lacs 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 : 14.08.2020

(Amitabh Tayal)
Managing Director
(DIN: 00556569)

ADITYA & ASSOCIATES
Practicing Company Secretaries
D-27, Kamla Tower, Vibhuti Kand, Gomti Nagar, Lucknow – 226 010
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, 2020, 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, 2020.
 1. 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: 30.07.2020
Place: Lucknow

For Aditya & Associates
Company Secretaries

CS Aditya Agrawal
Proprietor
Membership No: FCS 8780
CP: 16366
UDIN: F008780B000529652

Declaration of Compliance with code of conduct
(As required under Regulation 17(5) of SEBI (LODR) Regulations, 2015, the CEO 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, 2020.

For U.P. Asbestos Limited

Place : Lucknow
Date : 14.08.2020

(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 2019-20	% increase in Remuneration in the Financial Year 2019-20	Ratio of remuneration of Director/KMP to median remuneration of employees
1.	Amitabh Tayal (Managing Director)	20,50,702	-15.10	13.07
2.	Priyank Tayal (Whole Time Director)	29,27,273	-9.50	18.65
3.	Gaurav Arora (Chief Financial Officer)	12,27,194	11.78	7.82
5.	Manish Kumar Singh (Company Secretary)	5,08,320	-	3.23

- The median remuneration of employees of the Company during the financial year ending on 31.03.2020 was : {156896}
- The percentage increase in the median remuneration of employees in the Financial Year ending on 31.03.2020: {7}
- Number of permanent employees on the rolls of the Company as on March 31, 2020:207{excluding the KMP}
- Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. (2019-20) was {NIL} whereas the increase in the managerial remuneration for the same financial year was {8.66}
- The key parameters for any variable component of remuneration availed by the directors: {N/A}
- 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}
- 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 31.03.2020

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

Place: Lucknow

Date:14.08.2020

**For U.P. Asbestos Limited
(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 arms 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 are 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 are disclosed as Note 34 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**

Place: Lucknow

Date:14.08.2020

For U.P. Asbestos Limited
(Amitabh Tayal)
Managing Director
(DIN : 00556569)

FORM A: Conservation of Energy

A. Power and fuel consumption

	Current Year 2019-20	Previous Year 2018-19
1. Electricity		
(a) Purchased		
Unit	6198360	5368526
Total Amount	52250010.92	45471389.81
Rate/unit	Rs. 8.47/-	Rs. 8.47/-
(b) Own Generation		
(i) Through Diesel Generator		
Unit	214330	330290
Unit per Ltr. Of Diesel Oil	3.36 Unit/Ltr.	3.22 Unit/Ltr.
Cost/unit	Rs. 18.92/-	Rs. 17.67/-
(ii) Through steam turbine/generator		
Units		
Units per ltr. of fuel oil/gas		
Cost/unit		
2. Coal (specify quality and where used)		
Quantity (tones)		
Total cost		
Average rate		
3. Furnace oil		
Quantity (kl. ltrs.)		
Total amount		
Average rate		
4. Others/internal generation (please give details)- SOLAR		
Quantity	997096	634875 Unit
Total cost	3988384	2444268.75
Rate/unit	Approx. Rs. 4PU	Approx. Rs. 3.85PU

FORM B: Foreign Exchange Earnings/Outgo: -

The company has made expenditure in Foreign exchange amounting to Rs. 2,25,324/- overseas traveling and Rs. NIL interest on Buyers Credit.

Place: Lucknow

Date: 14.08.2020

For U.P. Asbestos Limited
(Amitabh Tayal)
Managing Director
(DIN : 00556569)

ADITYA & ASSOCIATES

Practicing Company Secretaries

D-27, Kamla Tower, Vibhuti Kand, Gomti Nagar, Lucknow – 226 010

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

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2020

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

To,
The Members,
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 31st March, 2020 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 31st March, 2020 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 2019-20)**
 - (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 2019-20)**
 - (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 2019-20)**
 - (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 2019-20)**
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Financial Year 2019-20)**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. **(Not applicable to the Company during the Financial Year 2019-20);**
 - (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.

Place: Lucknow
Date: 30.07.2020

For Aditya & Associates
Company Secretaries

CS Aditya Agrawal
Proprietor
Membership No: FCS 8780
CP: 16366
UDIN: F008780B000529652

To,
The Members,
U.P. Asbestos Limited

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.

Place: Lucknow
Date: 30.07.2020

For Aditya & Associates
Company Secretaries

CS Aditya Agrawal
Proprietor
Membership No: FCS 8780
CP: 16366

**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 31st March, 2020 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 : 14.08.2020

SHARMA PRAKASH & ASSOCIATES
CHARTERED ACCOUNTANTS

1st FLOOR, UCO BANK BUILDING,
48, CIVIL LINES,
BAREILLY - 243001.

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 31st March, 2020, 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 31st March, 2020, 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. We draw attention to note 41 of notes to the Financial Statements in respect of non-receipt of balance confirmation from customers due to which we are unable to comment on short provision, if any, of bad and doubtful debts, discounts, commission and breakage compensation in the books of account and note 42 regarding non-reconciliation and non-confirmation of balances with parties. We are unable to comment on the impact, if any, of the same on the profit for the year.
2. Attention is invited to note 46 of Notes to the Financial Statements wherein an amount of Rs.79.70 lacs has been treated as recoverable from the Commercial Tax Department of the Government of Uttar Pradesh. In view of the uncertainty about its ultimate collection, we are unable to form an opinion as to the recoverability of this amount.
3. Attention is invited to note 33 of notes to the Financial Statements whereby the management has stated that the assets of the company are 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 made an assessment to the effect that the recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is higher than its carrying amount, we are unable to comment whether any asset of the company is impaired in terms of Ind AS-36 notified under the Companies (Indian Accounting Standards) Rules, 2015.
4. Attention is invited to note 49 of Notes to the Financial Statements with regard to recoverability of interest of Rs. 11.85 lacs from Big Apple Real Estate Private Limited. We are unable to comment on the recoverability of the same.
5. We are unable to comment on the effectiveness of the internal control with respect to identification of unserviceable or damaged items of inventory for valuation of the same at lower of cost or Net realizable value.

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 6(2)(c) includes Rs. 446.96 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 37 of Notes to financial statements)

2. We draw attention to note 50 of Notes to financial statements regarding matter contained therein. The same is subject to confirmation from the party.
 3. We draw attention to note 55 of Notes to the financial statements, which describes the management's evaluation of impact of uncertainties related to COVID-19 and its consequential effects on the operations of the Company.
- 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. Except for the matter described in the Basis of Qualified Opinion section, we have determined that there are no other key audit matters to communicate in our report.

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, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 'A' a statement on the 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 3 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 31st March, 2020 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 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

AUDITORS' REPORT



- Refer Note 31 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. As explained to us, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Sharma Prakash & Associates
Chartered Accountants
(Firm's Regn. No. 008028C)

Prakash Chand Sharma
Proprietor
(Membership No. 077144)

Place : Lucknow
Date : 25.06.2020

ANNEXURE 'A' TO INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS OF U. P. ASBESTOS LIMITED FOR THE YEAR ENDED 31.03.2020. (Referred to under Report on Other Legal and Regulatory Requirements in our Independent Auditors' Report of even date)

1. (a) We have been informed that the Company has maintained records showing full particulars, including quantitative details and situation of its fixed assets. However, the same were not produced before us as the same was stated to be in the process of updation and reconciliation with the books of accounts.

(b) As informed to us, the company has devised a program for physical verification of fixed assets in a phased manner so that all the fixed assets are verified once every three years. In our opinion the frequency of verification is reasonable. In the absence of records of fixed assets as well as any evidence of physical verification of fixed assets conducted by the management being produced before us, we are unable to comment whether any material discrepancies were noticed during the course of such verification.

(c) We have been explained that the aspect of availability of title deeds 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 the same were not produced before us for verification.
2. As informed to us, physical verification of inventory was conducted by the management at year-end except for materials stated to be lying with third parties. In our opinion, the frequency of verification of materials verified by the company is reasonable. We were explained that discrepancies noticed on physical verification of inventory as compared to book records were not material.
3. As informed to us, during the year the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnership or other parties covered in the register required to be maintained under section 189 of the Act. Attention is invited to note no. 49 of Notes to Financial Statements wherein it has been stated that interest of Rs. 11.85 lacs is yet to be recovered for which it has been stated that necessary efforts are being made by the company.
4. 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.
5. 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. In respect of fixed deposits of Rs. 0.65 lacs taken by the company under the Fixed Deposit Scheme framed in earlier year in accordance with the provisions of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules, 1975 it has been represented to us that the same are either lying unclaimed or the claim by the relatives of the deceased depositors is under examination of the company. 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 47 of Notes to Financial Statements)
6. 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. 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.
7. (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 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 Income tax/ Sales Tax/ Wealth Tax/ Service Tax/ Duty of Customs/ Duty of Excise/ Value Added Tax/ Cess which have not been deposited on account of any dispute are given herein below :

AUDITORS' REPORT



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	1.38	1977-78	Jt. Commissioner of Trade Tax (Appeal), Lucknow
		6.34	2006-07	Addl. Commissioner (Appeal) Lucknow
		16.91	2008-09	Addl. Commissioner (Appeal) Lucknow
		1269.44	2009-10	Tribunal, Lucknow
		769.34	2010-11	Addl. Commissioner (Appeal) Lucknow
		869.97	2011-12	Addl. Commissioner (Appeal) Lucknow
		1137.42	2012-13	Addl. Commissioner (Appeal) Lucknow
		35.32	2014-15	Addl. Commissioner (Appeal) Lucknow
		20.90	2016-17	Addl. Commissioner (Appeal) Lucknow
Central Sales Tax Act, 1956	Central Sales Tax alongwith interest & Penalty	2.95	2001-02	Jt. Commissioner of Sales Tax (Appeal), Nagpur
		97.23	2002-03	Maharashtra Sales Tax Tribunal
		125.51	2003-04	Jt Commissioner of Sales Tax (Appeal), Nagpur
		110.90	2004-05	- do -
		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
	Entry Tax	1.76	2009-10	Tribunal, Lucknow

AUDITORS' REPORT



Income Tax Act, 1961	Income Tax	241.99	2002-03(A.Y.)	Allahabad High Court (Department appeal)
	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	168.03	2005-06 to	Allahabad High Court
	Penalty	168.03	2009-10	(Department Appeal)
BST Act, 1959	Sales Tax alongwith interest & penalty	0.41 1.49	2001-02 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 Tax Act, 2008	Value Added	5.52	2009-10	Tribunal, Lucknow
	Tax	6.13	2013-14	Addl. Commissioner (Appeal) Lucknow
		295.57	2014-15	Addl. Commissioner (Appeal) Lucknow
		195.68	2016-17	Addl. Commissioner (Appeal) 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 -

AUDITORS' REPORT



8. According to the information and explanations furnished to us, the company has not defaulted in repayment of dues of financial institutions and banks. The company has not taken any loan from the government and has not issued any debentures.
9. To the best of our knowledge and belief and according to the information and explanations given to us, term loans availed by the company has been applied for the purpose for which the loans were obtained. The company has not raised moneys by way of initial public offer or further public offer (including debt instruments).
10. It has been represented to us by the management that no fraud by the company or any fraud on the company by its officers and employees has been noticed or reported during the year.
11. In our opinion and according to the explanations given to us managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V of the Act.
12. 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.
13. 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.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly paragraph 3(xv) of the Order is not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India, Act, 1934.

For Sharma Prakash & Associates
Chartered Accountants
(Firm's Regn. No. 008028C)

Place : Lucknow
Date : 25.06.2020

Prakash Chand Sharma
Proprietor
(Membership No. 077144)

AUDITORS' REPORT



ANNEXURE 'B' TO INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS OF U. P. ASBESTOS LIMITED FOR THE YEAR ENDED 31.03.2020. (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, 2020 in conjunction with our audit of the financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The company's management is responsible for establishing and maintaining internal financial controls based on the internal 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 48 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, 2020.

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 Sharma Prakash & Associates
Chartered Accountants
(Firm's Regn. No. 008028C)

Place : Lucknow
Date : 25.06.2020

Prakash Chand Sharma
Proprietor
(Membership No. 077144)

BALANCE SHEET as at 31st March, 2020



(Rupees in Lacs)

PARTICULARS	NOTE NO.	As at 31st March 2020	As at 31st March 2019
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	02(a)	8,050.17	7,940.70
(b) Capital work-in-progress		120.80	86.26
(c) Investment Property	02(b)	1,606.32	1,822.55
(d) Financial Assets			
(i) Investments	03	1.44	4.34
(ii) Trade receivables	04	-	-
(iii) Others Financial Assets	05	152.03	244.35
(e) Income tax assets (net)		29.57	22.67
(f) Other non-current assets	06	1,050.76	1,155.40
Current assets			
(a) Inventories	07	5,381.92	3,161.19
(b) Financial Assets			
(i) Trade receivables	08	3,873.66	3,377.42
(ii) Cash and cash equivalents	09	46.66	213.68
(iii) Bank balances other than (ii) above	10	57.31	60.53
(iv) Loans	11	362.81	445.69
(v) Others Financial Assets	12	71.69	64.93
(c) Other current assets	13	351.86	347.81
Total Assets		21,157.00	18,947.52

Contd....

BALANCE SHEET as at 31st March, 2020

(Rupees in Lacs)

PARTICULARS	NOTE NO.	As at 31st March 2020	As at 31st March 2019
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	14	911.71	911.71
(b) Other Equity		8,950.50	8,749.41
LIABILITIES			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	4,183.76	2,461.30
(b) Provisions	16	90.43	69.54
(c) Deferred tax liabilities (Net)	17	495.01	412.38
(d) Other non-current liabilities	18	58.27	58.27
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	4,223.88	4,689.70
(ii) 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. 35)		1,014.97	724.48
(iii) Other financial liabilities	20	673.22	662.54
(b) Other current liabilities	21	530.21	177.66
(c) Provisions	22	25.04	30.53
(d) Current Tax Liabilities (Net)		-	-
Total Equity and Liabilities		21,157.00	18,947.52

Contd....

See accompanying note nos. 1 to 57 forming part of the financial statements

In terms of our report of even date
For Sharma Prakash & Associates
Chartered Accountants
(Firm Registration No: 008028C)

Prakash Chand Sharma

Proprietor

M. No. 077144

Date: 25th June 2020

Place: Lucknow

Gaurav Arora

Chief Financial Officer

Manish Kumar Singh

Company Secretary

Amitabh Tayal

Managing Director

Priyank Tayal

Director

Statement of Profit & Loss for the year ended on 31st March, 2020



(Rupees in Lacs)

	PARTICULARS	NOTE NO.	As at 31st March 2020	As at 31st March 2019
I	Revenue From Operations	23	16,239.71	15,233.73
II	Other Income	24	677.56	728.30
III	Total Income (I+II)		16,917.27	15,962.03
IV	EXPENSES			
	Cost of materials consumed	25	8,913.82	7,476.84
	Purchases of Stock-in-Trade		4,383.61	4,096.08
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	26	(890.05)	57.17
	Employee benefits expense	27	713.04	720.70
	Finance costs	28	876.41	777.47
	Depreciation and amortization expense	29	500.11	498.54
	Other expenses	30	2054.63	2,019.77
	Total expenses (IV)		16,551.57	15,646.57
V	Profit/(loss) before exceptional items and tax (III-IV)		365.70	315.46
VI	Exceptional Items		-	-
VII	Profit/(loss) before tax (V-VI)		365.70	315.46
VIII	Tax expense:			
	(1) Current tax		61.10	71.59
	(2) Deferred tax		86.66	125.40
IX	Profit (Loss) for the year (VII-VIII)		217.94	118.47

Contd....

Statement of Profit & Loss for the year ended on 31st March, 2020



(Rupees in Lacs)

	PARTICULARS	NOTE NO.	As at 31st March 2020	As at 31st March 2019
	Other Comprehensive Income/(Loss)			
	(A) Items that will not be reclassified to profit or loss			
	(a) Re- measurement gains/(losses) on defined benefit obligation		(14.48)	(7.79)
X	(b) Gains/(losses) on Fair Value of Equity Instruments through other Comprehensive Incomes		(2.90)	0.14
	(c) Income Tax Effect on above		4.03	2.17
	(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		-	-
	Total Comprehensive Income for the year			
XI	(IX+X) (Comprising Profit / (Loss) and Other Comprehensive Income for the year)		204.59	112.99
	Earnings per equity share			
XII	(1) Basic		2.39	1.30
	(2) Diluted		2.39	1.30

See accompanying note nos. 1 to 57 forming part of the financial statements

In terms of our report of even date
For Sharma Prakash & Associates
Chartered Accountants
(Firm Registration No: 008028C)

Prakash Chand Sharma

Proprietor

M. No. 077144

Date: 25th June 2020

Place: Lucknow

Gaurav Arora

Chief Financial Officer

Manish Kumar Singh

Company Secretary

Amitabh Tayal

Managing Director

Priyank Tayal

Director

Statement of Changes in Equity for the year ended 31st March, 2020



(Rupees in Lacs)

A. Equity Share Capital

As at 1 April 2018	911.71
Changes in equity share capital	-
As at 31 March 2019	911.71
Changes in equity share capital	-
As at 31 March 2020	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 01/04/2018	756.47	12.10	7.64	2,788.82	5,058.46	3.98	12.89	8,640.35
Profit/(Loss) for the Year				118.47				118.47
Other Comprehensive Income/(Losses) for the year				-		0.14	(5.62)	(5.48)
Restated balance at the beginning of the reporting period				(0.42)				(0.42)
Total Comprehensive Income/(Losses) for the year	756.47	12.10	7.64	2,906.87	5,058.46	4.12	7.26	8,752.92
Transfer to / From Revaluation Reserve					(3.50)			(3.50)
Total Comprehensive Income for the year								-
Transfer to retained earnings								-
Any other change (to be specified)								-
Balance as at 31/03/2019	756.47	12.10	7.64	2,906.87	5,054.96	4.12	7.26	8,749.41
Profit/(Loss) for the Year				217.94				217.94
Other Comprehensive Income/(Losses) for the year						(2.90)	(10.45)	(13.35)
Restated balance at the beginning of the reporting period								
Total Comprehensive Income/(Losses) for the year	756.47	12.10	7.64	3,124.81	5,054.96	1.22	(3.19)	8,954.01
Transfer to / From Revaluation Reserve					(3.50)			(3.50)
Dividends								-
Transfer to retained earnings								-
Any other change (to be specified)								-
Balance as at 31/03/2020	756.47	12.10	7.64	3,124.81	5,051.46	1.22	(3.19)	8,950.50

See accompanying note nos. 1 to 57 forming part of the financial statements

In terms of our report of even date
For Sharma Prakash & Associates
Chartered Accountants
(Firm Registration No: 008028C)

Prakash Chand Sharma

Proprietor

M. No. 077144

Date: 25th June 2020

Place: Lucknow

Gaurav Arora

Chief Financial Officer

Manish Kumar Singh

Company Secretary

Amitabh Tayal

Managing Director

Priyank Tayal

Director

Note No.1**1. Company Overview**

The Company was incorporated on 18 July, 1973. The company is engaged in the business of manufacturing Asbestos Corrugated Sheets and Plain Boards. Recently, the Company has started business of manufacturing of Profile Sheets and trading in Paints and Cables.

These financial statements for the year ended 31.03.2020 were approved by the Board of Directors on June 25, 2020

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). Sales are accounted on dispatch of goods to customers. Revenue from sales is recognised when all significant risks and rewards of ownership of the goods sold are transferred to the customer.

(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 the end 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.

Notes to Financial Statements for the year ended 31st March,2020



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 01/04/2019	ADDITIONS MADE DURING THE YEAR	DEDUCTIONS MADE DURING THE YEAR	AS ON 31/03/2020	AS ON 01/04/2019	CHARGED DURING THE YEAR	DEDUCTION / ADJUSTMENT	AS ON 31/03/2020	AS ON 31/03/2020	AS ON 31/03/2019
Land	5,143.18	-	-	5,143.18	-	-	-	-	5,143.18	5,143.18
Building	2,363.44	-	-	2,363.44	1,168.41	73.87	-	1,242.28	1,121.16	1,195.04
Plant & Equipments	7,738.40	396.01	-	8,134.42	4,360.21	416.14	-	4,776.35	3,358.07	3,378.19
Furniture & Fixture	17.58	-	-	17.58	16.82	0.04	-	16.86	0.72	0.76
Vehicles	144.73	-	-	144.73	103.17	12.50	-	115.67	29.06	41.56
Office Equipment	67.30	0.84	-	68.15	62.78	1.06	-	63.84	4.30	4.52
CURRENT YEAR TOTAL	15,474.64	396.85	-	15,871.50	5,711.39	503.61	-	6,215.01	9,656.49	9,763.25
PREV. YEAR (2018-19) TOTAL	13,964.73	1,516.49	6.58	15,474.64	5,211.08	502.04	1.73	5,711.39	9,763.25	8,753.65

NOTE 02(a) : PROPERTY, PLANT AND EQUIPMENTS

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS ON 01/04/2019	ADDITIONS MADE DURING THE YEAR	DEDUCTIONS MADE DURING THE YEAR	AS ON 31/03/2020	AS ON 01/04/2019	CHARGED DURING THE YEAR	DEDUCTION / ADJUSTMENT	AS ON 31/03/2020	AS ON 31/03/2020	AS ON 31/03/2019
Land	4,777.72	-	-	4,777.72	-	-	-	-	4,777.72	4,777.72
Building	1,128.13	-	-	1,128.13	666.53	35.46	-	701.99	426.14	461.60
Plant & Equipments	5,340.43	396.01	-	5,736.44	2,683.84	238.71	-	2,922.55	2,813.89	2,656.59
Furniture & Fixture	10.85	-	-	10.85	10.48	0.03	-	10.51	0.34	0.37
Vehicles	129.58	-	-	129.58	89.15	12.12	-	101.27	28.30	40.43
Office Equipment	56.73	0.84	-	57.57	52.74	1.05	-	53.79	3.78	3.99
CURRENT YEAR TOTAL	11,443.44	396.85	-	11,840.29	3,502.74	287.38	-	3,790.12	8,050.17	7,940.70
PREV. YEAR (2018-19) TOTAL	9,933.53	1,516.49	6.58	11,443.44	3,219.24	285.23	1.73	3,502.74	7,940.70	6,714.29

NOTE 02(b) : INVESTMENT PROPERTY

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS ON 01/04/2019	ADDITIONS MADE DURING THE YEAR	DEDUCTIONS MADE DURING THE YEAR	AS ON 31/03/2020	AS ON 01/04/2019	CHARGED DURING THE YEAR	DEDUCTION / ADJUSTMENT	AS ON 31/03/2020	AS ON 31/03/2020	AS ON 31/03/2019
Land	365.46	-	-	365.46	-	-	-	-	365.46	365.46
Building	1,235.31	-	-	1,235.31	501.88	38.41	-	540.29	695.02	733.43
Plant & Machinery	2,397.97	-	-	2,397.97	1,676.37	177.42	-	1,853.79	544.18	721.60
Furniture & Fixture	6.73	-	-	6.73	6.34	0.01	-	6.35	0.38	0.39
Vehicles	15.16	-	-	15.16	14.02	0.38	-	14.40	0.76	1.14
Office Equipment	10.57	-	-	10.57	10.04	0.01	-	10.05	0.52	0.53
CURRENT YEAR TOTAL	4,031.20	-	-	4,031.20	2,208.65	216.23	-	2,424.89	1,606.32	1,822.55
PREV. YEAR TOTAL	4,031.20	-	-	4,031.20	1,991.84	216.82	-	2,208.65	1,822.55	2,039.37

Note :

The fair value of investment properties, as required to be disclosed as per Ind AS 40, is Rs. 1565.15 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.15 &19

NOTE NO. 03: FINANCIAL ASSETS - NON CURRENT : INVESTMENTS

(Rupees in Lacs)

PARTICULARS		AS AT 31ST MARCH 2020		AS AT 31ST MARCH 2019	
1		2		3	
Investment in Equity Instruments					
Quoted (Fully Paid)					
Carried at Fair Value through Other Comprehensive Income					
1	NAME OF COMPANIES	No of Shares	Rs.	No of Shares	Rs.
	M/s Uniplas India Ltd.	100	-	100	-
	M/s Prakash Industries Ltd.	225	0.04	225	0.20
	M/s Hyderabad Industries Ltd	200	1.26	200	3.70
	M/s Everest Industries Ltd	50	0.07	50	0.23
	M/s Roofit Industries Ltd	200	-	200	-
	M/s Visaka Industries Ltd	50	0.07	50	0.21
			<u>1.44</u>		<u>4.34</u>
	Aggregate of Investments	At cost	At Market Value	At cost	At Market Value
	Total Investment (Quoted)	0.22	1.44	0.22	4.34
	Total	<u>0.22</u>	<u>1.44</u>	<u>0.22</u>	<u>4.34</u>

NOTE NO. 04 : FINANCIAL ASSETS-NON CURRENT : TRADE RECEIVABLES

PARTICULARS	AS AT 31ST MARCH 2020		AS AT 31ST MARCH 2019	
1. Trade Receivables	NIL	NIL	NIL	NIL

NOTE NO. 05 : FINANCIAL ASSETS-NON CURRENT : OTHER

PARTICULARS	AS AT 31ST MARCH 2020		AS AT 31ST MARCH 2019	
1 Deposit with Banks held as Margin Money against bank guarantee (Including Interest accrued)	146.23		238.55	
2 Deposit with Banks against Unclaimed Fixed Deposit	5.80		5.80	
	<u>152.03</u>		<u>244.35</u>	

NOTE NO. 06 : OTHER NON-CURRENT ASSETS

PARTICULARS	AS AT 31ST MARCH 2020		AS AT 31ST MARCH 2019	
1. Loans Receivables - Secured & Considered Good	-		-	
2. Loans Receivables - Unsecured & Considered Good				
a. Capital Advances	89.08		238.40	
b. Security Deposits (Refer Notes No. 50)	228.11		288.11	
c. Balances with Revenue Authorities	715.40		610.72	
d. Other Receivables	18.17		18.17	
3. Loans Receivable which have significant increase in Credit Risk; and	-		-	
4. Loans Receivables - credit impaired	-		-	
	<u>1,050.76</u>		<u>1,155.40</u>	

NOTE NO. 07 : INVENTORIES

(Rupees in Lacs)

PARTICULARS	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019
1	2	3
1. Raw Materials	2,220.38	1,746.32
2. Finished Goods	2,107.05	1,232.99
3. Trading Goods	55.20	39.21
4. Stores & Spares	128.95	142.67
5. Goods-in Transit (Raw Material)	870.34	-
	5,381.92	3,161.19

Mode of Valuation

Raw Material, 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. 56.84 lacs and Rs. 289.20 lacs as at March 31, 2020 and March 31, 2019 respectively. The write down on these inventory for the year ended March 31, 2020 amounted to Rs. 31.87 lacs and reversal of write down on these inventory amounted to Rs. 41.65 lacs for the year ended March 31, 2019 pertaining to stock in hand on March 31, 2018.

Entire inventory has been hypothecated as security against certain bank borrowings of the Company as at March 31, 2020, and March 31, 2019. For lien/charge against inventories refer note no. 15 and 19.

NOTE NO. 08 : FINANCIAL ASSETS - CURRENT : TRADE RECEIVABLES

PARTICULARS	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019
A. Trade Receivables		
(a) Trade Receivables considered good - Secured ;	75.55	35.19
(b) Trade Receivables considered good - Unsecured;	3,798.11	3,342.23
(c) Trade Receivables which have significant increase in Credit Risk ; and	38.97	28.26
(d) Trade Receivables - Credit Impaired.	-	-
	3,912.63	3,405.68
Less : Allowances for Trade Receivables which have significant increase in Credit Risk	38.97	28.26
	3,873.66	3,377.42

NOTE NO. 09 : FINANCIAL ASSETS - CURRENT : CASH & CASH EQUIVALENTS

PARTICULARS	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019
1	2	3
1. Balance with Banks	35.26	201.94
2. Cash in Hand	11.39	11.74
	46.66	213.68

NOTE NO. 10 : FINANCIAL ASSETS - CURRENT : OTHER BANK BALANCES

(Rupees in Lacs)

PARTICULARS	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019
1	2	3
1. Other Deposit with Banks (Maturity period more than 3 month but less than 12 months)	56.93	60.39
2. Earmarked Balances with Banks	0.38	0.14
	57.31	60.53

NOTE NO. 11 : FINANCIAL ASSETS - CURRENT : LOANS

PARTICULARS	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019
1. Loans Receivables : Secured & Considered Good	-	-
2. <u>Loans Receivables - Unsecured & Considered Good</u>		
a. Advances to Employees	21.10	17.61
b. Loan to Others (Refer Note No. 51)	341.71	428.08
3. Loans Receivables which have significant increase	1.02	1.02
4. Loans Receivables - credit impaired	-	-
	363.83	446.71
Less : Allowances for Loans Receivables which have significant increase in Credit Risk ;	1.02	1.02
	362.81	445.69

NOTE NO. 12 : FINANCIAL ASSETS - CURRENT : OTHERS

PARTICULARS	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019
1. Interest Accrued but not due on Deposit with Banks	9.48	3.00
2. Interest Accrued and due on Loan to Related Parties (Ceased to be related party wef 19.08.2015) (Refer Note no 49)	11.85	11.85
3. Interest Accrued and due on Loan to Others	49.59	49.31
4. Other Receivables Unsecured & Considered Good	0.77	0.77
	71.69	64.93

NOTE NO. 13 : OTHER CURRENT ASSETS

(Rupees in Lacs)

PARTICULARS	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019
	2	3
1. Advance with Suppliers/ Service providers		
a. Unsecured & Considered Good	286.49	312.65
b. Doubtful	0.84	0.84
	287.33	313.49
Less : Allowance for Bad & Doubtful Advances	0.84	0.84
	286.49	312.65
2. Balance with Revenue Authority		
Unsecured & Considered Good	2.08	2.08
3. Prepaid Expenses		
Unsecured & Considered Good	48.27	13.08
4. Security Deposit		
Unsecured & Considered Good	15.01	20.00
	351.86	347.81

NOTE NO. 14 : SHARE CAPITAL

PARTICULARS	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019
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
2 Issued Subscribed and Paid-up Equity Share Capital	1,525.00	1,525.00
91,07,193 (previous year 91,07,193) Equity Shares of Rs. 10 each fully paid up in cash	910.72	910.72
Forfeited Shares		
Amount originally received as allotment money and calls on account of 33300 equity shares	0.99	0.99
	911.71	911.71

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	2,057,508.00	22.59	2,057,508.00	22.59
(b)	Mashino Textile Private Limited	1,539,100.00	16.90	1,539,100.00	16.90
(c)	Rohtak & Hissar Districts Electric Supply Company Private Limited	883,350.00	9.70	883,350.00	9.70
(d)	Jaiprakash Associates Limited	840,000.00	9.22	840,000.00	9.22
(e)	R & H Power Company Private Limited	589,998.00	6.48	589,998.00	6.48
(f)	Mr. Priyank Tayal	528,700.00	5.81	528,700.00	5.81

Note No. - 15 Financial Liabilities - Non Current Borrowings



Notes to Financial Statements

(Rupees in Lacs)

PARTICULARS		AS AT 31ST MARCH 2020		AS AT 31ST MARCH 2019	
1		2		3	
		CURRENT (Refer Note No. 20 (2))	NON CURRENT	CURRENT (Refer Note No. 20 (2))	NON CURRENT
1	Secured Loan				
	(a) Term Loan from Banks & Financial Institution				
	(i) ICICI Bank Limited (Secured by hypothecation of vehicle purchased) (Refer Terms of Repayment (i))	-	-	0.36	-
	(ii) HDFC Bank (Secured by hypothecation of vehicle purchased) (Refer Terms of Repayment (ii) to (vi))	0.94	-	4.80	0.93
	(iii) Union Bank Of India (Secured by way of first charge on entire fixed assets (both present and future) of the company 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) (Refer Terms of Repayment (vii) to (ix))	157.68	2,020.71	196.04	743.12
	(b) Term Loan from Others				
	(i) UPFC (Secured by way of 2nd pari - passu charge with UBI on entire immovables properties consisting of lands , buildings, plant & machineries, and other fixed assets both present & future and personal guarantee of Managing Director & a Director of the Company) (Refer Terms of Repayment (x))	398.93	-	227.72	398.93
2	Unsecured Loan				
	Loan from Banks				
	ICICI Bank (Secured by equitable mortgage on the immovable property of Managing Director and Personal Guarantee of Managing Director and a Director of the Company.) (Refer Terms of Repayment (vi))	-	-	127.24	203.42
	Loan from Others				
	(a) Unpaid Matured Fixed Deposits from Others (Including interest Accrued and Due) (Refer Terms of Repayment (xi) and Note No. 47)	1.28	-	6.19	-

	(b) Loan from Related Parties :				
	From Companies		1,048.15		-
	From Others		1,114.90		1,114.90
		558.83	4,183.76	562.35	2,461.30

I Terms of Repayment

i. ICICI Bank NIL (Rs. 0.36 Lacs)

Terms of Repayment - Rate of Interest @ 10.01% p.a. and Repayable in 36 EMI of Rs. 19,365/- and last EMI paid on 10th May 2019 .

ii. HDFC Bank NIL Lacs (Rs. 2.69 Lacs)

Terms of Repayment - Rate of Interest @ 10.75 % p.a. Repayable in 60 EMI of Rs. 23,780/- and last EMI due on 5th MAR, 2020.

iii. HDFC Bank Rs. 0.93 Lacs (Rs. 3.04 Lacs)

Terms of Repayment - Rate of Interest @ 9.26 % p.a. Repayable in 36 EMI of Rs. 19,153/- and last EMI due on 5th Aug, 2020.

iv Union Bank of India Rs. 117.28 Lacs (Rs. 188.11 lacs)

Terms of Repayments - Rate of Interest 12.10% p.a. - Repayable in 84 monthly installments of Rs. 6.54 Lacs each starting from March, 2015

v Union Bank of India Rs. 210.34 Lacs (Rs. 284.72 Lacs)

Terms of Repayments - Rate of Interest 11.35% p.a. - Repayable in 72 monthly installments of Rs. 6.94 Lacs each starting from Sep, 2016

vi Union Bank of India Rs. 438.88 Lacs (Rs. 466.32 Lacs)

Loan Sanctioned Amount is Rs. 495 Lacs ,Terms of Repayments - Rate of Interest 10.40% p.a. - Repayable in 180 monthly installments of Rs. 2.84 Lacs, first EMI starting from Aug, 2018

vii Union Bank of India Rs. 121.46 Lacs (NIL)

Loan Sanctioned Amount is Rs. 150 Lacs ,Terms of Repayments - Rate of Interest 12.00% p.a. - Repayable in 60 monthly installments of Rs. 2.50 Lacs each starting from Sep, 2020

viii Union Bank of India Rs. 300.13 Lacs (NIL)

Loan Sanctioned Amount is Rs. 300 Lacs ,Terms of Repayments - Rate of Interest 8.00% p.a. - Repayable in 24 monthly installments of Rs. 12.50 Lacs each starting from Mar, 2021

ix Union Bank of India Rs. 990.30 Lacs (NIL)

Loan Sanctioned Amount is Rs. 1000 Lacs ,Terms of Repayments - Rate of Interest 11.40% p.a. - Repayable in 68 monthly installments of Rs. 13.58 Lacs each starting from Nov, 2019 and Rs. 13.99 Lacs each starting from Apr,2020 and Rs. 14.41 Lacs each starting from Apr,2021 and Rs. 14.85Lacs each starting from Apr,2022 and Rs. 15.29 Lacs each starting from Apr,2023 and Rs. 15.75 Lacs each starting from Apr,2024 and Rs. 16.22 Lacs each starting from Apr,2025.

x UPFC Rs. 398.93 Lacs (Rs. 626.65 Lacs)

Terms of Repayment - Rate of interest NIL - Bullet repayment of Rs. 398.93 Lacs in F Y 2020-21.

xi. ICICI Bank NIL (Rs. 330.66 Lacs)

Terms of Repayment - Rate of Interest 10.10% p.a. Repayable in 119 EMI of Rs. 12,90,471/- and last EMI was due on 1st Aug 2021 but this loan was preclosed on Aug'2019

xii. Fixed deposits represent deposit accepted from public in earlier years under the relevant provision of the Companies Act, 1956.

(Rupees in Lacs)

NOTE NO. 16 : NON CURRENT PROVISIONS

PARTICULARS	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019
1. Provisions for Employees Benefit		
(a) Gratuity	42.58	29.86
(b) Leave Encashment	47.85	39.68
	90.43	69.54

NOTE NO. 17 : DEFERRED TAX LIABILITY (NET)

Deferred Tax Liability		
Related to Fixed Assets	588.53	499.86
Less : Deferred Tax Assets	-	-
Others	(93.52)	(87.48)
TOTAL -	495.01	412.38

NOTE NO. 18 : OTHER NON CURRENT LIABILITIES

1. Security Deposit	58.27	58.27
	58.27	58.27

NOTE NO. 19 : FINANCIAL LIABILITIES - CURRENT : BORROWINGS

1 Secured Loan

(a) Working Capital Loan from Banks

(i) Union Bank Of India	3,640.73	3,891.65
(Secured by hypothecation of stores, work-in-progress, stocks, goods-in-transit, book-debts, and collaterally secured as second charge on parri-passu basis with UPFC by equitable mortgage of company's immovable properties consisting of land, building, plants & machinery and other fixed assets both present & future and personal guarantee of Managing Director & a Director of the company and pledge 201306 shares of the company by the Managing Director and a Director of the company).		

2 Unsecured Loan

(a) Over Draft Limit From ICICI Bank	-	199.75
(Secured by equitable mortgage on the immovable property of Managing Director and personal guarantee of Managing Director & a Director of the Company)		

(Rupees in Lacs)

(b) Loan from Companies	37.00	312.00
(c) Loan from Related Parties		
(i) From Companies	276.15	144.80
(ii) From Others	270.00	141.50
	4,223.88	4,689.70

NOTE NO. 20 FINANCIAL LIABILITIES - CURRENT : OTHERS

1 Capital Creditors	13.86	26.04
2 Current Maturity of Long Term Debts (refer note no. 15)	558.81	562.36
3 Interest Accrued but not due on Borrowings	-	3.58
4 Interest Accrued but not due on Borrowings	21.69	-
5 Deposit from Stockists, Distributors, & Contractors etc.	78.86	70.56
	673.22	662.54

NOTE NO. 21 OTHER CURRENT LIABILITIES

1 Credit balances of Customers	442.88	105.74
2 Amount due to employees	46.31	50.03
3 Statutory dues/duties, taxes payable	41.02	21.89
	530.21	177.66

NOTE NO. 22 PROVISIONS

1 Provisions for Employees Benefit

(a) Bonus	20.80	22.40
(b) Leave Encashment	4.24	8.13
	25.04	30.53

NOTE NO. 23 REVENUE FROM OPERATIONS

1 Sale of Products	16,201.13	15,220.50
2 Other Operating Income (Net of Expenses)	38.58	13.23
	16,239.71	15,233.73

(Rupees in Lacs)

NOTE NO. 24 OTHER INCOME

1	Interest Income	88.93	126.02
2	Dividend Income	0.03	0.03
3	Applicable net gain on foreign currency transaction	11.72	25.87
4	Other non- operating Incomes	2.56	15.48
4	Lease Rent	574.32	560.90
		677.56	728.30

NOTE NO. 25 COST OF RAW MATERIAL CONSUMED

1	Cement	3,997.22	3,449.78
2	Asbestos Fibre	4,068.10	3,428.89
3	Steel	479.72	270.66
4	Other	368.78	327.51
		8,913.82	7,476.84

NOTE NO. 26 CHANGES OF INVENTORIES OF FINISHED GOODS

Stock in hand at the beginning of the year

1	Finished Goods -AC Sheet	1,204.73	1,236.76
	Trading Goods - Cable	35.92	30.46
	Finished Goods Profile Sheet	28.27	55.70
	Trading Goods -Paint	3.29	6.45

Less : Stock in hand at the end of the year

2	Finished Goods -AC Sheet	2,088.68	1,204.72
	Trading Goods - Rubber Water	0.11	-
	Finished Goods Profile Sheet	18.38	28.27
	Trading Goods - Paint	16.32	3.29
	Trading Goods - Cable	38.77	35.92
		(890.05)	57.17
	Decrease / (Increase) in Stock		

NOTE NO. 27 EMPLOYEES BENEFIT EXPENSES

1.	Salaries & Wages	649.44	659.10
2.	Contribution to Provident & Other Funds	49.98	50.04
3.	Staff Welfare Expenses	13.62	11.56
		713.04	720.70

(Rupees in Lacs)

NOTE NO. 28 FINANCE COST

1. Interest Expenses	845.67	756.59
2. Other Borrowing Costs	30.74	20.88
	<u>876.41</u>	<u>777.47</u>

NOTE NO. 29 DEPRECIATION AND AMORTISATION EXPENSE

Depreciation	503.61	502.04
Less : Transferred from revaluation reserve (Refer Statement of Changes in Equity)	3.50	3.50
TOTAL	<u>500.11</u>	<u>498.54</u>

NOTE NO. 30 OTHER EXPENSES

1. Consumption of Stores & Spare parts	465.59	447.17
2. Power & Fuel	613.15	576.04
3. Rent	24.02	1.24
4. Repairs to Building	10.72	6.87
5. Repairs to Machineries	49.67	36.02
6. Insurance	23.81	43.93
7. Rates & Taxes	122.09	26.70
8. Breakages	84.40	81.94
9. Miscellaneous Expenses	161.67	220.18
10. Loss on sale of Fixed Assets	-	1.85
11. Transport, Packing & Forwarding exp.	484.31	531.86
12. Payments to Auditors		
I. As Auditor	1.25	1.25
ii. For Other Services	0.83	0.83
iii. For Reimbursement of expenses	0.12	0.06
	<u>2.25</u>	<u>2.14</u>
13. Bad debts/Irrecoverable claims written off	10.72	28.26
14. Expenses / (-) Income Relating to Previous Year (Net)	-	-
15. Applicable net loss on foreign currency transaction	2.23	15.57
16. Excise Duty on Sales	-	-
	<u>2,054.63</u>	<u>2,019.77</u>

(Rupees in Lacs)

NOTE NO. 31 CONTINGENT LIABILITIES AND COMMITMENTS

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2020	FOR THE YEAR ENDED 31ST MARCH 2019
1. CONTINGENT LIABILITIES		
(a) Claim against the company not acknowledge as debt		
(i) Sales Tax	5,369.53	5,206.23
(ii) Income Tax	-	336.08
(iii) Service/ Excise/Custom	28.30	352.92
(iv) Entry Tax	3.69	89.42
(v) Others	1.53	1.53
(b) Guarantees	182.42	272.38
(c) Tax matters pending in appeals etc.		
(i) Income Tax	578.07	241.99
(ii) Service & Excise Tax	358.27	30.87
2. COMMITMENTS		
(a) Custom Duty on Raw Material	70.36	36.30
(b) Capital Commitments	142.36	14.17

NOTES ON ACCOUNTS

32. SEGMENT REPORTING

'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 three reportable segments as follows:

(a) Manufacturing & Trading in Asbestos Sheet ; (b) Leasing (c) Manufacturing & Trading (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.

Particulars	Manufacturing & Trading in Asbestos Sheet		Leasing		Manufacturing & Trading (Other Products)		TOTAL	
	Rs.		Rs.		Rs.		Rs.	
	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
Revenue	11,446.73	11,069.63	574.32	560.90	4,807.29	4,205.48	16,828.34	15,836.01
Segment Result	385.99	391.26	358.08	344.08	378.38	210.69	1,122.45	946.03
Interest Expenses							845.68	756.59
Interest Income							88.93	126.02
Profit Before Tax and Exceptional Item							365.70	315.46
Tax Expenses							147.76	196.99
Net Profit for the year							217.94	118.47
Assets	15,950.83	14,286.04	1,448.84	1,584.32	3,757.32	3,077.15	21,156.99	18,947.51
Liabilities	11,213.14	9,087.94	58.27	58.27	23.37	140.18	11,294.78	9,286.39
Depreciation	281.29	280.81	216.23	216.82	2.59	0.91	500.11	498.54
Capital Work-in-Progress	44.00	72.15	76.80	14.11	-	-	120.80	86.26

33. '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 31.03.2020 is higher than the carrying amount. As such, the assets of the Company are not impaired in terms of IndAS-36 notified under the Companies (Indian Accounting Standards) Rules, 2015.

34 Related Party Disclosures

List of Related Parties and Relationship

i) ENTITIES JOINTLY CONTROLLED BY KEY MANAGEMENT PERSONNEL

Mashinotextile (P) Ltd
 Everest Roofings (P) Ltd
 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. (Incorporated on 07.02.2020 & ceased to be wholly owned subsidiary on 26.03.2020)

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

Mr. D.M. Tayal - Chairman
 Mr. Amitabh Tayal - Managing Director
 Mr. Priyank Tayal - Director
 Mr. Rakesh Seth - Director (till 18.02.2020)
 Mrs. Mala Agrawal - Director
 Mr. Paras Nath - Director (Effective from 10.07.2019)
 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.Ritika Tandon - Company Secretary (till 24.10.2018)
 Mr. Manish Kumar Singh - Company Secretary (Effective from 15.01.2019)

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

Transactions with Related Parties and Outstanding balances as on 31-03-2020

(Rs. In Lacs)

Transactions	ENTITIES JOINTLY CONTROLLED BY KEY MANAGEMENT PERSONNEL	KEY MANAGEMENT PERSONNEL & OTHER EXECUTIVE OFFICERS	CLOSE MEMEBER	Total
	Rs.	Rs.	Rs.	Rs.
EXPENSES				
Interest Paid	77.29 (13.67)	101.61 (102.82)	22.27 (26.37)	201.17 (142.86)
Remuneration Paid	- -	67.07 (70.80)	3.00 (3.00)	70.07 (73.80)
Repair & Maintenance	2.54 (2.82)	- (-)	- (-)	2.54 (2.82)
OTHER TRANSACTION				
Loan received	1,366.50 (242.00)	736.48 (135.50)	- -	2,102.98 (377.50)
Loan Repaid	203.36 (182.00)	607.98 (105.00)	- (4.00)	811.34 (291.00)
Sale of Shares	- -	1.00 -	- -	1.00 -
Purchase of Shares	1.00 -	- -	- -	1.00 -
Advances Given	- (13.79)	- (-)	- (-)	- (13.79)
RECEIVABLES				
Advances Given	13.79 (13.79)	- (-)	- (-)	13.79 (13.79)
PAYABLES				
Loan	1,316.44 (153.30)	1,129.00 (1,000.50)	247.40 (247.40)	2,692.84 (1,401.20)

35. 'There are no Micro, Small and Medium Enterprises to whom the Company owes dues, which are outstanding for more than 45 days as at 31.03.2020. 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.

36. **a) Defined Contribution Plan**

- Company's contribution to Government Administered Provident Fund / Family Fund during the year is Rs. 40.79 Lacs (Rs. 38.64 Lacs)
- Company's contribution towards Employees State Insurance Fund is Rs. 9.19 Lacs (Rs. 11.40 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 31.03.2020)

(Rs. In Lacs)

Amounts in Balance Sheet	31-03-20	31-03-19
Defined Benefit Obligation (DBO)	205.79	170.23
Fair Value of Plan Assets	163.21	140.37
Funded Status - (Surplus)/Deficit	42.58	29.86
Unrecognized Past Service Cost / (Credit)	-	-
Unrecognised Asset due to Limit in Para 64(b)	-	-
Liability/(Asset) recognised in the Balance Sheet	42.58	29.86

Amount Recognised in the Statement of Profit & Loss	31-03-20	31-03-19
Current Service Cost	20.71	18.89
Interest Cost	12.06	10.54
Expected Return on Plan Assets	(10.53)	(9.12)
Past Service Cost	-	-
(Gain)/Loss due to Settlements/ Curtailments/Acquisitions/Divestitures		
Total Expense/(Income) included in "Employee Benefit"	22.24	20.32

Amount recognised in Other Comprehensive Income (OCI)	31-03-20	31-03-19
Amount recognized in OCI, Beginning of Period	(8.80)	(16.59)
Remeasurements due to :		
<i>Effect of Change in financial assumptions [C]</i>	16.49	2.17
<i>Effect of Change in demographic assumptions [D]</i>	(0.00)	-
<i>Effect of experience adjustments [E]</i>	(2.24)	5.19
Actuarial (Gains)/Losses (C+ D +E)	14.25	7.37
Return on plan assets (excluding interest)	(0.23)	(0.42)
Total remeasurements recognized in OCI	14.48	7.79
Amount recognized in OCI, End of Period	5.68	(8.80)

Change in Present Value of Benefit Obligation during the Period	31-03-20	31-03-19
Defined Benefit Obligation, Beginning of Period	170.23	144.91
Current Service Cost	20.71	18.89
Interest Cost	12.06	10.54
Actual Plan Participants' Contributions	-	-
Actuarial (Gains)/Losses	14.25	7.37
Acquisition/Business Combination/Divestiture	-	-
Actual Benefits Paid	(11.46)	(11.49)
Past Service Cost	-	-
Changes in Foreign Currency Exchange Rates	-	-
Loss / (Gains) on Curtailments	-	-
Liabilities Extinguished on Settlements	-	-
Defined Benefit Obligation, End of Period	205.79	170.23

(Rs. In Lacs)

Change in Fair Value of Plan Assets during the Period	31-03-20	31-03-19
Fair value of Plan Assets, Beginning of Period	140.37	119.16
Interest Income Plan Asset	10.53	9.12
Actual Enterprise's Contributions	24.00	24.00
Actual Plan Participants' Contributions	-	-
Actual Benefits Paid	(11.46)	(11.49)
Actuarial Gains/(Losses)	(0.23)	(0.42)
Acquisition/Business Combination/Divestiture	-	-
Changes in Foreign Currency Exchange Rates	-	-
Liabilities Extinguished on Settlements	-	-
Fair Value of Plan Assets, End of Period	163.21	140.37

Current / Non Current Benefit Obligation	31-03-20	31-03-19
Current Liability	-	-
Non Current Liability	42.58	29.86
Liability/(Asset) Recognised in the Balance Sheet	42.58	29.86

Category of Assets	31-03-20	31-03-19
Govt. 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%
Total	100.00%	100.00%

Sensitivity Analysis

	31-03-20	
Defined Benefit Obligation (Base)	205.79	
Sensitivity Analysis	31-03-20	
	Decrease	Increase
Discount Rate	215.44	196.83
Impact of increase/decrease in 50 bps on DBO	4.69%	-4.36%
Salary Growth Rate	197.50	214.52
Impact of increase/decrease in 50 bps on DBO	-4.03%	4.24%

Financial Assumptions	31-03-20	31-03-19
Discount Rate	6.55%	7.50%
Salary Escalation Rate	8.00%	8.00%
Expected Return on Assets	6.55%	7.50%
Withdrawal Rate	5.00%	5.00%
Mortality rates	IAL Mortality (2012-14) Ult.	IAL Mortality (2006-08) Ult.

ii) As per Actuarial Valuation Report Liability towards Leave Encashment as on 31st March 2020 is Rs. 52.09 Lacs (Rs. 47.81 Lacs). Liability for Leave Encashment of Rs. 4.28 Lacs has been provided for the year.

37. '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.446.96 lacs (Rs. 339.41 lacs) determined as refundable from the departments has been treated as unsecured and considered good under Balance with Revenue Authorities [Refer Note No. 6 (2) c. 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.
38. Advance Income Tax & Fringe Benefit Tax (Net of Provisions) of Rs. 26.50 lacs (Rs. 19.32 lacs) in respect of which reconciliation with the assessment/appellate order is in progress for some assessment years. The aforesaid amount is subject to adjustment on the basis of the aforesaid reconciliation.
39. 'In the F Y 2008-09, the company has revalued its entire lands situated at Mohanlalganj Lucknow and at Village Bishara, Dadri, Gautam Buddh 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 Buddh Nagar aggregates to Rs. 5143.81 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.
40. '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.
41. '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.
42. Balances of Trade Payables ,Trade Receivables, 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 (erstwhile State Bank of Bikaner & Jaipur), Gandhibagh, Nagpur, State Bank of India Butibori, Nagpur are subject to reconciliation, confirmation and consequent adjustments, if any.
43. **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, 2020				
	FVTPL	FVTOCI	Amortised Cost	Carrying Value	Fair Value
Financial Assets					
Cash and Cash Equivalents	-	-	46.66	46.66	46.66

Other bank balances	-	-	57.31	57.31	57.31
Non Current investments	-	(2.90)	-	1.44	1.44
Loans- current	-	-	362.81	362.81	362.81
Current trade receivables	-	-	3,873.66	3,873.66	3,873.66
Other Non-current financial assets	-	-	1,202.79	1,202.79	1,202.79
Other Current financial assets	-	-	423.55	423.55	423.55
	-	(2.90)	5,966.78	5,968.22	5,968.22
Financial Liabilities					
Borrowings- Non Current	-	-	4,183.76	4,183.76	4,183.76
Borrowings- Current	-	-	4,223.88	4,223.88	4,223.88
Trade payables	-	-	1,014.96	1,014.96	1,014.96
Other Non-Current financial liabilities	-	-	58.27	58.27	58.27
Other Current financial liabilities	-	-	1,203.43	1,203.43	1,203.43
	-	-	10,684.30	10,684.30	10,684.30

Particulars	March 31, 2019				
	FVTPL	FVTOCI	Amortised Cost	Carrying Value	Fair Value
Financial Assets					
Cash and Cash Equivalents	-	-	213.68	213.68	213.68
Other bank balances	-	-	60.53	60.53	60.53
Non Current investments	-	0.14	-	4.34	4.34
Loans- current	-	-	445.69	445.69	445.69
Current trade receivables	-	-	3,377.42	3,377.42	3,377.42
Other Non-current financial assets	-	-	1,399.75	1,399.75	1,399.75
Other Current financial assets	-	-	412.74	412.74	412.74
	-	0.14	5,909.81	5,914.15	5,914.15
Financial Liabilities					
Borrowings- Non Current	-	-	2,461.30	2,461.30	2,461.30
Borrowings- Current	-	-	4,689.70	4,689.70	4,689.70
Trade payables	-	-	724.47	724.47	724.47
Other Non-Current financial liabilities	-	-	58.27	58.27	58.27
Other Current financial liabilities	-	-	840.20	840.20	840.20
	-	-	8,773.94	8,773.94	8,773.94

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)

(Rs. In Lacs)

Financial Instruments	March 31, 2020		
	Level 1	Level 2	Level 3
Financial assets			
Investments at fair value through other comprehensive income	(2.90)	-	-
	(2.90)	-	-
Financial liabilities	-	-	-
Total	-	-	-
Financial Instruments	March 31, 2019		
	Level 1	Level 2	Level 3
Financial assets			
Investments at fair value through other comprehensive income	0.14	-	-
	0.14	-	-
Financial liabilities	-	-	-
Total	-	-	-
The below table summarises the fair value of financial liabilities which are carried at			
Financial Instruments	Level 1	Level 2	Level 3
March 31, 2020			
Current maturities of long term borrowings		558.82	
Total		558.82	
March 31, 2019			
Current maturities of long term borrowings	-	562.36	-
Total	-	562.36	-

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's concentration of risk with respect to trade receivables is low, as its customer's base is widely spread across the length and breadth of the country.

Liquidity Risk

The Company's Current assets aggregate to Rs. 10145.90 lacs (Rs. 7671.25 lacs) including Cash & cash equivalents and other bank balance balances of Rs. 103.97 lacs (Rs.274.20 lacs) against an aggregate Current liability of Rs. 6467.31 lacs (Rs. 6284.90 lacs); Non-current liabilities amounting to Rs. 4827.47 lacs (Rs. 3001.48 lacs) on the reporting date. Further, while the company's total equity stands Rs. 9862.21 lacs (Rs. 9661.13 lacs), it has borrowing of Rs. 8407.63 lacs (Rs 7151). 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.

44. The company had filed a writ petition in the Allahabad High Court denying its liability for entry tax under the Uttar Pradesh Tax On Entry Of Goods Into Local Areas Act, 2007 in respect of which the Hon'ble High Court had held that the same would be disposed off on the basis of decision of the Hon'ble Supreme Court in the Special Leave Petition of another party on identical issue. During the year the SLP of the other party has been set aside by the Hon'ble Supreme Court to the file of the Hon'ble High Court for decision afresh.

The total liability against the company in respect of the same for the period from November, 2007 to December, 2011 aggregated to Rs. 179.71 lacs. Out of these amounts Rs. 93.98 lacs was deposited by the company in an earlier year as per directions of Hon'ble High Court and was charged to the Statement of Profit & Loss in that year. The remaining amount of Rs. 85.73 lacs in respect of which the a bank guarantee was issued by the company has also been deposited by the company during the year on the directions of the Hon'ble High Court and, as a matter of prudence, has been charged to the Statement of Profit & Loss during the year.

45. The Company as lessor

Rental income from operating lease is in respect of Land, Building and Plant & Machinery at the Dadri unit of the company leased out by the company for a period of 15 years w.e.f 01.04.2019 after revision of previous lease with the same Lessee. The lease rental is recognised 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 Ind AS- 116 as under :

a. Not Later than one year	Rs.	581.88 Lacs
b. Later than one year and not later than five years up to 31.01.2024	Rs.	2577.16 Lacs
c. Later than five years	Rs.	7592.85 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.

46. 'On withdrawal of notification for tax exemption on usage of fly ash in production of finished goods, demand of Rs. 79.70 lacs and Rs. 180.60 lacs for F.Y. 2004-05 and F.Y. 2005-06 respectively was raised by Trade Tax department, U.P. Company's writ petition in Hon'ble Allahabad High Court, Lucknow Bench against such withdrawal of exemption has been decided in favour of the company. On confirmation of refund receivable for Financial Year 2005-06 by the Additional Commissioner (Appeals), it has been recognized as other income in the F Y 2010-11. Since the company was in the process of establishing its claim for Financial Year 2004-05 hence, as a matter of prudence, the recognition of income for A.Y. 2004-05 had not been done earlier. However in the FY 2012-13, Trade Tax Department had also filed a special leave petition before the Hon'ble Supreme Court against the order of the Hon'ble Allahabad court, Lucknow Bench, which has also been decided in favour of the company during the F Y 2013-14. The Management of the company after discussion with the trade tax consultants, is of the opinion that the claim for FY 2004-05 can also be lodged. Consequently, the company has during the financial year 2013-14 accounted for Rs.79.70 lacs as Other Non-operating income by showing the same in Balance with Revenue Authorities under Other Non Current Assets. The Management is hopeful that this amount would be recovered from the Trade Tax department soon.
47. 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. In respect of fixed deposits accepted in earlier years under the relevant provisions of the Companies Act, 1956 the company has repaid the same on the respective due date of each deposit except fixed deposits of Rs.0.65 (excluding interest accrued and due) lacs which have either remained unclaimed or the claim by the relatives of the deceased depositors is under examination of the company for ensuring that payment is made to eligible person(s) only. 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.
48. 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.
49. The company is making efforts for recovery of interest of Rs. 11.85 lacs outstanding since earlier year from its erstwhile related party M/s Big Apple Real Estate Private Limited. No provision has been made against the same since the management is hopeful of its recovery.
50. Deposit Payment (Refer Note no. 6(2)(b) includes security deposit of Rs. 130 lacs (Rs. 190 lacs) to M/s Brij Bhushan Enterprises LLP given by the company for facilitating regular supply of Raw Material Cement.

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

(Amt. in Rs.)

SL No.	Details of Borrower	Opening Balance as on 01/04/2019	Loan Given During the year	Unsecured Loan Received back during the year	Total amount Outstanding at the end of F.Y 2019-20	Purpose for which the loan is to be utilized by the receiptant
1	Big Apple Real Estate Private Limited	NIL Interest Rs. 11,84,570	NIL	NIL	NIL Interest Rs. 11,84,570	For Business Operation Purposes
2	Castmet Packagings Private Limited	Rs. 1,26,25,196	NIL	NIL	Rs. 1,26,25,196 Interest (Gross): Rs. 15,15,024	For Business Operation Purposes
3	Pasondia Cables Pvt. Ltd.	Rs. 38,03,607	NIL	NIL	Rs. 38,03,607 Interest (Gross): 'Rs. 7,22,686	For Business Operation Purposes
4	Shri Ghata Mehndipur Balaji LLP	Rs. 2,50,00,000	NIL	Rs. 1,00,00,000	Rs. 1,50,00,000 Interest (Gross): 'Rs. 22,91,507	For Business Operation Purposes

52. Managerial Remuneration :

(a) Paid/provided for during the year to the directors	2019-20 (Rs. lacs)	2018-19 (Rs. lacs)
(i) Salary & Allowance	46.20	46.20
(ii) Commission	-	7.30
(ii) Perquisites	3.36	2.79
	49.56	56.29
(b) Computation of Commission payable to Directors:	N/A	
Net Profit for the year before taxation as per Profit & Loss Account		315.89
Add: Directors' Remuneration		48.99
		364.88
Add: Expenses/Income (-) relating to previous year		-
		364.88
Net Profit as per Section 198 of the Companies Act, 2018		364.88
Commission	-	7.30

53. Earnings per share (EPS)

Particulars	31-Mar-20		31-Mar-19
Net profit/(loss) after tax for the year (Rs in Lacs)	217.94		118.47
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)	2.39		1.30

54. Prior Period Errors

a) The company has taken impact of Net prior period credits of Rs. 0.86 lacs in the figures of financial year 2018-19 and in earlier year in the financial statements of the company in accordance with IndAS-8 on Accounting Policies, Changes in Accounting Estimates and Errors.

55. Pursuant to outbreak of Coronavirus Disease (Covid-19) worldwide and its declaration as global pandemic, the Government of India declared lockdown on March 24, 2020 which led to temporary suspension of operations of the Company and has impacted the overall business activities of the Company. On the basis of our evaluation of the impact of Covid-19 and current indicators of future economic conditions, the Company expects that the carrying amount of its assets will be recovered and there is no significant impact on liabilities accrued. The situation is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future spread of the COVID-19 and its impact on the Company's business operations. The Company will continue to closely monitor any material changes to future economic conditions viz a viz its business operations.

56. Previous year figures have been regrouped/ reclassified to make it comparable with current year's figures.

57. Figures in brackets relate to the previous year.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2020



(Pursuant to Listing Agreement with Stock Exchange)

(Rs. In Lacs)

	2019-20		2018-19	
	Rs.	Rs.	Rs.	Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES:				
NET PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS AS PER STATEMENT OF PROFIT & LOSS		365.70		315.46
Adjustment for:				
Depreciation and amortisation expense (Net of Excess Depreciation written back)	500.11		498.54	
Finance cost	876.41		777.47	
Bad Debts Written off	10.72		28.26	
Actuarial gain/(loss) on defined benefit plan	(14.48)		(7.79)	
profit / (loss) on fair valuation of Investment	-		-	
Foreign Exchange (+)Loss / (-)Gain	-		-	
(Profit)/ Loss on Sale of Fixed assets (Net)	-		1.85	
Interest Earned	(88.93)		(126.02)	
Dividend Earned	(0.03)	1,283.80	(0.03)	1,172.29
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		1,649.50		1,487.75
Adjustment for:				
Increase (-) / Decrease in Trade and other Receivables	(473.60)		126.78	
Increase (-) / Decrease in Inventories	(2,220.72)		(903.57)	
Increase / Decrease (-) in Trade Payables, current liabilities and provisions	668.66	(2,025.64)	53.03	(723.76)
CASH GENERATED FROM OPERATIONS		(376.14)		763.99
Direct Tax Refund (Net of Tax Paid)		(64.00)		(25.50)
NET CASH FROM OPERATING ACTIVITIES		(440.14)		738.49
Exceptional Item (Profit on Sale of Equity Shares)		-		-
NET CASH FROM OPERATING ACTIVITIES AFTER EXCEPTIONAL ITEM		(440.14)		738.49
B. CASH FLOW FROM INVESTING ACTIVITIES				
Loan and Advances		86.36		9.11
Advances for Property Plant and Equipments		149.32		34.11
Purchase of Property Plant and Equipments		(431.37)		(626.80)
Proceeds from sale of Property Plant and Equipments		-		3.00
Interest Received		88.93		126.02
Dividend Received		0.03		0.03
NET CASH FLOW FROM INVESTING ACTIVITIES		(106.77)		(454.53)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Long Term Borrowing and other borrowings (net of repayment)		1,253.09		600.96
Finance cost		(876.41)		(777.47)
Foreign Exchange (-)Loss / (+)Gain		-		-
NET CASH USED IN FINANCING ACTIVITIES		376.68		(176.52)
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)		(170.23)		107.45
CASH AND BANK BALANCE AS AT BEGINNING OF THE YEAR		274.20		166.75
CASH AND BANK BALANCE AS AT END OF THE YEAR		103.97		274.20