24th ANNUAL REPORT 2019-20

ASTRAL PIPES • ADHESIVES

WHEN THE GOING GETS TOUGH THE TOUGH GETS GOING

ACROSS THE PAGES

Corporate Overview

Statutory Reports

Financial Statements

CORPORATE INFORMATION

Board of Directors

Mr. K. R. Shenoy
Chairman (Independent Director)

Mr. Sandeep P. Engineer
Managing Director

Mrs. Jagruti S. Engineer
Whole Time Director

Mr. Anil Kumar Jani
Non-Executive Director

Mr. Pradip N. Desai
Independent Director

Mrs. Kaushal Nakrani
Independent Director

Mr. Viral Jhaveri
Independent Director

Mr. C. K. Gopal
Independent Director

Mr. Narasinh K. Balgi
Independent Director
(Upto January 27, 2020)

Mr. Kyle Thompson
Non-Executive Director
(Upto July 8, 2020)

Chief Financial Officer

Mr. Hiranand A. Savlani

Company Secretary

Mr. Krunal D. Bhatt

Statutory Auditors

S R B C & CO LLP
(Chartered Accountants)
12th Floor, The Ruby, 29 Senapati Bapat Marg,
Dadar (West), Mumbai – 400028

Registered & Corporate Office

Astral House
207/1, B/h. Rajpath Club, Off S. G. Highway,
Ahmedabad - 380 059, Gujarat, India
Ph: +91 79 6621 2000, Fax: +91 79 6621 2121

Registrar & Share Transfer Agent

Bigshare Services Private Limited
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri (East), Mumbai - 400 059
Ph: +91 22 62638200
Fax: +91 22 62638299

Bankers

Corporation Bank
HDFC Bank Limited
HSBC Bank
IndusInd Bank
Standard Chartered Bank

Factory Location

PIPING DIVISION

India
Santej (Gujarat)
Dholka (Gujarat)
Hosur (Tamil Nadu)
Ghiloth (Rajasthan)
Sangli (Maharashtra)
Sitarganj (Uttarakhand)

Overseas
Kenya

ADHESIVE DIVISION

India
Santej (Gujarat)
Rania (Uttar Pradesh)
Unnao (Uttar Pradesh)

Overseas
USA
UK

For every challenge encountered, there is an opportunity for growth. One who is stronger and persistent, consistently reaches new heights by proactively calibrating its strategies and strengthening preparedness to face the uncertainties.

Over the years, Astral Group has evolved into a robust and resilient organisation. The Group has been consistently surging ahead on the back of its strong foundation, differentiated strategies, quality offerings and an experienced leadership. With robust capacities, the Group has marketed its presence across multiple locations to fulfil demand across the country. Prudent financials with low leveraging further aid the Group in remaining sturdy amidst the challenges in the operating environment.

Today, Astral is strongly positioned in organised space and ready to capitalise on the underlying opportunities. With sharp focus on serving the customers through innovative products in the piping and adhesive segments, the Group remains committed to create enduring value for its stakeholders.

₹ 25,779 million
Revenue from Operations as on March 31, 2020

₹ 4,534 million
EBITDA as on March 31, 2020

₹ 2,496 million
PAT as on March 31, 2020

EBITDA: Earnings before Interest, Taxes, Depreciation and Amortisation; PAT: Profit after Tax

ABOUT ASTRAL GROUP

Over the past two decades, Astral has established itself as one of India's dominant brands in the plastic piping segment with diverse end-user applications. Incorporated in 1996, the Company is steadily progressing in the adhesive segment and infrastructure products as well.

Astral has been a pioneer in introducing Chlorinated Polyvinyl Chloride (CPVC) pipes and fittings in the country. The Company offers a wide array of products across piping and adhesives categories to meet the dynamic needs of the real estate sector and millions of Indian households. With 12 strategically-located manufacturing facilities in India and overseas, Astral is counted for bringing the most innovative piping and adhesive products with unmatched quality.

Underpinned by its entrenched market presence and wide geographical footprint, Astral today is an integrated CPVC player with robust capacity and execution prowess. The Company has strengthened its product portfolio by acquiring Rex Polyextrusion Private Limited (REPL) a couple of years back. The expanded product suit enables the Company to offer newer products in the infrastructure segment with varied applications. With strong focus on promotion, the Company has continuously increased its brand visibility and customer penetration across the country.

4
Countries Presence

12
Manufacturing Locations across India and Overseas

₹ 2,450 million
Capex during the year

31,000+
Dealers in Piping Segment

800+
Distributors in Piping Segment

130,000+
Dealers in Adhesive Segment

1,300+
Distributors in Adhesive Segment

4,500+
Happy Employees

Our Subsidiaries

Over the years, Astral has successfully diversified from manufacturing pipes and fittings to entering the adhesives business via acquisition of Resinova Chemie Limited and Seal IT Services

Resinova Chemie Limited

Resinova Chemie Limited, a subsidiary of Astral Poly Technik Limited, has evolved as one of the leading manufacturers of adhesives & sealants, construction chemicals, self-adhesive tapes and industrial maintenance products, among others. During the year, the Company carried out structural corrections in terms of distribution model and manpower which will be favourable in the long-run. Moreover, Resinova's strong position in the rural market will be conducive for the growth ahead.

The Company plans to build a state-of-the-art plant for adhesive products at Dahej, in the coming year to bolster the growth prospect. Its high-quality products, Resiquick, Rescue Tape and Resiwood are on the right growth path with aggressive branding activities. During the year, addressing the Covid-19 situation, the Company launched an instant hand sanitizer under the brand name 'Resi Shield'.

Highlights for the year 2019-20

₹ 3,771 million
Net Sales as on March 31, 2020

Seal IT (UK and USA)

Astral successfully diversified its product offerings by entering the adhesives business via acquisition of 80% stake in Seal IT Services Limited, UK, in the year 2014. Firmly established as a major player in the market and serving customers across Europe, the Middle East, Africa, Asia and North America, Seal IT offers a range of adhesive products. Further, in the year 2016, Seal IT announced its new venture into the United States by launching subsidiary company Seal IT Services Inc.

By leveraging Seal IT's brand equity, geographical strength and existing distribution network along with its own cross-selling opportunities, Astral is continuously gaining market share in the growing adhesive segment.

Highlights for the year 2019-20

₹ 2,059 million
Net Sales as on March 31, 2020

FINANCIAL PERFORMANCE

STANDALONE

(₹ in Million, except stated otherwise)

Particulars	2015-16	2016-17	2017-18	2018-19	2019-20
Capacity (In MT)	127,762	137,708	152,101	205,290	238,730
Utilisation (In MT)	77,909	87,694	105,753	120,821	135,636
Sales	14,675	16,473	16,026	19,121	20,385
Less: Excise Duty	1,502	1,714	227	-	-
Net Sales	13,173	14,759	15,799	19,121	20,385
Other Income	27	90	131	151	152
Total Income	13,200	14,849	15,930	19,272	20,537
PBIDT	1,678	2,153	2,477	3,154	3,806
Interest	122	137	132	219	170
Profit Before Depreciation, Tax & Exceptional Items	1,556	2,016	2,345	2,935	3,636
Depreciation	354	417	467	671	899
Profit Before Tax & Exceptional Items	1,202	1,599	1,878	2,264	2,737
Exceptional Items # (Exchange Gain/(Loss))	(163)	(6)	(72)	(82)	(192)
Profit Before Tax	1,039	1,593	1,806	2,182	2,545
Tax	311	526	616	768	537
Net Profit	728	1,067	1,190	1,414	2,008
Other Comprehensive Income (Net of tax)	(5)	(2)	-	(1)	(2)
Total Comprehensive Income	723	1,065	1,190	1,413	2,006
Paid Up Equity Capital	120	120	120	120	151
Reserve and Surplus [1]	7,190	8,230	9,356	11,408	13,154
Shareholders' Funds	7,310	8,350	9,476	11,528	13,305
Loans (Long term)	1,216	985	734	1,213	891
Deferred Tax Liability (Net)	215	262	288	466	372
Capital Employed[2]	8,663	9,429	9,856	12,446	14,167
Gross Fixed Assets[3]	3,964	4,858	5,713	8,097	10,342
Capital Work in Progress	81	173	647	775	426
Net Fixed Assets[4]	3,599	4,079	4,474	6,254	7,681
Net Current Assets	1,396	1,722	1,668	1,548	2,006
Book Value Per Equity Share (in ₹) (Restated for bonus impact)	49.16	55.77	63.28	76.65	88.30
Earning Per Equity Share (in ₹) (Restated for bonus impact)	4.90	7.12	7.95	9.40	13.33
Cash Earning Per Equity Share (in ₹)[6] (Restated for bonus impact)	7.52	10.22	11.44	14.61	19.94
Dividend (in %)[5]	40%	50%	60%	70%	100%
Debt: Equity (Long-term Debt/Total Net Worth)	0.23	0.18	0.12	0.15	0.09

1. Excluding Revaluation Reserves and reducing Miscellaneous Expenditure
2. Excluding Revaluation Reserves, Miscellaneous Expenditure and Capital Work in Progress
3. Excluding Goodwill, Brand and Capital Work in Progress.
4. Excluding Revaluation Reserves, Goodwill, Brand and Capital Work in Progress
5. Dividend for the year 2017-18 and 2018-19 includes final dividend declared at 35% and 40%, respectively by the Board of Directors in their meeting held, approved by shareholders in AGM
6. Cash profit considered for cash earning per share is Net Profit + Depreciation + Deferred tax + Exceptional item excluding realised foreign gain (loss)

\# Exceptional items for the year 2015-16 includes ₹ 8 Million paid by the Company towards full and final settlement of employees dues in respect of Baddi Plant
Exceptional items for the year 2017-18, 2018-19 and 2019-20 includes ₹ 30 Million, ₹ 20 Million and ₹ 25 Million, respectively, for provision made by the Company for diminution on its investment in Joint Venture viz : Astral Pipes Limited

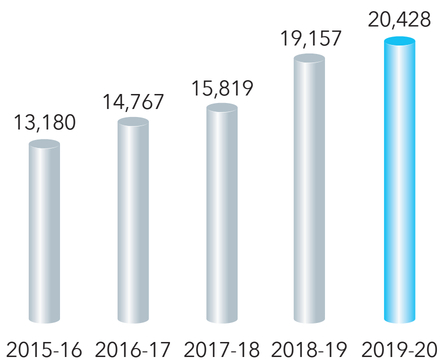
ASTRAL PIPES • ADHESIVES

ROBUST FINANCIALS

Focused Efforts to Ensure Financial Prudence

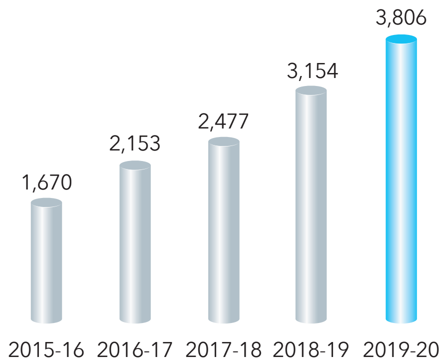
PIPING SEGMENT

Net Revenue
(₹ Million)



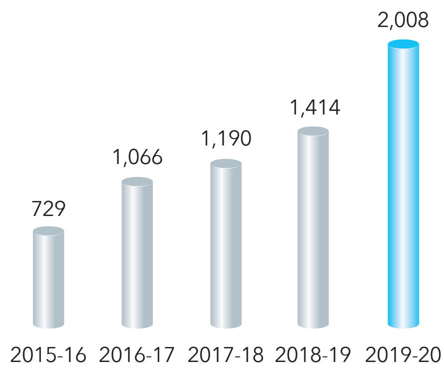
5 Years CAGR: **11.6%**

EBIDTA
(₹ Million)



5 Years CAGR: **22.9%**

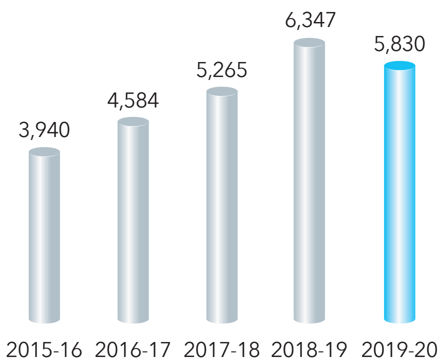
PAT
(₹ Million)



5 Years CAGR: **28.8%**

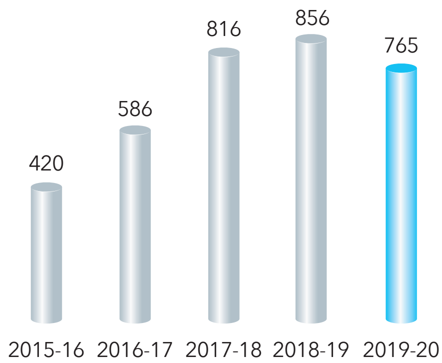
ADHESIVE SEGMENT

Net Revenue
(₹ Million)



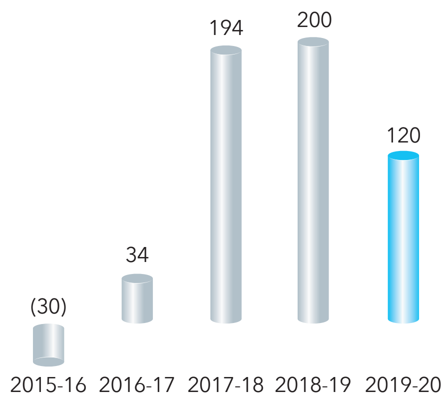
5 Years CAGR: **10.3%**

EBIDTA
(₹ Million)



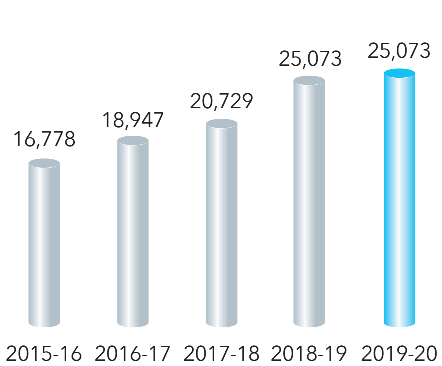
5 Years CAGR: **16.2%**

PAT
(₹ Million)



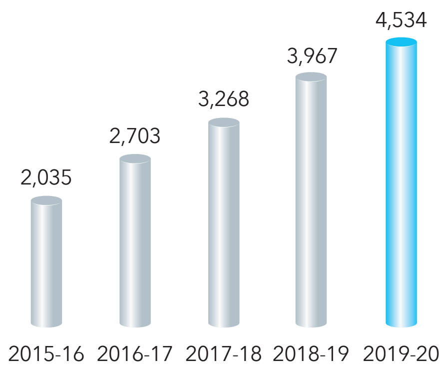
CONSOLIDATED

Net Revenue
(₹ Million)



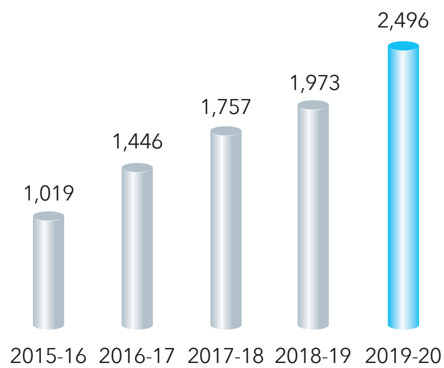
5 Years CAGR: **11.3%**

EBIDTA
(₹ Million)



5 Years CAGR: **22.2%**

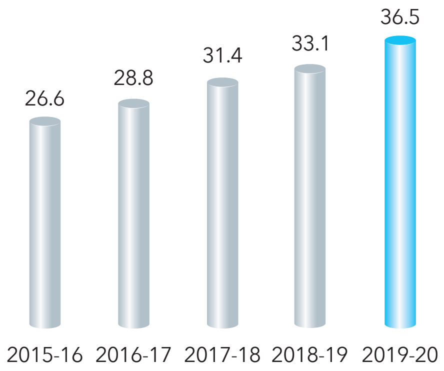
PAT
(₹ Million)



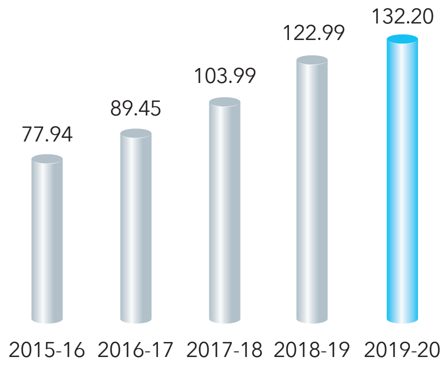
5 Years CAGR: **25.1%**

PIPING SEGMENT

Gross Profit Margin
(%)



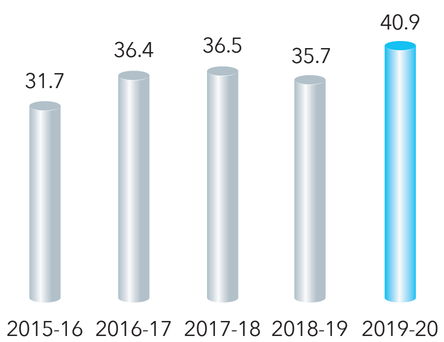
Sales Volume
('000 MT)



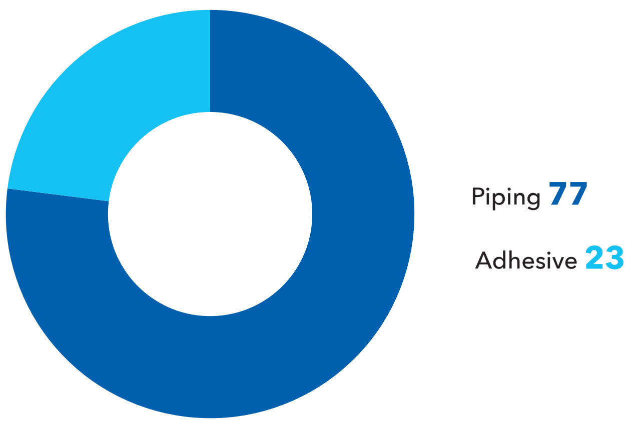
5 Years CAGR: **14.1%**

ADHESIVE SEGMENT

Gross Profit Margin
(%)

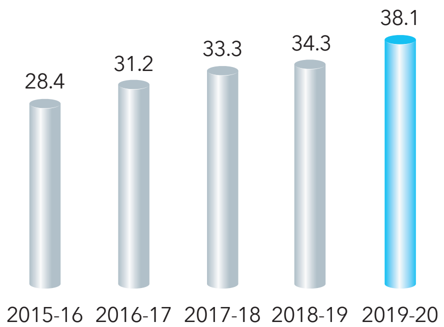


Revenue Mix
(%)

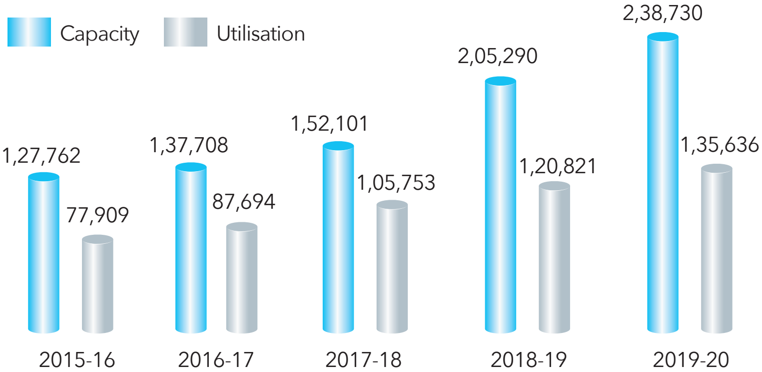


CONSOLIDATED

Gross Profit Margin
(%)



Piping Capacity VS Utilisation
(Metric Tonne)



ASTRAL PIPES • ADHESIVES

Our Vision

To be a truly global, high-performing organisation delivering quality products and services to its customers and attain leadership position in the industries we operate in.

Astral Values

Safety

- Strive to prevent accidents, injuries, and illness at work
- Provide products that meet the highest safety standards

Excellence

- Be trendsetters in the industry by delivering exceptional performance
- Deliver quality products and services to our customers

Integrity

- Be honest, fair, and do the right thing in the right way
- Operate in letter and spirit of the highest standards of corporate ethics

Equitability

- Be unbiased and respect individual contributions that stem from their diverse backgrounds
- Accept criticism and promote an open culture that enables sharing of ideas across the organisation

Teamwork

- Unleash hidden potential of employees by promoting a culture of teamwork across the organisation
- Leverage collective capabilities to achieve greater heights

Our Business Segments

With comprehensive product offerings, Astral is uniquely placed to capitalise on growing opportunities in the lucrative segments of piping, adhesive and infrastructure products.

PIPING

- **Plumbing Pipes & Fittings**
  CPVC, PVC & Pex
- **Sewerage Drainage Pipes & Fittings**
  SWR, DWC Piping, Low Noise drainage, Sewerage, Storm-water
- **Agriculture Pipes & Fittings**
- **Industrial Pipes & Fittings**
- **Fire Sprinklers Pipes & Fittings**
- **Conduit & Cable Protection**
- **Ancillary Products**
- **Urban Infrastructure**
- **Ducting**

ADHESIVES

- **Epoxy Adhesives & Putty**
- **Silicone Sealants**
- **Construction Chemicals**
- **PVA**
- **Cyanoacrylate**
- **Solvent Cements**
- **Tapes**
- **Polymeric Filling Compound**
- **Anaerobic Adhesives**
- **Industrial Adhesives**
- **Instant Hand Sanitizer**
- **Surface Cleaning Products**

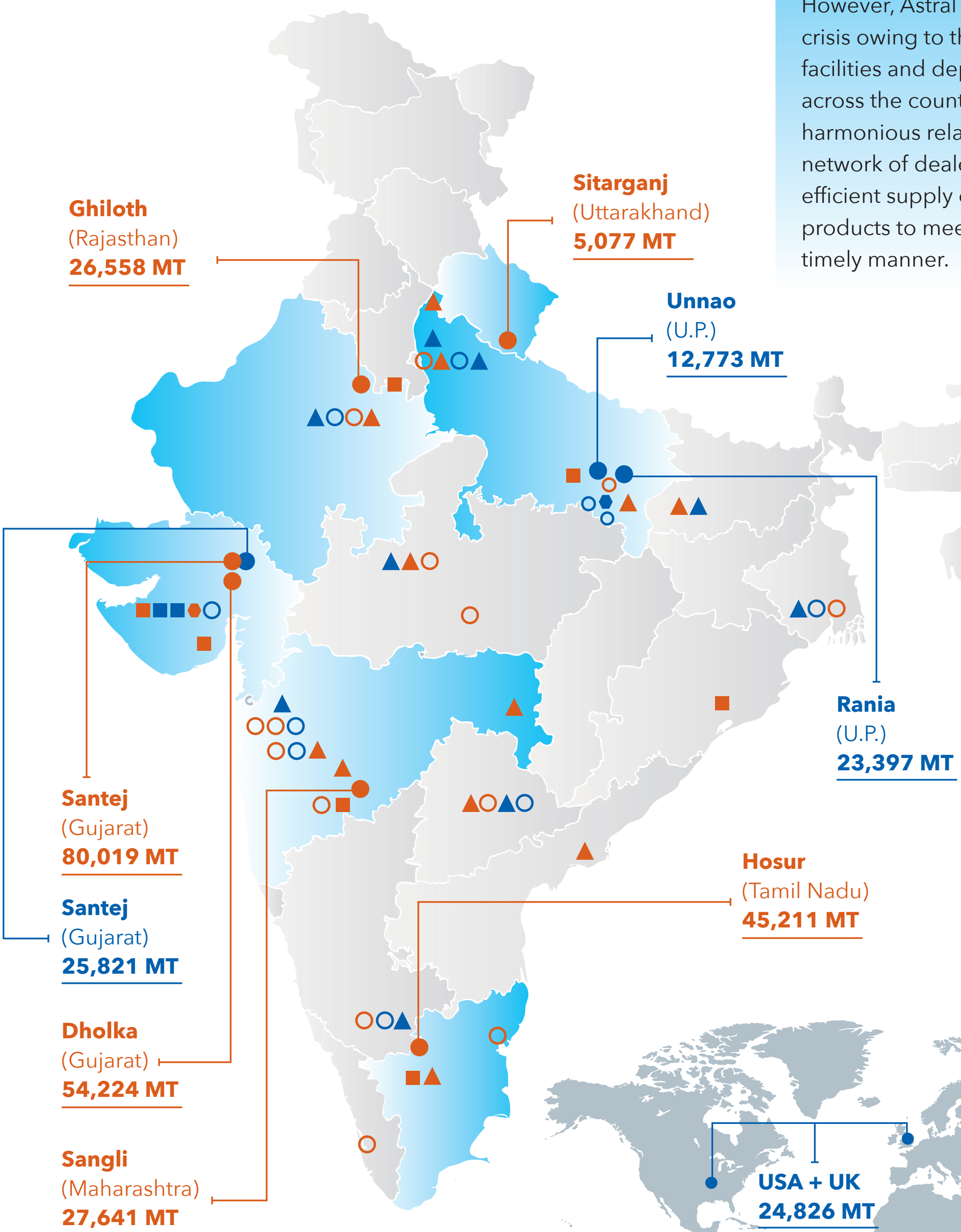
WIDESPREAD PRESENCE

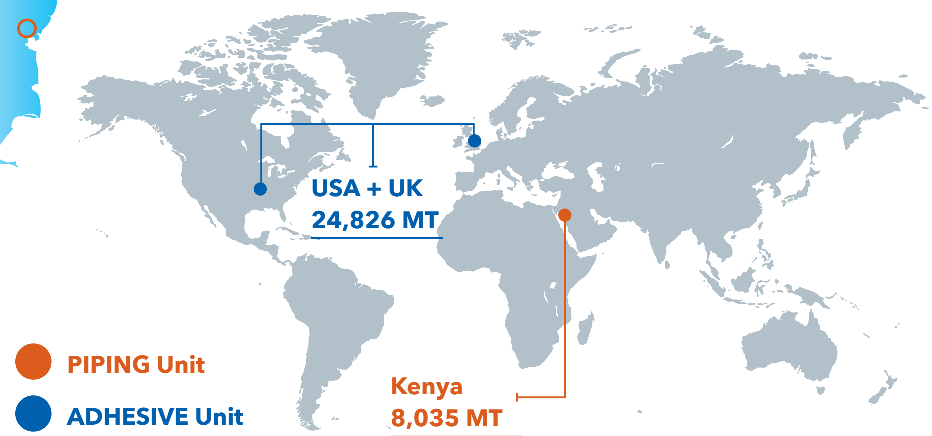
We continue to stay true to our commitment of delivering excellent piping and adhesive products at a domestic and global level. Today, our presence in various geographies has enabled us to be more competitive by catering a wider range of customer segments and minimising the transport cost at the same time.

Our Multi-Location Footprint and Sturdy Network

In recent times, business operations and supply chains have been severely impacted by the unprecedented Covid-19 crisis. However, Astral stands strong amid the crisis owing to the multiple manufacturing facilities and depots, strategically-spread across the country. In addition, our harmonious relationships with a large network of dealers and distributors ensure efficient supply of piping and adhesive products to meet customer demands in a timely manner.

Astral Group - Pan India Presence





Disclaimer: This map is a generalised illustration only for the ease of the reader to understand the locations, and is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features / states do not necessarily reflect the actual position. The Company or any of its Directors, Officers or Employees cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind in connection to its accuracy or completeness.

MANAGING DIRECTOR's MESSAGE

With steady performance during the year, we stand confident even in turbulent times. Diversified product range, extensive distribution network, and cutting-edge technologies, are the cornerstone of our business strategy. More importantly, robust balance sheet quality and manufacturing efficiencies remain the distinctive characteristics of our operations.

Dear Shareholders,

We are indeed living through unusual times. Countries across the globe continue to face multitude of challenges in the form of Covid-19 health crisis that contributed to an economic slowdown. The Government of India intervened by taking prompt measures to contain the spread of the virus and boost demand.

At Astral, we responded to these headwinds by being well-prepared through our strong core competencies and resilient business model. The Company implemented adequate steps to protect employees and its immediate communities. Though we faced temporary disruption in our manufacturing operations, our robust IT infrastructure ensured uninterrupted services for our customers by enabling seamless 'work from home' facility.

With steady performance during the year, we stand confident even in turbulent times. Diversified product range, extensive distribution network, and cutting-edge technologies are the cornerstone of our business strategy. More importantly, robust balance sheet quality and manufacturing efficiencies remain the distinctive characteristics of our operations.

On the financial front, our consolidated revenue during the year stood at ₹ 25,779 million in FY 2019-20 from ₹ 25,073 million in FY 2018-19. The piping segment recorded a revenue of ₹ 20,428 million with sales volume of 132,200 metric tons. The consolidated EBITDA margin and PAT margin stood at 17.59% and 9.68%, respectively, during the year under review. The anti-dumping duty imposed on CPVC resin proved to be an opportunity for the Company to gain market share, as one of the leading organised industry players.

Our state-of-the art manufacturing units and distribution channels across the country enabled us to timely deliver products to our customers despite the nationwide lockdown. We expect our new piping plant in Odisha to be ready by FY 21, which will help us expand in the North-East markets. Moreover, we acquired additional land measuring 157,648 sq. meter, adjacent to our plants located at Sangli, Hosur, Santej and Odisha. With our right expansion strategies, we are well-poised to cater a larger customer base, optimise logistic cost and explore potential opportunities in the country.

We prioritised driving technological excellence, enhancing operational efficiencies while focusing on customer-centricity. Our innovative product PEX-A-PRO has been growing consistently with great response from the customers. We further plan to manufacture the high quality PEX product in-house by sourcing the best technology and machinery from the global experts. Astral has extended its product basket by supplying double wall corrugated piping solutions in the infrastructure segment through Rex Polyextrusion Private Limited (REPL). During the year, we took various steps to fortify our brand identity. One such initiative was to bring on board the famous Bollywood celebrity, Ranveer Singh, as our new brand ambassador which will further add to the brand's visibility. We also launched a unique loyalty program for plumbers across the country and a dealer attachment program to strengthen the distributor connect.

In our Adhesive & Sealant business, we registered a consolidated revenue ₹ 5,830 million and EBIDTA of ₹ 765 million during the year. We initiated structural changes in Resinova to strengthen distribution system and human capital, which impacted margins to some extent. We introduced robust IT system to track active number of distributors and dealers. Post the structural corrections, we are positive that the adhesive segment will deliver healthy growth in the coming years.

At Astral, we are always focussed on a sustainable growth and to create meaningful value for all our stakeholders. Going forward, we expect immediate market conditions to be challenging. However, the Company is well positioned to surge ahead with sturdy financials, geographical presence and industry reputation. We have continuously invested into product innovation and capacity expansion to improve efficiency, cost effectiveness and deliver reliable solutions to the customers.

I would like to conclude with an expression of gratitude to our key stakeholders, customers, bankers and vendors for their continued support in our growth journey. I thank our Board, senior management and employees for being a major source of inspiration.

Regards,

Sandeep Engineer
Managing Director

FROM THE CFO's DESK

Dear Shareholders,

Amid an uncertain global economic environment and challenging industry dynamics, we continued to perform with resilience. Our solid foundation, consistent focus on bringing innovative products and robust financial strength yielded desired value for all.

Today, Astral is present across the country through its state-of the-art manufacturing plants and depots. With our increased reach and presence at multiple locations, we have been able to efficiently serve our customers despite the nationwide lockdown. The Company continues to grow its manufacturing capacity through a greenfield facility in Odisha in order to meet the requirements of the North-East region. Our focus will remain on increasing capacity utilisation across our facilities. In addition, the expanded capacity at our existing plants will help us deliver value-added products, improve market share and save logistic cost in the long-run.

At Astral, our key strategic objective continues to revolve around maintaining strong balance sheet quality and working capital cycle along with adequate cash flows generation. During the year, we reported a consistent topline growth with strong EBITDA, PAT and gross profit margin. In the coming year, our focus will be on these parameters and improvement of ROC and free cash flow by reducing incremental Capex and increasing capacity utilisation of plants.

However, in the last few days of March 2020, we did face temporary challenges owing to the enforced lockdown and stagnant transportation and manufacturing activities across the country. Our inventory piled up which in turn positively impacted receivables and debtors days. Interestingly, our net working capital days improved from 38 to 27 on a standalone basis and from 56 to 41 on a consolidated basis. Thanks to our efficient working capital management that led to such an impressive numbers even during challenging times.

On an operational front, we added infrastructure products in our piping portfolio through our acquired business in Rex Polyextrusion Private Limited. We undertook various structural corrections in our adhesive business which impacted topline and margins in the short-term. However, we are optimistic that the adhesive division will deliver better performance in the long-run, backed by refined structure, innovative offerings and skilled workforce. The Company aims to be debt-free by the end of the year 2021.

Our positive outcome amidst tough times is a testament of our industry leadership, brand equity, backward integration, decentralised business model and innovative pipes and adhesives products. We are confident that our strong capabilities, execution brilliance and financial prudence will continue to drive sustainable growth and create superior value for our stakeholders going forward.

Regards,

Hiranand Savlani
Chief Financial Officer

RESILIENT PERFORMANCE THROUGH INNOVATIVE OFFERINGS AND ENHANCED VISIBILITY

With a robust business model, wide gamut of value-added products and strong brand visibility across length and breadth of the country, we are well placed to serve our customers even in the turbulent times.

At Astral, we take pride in our culture of excellence in R&D and innovation. Over the years, we have consistently introduced various CPVC piping products with unique features, and the best-in-class global technology to suit the changing needs of customers across industries. We are looking forward to manufacture the high quality and impact resistant PEX-A-PRO product in the piping segment, indigenously by sourcing technology from global players. Being an organised player in the piping industry, the Company is well-placed to gain higher market share in the future.

Astral has expanded its presence in the infrastructure products with synergistic benefits derived from Rex Polyextrusion Private Limited (REPL). The Company has stepped up by supplying double wall corrugated piping solutions for Sewerage and Stormwater.

Our tailor-made product, Hauraton, is a reliable name in the surface drainage solutions. While our Wire Guard, TeleRex are designed to fulfil the needs of Cable Protection segment.

Innovations & Recognitions

- First to introduce CPVC piping system in India (1999)
- First to launch lead-free uPVC piping system in India (2004)
- First to get NSF approval for CPVC piping system in India (2007)
- First to launch lead-free uPVC column pipes in India (2012)
- India's Most Promising Brand Award (2014)
- India's Most Trusted Piping Brand Award (2016 and 2019) by TRA
- Fortune India 500 Company (2016)
- Consumer Validated Superbrands (2017 and 2019)
- Received highest approvals for CPVC Pro – Like NSF, UIPC and ISI
- Received international approvals for Astral Silencio – like IAPMO

Brand Promotion Initiatives

Brand Astral stands for innovation and for setting new trends in the piping and adhesives industry. Bringing newer technologies and continuous innovation in existing as well as new products has been the focal point at Astral. This committed emphasis helps the brand set the bar higher and lead by example. Astral is also known for its compromise-free quality and exceeds consumers' expectations. Right from providing cutting-edge solutions to introducing innovative brand communications in the categories, Astral's brand mission has been to maintain and grow a commanding presence in the minds of customers and to deliver promised values consistently.

On boarded Ranveer Singh as the brand ambassador of Astral Pipes

Sponsored music concert of famous singer Badshah

Sponsored three Indian Premier League (IPL) teams, Kolkata Knight Riders, Rajasthan Royals and Sunrisers Hyderabad

In-film co-promotion of Bollywood movie Dabang 3

In-film co-promotion of the movie Saaho

STEPPING AHEAD THROUGH ROBUST CAPABILITIES

An integrated ecosystem, robust manufacturing capacity and well-defined strategies make us ready to navigate through uncertainties while capitalising on all potential opportunities.

Upcoming Piping Plant

Building Capacities for a Sustainable Future

Built to world-class standards, our manufacturing facilities, equipped with the latest machinery, enable us to produce high-quality and affordable piping and adhesive products. In addition to enhancing utilisation and making the requisite capacity expansions from time to time, we also strive to achieve higher efficiencies.

During the year, we enhanced our manufacturing strength by adding capacities for various product lines in our plants at Ghiloth, Hosur, Sangli, Dholka, Santej and Sitarganj. The Company has expanded its footprint by entering new territories. Our new piping manufacturing plant coming up at Bhubaneswar, Odisha, will allow us to address the demand in the North-East region.

246,765 MTPA

Piping Production Capacity

86,817 MTPA

Adhesive Production Capacity

MTPA: Metric tons per annum

ENHANCING VALUE THROUGH COMMUNITY PROSPERITY

We are committed to achieving sustainable growth by supporting the development of the communities around us. Astral Charitable Trust defines our focus areas in the domain of Corporate Social Responsibility (CSR).

CSR Initiatives

- Conducted regular yoga and meditation sessions
- Invited health experts to conduct informative sessions on various health issues
- Donated 'ICU on Wheels' to CIMS Hospital, Ahmedabad
- Provided hearing aid to children with hearing impairment and ration kits to the needy
- Contributed to the Gujarat Cancer Society and Health and Care Foundation
- Contributed to Rotary club Ahmadabad Metro Charitable Trust for 'Prosthetic Hand Camp'

Pro-environment Initiatives

- Created checkdam in Malakhera, Rajasthan, for Project Jaldhara, a community owned water harvesting project
- Contributed to the Earth Brigade Foundation for wild life conservation
- Donated to the Wild Life Trust of India towards flood relief in Assam
- Contributed in Project Ujala, for lighting up tribal villages in Karnataka
- Installed solar pumps in various national parks and sanctuaries
- Donated vehicles to Ranthambore National Park and Gir National Park for patrolling
- Distributed cotton carry bags in villages to reduce plastic bag usage

Education Initiatives

- Built 15 smart classrooms in 15 Government Primary Schools in Gandhinagar district and four smart classrooms in two schools for differently abled children in Kutch district

Covid-19 Contribution

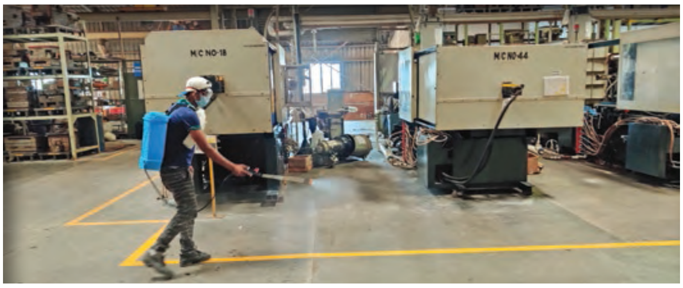
- Contributed to the PM Cares Fund, CM's Relief Fund and Collector's Funds
- Provided cash vouchers to needy plumbers across the country
- Provided meals to daily wagers stuck at manufacturing units
- Distributed ration kits in nearby areas of our manufacturing units
- Provided stethoscopes to hospitals

OUR COVID-19 PREPAREDNESS AND RESPONSE

The novel coronavirus or Covid-19 has brought unprecedented impact on the people and economies across the world. It has created uncertainties in business ecosystem by disrupting supply chains. As per the Government's directives and subsequent lockdown, our manufacturing operations faced temporary closure. We seamlessly implemented 'work from home' practice through our robust digital channels ensuring continued services for our customers.

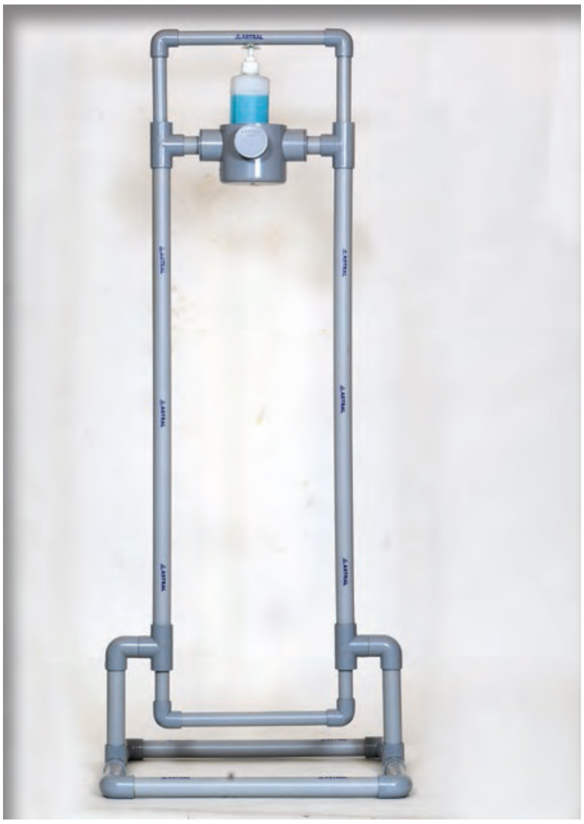
Leveraging on the Rural Sector Resilience

Despite challenges, the country's rural sector displayed improved growth prospect. With the sector coming back to normalcy, we increased our focus towards our offerings in the rural segment. As a decentralised company, we are well-placed to stay ahead by leveraging our extensive reach across the country.



Focused on Generating Regular Cash Flow

Though the long-term growth vision of the Company remains firm, in light of challenging environment, our key priority is to generate regular cash flow and maintain strong balance sheet quality. We are also working on a cash & carry model with our new distributors and credit only selected distributors with reduced days.



Introducing Innovative Products

The Company launched innovative products to help the country combat Covid-19 situation in an enduring manner.

Resi Shield Instant Hand Sanitizer

- Alcohol-based sanitizer to fight wide range of bacteria
- Safe for skin and non-sticky with rinse-free hand hygiene

Resi Shield Foot Press Sanitizer Dispenser

- Very cost effective tool for hand hygiene
- Made from PVC pipes and fittings
- Easy to install and carry

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 24th Annual Report of your Company together with the Audited Statements of Accounts for the year ended March 31, 2020.

1. Financial Highlights:

The Standalone and Consolidated Financial Results for the year ended March 31, 2020 are as follows:

(₹ In Million)

Particulars	Standalone		Consolidated	
	FY 2019-20	FY 2018-19	FY 2019-20	FY 2018-19
Income from Operations (Net)	20,428	19,157	25,779	25,073
Other Income	109	115	121	154
Total Expenditure	16,731	16,118	21,350	21,224
Profit Before Depreciation, Interest and Tax	**3,806**	**3,154**	**4,550**	**4,003**
Finance Cost	337	281	394	319
Depreciation and amortisation expense	899	671	1,079	814
Profit Before Exceptional Item & Tax	**2,570**	**2,202**	**3,077**	**2,870**
Exceptional Items	25	20	-	-
Share of profit/(loss) of joint venture	-	-	(16)	(36)
Profit Before Tax	**2,545**	**2,182**	**3,061**	**2,834**
Tax expense	537	768	565	861
Profit for the year	**2,008**	**1,414**	**2,496**	**1,973**
Add: Other Comprehensive Income (net of tax)	(2)	(1)	3	(2)
Total Comprehensive Income	**2,006**	**1,413**	**2,499**	**1,971**
Less: Currency Translation (Loss)/Gain	-	-	5	(1)
Total	**2,006**	**1,413**	**2,494**	**1,972**
Attributable to:				
Non- Controlling Interest	-	-	17	15
Shareholders of the Company	2,006	1,413	2,477	1,957
Surplus in Statement of Profit & Loss brought forward	**7,060**	**5,741**	**8,314**	**6,451**
Amount Available for Appropriation	**9,066**	**7,154**	**10,791**	**8,408**
Payment of Dividend (Including tax on dividend)	240	94	240	94
Balance carried to Balance Sheet	**8,826**	**7,060**	**10,551**	**8,314**

2. Dividend:

During the year under review, the Board of Directors declared and paid two Interim Dividends totalling ₹ 1/- (100%) per equity share compared to ₹ 0.70/- (70%) total dividends paid in the previous year. First Interim Dividend of ₹ 0.40/- (40%) per equity share was declared on October 24, 2019 and Second Interim Dividend of ₹ 0.60/- (60%) per equity share was declared on February 11, 2020. The said interim dividends have absorbed ₹ 151 Million during the year under review compared to ₹ 84 Million absorbed in the previous year. In order to conserve resources, the Board of Directors has not recommended Final Dividend.

3. Issue of Shares:

Your Company allotted 7,23,200 equity shares of ₹ 1/- each on May 20, 2019 pursuant to Scheme of Amalgamation of Rex Polyextrusion Private Limited with your Company vide Hon'ble National Company Law Tribunal order dated May 2, 2019.

Your Directors are pleased to inform that during the year under review, your Company issued 3,01,32,441 bonus shares of ₹ 1/- each in the ratio of 1:4. 1. Further the net proceeds of the sale of fractional entitlement to the bonus issue were distributed to the eligible members. Accordingly, the paid up share capital of the Company was increased from ₹ 12,05,29,765 to ₹ 15,06,62,206.

4. Consolidated Financial and Operational Review:

- Consolidated Net Sales has increased by 3% from ₹ 25,073 Million to ₹ 25,779 Million.
- Consolidated EBIDTA has increased by 14% from ₹ 3,967 Million to ₹ 4,534 Million.
- Consolidated Profit Before tax has increased by 8% from ₹ 2,834 Million to ₹ 3,061 Million.
- Consolidated Profit after Tax has increased by 27% from ₹ 1,973 Million to ₹ 2,496 Million.

5. Project Implementation and Performance Review:

- During the year under review, your Company has increased its installed capacity by 16% from 205,290 M.T. to 238,730 M.T. Your Company has utilised its capacity to the tune of 135,636 M.T. as against last year's figure of 120,821 M.T. which shows a utilisation growth of 12%.
- During the year under review, your Company has incurred capital expenditure to the tune of ₹ 2,063 Million towards plant & machineries, factory building and other capital expenditure.

6. Subsidiary/Associate Companies:

During the year under review, your Company incorporated a section 8 Company namely "Astral Foundation" w.e.f. February 18, 2020 as a subsidiary Company to carry out Corporate Social Responsibility activities in accordance with the CSR policy.

As at March 31, 2020, your Company had 4 direct subsidiaries, 1 step down subsidiary and 1 associate company.

A statement containing salient features of the financial statement of subsidiary/joint venture (associate) companies in the prescribed format (i.e. Form AOC-1 as per Companies (Accounts) Rules, 2014) is attached to the financial statements of the Company.

In accordance with Section 136 of the Companies Act, 2013,the audited financial statements, including consolidated financial statements and audited accounts of each of the subsidiary are available on www.astralpipes.com. These documents will also be available for inspection during working hours at the registered office of your Company at Ahmedabad, Gujarat. Any member interested in obtaining such document may write to the Company Secretary and the same shall be furnished on request.

7. Consolidated Financial Statements:

The Consolidated Financial Statements of your Company prepared in accordance with the provisions of the Companies Act, 2013, Listing (Obligations and Disclosure Requirement) Regulations 2015 and applicable Accounting Standards prescribed under section 133 of the Companies Act, 2013 form part of this annal report.

8. Management Discussion and Analysis Report:

Management Discussion and Analysis Report prepared pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part this Directors' Report.

9. Corporate Governance:

Corporate Governance Report prepared pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Directors' Report.

During the year under review, your company has complied with the applicable Secretarial Standards.

10. Business Responsibility Report:

Business Responsibility Report prepared pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Directors' Report.

11. Insurance:

The Fixed Assets and Stocks of your Company are adequately insured.

12. Fixed Deposits:

Your Company has not accepted any Fixed Deposits as defined under Section 73 of the Companies Act, 2013 and rules framed there under.

13. Particulars of Loans, Guarantees or Investment:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

14. Corporate Social Responsibility:

In accordance with the provisions of section 135 of the Companies Act, 2013 and the rules made thereunder, your Company has constituted Corporate Social Responsibility Committee of Directors. The role of the Committee is to review CSR activities of the Company periodically and recommend to the Board amount of expenditure to be spent on CSR annually.

Annual Report on CSR activities carried out by the Company during FY 2019-20 is enclosed as **Annexure - A** to this report.

15. Directors' Responsibility Statement:

Pursuant to the requirements under Section 134(3)(c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, your Directors hereby confirm the following:

a) In the preparation of the annual accounts for the financial year ended March 31, 2020, the applicable accounting standards have been followed;

b) The directors have selected such accounting policies and applied consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

c) The directors have taken proper and sufficient care towards the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The directors have prepared the annual accounts on a going concern basis;

e) The directors have laid down internal financial controls, which are adequate and operating effectively;

f) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

16. Auditors:

Statutory Auditor:

M/s. S R B C & Co. LLP, Chartered Accountants were appointed as Auditors of the Company, for a term of 5 (five) consecutive years, at the Annual General Meeting held on August 8, 2017. They have confirmed that they are not disqualified from continuing as Auditors of the Company.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.

Cost Auditors:

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, (including any statutory modifications and re-enactments thereof) the cost audit records maintained by the Company in respect of its plastic & polymers activity is required to be audited. Your Directors have, on the recommendation of the Audit Committee, appointed M/s V. H Savaliya & Associates, Cost Accountants to audit the cost accounts of the Company for the financial year 2020-21 at a remuneration of ₹ 0.12 Million. As required under the Companies Act, 2013, the remuneration payable to the cost auditor is required to be placed before the members in a general meeting for their ratification. Accordingly, a resolution seeking members' ratification for the remuneration payable to M/s V. H Savaliya & Associates is included in the Notice convening the ensuing Annual General Meeting.

Cost Audit Report for the year 2019-20 will be submitted to the Central Government in due course.

Secretarial Audit:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors appointed Ms. Monica Kanuga, Practicing Company Secretary, to undertake the Secretarial Audit of the Company for FY 2019-20. Secretarial Audit Report for FY 2019-20 is enclosed as **Annexure - B** to this report.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

17. Risk Management and Internal Financial Control:

Your Company has an Internal Financial Control System commensurate with the size, scale and complexity of its operations. Your Company has adopted proper system of Internal Control and Risk Management to ensure that all assets are safeguarded and protected against loss from unauthorised use or disposition and that the transactions are authorised, recorded and reported quickly.

18. Significant and Material Orders:

There are no significant and material orders passed by any regulator or court or tribunal impacting the going concern status and your Company's operations in future.

19. Board Evaluation:

The Board carried out an annual performance evaluation of its own performance and that of its committees and independent directors as per the formal mechanism for such evaluation adopted by the Board. The performance evaluation of the Chairman, the Non-Independent Directors and the Board as a whole was carried out by the Independent Directors. The exercise of performance evaluation was carried out through a structured evaluation process covering various criteria as recommended by the Nomination and Remuneration Committee.

20. Related Party Transactions:

Pursuant to the provisions of section 188 of Companies Act, 2013. All the related party transactions entered into during the financial year under review were in ordinary course of business and on an arm's length basis. There were no material significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Accordingly, information inform AOC-2 is not annexed.

All Related Party Transactions are placed before the Audit Committee and the Board for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are placed before the Audit Committee and the Board of Directors for their review and approval on a quarterly basis.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website and the same can be accessed at https://www.astralpipes.com/uploads/investor_broucher/1538992703_108_l.pdf. The details of the transactions with Related Party are provided in the accompanying financial statements.

21. Numbers of Board Meetings:

The Board of Directors met 6 (six) times during the year under review. The details of Board Meetings and the attendance of the Directors are provided in the Corporate Governance Report.

22. Directors:

Pursuant to Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Anil Kumar Jani is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Mr. Viral Jhaveri was, on recommendation of Nomination and Remuneration Committee, appointed by the Board of Directors as an additional director (Independent) under section 161 of the Companies Act, 2013 w.e.f. October 24, 2019 who shall hold office upto the date of ensuing Annual General Meeting. The Company has received a notice as per the provisions of Section 160 of the Companies Act, 2013 from a member proposing his appointment as Director. He is proposed to be appointed as an Independent Director for a period of five years i.e. to hold office upto October 23, 2024. The Board of Directors proposes to regularise his appointment by way of passing resolution.

Further Mr. C. K. Gopal was, on recommendation of Nomination and Remuneration Committee, appointed by the Board of the Directors as an additional director (Independent) under section 161 of the Companies Act, 2013 w.e.f. February 11, 2020 who shall hold office upto the date of ensuing Annual General Meeting. The Company has received a notice as per the provisions of section 160 of the Companies Act, 2013 from a member proposing his appointment as Director. He is proposed to be appointed as an Independent Director for a period of five years i.e. to hold office upto February 10, 2025. The Board of Directors proposed to regularise his appointment by way of passing resolution.

The requisite particulars in respect of Directors seeking appointment /re-appointment are given in Notice convening the Annual General Meeting.

The Company has received necessary declaration from each independent director under section 149(7) of the Companies Act, 2013 that they meet the criteria of independence laid down in section 149(6) of the Companies Act, 2013.

All the directors of the Company have confirmed that they are not disqualified from being appointed as director's in terms of Section164 of the Companies Act, 2013.

Details of policy of appointment and remuneration of directors has been provided in the Corporate Governance Report.

23. Changes in Key Managerial Personnel:

During the year under review, there was no change in Key Managerial Personnel.

24. Extract of Annual Return:

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as **Annexure - C** to this report.

25. Employees Stock Option Scheme:

Your Company approved formulation of Employee Stock Option Scheme ('ESOS') viz. Astral Poly Technik Limited Employee Stock Option Scheme 2015 (Astral ESOS 2015) in October, 2015. The said scheme is administered by the Nomination and Remuneration Committee for the benefit of the employees of the Company. During the year under review your Company obtained in principle approval for additional 23,429 equity shares under Astral Employee Stock Option Scheme, 2015 pursuant to Bonus issue of shares by the Company vide shareholders' resolution dated September 6, 2019. Further during the year under review, an aggregate of 18,620 stock options (post Bonus adjustment) at an exercise price of ₹ 40 per option (post Bonus adjustment) were granted to eligible employees.

There is no material change in Astral ESOS 2015 during the year under review and the Scheme is in compliance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014. The disclosures as required under Regulation 14 of the said regulations have been placed on the investor relation page of the website of the Company at https://www.astralpipes.com/uploads/investor_broucher/1595062971_esos_sebi_disclosure_-_2020.pdf .

26. Particulars of Employees:

A statement containing the names and other particulars of employees in accordance with the provisions of section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as **Annexure - D** to this report.

However, in terms of Section 136(1) of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the Statement of Particulars of Employees as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended. The said statement is available for inspection by the Members at the Registered Office of the Company during business hours on working days upto the date of the ensuing Annual General Meeting.

27. Disclosure with Respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

The particulars under Section 134(3) (m) with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo, pursuant to the Companies (Accounts) Rules, 2014 are provided in the **Annexure - E** to the Report.

28. Acknowledgments:

Your Company has maintained healthy, cordial and harmonious industrial relations at all levels. The enthusiasm and unstinted efforts of the employees have enabled your Company to remain at the forefront of the industry. Your directors place on record their sincere appreciation for significant contributions made by the employees through their dedication, hard work and commitment towards the success and growth of your Company. The Directors wish to thank Specialty Process LLC, U.S.A for the support extended to your Company throughout the journey of your Company. Your Directors take this opportunity to place on record their sense of gratitude to the Banks, Financial Institutions, Central and State Government Departments, their Local Authorities and other agencies working with the Company for their guidance and support.

On behalf of the Board of Directors

Sandeep P. Engineer
Managing Director

Jagruti S. Engineer
Whole Time Director

Place: Ahmedabad
Date: May 25, 2020

ANNEXURES TO DIRECTORS' REPORT

ANNEXURE-A

REPORT ON CORPORATE SOCIAL RESPONSIBILITY

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:

   CSR policy of the Company encompasses the Company's philosophy for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programs for welfare & sustainable development of the community at large.

   The Company's CSR policy is available on web link: https://www.astralpipes.com/uploads/investor_broucher/1563861389_csr_policy.pdf.

2. The Composition of CSR Committee:

   The Company's CSR Committee comprises two Independent Directors and the Whole Time Director of the Company, and is chaired by an Independent Director. The composition of the Committee is set out below:

   Mr. K R Shenoy – Chairman

   Mr. Pradip Desai – Member

   Mrs. Jagruti Engineer – Member

3. Average net profit of the Company for last three financial years: ₹1844.62 Million

4. Prescribed CSR Expenditure (two percent of amount stated in item 3 above):

   Based on the average net profit of the Company for the last 3 financial years, the Company is required to spend ₹36.89 Million, however the Company as a good corporate citizen has spent ₹38.10 Million.

5. Details of CSR spent during financial year:

   a) Total amount to be spent for Financial Year: ₹ 36.89 Million.

   b) Amount unspent, if any: NA

c) Manner in which amount spent during the financial year: Details given below:

Sr. No	CSR project or activity identified	Sector in which the project is covered (As per Schedule VII of Companies Act 2013)	Projects or programs 1) Local area or other 2) Specify the states and district where the project was undertaken	Amount outlay (budget) - project or program wise (Rs. in Million)	Amount spent on the projects or programs Sub heads: (1) Direct expenditure on project or program (2) overhead (Rs. in Million)	Cumulative expenditure upto the reporting period (Rs. in Million)	Amount spent - Direct or through implementing agency
1	Contribution made towards Disaster Management for COVID-19.	Disaster Management	Ahmadabad, Gujarat	4.00	0.55	0.55	Direct
	Financial aid in COVID 19 situation to support plumber community.		India		2.50	2.50	Direct.
	Contribution to wild life trust of India for Assam flood relief		Assam.		0.50	0.50	Direct
	Contribution towards disaster management for fani cyclone relief.		Odhisha India		0.50	0.50	Through Astral Charitable Trust

Sr. No	CSR project or activity identified	Sector in which the project is covered (As per Schedule VII of Companies Act 2013)	Projects or programs 1) Local area or other 2) Specify the states and district where the project was undertaken	Amount outlay (budget) - project or program wise (Rs. in Million)	Amount spent on the projects or programs Sub heads: (1) Direct expenditure on project or program (2) overhead (Rs. in Million)	Cumulative expenditure upto the reporting period (Rs. in Million)	Amount spent - Direct or through implementing agency
2	Contribution for construction of pond and check dam for rain water harvesting.	Ensuring environmental sustainability, ecological balance, animal welfare, conservation of natural resources and maintaining quality of soil, air and water.	Haripura and Prithvipura village, Rajasthan.	0.65	0.63	0.63	Through Guardbook Conservation Foundation
	Contribution for pond deepening.		Ambethi village, Ahmedabad, Gujarat.	0.10	0.08	0.08	Direct
	Contribution for installation of solar power station.		Ranthambhore Tiger reserve, Rajasthan.	0.90	0.86	0.86	Through Guardbook Conservation Foundation
	Distribution of cotton carry bags under swach bharat mission.		Dholka, Ahmedabad, Gujarat.	0.40	0.36	0.36	Direct
	Contribution for installation of Solar power system and solar power heaters.		Kutch, Gujarat	1.80	1.79	1.79	Through Shri Navchetan Andhjan Mandal
	Contribution for installation of solar pump for providing drinking water to wild animals.		Siriska Tiger Reserve, Rajasthan & Sathyamangalam Tiger Reserve-Tamilnadu	3.60	3.58	9.41	Through Earth Brigade Foundation
	Contribution provided to tiger reserve for security of animals.		Ranthambhore Tiger reserve, Rajasthan.	1.70	1.60	1.60	Through Guardbook Conservation Foundation
	Contribution provided for security and protection of animals.		Gir National Park, Junagadh, Gujarat.	0.90	0.85	0.85	Direct
	Contribution for pipeline project for providing drinking water to animals at high point		Ranthambhore Tiger reserve, Rajasthan.	2.70	2.67	2.67	Through Guardbook Conservation Foundation
3	Distribution of insulins to needy Diabetes patients.	Eradicating hunger, poverty, promoting health care and making available safe drinking water.	Ahmedabad, Gujarat.	1.15	1.12	1.12	Through DHL research centre
	Contribution to CIMS foundation for ambulance services and financial aid to needy patients.		Ahmedabad, Gujarat.	6.00	5.91	5.91	Through CIMS Foundation.
	Contribution to Gujarat Cancer Society.		Ahmedabad, Gujarat.	0.25	0.20	0.20	Direct
	Providing free meals to poor peoples.		Santej Village, Ta-Kalol, Dist-Ahmadabad, Gujarat	0.70	0.65	0.65	Through Astral Charitable Trust.
	Contribution to Blind people's association for C3 ophthalmic screening device to be used for screening of ROP children, Cataract and retinal problem patients.		Bareja, Ahmadabad	0.25	0.21	0.21	Blind peoples Association, Bareja, Ahmedabad.

Sr. No	CSR project or activity identified	Sector in which the project is covered (As per Schedule VII of Companies Act 2013)	Projects or programs 1) Local area or other 2) Specify the states and district where the project was undertaken	Amount outlay (budget) - project or program wise (Rs. in Million)	Amount spent on the projects or programs Sub heads: (1) Direct expenditure on project or program (2) overhead (Rs. in Million)	Cumulative expenditure upto the reporting period (Rs. in Million)	Amount spent - Direct or through implementing agency
3	Distribution of Sanitary pad to girls of govt. primary school of Gandhinagar under "Abhaya" project.	Eradicating hunger, poverty, promoting health care and making available safe drinking water.	Gandhinagar District, Gujarat	0.30	0.29	0.29	Direct.
	Provided hearing aid to students of school for deaf mutes society Ahmedabad.		School for Deaf Mutes Society Ahmadabad	1.50	1.30	1.30	Direct.
	Distribution of groceries kit.		Ahmedabad, Gujarat.	4.00	3.77	3.77	Through Navjyot Andhjan Mandal.
	Contribution for installation of water purifier for providing drinking water.		Ranthambhore Tiger reserve, Rajasthan.	0.50	0.26	0.26	Through Guardbook Conservation Foundation.
	Contribution to Health and care foundation for C3 ophthalmic screening to be used for screening of ROP children, Cataract and retinal problem patients.		Ahmadabad, Gujarat	0.10	0.07	0.07	Through Health and care foundation
	Contributed to Rotary club Ahmadabad metro charitable trust for "prosthetic hand camp". Rotary club Ahmadabad metro.		Ahmadabad, Gujarat	0.10	0.10	0.10	Through the Rotary club Ahmadabad metro charitable trust
	Contribution to SM Sehgal foundation for installation of water purifier.		Gir National Park, Junagadh	0.15	0.12	0.12	Through SM Sehgal foundation
	Infrastructure development for carrying out activities like yoga, day care for senior citizens and other related activities		Ahmadabad, Gujarat	0.10	0.09	0.09	Through Astral Charitable trust
	Construction of Borewell in santej Village for clean drinking water.		Santej-Gandhinagar, Gujarat	0.20	0.17	0.17	Direct.
4	Distribution of School bags to students of shaikh Mohmad School, Kalol, Gujarat.	Promoting education, employment enhancing, and livelihood enhancement projects	Kalol, Dist-Ahmadabad, Gujarat	0.25	0.21	0.21	Direct.
	Distribution of stationary items to raikhad government higher secondary girls school.		Ahmedabad, Gujarat.	-	0.01	0.01	Direct
	Contribution for development of smart classrooms at government primary school, Gandhinagar.		Gandhinagar, Ahmedabad.	1.40	1.39	1.39	Direct.
	Contribution to Shri Navchetan Andhjan Mandal for development of smart classroom.		Kutch, Gujarat.	0.30	0.26	0.26	Through Navchetan Andhjan Mandal.
	Contirbution for development of smart classroom at viklang vidhya vihar school and viklang kanya kung school, Madhapur, Kutch.		Kutch, Gujarat.	0.80	0.77	0.77	Through Astral Charitable Trust.

Sr. No	CSR project or activity identified	Sector in which the project is covered (As per Schedule VII of Companies Act 2013)	Projects or programs 1) Local area or other 2) Specify the states and district where the project was undertaken	Amount outlay (budget) - project or program wise (Rs. in Million)	Amount spent on the projects or programs Sub heads: (1) Direct expenditure on project or program (2) overhead (Rs. in Million)	Cumulative expenditure upto the reporting period (Rs. in Million)	Amount spent - Direct or through implementing agency
4	Partnered with Gujarat CSR authority for Khoj Project at riverfront, Ahmedabad.	Promoting education, employment enhancing, and livelihood enhancement projects	Ahmedabad, Gujarat.	1.50	1.50	1.50	Through Gujarat CSR authority.
	Provided hearing aid to student at Government school for deaf and mutes, rajpipla, Narmada.		Narmada, Gujarat.	0.60	0.57	0.57	Through Astral Charitable Trust.
	Contribution for renovation of library at school for deaf and mutes, Ahmedabad.		Ahmedabad, Gujarat.	0.50	0.50	0.50	Through Astral Charitable Trust.
	Donation to school of deaf and mutes society Ahmedabad for development of computer labs.		Ahmedabad, Gujarat.	0.55	0.54	0.54	Direct.
	Contribution to Government blind school at Bhuj.		Kutch, Gujarat	0.08	0.07	0.07	Through Astral Charitable trust
	Distribution essential items to differently abled people.		Kutch, Gujarat	0.02	0.02	0.02	Direct
	Provided essential commodities to blind boys and blind girls living in Navjyot Andhjan Mandal hostel.		Paldi, Ahmadabad, Gujarat	0.20	0.18	0.18	Direct.
	Provide by essential commodities to girls living in "children homes for girls" at Narmada district, Gujarat.		Rajpipla, Narmada District, Gujarat.	0.25	0.25	0.25	Direct.
	Provided essential commodities to "Home for Mentally challenged girls".		Ahmedabad Gujarat	0.20	0.20	0.20	Direct.
	Contribution to Navchetan Andhjan Mandal hostel for setting up home for differently abled.		Madhapar, Kutch, Gujarat.	0.06	0.06	0.06	Direct
	Provided essential commodities to Pragna Chakshu old age home, Kutch, Gujarat.		Bhachau, Kutch, Gujarat.	0.22	0.22	0.22	Direct & through Astral charitable trust
5.	Contribution for installation of solar street light under project ujalla.	Rural development projects.	Hebbal village, Karnataka.	0.65	0.62	0.62	Through Guardbook Conservation foundation
	Total			**39.63**	**38.10**		

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report. NA

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

   The CSR Committee hereby confirms that the implementation and monitoring of CSR activities is in compliance with CSR objectives and the CSR Policy of the Company.

Sandeep P. Engineer
Managing Director

K R Shenoy
Chairman of CSR Committee

Place: Ahmedabad
Date:May 25, 2020

ANNEXURE B
FORM NO. MR - 3
SECRETARIAL AUDIT REPORT
For the financial year ended March 31, 2020

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

To,
The Members,
Astral Poly Technik Limited
"Astral House"
207/1, B/h. Rajpath Club,
Off S.G. Highway,
Ahmedabad – 380059.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Astral Poly Technik Limited (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's 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 authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has generally, during the audit period covering the financial year ended on March 31, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other returns filed and other records maintained by the Company for the financial year ended on March 31, 2020 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
    a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
    d. The Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014;
    e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
6. No specific laws are applicable to the industry in which the Company operates. The same has also been confirmed by the Management.

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

    (i) Secretarial Standards issued by the Institute of Company Secretaries of India.

    (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended by SEBI ((Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

    During the period under review the Company has generally complied with the provisions of the Act, Rules Regulations, Guidelines, Standards, etc. mentioned above.

During the period under review, provisions of the following regulations were not applicable to the Company:

(i) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(ii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

(iii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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 meetings and for meaningful participation at the meeting.

All decisions at the meeting of the Board of Directors / Committees of the Board were taken unanimously as recorded in the minutes of the meetings and no dissenting views have been recorded.

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

I further report that during the audit period:

(i) The Company has issued Bonus Shares in the ratio of One Equity share for every Four Equity Shares held.

(ii) Rex Polyextrusion Private Limited, has been merged with the Company under review vide the Order dated May 2, 2019 and the merger has been effective from May 9, 2019.

Place : Ahmedabad
Date : May 25, 2020

Signature:
Name of PCS : Monica Kanuga
FCS No. : 3868
C P No. : 2125
UDIN: F003868B000275623

ANNEXURE-A

To,
The Members,
Astral Poly Technik Limited
"Astral House", 207/1, B/h. Rajpath Club,
Off S.G. Highway, Ahmedabad – 380059.

My report of even date is to be read along with this letter:

1. Management's Responsibility

Management is responsible for the maintenance of the Secretarial records and for the preparation and filing of forms, returns, documents for compliances and to ensure that they are free from material non compliance, whether due to fraud or error.

2. Secretarial Auditor's Responsibility

Secretarial Audit is a process of verification of records and documents on sample or test basis. My responsibility is to express an opinion on the secretarial compliances of certain laws by the Company on the basis of my audit. The audit practices and processes have been followed as deemed appropriate to provide reasonable assurance about the correctness of the records and the confirmation of compliance. My audit process has involved verification of records and dependence on Management representation and my opinion is based thereupon.

3. Conduct of Company's Affairs

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.

4. Conduct of Audit

The Secretarial Audit has been conducted during the period of national lockdown on account of the Covid-2019 pendemic. Hence the audit was conducted by examining relevant records accessed through or received by electronic mode and physical records were not inspected. However, necessary confirmation for the authenticity of the records received has been provided by the Company.

Place : Ahmedabad
Date : May 25, 2020

Signature:
Name of PCS : Monica Kanuga
FCS No. : 3868
C P No. : 2125

ANNEXURE-C

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended March 31, 2020

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

I. REGISTRATION AND OTHER DETAILS:

CIN	L25200GJ1996PLC029134
Registration Date	March 25, 1996
Name of the Company	Astral Poly Technik Limited
Category / Sub-Category of the Company	Company Limited By Shares / Indian Non-Government Company
Address of the Registered office and contact details	"Astral House", 207/1, B/h Rajpath Club, Off S.G. Highway, Ahmedabad Gujarat 380059
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Pvt Ltd. 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai 400 059 Phone No. : +91 22 62638200 Fax No. : +91 22 62638299

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Name and description of main Products/Services	NIC Code of the Product/Service	% to total turnover of the Company
Plastic Products	222	97

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Astral Biochem Pvt. Ltd. "Astral House", 207/1, B/h. Rajpath Club, Off S.G. Highway, Ahmedabad Gujarat 380059.	U01407GJ2008PTC054506	Wholly owned Subsidiary	100.00	2(87)
2.	Resinova Chemie Ltd. "Astral House", 207/1, B/h. Rajpath Club, Off S.G. Highway, Ahmedabad Gujarat 380059.	U24295GJ2009PLC058120	Subsidiary	97.45	2(87)
3.	Astral Foundation 207/1, "Astral House", B/h Rajpath Club, Off S.G. Highway, Ahmedabad- 380059.	U85300GJ2020NPL112779	Subsidiary	75.00	2(87)

Sr. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
4.	Seal IT Services Ltd., UK. Unit G16, River Bank Way Lowfield Business Park, West Yorkshire, HX5 9DN. United Kingdom	N.A	Subsidiary	80.00	2(87)
5.	Seal It Services Inc., USA. 3301, Industrial Drive, Sanford, NC 27332	N.A	Step down Subsidiary	80.00 (wholly owned Subsidiary of Seal IT services Limited)	2(87)
6.	Astral Pipes Ltd. L.R. No. 209/14571 Masai Road, Industrial Area, P.O. Box 18141-00500. Nairobi.	N.A	Associate	50.00	2(6)

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY) AS ON MARCH 31, 2020:

(i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year (As on April 1, 2019)				No. of Shares held at the end of the year (As on March 31, 2020)				%Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A Promoter									
1 Indian									
a) Individuals/ HUF	4,69,91,660	-	4,69,91,660	39.22	5,87,39,573	-	5,87,39,573	38.99	(0.23)
b) Central Government	-	-	-	0.00	-	-	-	0.00	0.00
c) State Government (s)	-	-	-	0.00	-	-	-	0.00	0.00
d) Bodies Corporate	1,71,18,430	-	1,71,18,430	14.29	2,52,42,749	-	2,52,42,749	16.75	2.46
e) Banks/FI	-	-	-	0.00	-	-	-	0.00	0.00
f) Any Others	-	-	-	0.00	-	-	-	0.00	0.00
Sub Total (A) (1)	**6,41,10,090**	**-**	**6,41,10,090**	**53.51**	**8,39,82,322**	**-**	**8,39,82,322**	**55.74**	**2.23**
2 Foreign									
a) NRIs-Individuals	-	-	-	0.00	-	-	-	0.00	0.00
b) Other-Individuals	-	-	-	0.00	-	-	-	0.00	0.00
c) Bodies Corporate	59,55,770	-	59,55,770	4.97	-	-	-	0.00	(4.97)
d) Banks/FI	-	-	-	0.00	-	-	-	0.00	0.00
e) Any Other	-	-	-	0.00	-	-	-	0.00	0.00
Sub Total (A) (2)	**59,55,770**	**-**	**59,55,770**	**4.97**	**-**	**-**	**-**	**0.00**	**(4.97)**
Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	**7,00,65,860**	**-**	**7,00,65,860**	**58.48**	**8,39,82,322**	**-**	**8,39,82,232**	**55.74**	**(2.74)**

Category of Shareholders	No. of Shares held at the beginning of the year (As on April 1, 2019)				No. of Shares held at the end of the year (As on March 31, 2020)				%Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
B. Public shareholding									
1 Institutions									
a) Mutual Funds/ UTI	68,61,108	-	68,61,108	5.73	1,23,02,934	-	1,23,02,934	8.17	2.44
b) Banks/FI	14,232	-	14,232	0.01	7,45,073	-	7,45,073	0.49	0.48
c) Central Govt.	-	-	-	0.00	-	-	-	0.00	0.00
d) State Govt.	-	-	-	0.00	-	-	-	0.00	0.00
e) Venture Capital Funds	-	-	-	0.00	-	-	-	0.00	0.00
f) Insurance Companies	-	-	-	0.00	31,744	-	31,744	0.02	0.02
g) FII	30,47,578	-	30,47,578	2.54	39,91,519	-	39,91,519	2.65	0.11
h) Foreign Venture Capital Funds	-	-	-	0.00	-	-	-	0.00	0.00
i) Any Other	-	-	-	0.00	-	-	-	0.00	0.00
Foreign Portfolio Investor (Corporate)	2,32,32,918	-	2,32,32,918	19.39	2,62,66,612	-	2,62,66,612	17.43	(1.96)
Alternate Investment Funds	-	-	-	0.00	1,89,630	-	1,89,630	0.13	0.13
Sub-Total (B)(1)	**3,31,55,836**	**-**	**3,31,55,836**	**27.67**	**4,35,27,512**	**-**	**4,35,27,512**	**28.89**	**1.22**
2 Non-institutions									
a) Bodies Corporate	28,64,623	-	28,64,623	2.39	51,83,409	-	51,83,409	3.44	1.05
b) Individuals									
i) Individuals shareholders holding nominal share capital up to Rs.1 Lac.	89,64,953	7,600	89,72,553	7.49	1,17,80,660	8,520	1,17,89,180	7.82	0.33
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 Lac.	39,90,404	-	39,90,404	3.33	46,16,757	-	46,16,757	3.06	(0.27)
c) Other (specify)									
IEPF	2,084	-	2,084	0.00	2,604	-	2,604	0.00	0.00
HUF	-	-	-	0.00	4,73,505	-	4,73,505	0.31	0.31
NBFC Registered with RBI	1,000	-	1,000	0.00	-	-	-	0.00	0.00
Clearing Member	31,571	-	31,571	0.03	99,633	-	99,633	0.07	0.04
Non-Resident Indian	7,22,454	-	7,22,454	0.60	9,67,302	-	9,67,302	0.64	0.04
Escrow Account	-	-	-	0.00	-	-	-	0.00	0.00
Trusts	180	-	180	0.00	19,982	-	19,982	0.01	0.01
Foreign Portfolio Investor	-	-	-	0.00	-	-	-	0.00	0.00
Sub-Total (B)(2)	**1,65,77,269**	**7,600**	**1,65,84,869**	**13.84**	**2,31,43,852**	**8,520**	**2,31,52,372**	**15.37**	**1.52**
Total Public Shareholding (B)= (B)(1)+(B)(2)	**4,97,33,105**	**7,600**	**4,97,40,705**	**41.52**	**6,66,71,364**	**8,520**	**6,66,79,884**	**44.26**	**2.74**
C Shares held by Custodians for GDRs & ADRs	-	-	-	0.00	-	-	-	0.00	0.00
GRAND TOTAL (A)+(B)+(C)	**11,97,98,965**	**7,600**	**11,98,06,565**	**100**	**15,06,53,686**	**8,520**	**15,06,62,206**	**100**	**0.00**

Note:

1. Change of Shareholding includes Bonus Shares Allotted on September 19, 2019 in ratio of 1:4.

(ii) Shareholding of Promoters:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (As on April 1, 2019)			Shareholding at the end of the year (As on March 31, 2020)			% Change during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Mr. Sandeep P. Engineer	3,78,42,460	31.59	0.00	4,73,03,074	31.40	0.00	(0.19)
2	Saumya Polymers LLP	1,47,58,170	12.32	0.00	1,48,47,712	9.85	0.00	(2.47)
3	Mrs. Jagruti S. Engineer	91,43,410	7.63	0.00	1,14,29,262	7.59	0.00	(0.04)
4	Specialty Process LLC	59,55,770	4.97	0.00	-	0.00	0.00	(4.97)
5	Kairav Chemicals Limited	23,60,260	1.97	0.00	1,03,95,037	6.90	0.00	4.93
6	Mrs. Hansaben P. Engineer	5,790	0.00	0.00	7,237	0.00	0.00	0.00
Total		**7,00,65,860**	**58.48**	**0.00**	**8,39,82,322**	**55.74**	**0.00**	**(2.74)**

Note:

1. Change in Shareholding includes Bonus Shares Allotted on September 19, 2019 in ratio of 1:4.
2. During the year under review Specialty Process LLC (Promoter Group Company) was merged with Kairav Chemicals Limited (Promoter Group Company) vide National Company Law Tribunal order dated October 16, 2019.

(iii) Change in Promoters' Shareholding during FY 2019-20

	Shareholding		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
At the beginning of the year (as on April 1, 2019)	7,00,65,860	58.48	7,00,65,860	58.48
Bonus allotment	1,75,16,462	-	8,75,82,322	-
Sale of shares by Saumya Polymers LLP (September 20, 2019)	(36,00,000)	-	8,39,82,322	-
At the end of the year (as on March 31, 2020)	8,39,82,322	55.74	8,39,82,322	55.74

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoter and Holders of GDRs and ADRs)

For each of the Top 10 Shareholder	Shareholding		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1. STEADVIEW CAPITAL MAURITIUS LIMITED				
Shares as at the beginning of the year	1,09,72,125	9.16	1,09,72,125	9.16
Bonus allotment	27,43,031	-	1,37,15,156	-
Bought during the year	-	-	-	-
Sold during the year	(8,82,022)	-	1,28,33,134	-
Shares at the end of the year	1,28,33,134	8.52	1,28,33,134	8.52

For each of the Top 10 Shareholder	Shareholding		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
2. AXIS MUTUAL FUND TRUSTEE LIMITED A/C AXIS MUTUAL FUND A/C AXIS GROWTH OPPORTUNITIES FUND				
Shares as at the beginning of the year	34,27,138	2.86	34,27,138	2.86
Bonus allotment	9,58,881	-	43,86,019	-
Bought during the year	45,28,690	-	89,14,709	-
Sold during the year	(30,13,888)	-	59,00,821	-
Shares at the end of the year	59,00,821	3.92	59,00,821	3.04
3. UTI-UNIT LINKED INSURANCE PLAN				
Shares as at the beginning of the year	25,73,405	2.15	25,73,405	2.15
Bonus allotment	6,72,686	-	32,46,091	-
Bought during the year	4,19,863	-	36,65,954	-
Sold during the year	(61,773)	-	36,04,181	-
Shares at the end of the year	36,04,181	2.24	36,04,181	1.71
4. TREE LINE ASIA MASTER FUND (SINGAPORE) PTE LTD				
Shares as at the beginning of the year	26,00,000	2.17	26,00,000	2.17
Bonus allotment	6,50,000	-	32,50,000	-
Bought during the year	1,30,000	-	25,76,378	-
Sold during the year	-	-	33,80,000	-
Shares at the end of the year	33,80,000	2.24	33,80,000	2.24
5. DF INTERNATIONAL PARTNERS				
Shares as at the beginning of the year	27,45,800	2.29	27,45,800	2.29
Bonus allotment	6,86,450	-	34,32,250	-
Bought during the year	-	-	-	-
Sold during the year	(34,32,250)	-	-	-
Shares at the end of the year	-	-	-	-
6. ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED				
Shares as at the beginning of the year	4,48,379	0.37	4,48,379	0.37
Bonus allotment	55,301	-	5,03,680	-
Bought during the year	18,18,449	-	23,22,129	-
Sold during the year	-	-	23,22,129	-
Shares at the end of the year	23,22,129	1.54	23,22,129	1.54
7. ABG CAPITAL				
Shares as at the beginning of the year	19,84,675	1.66	19,84,675	1.66
Bonus allotment	4,96,168	-	24,80,843	-
Bought during the year	-	-	-	-
Sold during the year	(5,00,000)	-	19,80,843	-
Shares at the end of the year	19,80,843	1.31	19,80,843	1.31

For each of the Top 10 Shareholder	Shareholding		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
8. VIJAY SURESH PARIKH				
Shares as at the beginning of the year	14,00,433	1.17	14,00,433	1.17
Bonus allotment	2,74,607	-	16,75,040	-
Bought during the year	-	-	-	-
Sold during the year	(3,02,005)	-	13,73,035	-
Shares at the end of the year	13,73,035	0.91	13,73,035	0.91
9. ABU DHABI INVESTMENT AUTHORITY - BEHAVE				
Shares as at the beginning of the year	1,83,329	0.15	1,83,329	0.15
Bonus allotment	1,32,048	-	3,15,377	-
Bought during the year	9,44,864	-	12,60,241	-
Sold during the year	-	-	12,60,241	-
Shares at the end of the year	12,60,241	0.84	12,60,241	0.84
10. TATA AIA LIFE INSURANCE COMPAY LIMITED				
Shares as at the beginning of the year	5,46,300	0.46	5,46,300	0.46
Bonus allotment	1,63,852	-	7,10,152	-
Bought during the year	12,46,992	-	19,57,144	-
Sold during the year	-	-	19,57,144	-
Shares at the end of the year	19,57,144	1.30	19,57,144	1.30

Note:

1) Change in Shareholding includes Bonus Shares Allotted on September 19, 2019 in ratio of 1:4.

2) Shareholding of above top ten shareholders have been consolidated based on PAN.

(v) Shareholding of Directors and Key Managerial Personnel

Name	Shareholding at the beginning of the year		Purchase / (Sale) during the year	Shareholding at the end of the year	
	No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
Directors					
Mr. Sandeep P Engineer	3,78,42,460	31.59	-	4,73,03,074	31.40
Mrs. Jagruti S. Engineer	91,43,410	7.63	-	1,14,29,262	7.59
Mr. K. R. Shenoy	-	-	-	-	-
Mr. Pradip N. Desai	3,00,000	0.25	-	3,75,000	0.25
Mr. Kyle A. Thompson	-	-	-	-	-
Mr. Anil Kumar Jani	1,120	0.00	(450)	950	0.00
Mr. Narasinh K. Balgi[1]	2,530	0.00	-	3162	0.00
Mrs. Kaushal Nakrani	-	-	-	-	-

Name	Shareholding at the beginning of the year		Purchase / (Sale) during the year	Shareholding at the end of the year	
	No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
Mr. Viral Jhaveri[2]	-	-	-	1,000	0.00
Mr. C K Gopal[3]	-	-	-	-	-
Key Managerial Personnel					
Mr. Hiranand A. Savlani (Including HUF)	98,589	0.08	-	1,23,235	0.08
Mr. Krunal Bhatt	-	-	-	-	-

[1] *Retired as Director w.e.f January 28, 2020*

[2] *Appointed as Director w.e.f. October 24, 2019*

[3] *Appointed as Director w.e.f. February 11, 2020*

Note:

1. Change in Shareholding includes Bonus Shares Allotted on September 19, 2019 in ratio of 1:4.

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ In Million)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	1,640	324	-	1,964
(ii) Interest due but not paid	6	-	-	6
(iii) Interest accrued but not due	0	-	-	0
Total (i+ii+iii)	**1,646**	**324**	**-**	**1,970**
Change in Indebtedness during the financial year				
Addition	61	170	-	231
Reduction	751	261	-	1,012
Net Change	(690)	(91)	-	(781)
Indebtedness at the end of the financial year				
(iv) Principal Amount	950	233	-	1,183
(v) Interest due but not paid	3	-	-	3
(vi) Interest accrued but not due	0	2	-	2
Total (i+ii+iii)	**953**	**235**	**-**	**1,188**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :

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

(₹ In Million)

Sr. No.	Particulars of Remuneration	Mr. Sandeep P. Engineer Managing Director	Mrs. Jagruti S. Engineer Whole time Director	Total Amount
1	Gross salary			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	34.56	8.35	42.91
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.03	0.03	0.06
	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 (Incentive)	25.40	-	25.40
	Total (A)	**59.99**	**8.38**	**68.37**
	Ceiling as per the Act (10% of profit calculated u/s 198 of the Act)			278.93

B. Remuneration to other Directors:

(₹ In Million)

Sr. No.	Particulars of Remuneration	Fee for attending board / committee meetings	Commission	Others, please specify (Remuneration)	Total Amount
1	**Independent Directors**				
	Mr. K.R. Shenoy	0.55	-	-	0.55
	Mr. Pradip Desai	0.50	-	-	0.50
	Mr. Narasinh K. Balgi	0.12	-	-	0.12
	Mrs. Kaushal Nakrani	0.12	-	-	0.12
	Mr. Viral Jhaveri	0.08	-	-	0.08
	Mr. C K Gopal	0.05	-	-	0.05
	Total (1)	**1.42**	**-**	**-**	**1.42**
2	**Other Non-Executive Directors**				
	Mr. Kyle Thompson	-	-	-	-
	Mr. Anil Kumar Jani	0.43	-	-	0.43
	Total (2)	**0.43**	**-**	**-**	**0.43**
	Total B =(1+2)		**-**	**-**	**1.85**
	Ceiling as per the Act (1% of profit calculated u/s 198 of the Act)				27.89
	Total Managerial Remuneration (A+B)				70.22
	Overall Ceiling as per the Act (11% of profit calculated u/s 198 of the Act)				306.82

C. Remuneration to key managerial personnel other than MD/manager/WTD

(₹ In Million)

Sr. No.	Name of KMPs Particulars of Remuneration	Mr. Hiranand Savlani Chief Financial Officer	Mr. Krunal Bhatt Company Secretary	Total
1	Gross salary			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	43.12	2.38	45.50
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.03	-	0.03
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option (in numbers)	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify	-	-	-
	Total (A)	**43.15**	**2.38**	**45.53**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of penalty / punishment compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give details)
A. Company					
Penalty	NONE				
Punishment					
Compounding					
B. Directors					
Penalty	NONE				
Punishment					
Compounding					
C. Other Officer in default					
Penalty	NONE				
Punishment					
Compounding					

ANNEXURE-D

PARTICULARS OF EMPLOYEES

(Pursuant to rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

1. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2019-20, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2019-20.

Sr. No.	Name of Directors/KMP	% increase in remuneration in FY 2019-20	Ratio of remuneration of each Director to median of remuneration of employees
1	Mr. K R Shenoy Independent Chairman	N.A.	N.A.
2	Mr. Sandeep P. Engineer Managing Director	19	159
3	Mrs. Jagruti S. Engineer Whole Time Director	8	22
4	Mr. Kyle Thompson Non- Executive Director	N.A.	N.A.
5	Mr. Anil Kumar Jani Non- Executive Director	N.A.	N.A.
6	Mr. Pradip N. Desai Independent Director	N.A.	N.A.
7	Mr. Narasinh K Balgi[1] Independent Director	N.A.	N.A.
8	Mr. Viral Jhaveri[2] Independent Director	N.A.	N.A.
9	Mr. C K Gopal[3] Independent Director	N.A.	N.A.
10	Mrs. Kaushal Nakrani Independent Director	N.A.	N.A.
11	Mr. Hiranand A. Savlani Chief Financial Officer	(21)	114
12	Mr. Krunal D. Bhatt Company Secretary	15	6

[1] *Ceased w.e.f. January 28, 2020*
[2] *Appointed w.e.f. October 24, 2019*
[3] *Appointed w.e.f. February 11, 2020*

Note: Reduction in remuneration of CFO is due to mismatch of grant and exercise of stock options.

2. In the Financial Year, there was an increase of 6% in the median remuneration of employees.
3. There were 1639 permanent employees on the rolls of Company as on March 31, 2020.
4. Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2019-20 was 3% whereas the increase in the managerial remuneration for the same financial year was 17%. Increase in remuneration of managerial personnel is due to increase in variable pay linked to profitability. The criteria for remuneration of managerial personnel is based on the remuneration policy as recommended by the Nomination & Remuneration Committee and approved by the board of directors and as per industry benchmarks.
5. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

ANNEXURE-E

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Information as required under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is set out hereunder.

A. CONSERVATION OF ENERGY:

(i) Steps taken for conservation of energy:

Energy conservation continues to be the key focus area of your Company. The Company is making continuous effort for energy conservation. Effective measures have been taken to monitor consumption of energy during the process of manufacture. Continuous monitoring and awareness amongst employees has helped to avoid wastage of energy. The Company has continued taking following steps for conservation of energy during FY 2019-20:

- Installation of programmable timer based circuit in all streets light and is also shifting to LED lights in production area to reduce heat release to the atmosphere.
- Installed centralized one material conveying pump by removing 20 individual pumps at Santej plant to save energy.
- Installed energy saving heaters for machines to save energy.
- Continuously we undertake necessary activities to educate and encourage employees to establish energy efficient practices.

(ii) Steps taken by the Company for utilising alternate sources of energy:

Project work of solar power roof top panel installation is under process. Installation of 2923.8 kwp at Santej, 2248.6 kwp at Dholka, 825.66 kwp at Hosur, 518.76 kwp at Sangli and 1458.6 kwp at Ghiloth. This reduces the energy consumption. Energy from the sun is captured through a solar panel. A solar panel is typically made up of silicon and silicon is the substance which absorbs sunlight and then changes it into electrical energy and the energy you get costs nothing and are renewable. Also 2.2 MW Wind mills installed each for Santej and Dholka plants at Morbi village to get clean energy from wind.

(iii) The capital investment on energy conservation equipment:

Your Company has invested ₹ 2 Million towards energy conservation equipment.

B. TECHNOLOGY ABSORPTION:

(i) Efforts made towards technology absorption:

Your Company lays considerable emphasis on quality maintenance and product enhancement. The Company is continuously trying to develop more and more products in its R & D Center. During the year under review, your Company has spent ₹27 Million for its ultra modern R & D center at its Plants and the Company now is in a position to carry out a lot of R&D activities in-house.

More and more emphasis has been given to the atomization process and Company has selected packaging operation as an area of immediate atomization. The Company has invested significant amount of resources for automization of pipe and fitting packaging operations.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

Your Company's efforts in quality, maintenance and product enhancement have resulted in better quality products at a low cost of production.

(iii) Information regarding imported technology:

Nil

(iv) Expenditure on R &D:

Your Company is regularly incurring R & D expenses. During the year under review, your Company has spent ₹ 27 Million on R & D expenses and the cost of equipment purchased for R&D is shown under the head of Plant & Machineries and Laboratory Equipment. The said expenditures are tabled below:

(₹ In Million)

Expenditure on R&D	2019-20
(a) Capital Expenses	24
(b) Revenue Expenses	3
Total (a)+(b)	**27**
(c) Total R&D expenditure as percentage of turnover	0.13%

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

(₹ In Million)

Particulars	2019-20	2018-19
(a) Total Foreign Exchange used	4,981	4,296
(b) Total Foreign Exchange Earned	179	162

MANAGEMENT DISCUSSION AND ANALYSIS

INDIAN ECONOMY

The Indian economy displayed positive growth trend over the past few years on the back of various Government initiatives and reforms. The growth outlook was optimistic prior to the unexpected Coronavirus (COVID-19) outbreak. However, owing to the massive impact of COVID-19, almost all the major economies of the world have gone through some form of lockdown or social distancing. The lockdown in India disrupted the economic activities in the fourth quarter of the financial year. Indian economy grew by 4.2% in the FY 2019-20 as compared to 6.8% in FY 2018-19.

However, to combat the impact of lockdown, the Government implemented various measures. These measures included, reduction in repo rate and reverse repo rate, moratorium on repayment of term loans among others. The Government also provided wage support, in-kind and cash transfers to lower-income households and deferral of tax payments. The Government along with the RBI, released a stimulus package of ₹ 20 trillion (mid-May 2020) which is approximately 10% of GDP. The package aims to boost private investments, increase liquidity support and infrastructure.

OUTLOOK

Significant monetary and liquidity measures taken by the RBI, and fiscal measures taken by the Government are expected to mitigate the adverse impact of COVID-19 and help reinvigorate the economic activities. The stimulus package is expected to foster long-term employment and opportunities that will strengthen the economy further. On a positive side, the agriculture and allied sector functioned smoothly despite the health crisis, displaying a growth rate of 3.7% during the 2019-20 fiscal.

INDIAN PIPING INDUSTRY OVERVIEW

Over the past five years, domestic plastic pipe industry has clocked a 10% CAGR and now its market size stands at ~₹ 30,000 crores (Source: Article published in the Money Control, May 28, 2020). Wherein, the 60-65% market share accounts to organised players and remaining to the unorganised ones (Source: Business India, 2019). The major driver behind the growth is Government infrastructural spending, increasing constructions, industrial production, irrigation sector, replacement of aging pipelines, among others. Besides, its superior properties and economical cost makes plastic pipes favourable over metal pipes. Amongst all plastic pipes, the 65% of the industry demand is for Unplasticised Polyvinyl Chloride (UPVC), 15% for Chlorinated Polyvinyl Chloride (CPVC) and remaining constitute to others (Source: HDFC securities, December 2019). There has been growing adoption in PVC/CPVC pipes owing to its corrosion resistant, flame resistant, easy to install & handle, environmentally sound and durability features. Along with this, increased focused by the Government in the end user application will be the major contributor in the growth. Consequently, it is also creating upsurge in the demand for solvent cement used in the fitting and attaching of pipe.

OUTLOOK

Going forward, the Indian plastic pipe industry is estimated to register a 10% CAGR by 2024-25 to reach ₹ 500 billion (Source: Money Control, May 21, 2020). However, in the near term, especially in the Q1 of 2020-21, the corporate earnings of pipe manufacturers will be impacted to some extent owing to slowdown caused by the COVID-19. Relative to other sectors, it is still resilient as the Government gave boost to agriculture and housing sector through handsome stimulus package. Also, the relaxation in the lockdown norms will open doors for construction and plumbing activities. Besides, the industry has 35-40% unorganised players and around 60-65% organised players. Amid economic slowdown, several unorganised and organised players might face trouble owing to liquidity issues and weak balance sheet. As a result, organised players with robust financials are likely to gain sizeable market share.

OPPORTUNITIES AND GROWTH DRIVERS

Consolidation in the industry

Post GST era, the unorganised players in the plastic pipes industry were already finding it difficult to gain advantage on the price. Now with COVID-19 scenario, the companies with high debt and weak cash flow are bound to head towards consolidation. This will allow organised players with opportunities to acquire regional players at lower valuation.

Government initiatives

The Government schemes such as Housing for All" by 2022, "Nal se Jal" by 2024, project AMRUT & Swachh Bharat Mission, National Rural Drinking Water Programme, among others augurs well for the plastic pipe industry. These schemes aims at cleanliness, providing basic services, such as Water Supply and Sanitation (WSS), and ensuring that every household has access to a tap with assured water supply and a sewerage connection.

Replacement of ageing pipes

Traditional pipe material like iron, steel and concrete used in the cities and buildings are getting older and corroded, reducing its stability. PVC/CPVC pipes are highly recommended as replacement by the plumbers owing to its lower cost and ease of installations.

Rising aspirations of the middle-class population

The demand for pipes is influenced by rising disposable income of the middle class population. Presently, there is a shift in terms of lifestyle changes, wherein people prefer branded and quality tiles/faucet/ceramic to renovate their homes and enhance the aesthetic appeal of bathrooms. This will in turn create demand for pipes as well.

Hydroponic PVC system

Aspiring urban and conscious farmers are adopting the effective way of doing farming in a minimalistic space. Once of which is hydroponic method, wherein usage of PVC pipe is very popular. With times, increasing number of companies will enter into the space to develop readymade Hydroponic system.

CHALLENGES

Cost of raw material

The higher raw material prices can increase the production cost of the players operating in the industry. However, the increase in raw material prices does not impact pipe manufacturing players as the higher cost is passed down to the downstream industry users.

Stagnation in the construction industry

Slow pace of construction activities can hamper the margins of the pipe industry players. However, the industry is less likely to be impacted owing to sustained demand for replacement of traditional pipes and shift from unorganised to organised players.

Slowdown in the capex of the downstream industry

The downstream industry's cautious approach towards capital expenditure in the projects can affect the order books of the plastic pipe players. Also, the COVID-19 situation has made this quite apparent and probably, it would take couple more quarters before the things starts falling in place.

Indian Adhesive Industry Overview

Adhesives are widely used across numerous end user industries such as packaging, construction, furniture, automotive, assembly operations among others. The major demand for adhesive comes from the packaging and automotive industry in the country.

Increase in disposable income levels and booming retail markets are propelling growth in packaging industry which is conducive for driving demand for adhesives. Rapid urbanisation coupled with growing infrastructure and real estate construction projects is further projected to fuel the demand. An increasing number of global as well as domestic adhesive companies have set up facilities to address the growing demand for adhesives from various end user industries. The India Adhesives & Sealants market is expected to record a CAGR of 11.17% during the forecast period of 2019–2024.

(Source: https://www.reportlinker.com/p05786704/India-Adhesives-Sealants-Market-Growth-Trends-and-Forecast.html)

COMPANY OVERVIEW

Astral Poly Technik Limited (Astral) commenced its operations about 21 years ago with a strong vision of manufacturing CPVC plumbing systems in India. Today, Astral is one of India's largest manufacturer of Chlorinated Poly Vinyl Chloride (CPVC) and Poly Vinyl Chloride (PVC) plumbing systems used across various industries. It is now making robust progress into the adhesives segment and infrastructure products as well. The Company has six pipe manufacturing facilities in India and one in Kenya. It has three adhesive and sealant manufacturing facilities in India and another two in USA and U.K, respectively. Further, by adopting innovative technologies and extensive R&D, it continues to set trends with the introduction of new products line. While it has continuously expanded boundaries by setting up plants across India to meet requirement of customers from different locations.

During the year, the Company continuously invested in expanding capacities at various plants. The new manufacturing facility in Bhubaneswar, Odisha will be operational by June 2021. The plant in Odisha will also help the Company to cater to the North-East market and improve its margin.

In the previous financial year, Astral ventured into the manufacture and supply of double wall corrugated pipes via acquisition of Rex Polyextrusion Private Limited ("Rex"). The Company has completed process streamlining in Rex and is looking forward to gain significant benefits through the acquisition.

FINANCIAL PERFORMANCE

2019-20 was the tremendous year for Astral as it showed an increased product realisation and steady numbers even amid turbulent times. The Group's revenues in 2019-20 stood at ₹ 25,779 million. The EBIDTA improved by 14.3% to ₹ 4,534 million in 2019-20 from ₹ 3,967 million in 2018-19. The Company achieved a profit after tax of ₹ 2,496 million in 2019-20 as against ₹ 1,973 million in 2018-19, an increase of 26.5%.

Owing to the unexpected COVID-19 attack and subsequent lock down in country, the Company witnessed weakened sales in piping and adhesive segments in the month of March 2020. Consequently, in the Q4 of FY 2019-20, the closing inventory level increased with reduced receivables.

However, with strong brand equity, healthy balance sheet and multi-location presence, the Company expects to gain significant market share from unorganised and organised players in the near future. In addition, anticipated correction in polymer prices and recent imposition of anti-dumping duty in CPVC pipes will also be conducive for the Company's growth.

KEY FINANCIAL HIGHLIGHTS

(₹ in million)

	Standalone			Consolidated		
Particulars	**2019-20**	**2018-19**	**Y-o-Y growth**	**2019-20**	**2018-19**	**Y-o-Y growth**
Revenue from operation	20,428	19,157	6.63%	25,779	25,073	2.82%
EBITDA	3,806	3,154	20.67%	4,534	3,967	14.29%
Profit after Tax (PAT)	2,008	1,414	42.01%	2,496	1,973	26.51%
Basic/Diluted Earnings per share (₹)	13.33	9.40	41.81%	16.45	13.01	26.44%

Key Financial Ratios

Standalone

Ratios	2019-20	2018-19	Variance (%)
Debtors turnover (in days)	25 days	43 days	(42)
Inventory turnover (in days)*	75 days	57 days	32
Interest coverage Ratio**	15.97	10.96	45.71
Current Ratio	1.42	1.34	5.97
Long term Debt Equity Ratio	0.09	0.15	(40.00)
EBIDTA Margin	18.63%	16.46%	13.16
PAT Margin	9.83%	7.38%	33.17
Return on Net worth	16.17%	13.46%	20.11

** Note: Change in Inventory Turnover Ratio is mainly due to loss of year-end sales because of lockdown for covid-19 pandemic.*

***Interest = Finance cost less Exchange differences regarded as an adjustments to borrowing costs.*

Consolidated

Ratios	2019-20	2018-19	Variance (%)
Debtors turnover (in days)	32 days	50 days	(38.00)
Inventory turnover (in days)*	77 days	58 days	32.76
Interest coverage Ratio**	15.51	12.03	28.93
Current Ratio	1.57	1.48	5.55
Long term Debt Equity Ratio	0.11	0.19	(41.79)
EBIDTA Margin	17.59%	15.82%	11.13
PAT Margin	9.68%	7.87%	23.04
Return on Net worth	17.77%	17.00%	4.52

** Note: Change in Inventory Turnover Ratio is mainly due to loss of year-end sales because of lockdown for covid-19 pandemic.*

***Interest = Finance cost less Exchange differences regarded as an adjustments to borrowing costs.*

BUSINESS SEGMENT PERFORMANCE

Contribution to the Total Revenue (%)

BUSINESS

2019-20

Piping **77%**

Adhesives **23*%**

2018-19

Piping **74%**

Adhesives **26%**

Business	2019-20	2018-19
Piping	77	74
Adhesives	23*	26

** Reduction in Adhesives is mainly because company was doing structured corrections from 3 tier sales structure to 2 tier sales structure.*

Piping Business

The Company's piping business has consistently outperformed the industry growth. The spectacular growth momentum is led by capacity expansion, spurring volume growth, reputed brand name and large distribution network. The recently introduced product PEX-A-PRO has seen positive response from the market, with consistent business. The piping segment's revenues in 2019-20 stood at ₹ 20,428 million. The EBIDTA improved by 20.7% to ₹ 3,806 million in 2019-20 from ₹ 3,154 million in 2018-19. Profit after tax stood at ₹ 2,008 million in 2019-20 as against ₹ 1,414 million in 2018-19, showing an increase of 42.0%.

Adhesives Business

Over the past few years, the Company has leveraged its geographical strength and existing distribution network along with its own cross-selling opportunities to grow in the adhesive segment. Combined Revenue of Resinova and Seal IT stood at ₹ 5,830 million, while EBIDTA was recorded at ₹ 765 million in the FY 2019-20. With right structural changes and strategies, Resinova is expected to capture higher market share in the adhesive and sealant segment. The Company recently launched an instant hand sanitizer 'Resi Shield' to help curb the COVID-19 pandemic.

Robust Distribution Network

Astral has a large distribution network across India with strong reach in West and South India. The Company is planning to increase its reach in the North-East as well by setting a manufacturing plant in Bhubaneswar, Odisha.

PIPING

800+

Distributors

31,000+

Dealers

ADHESIVES

1300+

Distributors

130,000+

Dealers

Branding Initiatives

Astral has continuously invested in brand & promotional activities through Bollywood movies, associate sponsor of Indian Premier League teams among others. This has helped the Company gain exceptional visibility and market share. The Company has its new brand ambassador **Ranveer Singh** on board for next three years from now.

RISK MANAGEMENT

The Company has an effective risk management framework in place to primarily control business and operational risks. The major risk areas are periodically and systematically reviewed by the senior management and risk-management committee. Comprehensive policies and procedures help identify, mitigate and monitor risks at various levels. By taking such proactive measures, the Company ensures that strategic business objectives are achieved seamlessly.

HUMAN RESOURCE

The Human Resource division of the company plays a vital role in hiring, training, managing and retaining employees to build a group of talented workforces. So that they can reach their full potential and work diligently towards the growth of the organization. The Company has created a level playing field space, whereon equal opportunities to all employees is provided. With this belief, it has enhanced employee morale, boosted productivity and reduced people absenteeism. The Company industrial relations continues to be friendly throughout the year by adhering to the best safety standards at manufacturing units. The Company had also set up seminars and workshops for its work force for their development and to equip them to adapt to the fast-changing environment. As of March 31, 2020, the Company had 1639 employees on its payroll.

INTERNAL CONTROL SYSTEMS AND ITS ADEQUACY

Astral has in place an adequate system of internal control procedures. It is committed to good corporate governance practices and has well-defined systems and processes covering all the corporate functions and units. The internal Audit processes ensures all the assets are safeguarded and protected against loss. Furthermore, all the transactions are authorised, recorded and reported correctly. The internal control systems of the Company are monitored and evaluated by internal auditors and their audit reports are periodically reviewed by the Audit Committee.

CAUTIONARY STATEMENT

Some of the statements in this Management Discussion and Analysis, describing the company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable Laws and Regulations. Actual results might differ substantially from those expressed or implied. Important developments that could affect the company's operations include changes in economic conditions affecting demand, supply and price movements in the domestic and overseas markets in which your company operates, changes in the Government regulations, Tax Laws and other Statutes or other incidental factors. The company assumes no responsibility in respect of forward-looking statements, which may be amended or modified in future.

CORPORATE GOVERNANCE REPORT

1. CORPORATE GOVERNANCE PHILOSOPHY:

Your Company believes in adopting the best corporate governance practices, based on the following principles in order to maintain transparency, accountability and ethics:

- Recognition of the respective roles and responsibilities of the management;
- Independent verification and assured integrity of financial reporting;
- Protection of Shareholders' right and priority for investor relations; and
- Timely and accurate disclosure on all material matters concerning operations and performance of your Company.

Keeping the above in mind, your Company is fully committed to conduct its affairs in a fair and transparent manner and to enhance shareholders value while complying with the applicable Rules and Regulations. We are in compliance with all the requirements of the Corporate Governance enshrined in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "SEBI Listing Regulations").

2. BOARD OF DIRECTORS:

Compositions

The Board of your Company consists of 9 (Nine) Directors as on March 31, 2020, out of which 2 (Two) are Executive Directors and 7 (Seven) are Non-Executive Directors. Out of 7 (Seven) Non- Executive Directors, 5 (Five) are Independent Directors. The Chairman of the Board is an Independent Director. The Composition of the Board is in compliance with the requirements of SEBI Listing Regulations. No director is related to each other except Mrs. Jagruti S. Engineer who is spouse of Mr. Sandeep P. Engineer. All the Directors have certified that they are not members of more than 10 (Ten) Committees and do not act as Chairman of more than 5 (Five) Committees across all the Companies in which they are Directors.

The composition of the Board of Directors as on March 31, 2020 is as follows:

Name of Director	Category	Total No. of Other Directorship*	Details of Committees#	
			Chairman	Member
Mr. K. R Shenoy (DIN 00801985)	Independent Chairman	-	-	-
Mr. Sandeep P. Engineer (DIN 00067112)	Managing Director	3	1	-
Mrs. Jagruti S. Engineer (DIN 00067276)	Whole Time Director	-	-	-
Mr. Kyle A. Thompson (DIN 00254002)	Non- Executive Director	-	-	-
Mr. Anil Kumar Jani (DIN 07078868)	Non- Executive Director	-	-	-
Mr. Pradip N. Desai (DIN 00336937)	Independent Director	1	-	1
Mrs. Kaushal D. Nakrani (DIN 08405226)	Independent Director	-	-	-
Mr. Viral M. Jhaveri[1] (DIN 08277568)	Independent Director	-	-	-
Mr. C K Gopal[2] (DIN 08434324)	Independent Director	-	-	-
Mr. Narasinh K. Balgi[3] (DIN 00163468)	Independent Director	1	-	1

**Excludes Private Limited Companies (which are not subsidiary of Public companies), Foreign Companies, Section 8 Companies and Alternate Directorships.*

None of the directors of the Company are having directorship in any other listed entities.

#Includes only Audit Committee and Stakeholders' Relationship Committee of other Companies.

[1]Appointed w.e.f October 24, 2019

[2]Apointed w.e.f February 11, 2020.

[3]Ceassed as Independent Director w.e.f. January 28, 2020 due to completion of tenure.

Dates of Board Meetings and Attendance at the Board Meetings and the last Annual General Meeting:

During the FY 2019-20, the Board of Directors of your Company met 6 (six) times on May 20, 2019, June 29, 2019, August 2, 2019, October 24, 2019, November 8, 2019, and on February, 11, 2020. The details of attendance of each Director at Board Meetings held in the Financial Year and the last Annual General Meeting are as under:

Name of Director	Dates of Board Meetings and Attendance of each director at Board Meeting							
	20.05. 2019	29.06. 2019	02.08. 2019	24.10. 2019	08.11. 2019	11.02. 2020	Total No. of Board Meetings attended	Attendance at the last AGM held on August 2, 2019
Mr. K. R. Shenoy	Yes	No	Yes	Yes	No	Yes	4	Yes
Mr. Sandeep P. Engineer	Yes	Yes	Yes	Yes	Yes	Yes	6	Yes
Mrs. Jagruti S. Engineer	Yes	Yes	Yes	Yes	Yes	Yes	6	Yes
Mr. Kyle A. Thompson	No	No	No	No	Yes	No	1	No
Mr. Anil Kumar Jani	Yes	Yes	Yes	Yes	No	Yes	5	Yes
Mr. Pradip N. Desai	Yes	Yes	Yes	Yes	Yes	Yes	6	Yes
Mr. Narasinh K. Balgi[1]	Yes	Yes	Yes	No	No	NA	3	Yes
Mrs. Kaushal Nakrani	Yes	Yes	Yes	Yes	No	Yes	5	Yes
Mr. Viral Jhaveri[2]	NA	NA	NA	Yes	No	Yes	2	NA
Mr. C K Gopal[3]	NA	NA	NA	NA	NA	Yes	1	NA

[1]Ceased to be Director w.e.f. January 28, 2020

[2]Appointed w.e.f October 24, 2020

[3]Appointed w.e.f. February 11, 2020

Code of Conduct for Board & Senior Management Personnel

Your Company has adopted a Code of Conduct for Board Members & Senior Management Personnel and the declaration from the Managing Director, stating that all the Directors and the Senior Management Personnel of your Company have affirmed compliance with the Code of Conduct has been included in this Report. The Code has been posted on your Company's website at https://www.astralpipes.com/uploads/investor_broucher/1538992610_105_l.pdf.

Profile of Directors seeking appointment / re-appointment:

The brief profile and other information of the directors seeking appointment/re-appointment is provided in the notice convening the Annual General Meeting.

3. COMMITTEES OF THE BOARD

(i) AUDIT COMMITTEE

Composition, meetings and attendance

The Audit Committee of your Company has been constituted as per the requirements of Section 177 of the Companies Act 2013, and SEBI Listing Regulations. The Chairman of the Audit Committee is an Independent Director and two-thirds of the members of the Audit Committee are Independent Directors. During the FY 2019-20, the Committee met 4 (Four) times on May 20, 2019, August 2, 2019, October 24, 2019, February 11, 2020.

The composition of the Audit Committee as on March 31, 2020 and the attendance of the members in the meetings held during the FY 2019-20 are as follows:

Name of Member	Designation	No. of meetings attended
Mr. K. R. Shenoy	Chairman	4
Mr. Sandeep P. Engineer	Member	4
Mr. Pradip N. Desai	Member	4
Mr. Narasinh K. Balgi#	Member	2

 # Ceased to be Member w.e.f January 28, 2020

The Company Secretary of the Company acted as the Secretary to the Committee.

Terms of Reference:

The broad terms of reference of the Audit Committee include the following as has been mandated in Section 177 of Companies Act, 2013 and SEBI Listing Regulations:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditors and the fixation of audit fees.
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- Appointment, removal and terms of remuneration of Internal Auditors.
- Reviewing, with the Management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - (i) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub section 3 of section 134 of the Companies Act, 2013;
  - (ii) Changes, if any, in Accounting Policies and practices and reasons for the same;
  - (iii) Major accounting entries involving estimates based on the exercise of judgment by the Management;
  - (iv) Significant adjustments made in the financial statements arising out of Audit findings;
  - (v) Compliance with Listing and other Legal requirements relating to the financial statements;
  - (vi) Disclosure of any related party transactions;
  - (vii) Qualifications in the draft Audit Report;
- Reviewing with the Management, the quarterly financial statements before submission to the Board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the Management, performance of Statutory and Internal Auditors, and adequacy of the internal control systems;
- Reviewing the adequacy of Internal Audit function, if any, including the structure of the Internal Audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of Internal Audit;
- Discussions with Internal Auditors on any significant findings and follow up thereon;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- Management discussion and analysis of financial condition and results of operations;

- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses;
- The appointment, removal and terms of remuneration of the Chief Internal Auditor.
- Reviewing the utilisation of loans and / or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision

The Chief Financial Officer and the representatives of the Statutory Auditors and Internal Auditors are invited to attend the meetings of the Audit Committee.

(ii) STAKEHOLDERS' RELATIONSHIP COMMITTEE

Composition, meetings and attendance

The Stakeholders' Relationship Committee of your Company has been constituted as per the requirements of Section 178 of the Companies Act 2013 and SEBI Listing Regulations. The Chairman of the Committee is an Independent Director.

During the FY 2019-20, the Committee met 4 (Four) times on May 20, 2019, August 2, 2019, October 24, 2019 and February 11, 2020.

The composition of the Stakeholder's Relationship Committee as on March 31, 2020 and the attendance of the members in the meetings held during the FY 2019-20 are as follows:

Name of Member	Designation	No. of meetings attended
Mr. K. R. Shenoy	Chairman	4
Mr. Sandeep P. Engineer	Member	4
Mr. Anil Kumar Jani	Member	4

The Company Secretary of the Company acted as the Secretary to the Committee.

Terms of Reference:

- Efficient transfer of shares, including review of cases for refusal of transfer / transmission of Shares and Debentures, demat / remat of shares.
- Redressal of Shareholder and Investor complaints like transfer of shares, non-receipt of Balance Sheet, non-receipt of declared dividends etc.;
- Issue of new / duplicate / split / consolidated Share Certificates;
- Allotment of Shares;
- Review of cases for refusal of transfer / transmission of Shares and Debentures;
- Reference to Statutory and Regulatory authorities regarding Investor Grievances; and
- To otherwise ensure proper and timely attendance and redressal of Investor's queries and grievances
- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

Status of investors' complaints:

The status of investor's complaints as on March 31, 2020 is as follows**:**

Number of complaints as on April 1, 2019	Nil
Number of complaints received during the year ended on March 31, 2020	5
Number of complaints resolved up to March 31, 2020	5
Number of complaints pending as on March 31, 2020	Nil

The complaints received were mainly in the nature of non-receipt of Annual Report. There were no pending requests for transfer of shares of the Company as on March 31, 2020.

Name and Designation of Compliance Officer:

Mr. Krunal Bhatt, Company Secretary is the Compliance Officer of the Company.

(iii) NOMINATION AND REMUNERATION COMMITTEE

Composition, meetings and attendance

The Nomination and Remuneration Committee of your Company has been constituted as per the requirements of Section 178 of the Companies Act, 2013 and SEBI Listing Regulations. The Chairman of the Committee is an Independent Director.

During the FY 2019-20, the Committee met 5 (Five) times on May 20, 2019, June 29, 2019, August 2, 2019, October 24, 2019 and February 11, 2020.

The composition of the Nomination and Remuneration Committee as on March 31, 2020 and the attendance of the members in the meetings held during the FY 2019-20 are as follows:

Name of Member	Designation	No. of meetings attended
Mr. Pradip N. Desai	Chairman	5
Mr. K. R. Shenoy	Member	4
Mr. Anil Kumar Jani	Member	5

The Company Secretary of the Company acted as the Secretary to the Committee.

Terms of Reference:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees and carry our evaluation of every director's performance;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- Recommend to the board, all remuneration, in whatever form, payable to senior management

Remuneration Policy:

Remuneration Policy of your Company has been designed to ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors/Employees of the quality required to run the Company successfully and Relationship of remuneration to performance is clear and meets appropriate performance bench marks. Remuneration policy of the Company has been uploaded on the Company's website and can be accessed at https://www.astralpipes.com/uploads/investor_broucher/1561804048_remuneration_policy_astral.pdf.

Salient features of the policy on remuneration of executive and non-executive directors are as under:

- **Executive Directors :**

  The Board of Directors in consultation with the Nomination and Remuneration Committee decides on the remuneration payable to the Managing Director / Whole Time Director. The total remuneration to the Managing Director comprises fixed component consisting of salary and perquisites in accordance with Company's policy and a profit linked incentive.

- **Non – Executive Directors:**

  Non-Executive Directors are paid sitting fees for attending the Board and Committee meetings, plus the reimbursement of actual expense directly related to the travel and out-of-pocket expenses, if any, incurred by them.

Performance Evaluation Criteria for independent Directors:

The performance evaluation criteria for Independent Directors are determined by the Nomination and Remuneration Committee. An indicative list of factors that may be evaluated include adherence to ethical standards and codes of conduct, constructive participation in board meetings, implementing good corporate governance practices, review of integrity of financial information and risk management, safeguarding interest of whistle blowers under vigil mechanism etc.

Details of remuneration and pecuniary benefits to the Directors during FY 2019-20: (₹ In Million)

Name of the Director	Salary/ Allowances	Sitting Fees	Incentive/ Commission
Mr. K. R. Shenoy	Nil	0.55	-
Mr. Sandeep P. Engineer	34.56	Nil	25.40
Mrs. Jagruti S. Engineer	8.38	Nil	-
Mr. Kyle A. Thompson	Nil	Nil	-
Mr. Anil Kumar Jani	Nil	0.43	-
Mr. Pradip N. Desai	Nil	0.50	-
Mr. Narasinh K.Balgi[1]	Nil	0.12	-
Mrs. Kaushal Nakrani	Nil	0.12	-
Mr. Viral Jhaveri[2]	Nil	0.08	-
Mr. C K Gopal [3]	Nil	0.05	-

[1]*Ceassed to be Director w.e.f. January 28, 2020*
[2]*Appointed w.e.f. October 24, 2019*
[3]*Appointed w.e.f. February 11, 2020*

Notes:

(i) There were no pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis Company other than payment of sitting fees and reimbursement of expenses incurred by them for the purpose of attending meetings of the Company.

(ii) The Managing Director is entitled to an incentive payment at the rate of 1% (One percent) of Profit Before Tax of the Company in addition to the salary, increment and reimbursement of expenses.

None of the Directors except the Managing Director is entitled to such an Incentive.

(iii) None of the Directors of the Company has been granted any Stock Options during the year.

The shareholding of Directors as on the March 31, 2020 is as under:

Sr. No.	Name of Director	Shareholding	%
1	Mr. K. R. Shenoy	Nil	Nil
2	Mr. Sandeep P. Engineer	4,73,03,074	31.40
3	Mrs. Jagruti S. Engineer	1,14,29,262	7.59
4	Mr. Kyle A. Thompson	Nil	Nil
5	Mr. Anil Kumar Jani	950	0.00
6	Mr. Pradip N. Desai	3,75,000	0.25
7	Mr. Narasinh K. Balgi[1]	3162	0.00
8	Mrs. Kaushal Nakrani	Nil	Nil
9	Mr. Viral Jhaver[2]	1000	0.00
10	Mr. C K Gopal[3]	Nil	Nil

[1] *Ceassed to be Director w.e.f. January 28, 2020.*
[2] *Appointed w.e.f. October 24, 2019.*
[3] *Appointed w.e.f. February 11, 2020.*

The Company has not issued any convertible instruments.

Performance Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Regulations, the Committee has carried out the annual performance evaluation of Directors and Key Managerial Personnel. The Board of Directors also carried out annual performance evaluation of Independent Directors and Committees of the Board. Performance evaluation was carried out based on approved criteria such as adherence to ethical standards and code of conduct, constructive participation in board meetings, implementing good corporate governance practices etc. The Directors expressed their satisfaction with the evaluation process.

The independent directors also held separate meeting to review the performance of Non-independent Directors and overall performance of the board.

4. GENERAL BODY MEETING/POSTAL BALLOTS:

The details of last three Annual General Meetings of the Company are as follows:

Financial Year	Date-Time-Venue
2018–19	August 2, 2019 at 10.00 a.m. at H T Parekh Hall, Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Ahmedabad – 380015.
2017-18	August 25, 2018 at 10:00 a.m. at H T Parekh Hall, Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Ahmedabad – 380015.
2016-17	August 8, 2017 at 2:30 p.m. at H T Parekh Hall, Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Ahmedabad – 380015.

Details of special resolutions passed in Previous Three AGMs.

Details of the Special Resolutions passed in last three Annual General Meetings are as follow:

Financial Year	Particulars of Special Resolutions passed
2018-19	Re-appointment of Mr. K.R. Shenoy (DIN: 00801985) as an Independent Director of the Company. Re-appointment of Mr. Pradip Desai (DIN: 00336937) as an Independent Director of the Company. To approve offer or invitation to subscribe to Non-convertible Debentures on private placement basis.
2017-18	Ratification of appointment of Mr. Narasinh K. Balgi (DIN: 00163468) as an Independent Director for present tenure. Ratification of appointment of Mr. K.R. Shenoy (DIN: 00801985) as an Independent Director for present tenure.
2016-17	To approve offer or invitation to subscribe to Non-Convertible Debentures on private placement basis.

Postal Ballot:

During the year, the Company approached the shareholders through postal ballot. The details of the postal ballot is as under:

Name of resolution	Type of resolution	No. of votes polled	Votes cast in favour		Votes cast in against	
			No. of votes	%	No. of votes	%
Issue of Bonus share	Ordinary	8,66,68,704	8,66,68,702	100	2	0

Date of Postal Ballot Notice:	August 2, 2019.
Voting period:	August 8, 2019 to September 6, 2019.
Date of approval:	September 6, 2019.
Date of declaration of result:	September 7, 2019.

1. DISCLOSURES

(a) Disclosure on materially significant related party transactions.

There were some related party transactions during the FY 2019-20 and the same do not have potential conflict with the interest of the Company at large. The details of related party transactions as per Indian Accounting Standard – 24 are included in the notes to the accounts.

(b) Details of non-compliance with regard to capital market.

There is no non-compliance by the Company on any matter related to the capital markets during the last three years. Similarly, there are no penalties, strictures imposed by the Stock Exchanges, SEBI or any statutory authority on any matter related to capital market.

(c) Disclosure of accounting treatment

There is no deviation in following the treatments prescribed in any Accounting Standard in preparation of financial statements for the FY 2019-20.

(d) Board disclosures – Risk Management

The Board members of the Company are regularly appraised about the risk assessment and minimisation procedures adopted by the Company. The Audit Committee of the Board is also regularly informed about the business risks and the steps taken to mitigate the same. The implementation of the risk assessment and minimisation procedures is an ongoing process and the Board members are periodically informed of the status.

(e) Familiarisation Program of Independent Directors

The Board familiarisation program comprises of the following:-

- Induction program for new Independent Directors;
- Presentation on business and functional issues
- Updation of business, branding, corporate governance, regulatory developments and investor relations matters

All new Independent Directors are taken through a detailed induction and familiarisation program when they join the Board of your Company. The induction program is an exhaustive one that covers the history and culture of your company, background of the Company and its growth over the decades, various milestones in the Company's existence since its incorporation, the present structure and an overview of the businesses and functions.

Independent Directors are familiarised with their roles, rights and responsibilities in the Company as well as with the nature of industry and business model of the Company by providing various presentations at Board/ Committee meetings from time to time. These presentations provide a good understanding of the business tothe Independent Directors which covers various functions of the Company and also an opportunity for the Board to interact with the next level of management. There are opportunities for Independent Directors to interact amongst themselves.

Apart from the above, the Directors are also given an update on the environmental and social impact of the business, branding, corporate governance, regulatory developments and investor relations matters.

The details of the Familiarisation programs can be accessed on the web link: https://www.astralpipes.com/uploads/investor_broucher/1538992797_110_l.pdf

(f) Details of compliance with mandatory requirements and adoption of non-mandatory requirements of SEBI Listing Regulations.

The Company has complied with all the mandatory requirements as mandated under SEBI Listing Regulation. A Certificate from the Statutory Auditors of the Company to this effect has been included in this Report.

(g) Whistle Blower Policy

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has a Vigil mechanism and Whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee. Whistle blower policy of the Company has been uploaded on the website of the Company and can be accessed at https://www.astralpipes.com/uploads/investor_broucher/1538992668_107_l.pdf.

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, your Company has constituted Internal Complaints Committee

(ICC) which is responsible for redressal of complaints related to sexual harassment. During the year under review, there were no complaints pertaining to sexual harassment.

(h) Policy on "Material" Subsidiary

The Company has Board approved policy on determining Material Subsidiary which can be accessed at https://www.astralpipes.com/uploads/investor_broucher/1561803986_material_subsidiary_policy_astral_2019.pdf.

(i) Certification from CEO and CFO

The requisite certificate from the Managing Director and Chief Financial Officer of the Company required to be given under Regulation 33 was placed before the Board of Directors of the Company at its Meeting held on May 25, 2020 and Mr. Sandeep P. Engineer, Managing Director and Mr. Hiranand A. Savlani, Chief Financial Officer of the Company, have certified to the Board that:

(a) They have reviewed the Financial Statement and the Cash Flow Statement for the FY 2019-20 and that to the best of their 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.

(b) There are, to the best of their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of Company's Code of Conduct.

(c) They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. They have not come across any reportable deficiencies in the design or operation of such internal controls.

(d) They have indicated to the Auditors and the Audit Committee:

(i) That there are no significant changes in the internal control over financial reporting during the year;

(ii) There are no significant changes in the Accounting Policies during the year, and

(iii) There are no instances of significant fraud of which they have become aware.

(j) Disclosure of commodity price risks and commodity hedging activities

Please refer to Management Discussion and Analysis Report for the same.

(k) Certification from Company Secretary in practice:

Ms. Monica Kanuga, Practicing Company Secretary, has issued a certificate required under the Listing Regulations, confirming that none of the directors on Board of the Company has been debarred or disqualified from being appointed or continuing as director of the Company by the SEBI/Ministry of Corporate Affairs or any such statutory authority. The certificate is enclosed with this report.

(l) list of core skills / expertise /competencies identified in the context of the business:

The Board continues to identify an appropriate mix of diversity and skills for introducing different perspectives into Board for better anticipating the risks and opportunities in building a long-term sustainable business.

The below table summarises the key qualifications, skills and attributes which are taken into consideration while nominating to serve on the Board.

Business Strategies	Success in business at a senior level.
Financial & Accounting Expertise	Proficiency in financial accounting and reporting, corporate finance and internal controls, corporate funding and associated risks.
Governance, Risk & Compliance	Experience with a large Corporate that demonstrates rigorous governance standards.
Mergers & Acquisition	Capable to make wise decisions in Corporate mergers, acquisitions and joint ventures.
Innovative	A strong understanding of innovation and technology, and the development and implementation of initiatives to enhance production.
Diversity	Representation of gender, cultural or other such diversity that expand the Board's understanding and perspective.

The below table specifies area of focus or expertise of individual Board member:

Director	Areas of Skills/ Expertise					
	Business Strategies	Finance & Accounting Expertise	Governance, Risk & Compliance	Merger & Acquisition	Innovative	Diversity
Mr. Sandeep Engineer (Managing Director)	✓	✓	✓	✓	✓	-
Mrs. Jagruti Engineer (Whole-time Director)	✓	-	✓	✓	✓	✓
Mr. Kyle Thompson (Non- Executive)	✓	✓	✓	-	✓	✓
Mr. Ani Kumar Jani (Non- Executive)	✓	-	✓	-	✓	-
Mr. K R Shenoy (Independent Director)	✓	✓	✓	✓	✓	✓
Mr. Pradip Desai (Independent Director)	✓	✓	✓	✓	✓	-
Mrs. Kaushal Nakrani (Independent Director)	✓	✓	✓	✓	-	✓
Mr. Viral Jhaveri[1] (Independent Director)	✓	✓	✓	✓	✓	-
Mr. C K Gopal[2] (Independent Director)	✓	✓	✓	✓	✓	✓
Mr. Narsinh Balgi[3] (Independent Director)	✓	✓	✓	✓	✓	-

[1] Appointed as a Director w.e.f. October 24, 2019.

[2] Appointed as a Director w.e.f. February 11, 2020.

[3] Ceased to be Director w.e.f. January 28, 2020.

2. MEANS OF COMMUNICATION TO SHAREHOLDERS

(a) Quarterly/Annual Results

The Quarterly / Annual Results and Notices as required are normally published in the Leading Daily Newspaper "The Economic Times" in English and Local Language, i.e. Gujarati editions.

(b) Posting of information on the website of the Company / Stock Exchanges

- The Quarterly / Annual Results of the Company, Shareholding pattern, Code of Conduct for Board and Senior Management of the Company are displayed on the Company's website www.astralpipes.com
- The official news releases of the Company are displayed on the websites of BSE & NSE.
- The Presentations made to Institutional Investors/Analysts are displayed on the Company's website www.astralpipes.com

7. GENERAL SHAREHOLDERS' INFORMATION:

(a) Annual General Meeting (Proposed): Twenty Fourth Annual General Meeting:

Day and date	August 21, 2020
Time	11:00 A.M.
Venue	Not Applicable as the company is conducting meeting through Video Conferencing/ Other Audio Visual means pursuant to MCA circular Dated May 5, 2020.

(b) FY 2019-20:

Financial Year	April 1 to March 31

(c) Board Meetings approval of Quarterly & Annual Results

Quarter	Tentative Date of Announcement of Board Meeting [F.Y.2020-2021]
1st Quarter Results	On or before August 14, 2020
2nd Quarter Results	On or before November 14, 2020
3rd Quarter Results	On or before February 14, 2021
4th Quarter and Annual Results	Within 60 days of the close of financial Year ending on March 31, 2021

(d) Book Closure date:

The Share Transfer Book and Register of Members will remain closed from August 15, 2020 to August 21, 2020 (Both days inclusive).

(e) Dividend :

The Board of Directors of the Company had adopted the Dividend Distribution Policy on November 17, 2016 in line with the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Policy is uploaded on the Company's website at https://www.astralpipes.com/uploads/investor_broucher/1538746371_203_l.pdf

The Dividend, if declared, will be paid within the statutory time limit to the eligible members of the Company.

(f) Listing on Stock Exchanges:

The Equity Shares of the Company are listed on the following Stock Exchanges in India since March 20, 2007:

The BSE Limited (BSE)	**National Stock Exchange of India Limited (NSE)**
Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001	"Exchange Plaza", Bandra Kurla Complex, Bandra (E), Mumbai - 400 051

The Company has paid Annual Listing fees to the above Stock Exchanges for the FY 2019-20 & 2020-21.

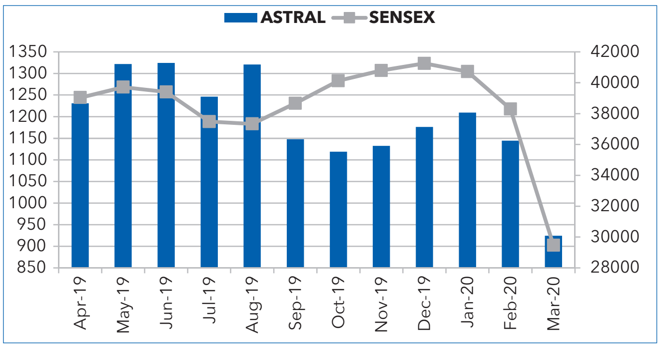
(g) Stock Code :

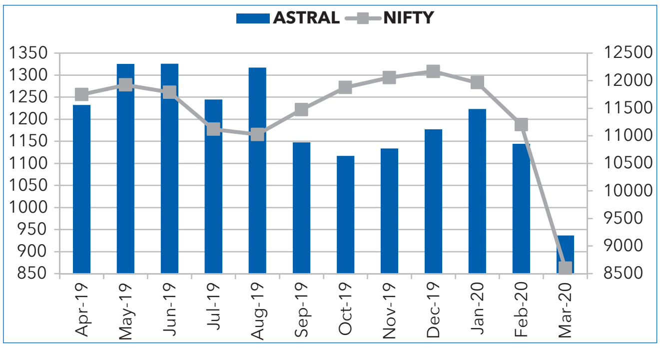
The BSE Limited (BSE)	532830
The National Stock Exchange of India Limited (NSE)	ASTRAL
ISIN for Equity Shares held in Demat form with NSDL and CDSL	INE006I01046

(h) Stock Market Data:

Month	BSE		NSE	
	High	Low	High	Low
April, 2019	1,279.95	1,160.55	1,258.00	1,159.85
May, 2019	1,329.00	1,142.00	1,334.90	1,139.10
June, 2019	1,379.00	1,259.35	1,380.00	1,258.65
July, 2019	1,361.00	1,181.95	1,350.00	1,180.05
August, 2019	1,324.00	1,191.15	1,324.00	1,195.00
September, 2019	1,367.75	960.00*	1,369.00	951.30*
October, 2019	1,205.00	1,108.10	1,208.00	1,106.00
November, 2019	1,164.00	1,045.00	1,164.00	1,031.00
December, 2019	1,205.00	1,103.30	1,204.00	1,100.00
January, 2020	1,249.00	1,076.95	1,250.00	1,076.05
February, 2020	1,262.00	1,125.00	1,265.00	1,122.00
March, 2020	1,190.00	747.60	1,182.00	745.65

**Ex Bonus price w.e.f September 16, 2019.*





(i) Registrar and Share Transfer Agents :

All the work relating to the share registry for Shares held in Physical form as well as Shares held in Electronic Form (Demat) is being done at one single point at R & T Agent of the Company viz. Bigshare Services Private Limited.

The detailed address is as under:

BIGSHARE SERVICES PRIVATE LIMITED
1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road,
Marol, Andheri (East), Mumbai 400059.
Phone No: +91 22-62638200, Fax No. + 91 22-62638299,
E-mail: investor@bigshareonline.com

(j) Transfer to Investor Education and Protection Fund (IEPF)

In terms of the Section 124 of the Companies Act, 2013, the amount that remained unclaimed for a period of seven years is required to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government.

During the year under review, the unclaimed dividend amount for the year 2011-12(Final) & 2012-13 (Interim) was transferred to the IEPF established by the Central Government under applicable provisions of the Companies Act.

In terms of Section 124(6) of the Act read with Investor Education and Protection Fund Authority (Accounting, Auditing, Transfer and Refund) Rules, 2016, the Company has transferred the shares in respect of which the dividend has not been claimed for a period of seven years or more to the demat account of IEPF Authority. The Company had communicated to all the concerned shareholders individually whose shares were liable to be transferred to IEPF. The Company had also given newspaper advertisements, before such transfer in favour of IEPF. The Company had also uploaded the details of such shareholders and shares transferred to IEPF on the website of the Company at www.astralpipes.com. Further, the Company has also transferred 520 shares due to Bonus entitlement for the shares held by the IEPF authority in the ratio of 1:4 during October, 2019. The Shareholders may note that both the unclaimed dividend and corresponding shares transferred to the IEPF Authority including all benefits accruing on such shares, if any, can be claimed back by them from IEPF Authority after following the procedure (i.e. an application in E-form No. IEPF-5) prescribed in the Rules. Shareholders may refer Rule 7 of the said Rules for Refund of shares / dividend etc.

(k) Share Transfer System :

The Shares of Company are compulsorily traded in dematerialised form. Shares received in Physical Form are transferred within a period of 15 days from the date of lodgment subject to documents being valid and complete in all respects. The request for dematerialisation of Shares are also processed by the R&T agent within stipulated period and uploaded with the concerned Depositories. In terms of SEBI Listing Regulation, Company Secretary in Practice examines the records and processes of Share transfers and issues half yearly Certificate which is sent to the Stock Exchanges.

(l) Distribution of Shareholding:

The distribution of Shareholding of the Company as on March 31, 2020 is as follows:

No. of Equity Shares Held	No. of shareholders	% of Total shareholders	No. of Shares	% of Total Capital
Upto 5,000	45,831	98.75	87,09,517	5.78
5,001-10,000	239	0.51	16,88,985	1.12
10,001-20,000	128	0.28	17,95,845	1.20
20,001-30,000	51	0.11	13,01,009	0.86
30,001-40,000	26	0.06	8,97,559	0.59
40,001-50,000	17	0.04	7,64,883	0.51
50,001-1,00,000	44	0.09	32,04,835	2.13
1,00,001 and above	75	0.16	13,22,99,573	87.81
Total	**46,411**	**100.00**	**15,06,62,206**	**100.00**

(m) Shareholding Pattern:

The Shareholding Pattern of the Company as on March 31, 2020 is as follows:

Category	No of Shares	% of Total Capital
Promoters (including persons acting in concert)	8,39,82,322	55.74
Foreign Institutional/Portfolio Investors	3,02,58,131	20.08
Mutual Funds, other Financial Institutions and Banks	1,30,79,751	8.68
Non-resident Indians	9,67,302	0.64
Bodies Corporate	51,83,409	3.44
Resident Indians	1,64,05,937	10.89
Clearing members	99,633	0.07
Trust/Others	6,85,721	0.45
Total	**15,06,62,206**	**100.00**

(n) Dematerialisation of Shares and liquidity:

As on March 31, 2020, 99.99 % of the total Equity Shares were held in dematerialised form with National Securities Depository Ltd. [NSDL] and Central Depository Services Limited [CDSL].

The details of which are as under:

Sr. No.	Mode of Holding	No. of Shares	% of Total Capital
1	NSDL	14,85,93,757	98.62
2	CDSL	20,59,929	1.37
3	Physical	8,520	0.01
Total		**15,06,62,206**	**100.00**

(o) GDRs/ADRs/Warrants or Convertible Instruments outstanding as on the date of this Report: Nil

(p) Plant Location:

Gujarat		TamilNadu	Rajasthan	Uttrakhand	Maharashtra
Santej	Dholka				
Village: Santej, Taluka: Kalol, Dist.: Gandhinagar, Gujarat, India	Dholka-Kheda Road, Rampur, Dholka, Dist.: Ahmedabad Gujarat, India	Perandaplli Post, Village-Alur, Dist.:Krishnagiri, Hosur, Tamilnadu, India	Plot No. Sp5-132, Ghiloth Riico Industrial Area, General Zone, Shahjahanpur, Ghiloth, Alwar, Rajasthan	Plot No. C-06, Phase-3, E.S.I.P., Sitarganj, Dist. : Udham Singh Nagar, Uttrakhand	C.S. No. 190, 191, 192, 193/1, 193/2, 195/2, 196/2 and 196/3 Tasgaon, Miraj Road, Kanadwadi, Dist.: Sangli, Maharashtra

(q) Address for correspondence:

Shareholders' correspondence should be addressed to the Company's Registrar & Share Transfer Agent at the address mentioned at point (i).

Shareholders may also contact Company Secretary at the Registered Office of the Company for any assistance.

Registered Office
"Astral House",
207/1, B/h. Rajpath Club, Off S. G. Highway,
Ahmedabad - 380 059, Gujarat, India
Tel. No: +91 79 66212000 Fax No. : +91 79 66212121
Email : co@astralpipes.com. Website : www.astralpipes.com

(r) Credit rating:

During the year under review your company has been able to maintain its Credit Rating, even under challenging environment of the Indian economy. The details of credit ratings obtained from CRISIL and CARE are as under.

Sr. No.	Particulars	CRISIL rating			CARE rating		
		Current rating	Previous rating	Remark	Current rating	Previous rating	Remark
1	Long term Bank facilities	CRISIL AA-/ stable	CRISIL AA-/ stable	Reaffirmed	CARE AA; stable	CARE AA; stable	Reaffirmed
2.	Short term Bank facilities	CRISIL A1+	CRISIL A1+	Reaffirmed	CARE A1+	CARE A1+	Reaffirmed

For, Astral Poly Technik Limited

Sandeep P. Engineer
Managing Director

For, Astral Poly Technik Limited

Jagruti S. Engineer
Whole Time Director

Place : Ahmedabad
Date : May 25, 2020.

DECLARATION

[Pursuant to para D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) regulations, 2015]

To,
The Members
Astral Poly Technik Limited.

I, Sandeep P. Engineer, Managing Director of Astral Poly Technik Limited hereby declare that as of March 31, 2020, all the Board Members and Senior Management have affirmed compliance with the Code of Conduct laid down by the Company.

For **Astral Poly Technik Limited**

Sandeep P. Engineer
Managing Director
DIN: 00067112

Place: Ahmedabad
Date: May 25, 2020.

Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

The Members of **Astral Poly Technik Limited**

1. The Corporate Governance Report prepared by Astral Poly Technik Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) of sub – regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") with respect to Corporate Governance for the year ended March 31, 2020. This report is required by the Company for annual submission to the Stock exchange.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.

5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include:

   i. Read and understood the information prepared by the Company and included in its Corporate Governance Report;

   ii. Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;

   iii. Obtained and read the Register of Directors as on March 31, 2020 and verified that atleast one independent woman director was on the Board of Directors throughout the year;

   iv. Obtained and read the minutes of the following committee meetings / other meetings held April 1, 2019 to March 31, 2020:

      (a) Board of Directors;

      (b) Audit Committee;

      (c) Annual General Meeting (AGM) / Extra Ordinary General Meeting (EGM);

      (d) Nomination and Remuneration Committee;

      (e) Stakeholders Relationship Committee;

      (f) Risk Management Committee

   v. Obtained necessary declarations from the directors of the Company.

vi. Obtained and read the policy adopted by the Company for related party transactions.

vii. Obtained the schedule of related party transactions during the year and balances at the year- end. Obtained and read the minutes of the audit committee meeting where in such related party transactions have been pre-approved prior by the audit committee.

viii. Performed necessary inquiries with the management and also obtained necessary specific representations from management.

8. The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

9. Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2020, referred to in paragraph 4 above.

Other matters and Restriction on Use

10. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

11. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

Per Anil Jobanputra
Partner
Membership Number : 110759
UDIN: 20110759AAAABT8685

Place of Signature: Mumbai
Date: May 25, 2020.

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members of
Astral poly Technik Limited
"Astral House", 207/1, B/h Rajpath club,
Off S.G. Highway, Ahmedabad- 380059.
Gujarat, India.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Astral Poly Technik Limited (CIN: L25200GJ1996PLC029134) and having registered office at "Astral House", 207/1, B/h. Rajpath Club, Off S.G. Highway, Ahmedabad – 380059, Gujarat, India (hereinafter referred to as "the Company"), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C Sub Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1	K.R. Shenoy	00801985	23.09.2006
2	Sandeep Engineer	00067112	25.03.1996
3	Jagruti Engineer	00067276	25.03.1996
4	Kyle A. Thompson	00254002	01.12.1997
5	Anil Kumar Jani	07078868	28.01.2015
6	Pradip N. Desai	00336937	23.09.2006
7	Kaushal D. Nakrani	08405226	29.03.2019
8	Viral Jhaveri	08277568	24.10.2019
9	C K Gopal	08434324	11.02.2020

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate 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.

The relevant records have been examined during the period of national lockdown on account of the COVID-19 pandemic. Hence the relevant records were accessed through or received by electronic mode and physical records were not inspected. However, necessary confirmation for the authenticity of the records received has been provided by the Company.

Name: **Monica Kanuga**
Membership No.: F 3868
CP No.: 2125
UDIN: F003868B000275689

Place: Ahmedabad
Date: May 25, 2020

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L25200GJ1996PLC029134
2	Name of the Company	Astral Poly Technik Limited
3	Registered address	"Astral House", 207/1, B/h Rajpath Club, Off. S. G. Highway, Ahmedabad – 380059, Gujarat, India.
4	Website	www.astralpipes.com
5	E-mail	info@astralpipes.com
6	Financial year reported	2019-20
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Plastic Products, NIC Code-222.
8	List three key products/services that the Company manufactures/provides(as in balance sheet)	1. CPVC pipes. 2. PVC pipes. 3. CPVC/PVC fittings
9	Total number of locations where business activity is undertaken by the Company	No. of national locations: 31 (which includes 6 manufacturing units, 12 offices and 13 depots) No. of international locations : 1 Joint venture company in Kenya
10	Markets served by the Company	Local, State, National & International

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital (₹)	₹ 15,06,62,206/-
2	Total Turnover (₹)	₹ 20,428 Millions
3	Total profit after taxes (₹)	₹ 2,008 Millions
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	₹ 38.1 Millions during FY 2019-20 (1.89 % of PAT)
5	List of activities in which expenditure in 4 above has been incurred:	Contribution towards Disaster Management for COVID-19, community development etc.

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies?

   The Company has 5 subsidiary companies (including 1 step down subsidiary) as on March 31, 2020

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s).

   Subsidiaries of the Company follow major business responsibility initiatives of parent company to the extent practicable.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/ entities? [Less than 30%, 30-60%, More than 60%].

   No other entity / entities participate in the BR initiatives of the Company.

SECTION D: BR INFORMATION

1. **Details of Director/Directors responsible for BR:**

   (a) Details of the Directors/Director responsible for implementation of the BR policy/policies:

   1. DIN: 00067112
   2. Name: Mr. Sandeep Engineer
   3. Designation: Managing Director

   (b) Details of the BR head:

   1. DIN: 00067276
   2. Name: Mrs. Jagruti Engineer
   3. Designation: Whole Time Director
   4. Tele No.: 079-66212000
   5. E-mail: brr@astralpipes.com

2. **Principle-wise (as per NVGs) BR Policy/policies:**

No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2	Has the policy being formulated in consultation with the relevant stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	-	Yes	Yes
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	The policies are aligned with the principles of NVG guidelines								
4	Has the policy being approved by the Board? Is yes, has it been signed by MD / owner / CEO / appropriate Board Director?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
5	Does the Company have a specified committee of the Board / Director Official to oversee the implementation of the policy?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
6	Indicate the link for the policy to be viewed online?	https://www.astralpipes.com/uploads/investor_broucher/1538746346_275_l.pdf								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The BR policies have been communicated to Company's internal and external stakeholders through relevant contents on the website of the Company www.astralpipes.com.								
8	Does the Company have in house structure to implement the policy / policies?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
9	Does the Company have a grievance redressal mechanism related to the policy / policies to address stakeholders' grievances related to the policy / policies?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
10	Has the Company carried out independent audit / evaluation of the working of this policy by an internal or external agency?	No	No	No	No	No	No	No	No	No

3. **Governance related to BR**

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

The Company's Business Responsibility performance is assessed annually.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

This report comprises the Company's fourth Business Responsibility Report as per the National Voluntary Guidelines on Social, Environmental and Economic Responsibility of Business (NVG). The Company currently does not publish a separate Sustainability Report. This Report is part of Annual report which is posted on the Company's website - www.astralpipes.com.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?

The Company is committed to conduct its affairs in a fair, transparent and professional manner and maintaining good ethical standards, transparency and accountability in dealing with all its stakeholders. The Company has adopted Code of Conduct for all employees which covers policy on ethics, values and anti-corruption. Further, the Company has also adopted a separate Code of Conduct for its Directors and Senior Management which lays down the best corporate governance practices to be followed by the Board members and senior management personnel. In addition to this, the Company also has a Whistle Blower Policy and policy against sexual harassment at workplace. Internal Complaints Committee has been set up to address the complaints of sexual harassment at workplace.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

   Details relating to shareholders' complaints, received and resolved, are provided in Corporate Governance Report, which is a part of this Annual Report. However, there was no stakeholder complaint in the reporting period with regard to ethics, bribery, corruption and sexual harassment.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

   The Company is manufacturing CPVC Pipes & Fittings, PVC Pipes & Fittings and PE/PP Piping Systems. The manufacturing process of these products are environmental friendly and comply with applicable norms. Astral is committed to conduct its business in an Eco-Friendly manner. Company is maintaining sustainability into the various stages of product lifecycle including correct raw material procurement, manufacturing of products, damage free transportation of goods and proper disposals by consumers. At the time of new development, it is being considered that how it will be beneficial to environment and society from Cradle to Grave. With a view to reducing indirect emission of Green House Gases, company has installed windmills, going to install solar power plants in all manufacturing plants, planted saplings all along plant boundary wall. All products being manufactured by Astral are eco-friendly. The Company has received the certification for ISO 14001:2015 and ISO 45001:2018 for integrated management system implementation.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

   (a) **Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**

   Astral collects data, analyse the same and try to get maximum efficiency level in case of energy and water. All the production processes in the Company are energy efficient and Eco-friendly. For saving energy, company has taken many steps in all plants to optimise the use of resources. Even internal plant transportation is made by energy efficient vehicle or environmental friendly vehicle. Astral conducts energy audits regularly. Company has initiated steps to save near about 20% of energy. Water saving is approx. 26% in plant by using STP plant recycled water and RO waste water. Also water harvesting wells are there in all plants.

   (b) **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

   Astral is trying to achieve by providing periodic training to plumbers for installation of piping system which deals with various measures regarding Energy/Water consumption.

3. **Does the Company have procedures in place for sustainable sourcing (including transportation)?**

   Astral is practicing sustainable procurement for its needs of goods, services, utilities etc. with a view to maximising benefit to itself as well as society. At the time of selection of vendor, company is considering environmental, economic and social impact. Company has developed tools and techniques for the same. Company is establishing long term relationship with its vendors and makes sure to include them in Company's growth.

   (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

   Majority amount of our indigenous raw material and components are sourced within a range of 250 kms from the factory premises.

4. **Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?**

   (a) **If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

   The Company is determined to procure all required material from nearest possible quality suppliers. Company is procuring total packing material, many raw material, components, accessories, equipment, services etc. from nearest possible suppliers. Very strict inhouse quality checks and frequent inspections of suppliers are performing by company team for enhancing their quality as well as capacity also. Company is trying to source maximum possible skilled, semiskilled and unskilled manpower from nearby areas.

5. **Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as 10%). Also, provide details thereof, in about 50 words or so.**

Whatever the products are being manufactured by the Company are 100% recyclable. Generated waste during manufacturing process is being grounded and then blended with the Raw material. Out of generated waste, no or very little waste cannot be reused and recycled. Also company use STP recycled water & RO waste water for gardening and flushing in toilets. Also company arranges frequent training programmes for employees regarding ones responsibility towards environment, suggesting employees to save water, save papers by not taking prints or use one side printed paper, provides recycle calendar with plant seeds, provides plant saplings, running advertisement video on website and social media.

Principle 3: Businesses should promote the wellbeing of all employees.

1. **Please indicate the Total number of employees.**

The Company has 1,639 employees as on March 31, 2020

2. **Please indicate the Total number of employees hired on temporary/contractual/casual basis.**

The Company has 2,240 employees hired on temporary/contractual/casual basis.

3. **Please indicate the Number of permanent women employees**

The Company has 67 women employees as on March 31, 2020

4. **Please indicate the Number of permanent employees with disabilities**

The Company has 8 employees with disabilities as on March 31, 2020

5. **Do you have an employee association that is recognised by management**

The Company does not have an employee association that is recognised by the management.

6. **What percentage of your permanent employees is members of this recognised employee association?**

Not applicable

7. **Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year?**

There were no complaints of this nature during the financial year.

8. **What percentage of your under mentioned employees were given safety & skill upgradation training in the last year?**

(a) Permanent Employees

(b) Permanent Women Employees

(c) Casual/Temporary/Contractual Employees

(d) Employees with Disabilities

The Company is committed in ensuring the well-being of all its employees, their safety and health. It considers employee wellbeing as imperative ingredient to achieve a sustained growth of the organisation. The Company's training programs extend to all permanent and contractual employees. All employees, including women and differently abled, are given mandatory safety training on induction as well as the job skills related training through the Contractors and the Company.

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised

1. **Has the Company mapped its internal and external stakeholders? Yes/No**

The Company values the support of its stakeholders (i.e. distributors, dealers, suppliers, customers, other business associates and local community near to the premises) and respects the interests and concerns they have towards it. The Company believes that it has a responsibility to think and act beyond interest of shareholders to include all its stakeholders specially interest of weaker section of society. The Company has mapped major stakeholders which includes workers, employees, distributors, dealers, plumbers, investors, govt. agencies and local community.

2. **Out of the above, has the Company identified the disadvantaged, vulnerable & marginalised stakeholders**

Yes

3. **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders. If so, provide details thereof, in about 50 words or so.**

The Company through various initiatives engage with disadvantaged, vulnerable and marginalised stakeholders specially workers, plumbers and local community. The Company is sensitive towards rights of stakeholders and ensures that the same are protected.

Beyond manufacturing, the Company trains more than 85,000 plumbers every year in India. The

Company believes this training equips them in making their future sustainable and at the same time, overall quality of plumbing improves in our country

Principle 5: Businesses should respect and promote human rights.

1. **Does the policy of the Company on human rights cover only the Company or extend to the Group/ Joint Ventures/ Suppliers/Contractors/NGOs/ Others?**

   The Company believes in protecting the human rights of all individuals, recognising their need for respect and dignity and also promotes awareness of the importance of respecting human rights within its entire value chain by discouraging instances of abuse. The Company understands that human rights are inherent, universal, indivisible and inter-dependent in nature. The Company is committed to protect the rights of all internal and external stakeholders.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   No complaint was received by the Company from any stakeholder during past financial year.

Principle 6: Business should respect, protect, and make efforts to restore the environment.

1. **Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/others.**

   The Company believes in setting high standards in the area of environmental responsibility and striving for performance that does not merely comply with regulations but reduces environmental impacts. The Company has adopted policy on Health, Safety and Environment and is applicable to the Company. The Policy is prominently displayed at the manufacturing units. The Policy is given to all visitors to the factory premises.

2. **Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.**

   The Company is continuously taking measures for developing new energy efficient systems which minimises energy consumption and related emission reduction.

3. **Does the Company identify and assess potential environmental risks? Y/N**

   The Company does from time to time identify and assess potential environmental risks. However, the process of the Company as of now does not involve emission of any material adversely affecting the environment.

4. **Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

   At present, the Company has not undertaken any project under clean development mechanism.

5. **Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

   Project work on installation of 3 MW of solar power roof top panels in Santej and Dholka plant each are under final stage of installation. The process of installing solar power rooftop panels at other plants are also under progress. The estimated power generation will be around 8.2 MW. As a part of promoting renewable energy, the Company installed 250 kva of solar power rooftop panels at Hosur (Tamil Nadu) plant of the Company.

6. **Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

   Emissions/ waste generated by the Company are within the permissible limits prescribed by SPCBs.

7. **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

   There is no show cause/legal notice received from SPCB by the Company during the year which is pending.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

1. **Is your company a member of any trade and chamber or association? If yes, Name only those major ones that your business deals with:**

   The Company believes in engaging with industry bodies and associations to influence public and regulatory policy in a most responsible manner and advocating the best practices for the benefit of society at large. The Company is members of Gujarat Chamber of Commerce and Industry, Confederation of Indian Industry, Federation of Indian Export Organisation and Indian Plumbing Association.

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/ No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others).

The Company from time to time makes representations to the associations concerning the areas of public good.

Principle 8: Businesses should support inclusive growth and equitable development.

1. Does the Company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

The Company believes in conducting responsible business practices that emphasize on social and economic issues to achieve inclusive growth. It believes in equitable development, taking into account the interests of the business community, fairness in the treatment of employees, and sustainability in protecting and enhancing resources (human and others) in responding to an array of social and environmental needs.

The Company is carrying out project for yoga, various healthcare activities and allied social service activities for public pan India. The Company is undertaking different activities either directly or through any non-profit organisations. Details various such CSR activities are mentioned in the annexure to the Directors' Report.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/ any other organisation?

The program is undertaken directly and through a Charitable Trust viz. Astral Charitable Trust or any other non-profit organisation.

3. Have you done any impact assessment of your initiative?

No impact assessment is made at this stage.

4. What is your company's direct contribution to community development projects/CSR amount in INR and the details of the projects undertaken.

The Company's monetary contribution to community development projects/ CSR in FY 2019-20 was ₹ 38.1 Millions. Till date, the Company has contributed ₹ 138.7 millions. Details of CSR initiatives undertaken by the Company are set out in the corporate social responsibility section of this Annual Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

Company's community development programs have sprung from the needs of the local community and public at large and hence adoption of the initiatives have become very smooth and successful.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

1. What percentage of customer complaints/ consumer cases are pending as on the end of financial year.

The Company is committed to continuously exceed customer expectations. Customer satisfaction is the key to our growth and success in this line of business. The Company strives hard to provide better products and greatest value to its customers. There are no customer complaints/consumer cases pending at the end of the financial year.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/ N.A. / Remarks(additional information)

The Company displays all product information on the product label, which is mandatory and as may be required for the use of the products by the consumers.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

There are no cases filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

The Company does from time to time carry our customer satisfaction surveys.

INDEPENDENT AUDITORS' REPORT

To the Members of
Astral Poly Technik Limited

REPORT ON THE AUDIT OF THE STANDALONE IND AS FINANCIAL STATEMENTS

OPINION

We have audited the accompanying Standalone Ind AS financial statements of Astral Poly Technik Limited ("the Company"), which comprise the Balance sheet as at March 31, 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

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

BASIS FOR OPINION

We conducted our audit of the Standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS 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 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the Standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Standalone Ind AS financial statements.

INDEPENDENT AUDITORS' REPORT (Contd.)

Key audit matters	How our audit addressed the key audit matter
Impairment assessment of investments in subsidiaries (Refer note no. 2(v)(iii) of Standalone Ind AS Financial Statements)	
The Company's investment in subsidiaries is amounting to ₹ 3,335 million as at 31 March 2020. The determination of value in use of the Company's investments in subsidiaries is dependent on management's estimates with respect to such entity's performance, future cash flows and making judgment with respect to assumptions used in computing the recoverable amount of investments in subsidiaries. Considering the uncertainty involved in forecasting of cash flows and the judgement involved in respect of assumptions used in computing the value in use this audit area is considered a key audit matter.	We performed following procedures, among others: • We evaluated the forecast of future cash flows used by the management in the model to compute the Recoverable amount. • We compared the forecast of future cash flows to business plan and previous forecasts to the actual results. • We focused our analysis on management assumptions in respect of future sales growth rate and discount rate used to compute the Recoverable amount. • We recalculated estimates using the management model. • We involved valuation specialists to assist in evaluating the key assumptions and methodologies used by the Company in computing the Recoverable amount. • We assessed the disclosures made in the Standalone Ind AS financial statements.

OTHER INFORMATION

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

Our opinion on the Standalone Ind AS 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 Standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT FOR THE STANDALONE IND AS 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 Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the 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 Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Ind AS 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.

INDEPENDENT AUDITORS' REPORT (Contd.)

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE IND AS FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Ind AS financial statements, including the disclosures, and whether the Standalone Ind AS 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 complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS financial statements for the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

INDEPENDENT AUDITORS' REPORT (Contd.)

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) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to 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, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS financial statements – Refer Note 33 to the Standalone Ind AS financial statements;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection fund by the Company.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Anil Jobanputra**
Partner
Membership Number: 110759
UDIN: 20110759AAAABV5546

Place of Signature: Mumbai
Date: May 25, 2020

INDEPENDENT AUDITORS' REPORT (Contd.)

ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 OF REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS OF OUR REPORT OF EVEN DATE OF ASTRAL POLY TECHNIK LIMITED FOR THE YEAR ENDED MARCH 31, 2020

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.

(b) The Property, plant and equipment are physically verified by the management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, plant and equipment has been physically verified by the management during the year and no material discrepancies have been noticed on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties held as in property, plant and equipment are in the name of the Company except the following:

Particulars of Land and Building	Gross Block as at March 31, 2020 (₹ in Million)	Net Block as at March 31, 2020 (₹ in Million)	Remarks
Two office buildings located at Ahmedabad.	13	10	The title deeds of the same buildings are under process of being transferred in the name of the Company.
Land and building located at Uttarakhand, Karnataka and multiple locations in Maharashtra	430	418	Land and building are in the name of Amalgamating Company. Pursuant to the scheme of amalgamation, as stated in note 38 to Ind AS Standalone financial statements. The title deeds of the same are under process of being transferred in name of the Company.

(ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.

(iii) (a) The Company has granted loans to one Company covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the Company's interest.

(b) The Company has granted aforesaid loans that are re-payable on demand. We are informed that the company has not demanded repayment of any such loan during the year, and thus, there has been no default on the part of the parties to whom the money has been lent. The payment of interest has been regular.

(c) There are no amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue for more than ninety days.

(iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees and securities given have been complied with by the Company.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of goods, and are of the opinion that prima facie, the

INDEPENDENT AUDITORS' REPORT (Contd.)

specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) a) According to the information and explanation given to us and examination of records of the Company, undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities.

b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

c) According to the information and explanations given to us, there are no statutory dues which have not been deposited on account of any dispute except for the following.

Name of the statute	Nature of the dues	Amount (₹ in million)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act 1961	Income Tax	8	FY 2013-14 and FY 2014-15	ITAT
Finance Act, 1994	Service Tax	5	FY 2008-09 to FY 2012-13	Tribunal
The Central Sales Tax Act, 1956	Central Sales Tax	2	FY 2013-14 & FY 2014-15	Office of commercial Tax
The Central Sales Tax Act, 1956	Central Sales Tax	27	FY 2014-15	Joint Commissioner Sales Tax (Appeals)
GST Act, 2017	Goods and Service Tax	0	FY 2017-18	Appellate Authority
The Maharashtra Value Added Tax Act, 2002	Value Added Tax	2	FY 2002-03 to FY 2006-07	Tribunal
The Maharashtra Value Added Tax Act, 2002	Value Added Tax	2	FY 2014-15	Joint Commissioner Sales Tax (Appeals)

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowings from banks or financial institution. The Company did not have any due payable to the debenture holders and government during the year.

(ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instrumentsand term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order

INDEPENDENT AUDITORS' REPORT (Contd.)

are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the notes to the Standalone Ind AS financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act.

(xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45IA of Reserve Bank of India Act, 1934.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Anil Jobanputra**
Partner
Membership Number: 110759
UDIN: 20110759AAAABV5546

Place of Signature: Mumbai
Date: May 25, 2020

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF ASTRAL POLY TECHNIK LIMITED

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls over financial reporting of Astral Poly Technik Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these Standalone Ind AS financial statements 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 as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these Standalone Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these Standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these Standalone Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these Standalone Ind AS financial statements

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE IND AS FINANCIAL STATEMENTS

A company's internal financial control over financial reporting with reference to these Standalone Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these Ind AS financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

INDEPENDENT AUDITORS' REPORT (Contd.)

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE IND AS FINANCIAL STATEMENTS

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

OPINION

In our opinion, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting with reference to these Standalone Ind AS financial statements and such internal financial controls over financial reporting with reference to these Standalone Ind AS financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Anil Jobanputra**
Partner
Membership Number: 110759
UDIN: 20110759AAAABV5546

Place of Signature: Mumbai
Date: May 25, 2020

STANDALONE BALANCE SHEET
AS AT MARCH 31, 2020

(₹ in Million)

Particulars	Notes	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3(A)	7,349	6,252
(b) Capital work-in-progress		426	775
(c) Goodwill		192	192
(d) Other Intangible assets	3(B)	349	415
(e) Right of use assets (ROU)	3(C)	333	-
(f) Financial assets			
(i) Investments	4	3,388	3,399
(ii) Loans	5	388	329
(iii) Other financial assets	6	40	59
(g) Non-current tax assets	7	-	7
(h) Other non-current assets	8	134	258
Total non-current assets		**12,599**	**11,686**
Current assets			
(a) Inventories	9	4,221	2,996
(b) Financial assets			
(i) Trade receivables	10	1,391	2,233
(ii) Cash and cash equivalents	11	109	531
(iii) Bank balances other than (ii) above	12	601	88
(iv) Loans	5	12	13
(v) Other financial assets	6	46	60
(c) Current tax assets (net)	7	128	10
(d) Other current assets	8	310	233
Total current assets		**6,818**	**6,164**
Total assets		**19,417**	**17,850**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	13	151	120
(b) Other equity	14	13,166	11,420
Total equity		**13,317**	**11,540**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	891	1,213
(ii) Lease liabilities	40	13	-
(b) Provisions	16	12	15
(c) Deferred tax liabilities (Net)	17	372	466
Total non-current liabilities		**1,288**	**1,694**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	-	250
(ii) Lease liabilities	40	20	-
(iii) Trade payables	18		
a total outstanding dues of micro enterprises and small enterprises		-	-
b total outstanding dues of creditors other than micro enterprises and small enterprises		4,076	3,221
(iv) Other financial liabilities	19	487	825
(b) Other current liabilities	20	204	265
(c) Provisions	16	25	17
(d) Current tax liabilities (Net)	21	-	38
Total current liabilities		**4,812**	**4,616**
Total liabilities		**6,100**	**6,310**
Total equity and liabilities		**19,417**	**17,850**

See accompanying notes to the standalone financial statements

As per report of even date

For S R B C & CO LLP
Chartered Accountatnts
ICAI Firm Registration No.: 324982E/E300003

Per Anil Jobanputra
Partner
Membership No : 110759

Place : Mumbai
Date : May 25, 2020

For and on behalf of the Board of Directors of Astral Poly Technik Limited
CIN : L25200GJ1996PLC029134

Sandeep P. Engineer
Managing Director
DIN : 00067112

Jagruti S. Engineer
Whole Time Director
DIN : 00067276

Hiranand A. Savlani
Chief Financial Officer

Krunal D. Bhatt
Company Secretary

Place : Ahmedabad
Date : May 25, 2020

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

(₹ in Million, except as stated otherwise)

Particulars	Notes	Year ended March 31, 2020	Year ended March 31, 2019
Income			
Revenue from operations	22	20,428	19,157
Other income	23	109	115
Total		**20,537**	**19,272**
Expenses			
Cost of materials consumed	24	12,900	12,311
Purchase of stock-in-trade	25	671	791
Changes in inventories of finished goods, stock-in-trade and work-in-progress	26	(594)	(284)
Employee benefits expense	27	977	754
Finance costs	28	337	281
Depreciation and amortization expense	29	899	671
Other expenses	30	2,777	2,546
Total		**17,967**	**17,070**
Profit before exceptional items and tax		**2,570**	**2,202**
Exceptional Items	42	25	20
Profit before tax		**2,545**	**2,182**
Tax expense	31		
Current tax		631	677
Deferred tax		(94)	91
Total tax expense		**537**	**768**
Profit for the year		**2,008**	**1,414**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Remeasurements gain/(loss) on defined benefit plans		(2)	(1)
Income Tax relating to items that will not be reclassified to profit or loss		0	0
Total other comprehensive income		(2)	(1)
Total comprehensive income for the year		**2,006**	**1,413**
Earnings per equity share (Face value of ₹ 1/- each)	32		
- Basic (in ₹)		13.33	9.40
- Diluted (in ₹)		13.33	9.40

See accompanying notes to the standalone financial statements

As per report of even date
For S R B C & CO LLP
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Chief Financial Officer

Krunal D. Bhatt
Company Secretary

Place : Ahmedabad
Date : May 25, 2020

STANDALONE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Million)

Sr No.	Particulars	Year ended March 31, 2020	Year ended March 31, 2019
A	**Cash flows from operating activities**		
	Profit before tax	**2,545**	**2,182**
	Adjustments for :		
	Depreciation and amortisation expense	899	671
	Finance costs	337	281
	Interest income	(78)	(66)
	Credit balances written back	(3)	(7)
	Gain on Sale of Current Investments	(12)	(5)
	(Profit)/Loss on sale of Property, Plant & Equipment (Net)	7	3
	Impairment of Investment in Joint Venture	25	20
	Share based payment expense	11	7
	Allowance for expected credit loss	-	30
	Bad debts written off	13	-
	Unrealised foreign exchange loss/(gain) (Net)	154	(63)
	Operating profit before Working Capital Changes	**3,898**	**3,053**
	Changes in working capital :		
	(Increase)/Decrease in Inventories	(1,225)	(67)
	(Increase)/Decrease in Trade receivables, financial assets and other assets	832	452
	Increase/(Decrease) in Trade Payables, financial liabilities, other liabilities and provisions	669	171
	Cash generated from operations	**4,174**	**3,609**
	Income taxes paid	(780)	(723)
	Net cash generated from operating activities [A]	**3,394**	**2,886**
B	**Cash flows from investing activities**		
	Payment for property, plant and equipment and intangible assets(including capital advances and capital creditors)	(1,925)	(1,877)
	Proceeds from Sale of property, plant and equipment	47	51
	Loan given to subsidiary	(42)	(84)
	Interest Received	15	19
	Gain on Sale and purchase of Current Investments(net)	12	5
	Increase/(Decrease) in other balances with banks	(513)	(7)
	Proceeds from Mutual fund/NSC	-	0
	Purchase of Long term investments in Joint Venture/Subsidiary	-	(40)
	Consideration paid to owners of amalgamating company (Note 38)	-	(752)
	Net Cash flow used in Investing Activities [B]	**(2,406)**	**(2,685)**

STANDALONE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Million)

Sr No.	Particulars	Year ended March 31, 2020	Year ended March 31, 2019
C	**Cash flow from Financing Activities**		
	Dividend paid (including tax on dividend)	(240)	(94)
	Proceeds from issue of Equity Shares	-	2
	Finance Cost	(336)	(274)
	Proceeds from Long Term Borrowings	206	1,145
	Repayment of Long Term Borrowings	(762)	(740)
	Proceeds/(repayment) of Short Term Borrowings	(250)	(112)
	Payment of lease liabilities	(28)	-
	Net Cash flow used in Financing Activities [C]	**(1,410)**	**(73)**
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS [A+B+C]	**(422)**	**128**
	Cash and cash equivalents at the beginning of the year (Note 11)	**531**	**382**
	Cash and cash equivalents acquired from amalgamating company (Note 38)	-	21
	Effect of exchange differences on restatement of foreign currency cash and cash equivalents	0	0
	Cash and Cash Equivalents at the end of the year (Note 11)	**109**	**531**

Note: The above Cash Flow Statement has been prepared as per 'Indirect Method' as set out in Ind AS 7 on Statement of Cash Flow.

Changes in liabilities arising from financing activities

(₹ in Million)

Particulars	Non-current borrowings*	Current borrowings	Total
Balance as at April 1, 2018	**1,156**	**-**	**1,156**
Acquisition on account of amalgamation	155	362	517
Cash flows	405	(112)	293
Foreign exchange adjustments	(2)	-	(2)
Balance as at March 31, 2019	**1,714**	**250**	**1,964**
Cash flows	(556)	(250)	(806)
Foreign exchange adjustments	25	-	25
Balance as at March 31, 2020	**1,183**	**-**	**1,183**

* Long term borrowings including current maturities classified in Other Financial liabilities.

See accompanying notes to the standalone financial statements

As per report of even date
For S R B C & CO LLP
Chartered Accountatnts
ICAI Firm Registration No.: 324982E/E300003

Per Anil Jobanputra
Partner
Membership No : 110759

For and on behalf of the Board of Directors of Astral Poly Technik Limited
CIN : L25200GJ1996PLC029134

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DIN : 00067112

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DIN : 00067276

Hiranand A. Savlani
Chief Financial Officer

Krunal D. Bhatt
Company Secretary

Place : Mumbai
Date : May 25, 2020

Place : Ahmedabad
Date : May 25, 2020

STANDALONE STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED MARCH 31, 2020

A EQUITY SHARE CAPITAL (NOTE 13)

(₹ in Million)

Particulars	Amount
Balance as at April 1, 2018	**120**
Add: movement during the year (Note 13(e))	0
Balance as at March 31, 2019	**120**
Add: movement during the year (Note 38 & 14(b))	31
Balance as at March 31, 2020	**151**

B OTHER EQUITY (NOTE 14)

(₹ in Million)

Particulars	Other equity							Total Other Equity
	Securities premium	General reserve	Capital reserve	Revaluation reserve	Retained earnings	Stock options outstanding account	Shares pending allotment (Note 38)	
Balance as at April 1, 2018	**3,337**	**260**	**4**	**12**	**5,741**	**15**	**-**	**9,369**
Profit for the year	-	-	-	-	1,414	-	-	1,414
Other comprehensive income for the year, net of tax	-	-	-	-	(1)	-	-	(1)
Total comprehensive income for the year	**3,337**	**260**	**4**	**12**	**7,154**	**15**	**-**	**10,782**
Consequent to business combination **(Note 38)**	-	-	-	-	-	-	723	723
Issue of equity shares under employee share options plan **(Note 13(e))**	24	-	-	-	-	-	-	24
Recognition of share-based payments	-	-	-	-	-	7	-	7
Exercise of stock options	-	-	-	-	-	(22)	-	(22)
Payment of dividends (Including tax on dividend)	-	-	-	-	(94)	-	-	(94)

STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Million)

Particulars	Other equity							Total Other Equity
	Securities premium	General reserve	Capital reserve	Revaluation reserve	Retained earnings	Stock options outstanding account	Shares pending allotment (Note 38)	
Balance as at March 31, 2019	**3,361**	**260**	**4**	**12**	**7,060**	**-**	**723**	**11,420**
Profit for the year	-	-	-	-	2,008	-	-	2,008
Other comprehensive income for the year, net of tax	-	-	-	-	(2)	-	-	(2)
Total comprehensive income for the year	**3,361**	**260**	**4**	**12**	**9,066**	**-**	**723**	**13,426**
Consequent to business combination **(Note 38)**	722	-	-	-	-	-	(723)	(1)
Issue of Bonus shares **(Note 14(b))**	(30)	-	-	-	-	-	-	(30)
Recognition of share-based payments	-	-	-	-	-	11	-	11
Payment of dividends (Including tax on dividend)	-	-	-	-	(240)	-	-	(240)
Balance as at March 31, 2020	**4,053**	**260**	**4**	**12**	**8,826**	**11**	**-**	**13,166**

See accompanying notes to the standalone financial statements

As per report of even date
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ICAI Firm Registration No.: 324982E/E300003

Per Anil Jobanputra
Partner
Membership No : 110759

Place : Mumbai
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Hiranand A. Savlani
Chief Financial Officer

Krunal D. Bhatt
Company Secretary

Place : Ahmedabad
Date : May 25, 2020

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

1 COMPANY OVERVIEW

The Company is a public company domiciled in India and is incorporated under the provision of Companies Act applicable in India. Its shares are listed in two recognised stock exchange in India, Bombay Stock Exchange and National Stock Exchange. The company was established in 1996, with the aim to manufacture pro-India plumbing and drainage systems in the country. Astral Poly Technik is equipped with production facilities at Santej & Dholka (Gujarat), Ghiloth (Rajasthan), Sangli (Maharashtra), Sitarganj (Uttarakhand) and Hosur (Tamil Nadu) to manufacture Plumbing systems, Drainage systems, Agriculture, Industrial and Electrical Conduit Pipes with all kinds of necessary fittings.

The financial statements were approved for issue by the resolution of board of directors on May 25, 2020.

2 SIGNIFICANT ACCOUNTING POLICIES:-

a) Basis of Preparation of Financial Statements

The financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter read with Section 133 of the Companies Act, 2013, as amended. All accounting policies are consistently applied except as given below;

The company applied Ind AS 116 Leases for the first time. The nature and effect of the changes as a result of adoption of this new accounting standard is described below.

Several other amendments and interpretations apply for the first time in 2019, but do not have an impact on the standalone financial statements. The Company has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

The financial statements have been prepared on the going concern basis using historical cost convention except for certain financial instruments (refer accounting policy on financial instruments), that are measured at fair values at the end of each reporting period. The standalone financial statements are presented in Indian National currency Rupee (₹) which is the functional currency of the Company, and all values are rounded to the nearest Million, except where otherwise indicated. All amounts individually less than ₹ 0.5 Million have been reported as “0”.

Ind AS 116 Leases:

Ind AS 116 supersedes Ind AS 17 Leases. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have an impact for leases where the Company is the lessor.

The Company adopted Ind AS 116 using the modified retrospective method of adoption, with the date of initial application of April 1, 2019. The Company elected to use the transition practical expedient to not reassess whether a contract is, or contains, a lease at April 1, 2019. The Company applied the standard only to contracts that were previously identified as leases applying Ind AS 17 at the date of initial application. The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets).

Fair value:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either.

- In the principal market for the asset or liabilities or
- In the absence of a principal market in the most advantageous market for the asset and liabilities.

In estimating the fair value of an asset or liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share based payment transaction that are within the scope of Ind AS 102 Share-based Payment, leasing transactions that are within the scope of Ind AS 116

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

Leases, and measurements that have some similarities to fair value but are not fair valued such as net realisable value in Ind AS 2 or value in use in Ind AS 36 Impairment of assets.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

1) Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or Liabilities.

2) Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

3) Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

b) Use of Estimates

The presentation of the financial statements is in conformity with the Ind AS which requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of financial statements. The actual outcome may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

c) Inventories

Inventories are stated at lower of cost and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes cost of purchase and other expenses incurred in bringing the inventories to their present location and condition. Raw materials, Stock in Trade, Stores, Spares and Packing materials are valued on weighted average costs. Work-in-progress and finished goods include appropriate proportion of overheads.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

d) Cash and cash equivalents

Cash and Cash equivalents consists of cash in hand & at bank and all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase.

e) Revenue from contract with customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Sale of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer. In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, if any.

Variable consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Trade receivables (Contract balances)

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Interest Income

Interest income from financial assets is recognised when it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is recorded using the effective interest rate (EIR). Interest income is accrued on a time basis, by reference to the principal outstanding and the interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

f) Property, plant and equipment

Property, Plant & Equipment are stated at actual cost less accumulated depreciation and net of impairment. The actual cost capitalised includes material cost, freight, installation cost, duties and taxes and other incidental expenses incurred during the construction / installation stage.

Properties in course of construction for production, supply or administration purposes are carried at cost, less any recognised impairment loss. All the direct expenditure related to implementation including incidental expenditure incurred during the period of implementation of a project, till it is commissioned, is accounted as Capital work in progress (CWIP) and such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

All items of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on Property, Plant and Equipment other than land and properties under construction are charged based on straight line method on an estimated useful life as prescribed in Schedule II to the Companies Act, 2013.

The estimated useful lives and residual values of the property, plant and equipment are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Depreciation on items of property, plant and equipment acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition / disposal.

g) Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the statement of profit and loss when the asset is derecognised.

Useful lives of intangible assets

Intangible assets are Amortised over their estimated useful life on a straight-line basis over a period of 5 years except assets like Brand which is amortised over 7 years since in the opinion of the management the benefits will be available for that period.

h) Leases

The company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

a. Right-of-use assets

The company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

b. Lease liabilities

At the commencement date of the lease, the company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the company and payments of penalties for terminating the lease, if the lease term reflects the company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

c. Short-term leases and leases of low-value assets

The company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in other income in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as other income in the period in which they are earned.

i) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is reduced from the carrying amount of the asset.

j) Foreign Currencies

In preparing the financial statements of the Company, the transactions in currencies other than the entity's functional currency (INR) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rate prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on monetary items are recognised in the statement of profit and loss in the period in which they arise.

k) Employee Benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity fund and compensated absences.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

Defined Contribution Plan:

The Company's contribution to Provident Fund is considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans:

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to in the statement of profit and loss. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

1) Service costs comprising past and current service costs, gains and losses on curtailments and settlements; and

2) Net interest expense or income

The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Short-term employee benefits:

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

Long-term employee benefits:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the balance sheet date.

Share based payment:

Equity settled share based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity settled share based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

l) Borrowing costs

Borrowing cost includes interest, Amortisation of ancillary costs incurred in connection with arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily takes a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Capitalisation of borrowing cost is suspended and charged to statement of profit and loss during the extended period when active development on the qualifying asset is interrupted.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

m) Earnings per share

Basic earnings per share is computed by dividing the profit /(loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

(loss) for the year attributable to equity shareholders by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.

n) Taxation

Tax expense represents the sum of the current tax and deferred tax.

Current Tax

The tax currently payable is based on taxable profit for the year. Current tax is measured at the amount expected to be paid to the tax authorities, based on estimated tax liability computed after taking credit for allowances and exemption in accordance with the local tax laws. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets include Minimum Alternate Tax (MAT) credit paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT credit is recognised as deferred tax asset in the Balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

Current and deferred tax for the year:

Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income, in which case, the current and deferred tax are also recognised in other comprehensive income.

The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the company.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

o) Provisions, Contingent Liabilities and Contingent Assets and Commitments

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligations. When a provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present obligations of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liabilities and Contingent assets are not recognised in the financial statements when an inflow/ outflow of economic benefits/ loss is not probable.

p) Investments in subsidiaries and joint venture

Investments in subsidiaries and joint venture are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and joint venture, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

Investments in joint venture are accounted for using the equity method. Under the equity method the investment in joint venture is initially recognised at cost. The carrying amount of investment is adjusted to recognise changes.

q) Non-derivative Financial Instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit and loss.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets 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.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit and loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments recognised by the Company are measured at the proceeds received net off direct issue cost.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in financial statements if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

r) Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts/ options and interest rate swaps.

The use of foreign currency forward contracts / options is governed by the Company's policies approved by the Board of Directors, which provide written principles on the use of such financial derivatives consistent with the Company's risk management strategy. The counter party to the Company's foreign currency forward contracts is generally a bank. The Company does not use derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the statement of profit and loss immediately.

Profit or loss arising on cancellation or renewal of a forward exchange contract is recognised as income or as expense in the period in which such cancellation or renewal occurs.

s) Impairment

Financial assets (other than at fair value)

The Company assesses at each Balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and/or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Non-financial assets

Property, plant and Equipment and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash generating units, or otherwise they are allocated to the smallest group of cash generating unit for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

t) Business combinations

At the time of acquisition, the Company considers whether each acquisition represents the acquisition of a business or the acquisition of an asset. The Company accounts for an acquisition as a business combination where an integrated set of activities and assets, including property, is acquired. More specifically, consideration is given to the extent to which significant processes are acquired and, in particular, the extent of services provided by the subsidiary (e.g., maintenance, cleaning, security, bookkeeping, hotel services, etc.).

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

When the Company acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

u) Operating Cycle

The Company presents assets and liabilities in the balance sheet based on current / non-current classification based on operating cycle.

An asset is treated as current when it is:

1. Expected to be realised or intended to be sold or consumed in normal operating cycle;
2. Held primarily for the purpose of trading;
3. Expected to be realised within twelve months after the reporting period, or
4. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

1. It is expected to be settled in normal operating cycle;
2. It is held primarily for the purpose of trading;
3. It is due to be settled within twelve months after the reporting period, or
4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The Company has identified twelve months as its operating cycle.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

v) Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements in conformity with the Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures as at date of the financial statements and the reported amounts of the revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different assumptions and conditions. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing as material adjustment to the carrying amounts of assets and liabilities within next financial year.

i. Useful lives of property, plant and equipment and intangible assets

As described in Note 2 (f) and (g), the Company reviews the estimated useful lives and residual values, if any, of property, plant and equipment and intangible assets at the end of each reporting period. During the current financial year, the management determined that there were no changes to the useful lives and residual values of the property plant and equipment and intangible assets.

ii. Provisions and Contingent Liabilities

Provisions and Contingent Liabilities are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

iii. Impairment of Investment in Subsidiaries and Joint Venture

The investment in subsidiaries and joint venture are tested for impairment in accordance with provisions applicable to impairment of non-financial assets. The determination of recoverable amounts of the Company's investments in subsidiaries and involves significant judgements. Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount includes weighted average cost of capital and estimated operating margins.

Basis the above determination of recoverable amount, the management has concluded that there is ₹ 25 Million (Previous year: ₹ 20 Million) impairment in investments of subsidiaries and joint venture.

iv. Impairment of goodwill

With respect to the Goodwill of ₹ 192 Million, the recoverable amount of cash generating units (CGU) has been determined based on value in use calculations. Recoverable amounts for these CGUs has been determined based on value in use for which cash flow forecasts of the related CGU and discount rate ranging from 12.5% to 15% has been applied. The values assigned to the assumption reflect past experience and are consistent with the management's plans for focusing operations in these markets. The management believes that the planned market share growth is reasonably achievable.

An analysis of the sensitivity of the computation to a change in key parameters (operating margin, discount rate and growth rate), based on a reasonable assumption, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

3 PROPERTY, PLANT AND EQUIPMENT, OTHER INTANGIBLE ASSETS AND RIGHT OF USE ASSETS (ROU)

(₹ in Million)

SR. NO.	ASSETS	GROSS CARRYING AMOUNT						ACCUMULATED DEPRECIATION AND AMORTIZATION				NET CARRYING AMOUNT	
		As at April 1, 2019	Acquisition on account of amalgamation (Note 38)	Reclassified on account of Ind AS 116	Additions	Disposals	As at March 31, 2020	As at April 1, 2019	For the Year	Disposals	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
A.	**TANGIBLE ASSETS**												
a	Land	1,172	-	(280)	144	-	1,036	-	-	-	-	1,036	1,172
		(974)	(192)	-	(6)	-	(1,172)	-	-	-	-	(1,172)	(974)
b	Buildings	1,950	-	-	531	9	2,472	206	89	-	295	2,177	1,744
		(1,260)	(182)	-	(508)	-	(1,950)	(138)	(68)	-	(206)	(1,744)	(1,122)
c	Plant and Equipments	4,407	-	-	1,348	15	5,740	1,451	628	6	2,073	3,667	2,956
		(3,121)	(409)	-	(933)	(56)	(4,407)	(965)	(496)	(10)	(1,451)	(2,956)	(2,156)
d	Furniture and Fixtures	280	-	-	82	15	347	66	33	10	89	258	214
		(149)	(4)	-	(128)	(1)	(280)	(45)	(21)	-	(66)	(214)	(104)
e	Vehicles	151	-	-	29	4	176	33	23	1	55	121	118
		(100)	(19)	-	(46)	(14)	(151)	(24)	(17)	(8)	(33)	(118)	(76)
f	Computers and Office Equipments	100	-	-	67	1	166	52	25	1	76	90	48
		(77)	(5)	-	(20)	(2)	(100)	(37)	(16)	(1)	(52)	(48)	(40)
Total		**8,060**	**-**	**(280)**	**2,201**	**44**	**9,937**	**1,808**	**798**	**18**	**2,588**	**7,349**	**6,252**
		(5,681)	**(811)**	**-**	**(1,641)**	**(73)**	**(8,060)**	**(1,209)**	**(618)**	**(19)**	**(1,808)**	**(6,252)**	
B.	**INTANGIBLE ASSETS**												
a	Computer software	37	-		6	-	43	24	8	-	32	11	13
		(32)	-	-	(5)	-	(37)	(17)	(7)	-	(24)	(13)	(15)
b	Brands	448	-	-	-	-	448	46	64	-	110	338	402
		-	(448)	-	-	-	(448)	-	(46)	-	(46)	(402)	-
Total		**485**	**-**	**-**	**6**	**-**	**491**	**70**	**72**	**-**	**142**	**349**	**415**
		(32)	**(448)**	**-**	**(5)**	**-**	**(485)**	**(17)**	**(53)**	**-**	**(70)**	**(415)**	
C.	**RIGHT OF USE ASSETS (ROU)**												
a	Leasehold land	-	-	280	53	28	305	-	3	-	3	302	-
		-	-	-	-	-	-	-	-	-	-	-	-
b	Buildings	-	-	-	57	-	57	-	26	-	26	31	-
		-	-	-	-	-	-	-	-	-	-	-	-
Total		**-**	**-**	**280**	**110**	**28**	**362**	**-**	**29**	**-**	**29**	**333**	**-**
		-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	

Notes :

a. Building Includes ₹ 750/- being face value of 15 number of shares of ₹ 50/- each held in Kant Apartment Co- Operative Housing Society Limited. Also includes ₹ 10 Million (Previous Year ₹ 10 Million) for which the procedure for transfer of title in the name of the company is in process.

b. Pursuant to the scheme of amalgamation as stated in note no. 38, the title deeds of, Land and Building ₹ 193 Million and ₹ 225 Million respectively (Previous year : ₹ 193 Million and ₹ 233 Million respectively) are under process with concerned government authorities for transfer in the name of the Company.

c. During the year the company has received ₹ 28 Million from Rajasthan State Industrial Development and Investment Corporation (RIICO) as incentve in land cost.

d. Figures in brackets represents previous year figures.

e. Brand include trademarks and technical know-how.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

4 INVESTMENTS

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Non-Current Investments		
Investment in Equity Instruments of Subsidiaries at deemed cost		
Unquoted		
i) 50,000 (as at March 31, 2019 : 50,000) Shares of ₹ 10/- each fully paid up in wholly owned subsidiary, Astral Biochem Private Limited, India.	5	5
ii) 286,395 (97.45% holding) (as at March 31, 2019 : 286,395) Shares of ₹ 10/- each fully paid up in Resinova Chemie Limited, India.	2,879	2,879
iii) 80 (80% holding) (as at March 31, 2019 : 80) Shares of GBP 1/- each fully paid up in Seal It Services Limited, UK.	451	451
Investment in Subsidiaries	**3,335**	**3,335**
Investment in Equity Instruments of Joint Venture at deemed cost		
Unquoted		
i) 1,000,000 (as at March 31, 2019 : 1,000,000) Shares of Kenyan Shilling 50/- each fully paid up in Astral Pipes Limited, Kenya.	29	29
Less: Effect of diminution in value of investment	(29)	(29)
Total	**-**	**-**
Investment in Preference Shares of Joint Venture at deemed cost		
Unquoted		
i) 7,200,000 (as at March 31, 2019 : 6,800,000) Non-Cumulative Redeemable Preference Shares of Kenyan Shilling 50/- each fully paid up in Astral Pipes Limited, Kenya.	217	203
Less: Effect of diminution in value of investment (Note 42)	(114)	(89)
Less: Loan component of compound financial instrument (Note 5)	(52)	(52)
Equity component of compound financial instrument	**51**	**62**
Investments in Joint venture	**51**	**62**
Total	**3,386**	**3,397**
Quoted		
Investment in Mutual funds		
Mutual Fund	2	2
Investments in Mutual funds	**2**	**2**
Total	**3,388**	**3,399**

Notes :

a Aggregate carrying value of unquoted investments is ₹ 3,386 Million as at March 31, 2020 (as at March 31, 2019 : ₹ 3,397 Million).

b Aggregate carrying value of quoted investments is ₹ 2 Million as at March 31, 2020 (as at March 31, 2019 : ₹ 2 Million).

c Aggregate amount of diminution in value of investments is ₹ 143 Million as at March 31, 2020 (as at March 31, 2019: ₹ 118 Million).

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

5 LOANS

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current		
(Unsecured, considered good)		
Loans to related parties (Note 37) *	388	329
Total	**388**	**329**
Current		
(Unsecured, considered good)		
Loans to related parties (Note 37)	11	11
Loans and Advances to Employees	1	2
Total	**12**	**13**

Note: Refer note 39 for detailed disclosure on the fair values.

* Includes portion of compound financial instrument and fair valuation of loan of ₹ 72 Million as at March 31, 2020 (as at March 31, 2019: ₹ 66 Million) (Note 4).

6 OTHER FINANCIAL ASSETS

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current		
(Unsecured, considered good)		
Security deposits	39	32
Earmarked deposit accounts	1	13
Advance for purchase of non current investment (Note 37)	-	14
Total	**40**	**59**
Current		
(Unsecured, considered good)		
Security deposits	10	13
Interest accrued on loans and deposits from related parties (Note 37)	6	5
Interest accrued on loans and deposits from others	2	2
Discount receivables	28	26
Fair Value of derivative contracts	0	5
Others	0	9
Total	**46**	**60**

Note: Refer note 39 for detailed disclosure on the fair values.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

7 TAX ASSETS

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current		
Taxes receivable (Net of Provision)	-	7
Total	**-**	**7**
Current		
Taxes receivable (Net of Provision)	128	10
Total	**128**	**10**

8 OTHER ASSETS

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current		
Capital Advances	133	256
Prepaid Expenses	1	2
Total	**134**	**258**
Current		
Prepaid Expenses	60	28
Balances with Government Authorities	156	159
Advances to Suppliers	94	46
Total	**310**	**233**

9 INVENTORIES (at lower of cost and net realisable value)

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Raw Materials	1,438	815
Work-in-Progress	160	126
Stock In Trade	297	344
Finished Goods	2,194	1,587
Stores, Spares and Packing Materials	132	124
Total	**4,221**	**2,996**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

10 TRADE RECEIVABLES

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Current		
Unsecured, considered good	1,391	2,233
Unsecured, credit impaired	52	63
Less : Allowance for expected credit loss	(52)	(63)
Total	**1,391**	**2,233**

Note: Refer Note 39 for information about credit risk and market risk of Trade receivables.

Break-up of trade receivables

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Trade receivables from other than related parties	1,391	2,233
Receivables from related parties (Note 37)	-	-
Total	**1,391**	**2,233**

Notes :

1 The credit period ranges from 30 days to 180 days.

2 Before accepting any new customer, the Company assesses the potential customer's creditability and defines credit limits for each customer. Such limits are reviewed annually.

3 In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

4 **Movement in Expected Credit Loss Allowance**

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	63	48
Less : Utilisation out from earlier year	11	5
Add : Provision during the year	-	20
Balance at the end of the year	**52**	**63**

11 CASH AND CASH EQUIVALENTS

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Cash on Hand	4	2
Balances with Banks in current accounts	105	529
Total	**109**	**531**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

12 OTHER BALANCES WITH BANKS

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
In deposit accounts	601	88
Unclaimed dividend and bonus accounts (Note 19)	0	0
Total	**601**	**88**

Note: Unclaimed dividend account balance can only be used for payment of unclaimed dividend.

13 EQUITY SHARE CAPITAL

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Authorised Share Capital		
210,500,000 (as at March 31, 2019 : 150,000,000) Equity Shares of ₹ 1/- each	211	150
Issued, Subscribed & Fully Paid Share Capital		
150,662,206 (as at March 31, 2019 : 119,806,565) Equity Shares of ₹ 1/- each fully paid up	151	120
Total	**151**	**120**

a) **Rights, preferences and restrictions attached to shares :**

The Company has issued only one class of equity shares having value of ₹ 1/- per Share. Each holder of equity shares is entitled to one vote per share and are entitled to dividend as and when declared. All shares rank equally with regard to the Company's residual assets after distribution of all preferential amounts.

b) **Reconciliation of number of shares and amount outstanding at the beginning and at the end of the reporting period:**

Particulars	No. of Shares	₹ In million
Balance as at April 1, 2018	**11,97,66,565**	**120**
Add: Shares issued - under Employee Stock option scheme 'ESOP 2015'	40,000	0
Balance as at March 31, 2019	**11,98,06,565**	**120**
Add: Shares issued pursuant to amalgamation (Note 38)	7,23,200	1
Add: Bonus Shares issued (Note 14(b))	3,01,32,441	30
Balance as at March 31, 2020	**15,06,62,206**	**151**

c) **Number of Shares reserved for issue under options**

Particulars	As at March 31, 2020	As at March 31, 2019
Outstanding at the end of the year	98,527	93,718

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

d) Details of share held by each shareholder holding more than 5% shares :

Name of Shareholders	As at March 31, 2020	As at March 31, 2019
Sandeep Pravinbhai Engineer		
No. of Shares	4,73,03,074	3,78,42,460
% of Shares Held	31.40	31.59
Saumya Polymers LLP		
No. of Shares	1,48,47,712	1,47,58,170
% of Shares Held	9.85	12.32
Steadview Capital Mauritius Limited		
No. of Shares	1,28,33,134	1,09,72,125
% of Shares Held	8.52	9.16
Jagruti Sandeep Engineer		
No. of Shares	1,14,29,262	91,43,410
% of Shares Held	7.59	7.63
Kairav Chemicals Limited		
No. of Shares	1,03,95,037	23,60,260
% of Shares Held	6.90	1.97

e) Share options granted under the Employee Stock Options scheme

1 Details of the Employee stock option plan of the company:

Astral Poly Technik Limited (the Company) formulated Employees Stock Option Scheme viz. Astral Employee Stock Option Scheme 2015 ("the Scheme") for the benefit of employees of the Company. Shareholders of the Company approved the Scheme by passing special resolution through postal ballot dated October 21, 2015. Under the said Scheme as approved by the Shareholders, Nomination and Remuneration Committee is empowered to grant stock options to eligible employees of the Company, up to 1,50,000 over a period of five years from the date of passing of resolution by shareholders. Minimum vesting period of stock option is one year and exercise period of stock option is one year from the date of vesting.

The Committee granted 16,282 stock options on November 14, 2015, 21,600 stock options on March 30, 2017, 22,400 stock options on November 13, 2017, 7,450 stock options on June 29, 2019 and 9,310 stock options on October 24, 2019 totaling 78,902 stock options till date. Exercise price of all stock options were ₹ 40/- share (Ex-bonus exercise price of all stock options was ₹ 50/- share). Each stock option is exercisable into one equity share of face value of ₹ 1/- each.

The Company made bonus issue of shares in the ratio of 1:4 during the financial year under review. A fair and reasonable adjustment was made in respect of options unvested/yet to be exercised and options available for grant. The number of stock options and exercise prices were adjusted to give effect to the bonus in compliance with the SEBI (Share Based Employee Benefits) Regulations, 2015. Further the Company obtained in principle approval from stock exchanges for additional 23,429 equity shares under Astral Employee Stock Option Scheme, 2015 pursuant to Bonus Issue of shares by the Company vide shareholders resolution dated September 6, 2019.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

The following stock based payment arrangement were in existence during the current and prior year

Option Series	**October 24, 2019**	**June 29, 2019**	**November 13, 2017**	**March 30, 2017**
Grant date	24-10-2019	29-06-2019	13-11-2017	30-03-2017
Number of shares	9,310	9,310*	22,400	21,600
Expiry date	22-10-2021	27-06-2021	12-11-2019	29-03-2019
Exercise price	₹ 40	₹ 40*	₹ 50	₹ 50
Fair value at grant date	1,090	1,013	722	507

** Adjusted pursuant to bonus issue.*

2 Movement in stock options during the year:

The following is the reconciliation of the stock option outstanding at the beginning and at the end of the year

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Options Outstanding, beginning of the year	-	42,800
Options granted during the year (including bonus adjustment)	18,620	-
Options exercised during the year	-	40,000
Option Lapsed/surrendered/forfeited	-	2,800
Options Outstanding, end of the year	18,620	-
Of which:		
Not Vested	18,620	-
Add : Adjustment on Account of Bonus Issue in ratio of 1:4	23,429	-
Options available for grant	**98,527**	**93,718**

Options available for grants at March 31, 2020 has been adjusted with bonus shares issued during the year.

3 Fair value of share options granted:

Fair value of the share options granted during the financial year is ₹ 1,013 and ₹ 1,090 respectively for options granted on June 29,2019 and October 24, 2019. The company has not granted any share options during the previous financial year. The following assumptions were used for calculation of fair value of grants in accordance with Black Scholes model;

Option Series	**October 24, 2019**	**June 29, 2019**	**November 13, 2017**	**March 30, 2017**
Option grant date	24-10-2019	29-06-2019	13-11-2017	30-03-2017
Fair value at Grant date	₹ 1,090	₹ 1,013	₹ 722	₹ 507
Exercise Price	₹ 40	₹ 40	₹ 50	₹ 50
Expected Volatility	58%	66%	104%	49%
Expected life of Option	2 years	2 years	2 years	2 years
Dividend Yield	0.65%	0.60%	0.60%	0.70%
Risk Free Interest Rate	6.60%	6.88%	6.00%	6.00%

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

4 Stock options exercised during the previous year:

The following stock options were exercised during the previous year

Option Series	Number exercised	Avg Share price at excercised date	Exercise date
Granted on November 13, 2017	19,600	1,046	23-11-2018
Granted on March 30, 2017	20,400	919	07-04-2018

5 Stock options outstanding at the end of the year

The stock option outstanding at the end of the current year had a weighted average exercise price of as ₹ 40, and weighted average remaining contractual life of 512 days. No stock options outstanding at the end of the previous year.

14 OTHER EQUITY

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Capital Reserve		
Balance at the beginning of the year	4	4
Balance at the end of the year	**4**	**4**
Securities Premium		
Balance at the beginning of the year	3,361	3,337
Add : Premium on shares issued during the year (Note 38)	722	24
Less : Utilised during the year for issue of Bonus Shares (Note b)	30	-
Balance at the end of the year	**4,053**	**3,361**
General Reserve		
Balance at the beginning of the year	260	260
Balance at the end of the year	**260**	**260**
Revaluation Reserve		
Balance at the beginning of the year	12	12
Balance at the end of the year	**12**	**12**
Shares pending allotment		
Balance at the beginning of the year	723	-
Add: Consequent to business combination (Note 38)	-	723
Less: Utilised during the year for Shares issued pursuant to amalgamation (Note 38)	723	
Balance at the end of the year	**-**	**723**
Stock Options Outstanding Account		
Balance at the beginning of the year	-	25
Add : On account of options granted during the year	19	-
	19	**25**
Less : Option Lapsed/surrendered/forfeited	-	2

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Less : Exercise of employee stock options	-	23
	19	**-**
Less : Deferred employee Compensation expenses	8	-
Balance at the end of the year	**11**	**-**
Retained earnings		
Balance at the beginning of the year	7,060	5,741
Add : Profit For the Year	2,008	1,414
Add : Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	(2)	(1)
Less : Payment of dividend on equity shares (including tax on dividend)	240	94
Balance at the end of the year	**8,826**	**7,060**
Total	**13,166**	**11,420**

Notes

a In August 2019 ,November 2019 and February 2020 the dividend of ₹ 0.40 per share (total dividend ₹ 58 Million), ₹ 0.40 per share (total dividend ₹ 73 Million) and ₹ 0.60 per share (total dividend ₹ 109 Million) was paid to holders of fully paid equity shares. The total dividend includes dividend distribution tax at applicable rates.

b The Company allotted 3,01,32,441 equity shares of ₹ 1/- each as fully paid up bonus shares by utilising securities premium amounting to ₹ 30 Million, pursuant to an ordinary resolution passed after taking the consent of shareholders through Postal ballot.

c **Nature and Purpose of reserve**

Capital reserve

The company has created capital reserve out of capital subsidies received from state Governments.

Securities premium

The amount received in excess of face value of the equity shares is recognised in Securities Premium. This reserve is available for utilization in accordance with the provisions of the Companies Act, 2013. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium.

General reserve

General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

Revaluation Reserve

The company has created revaluation reserve out of revaluation of land carried out during the year 2004-05.

Stock Options Outstanding Account

The fair value of the equity-settled share based payment transactions with employees is recognised in Statement of Profit and Loss with corresponding credit to Stock Options Outstanding Account.

Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

Shares pending allotment

Shares pending allotment in previous year represents equity shares issued pursuant to business combination. (Note 38)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

15 BORROWINGS

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current		
Secured - at amortised cost		
Term Loans From Banks	833	1,549
Less : Current maturity of long term loans (Note 19)	250	476
	583	**1,073**
Buyers Credit	99	56
Less : Current maturity of long term buyers credit (Note 19)	37	-
	62	**56**
Vehicle Loans	18	35
Less : Current maturity of vehicle loans (Note 19)	5	14
	13	**21**
Unsecured - at amortised cost		
Buyers Credit	233	74
Less : Current maturity of long term buyers credit (Note 19)	-	11
	233	**63**
Total	**891**	**1,213**
Current		
Unsecured - at amortised cost		
Working capital demand loans from banks	-	250
Total	**-**	**250**

Notes

a) Refer Note 39 for information about liquidity risk.

b) Amount stated in Current maturity is disclosed under the head of "Other Financial Liabilities (Current)" (Note 19).

c) Term Loans are Secured by way of first charge, in respect of Property, plant and equipments , both present and future, and second charge on entire current assets of the Company both present and future. (Note 3,9,10). Rate of interest for Rupee Term Loan ranges from 6.5% to 10%. Rate of interest for ECB and Foreign currency Term Loan ranges from 3 to 4%.

1 HSBC Bank Term Loan of ₹ 833 Million (as at March 31, 2019 : ₹1,384 Million) repayable within 66 months (i.e. by February 2024) including initial moratorium period of Nine months from the date of first disbursement in Nineteen quarterly instalments.

2 Corporation Bank Term Loan of ₹ Nil (as at March 31, 2019 : ₹ 92 Million) repaid.

3 HSBC ECB Loan of ₹ Nil (as at March 31, 2019: US $ 1 Million equivalent ₹ 73 Million) repaid.

d) Buyers Credit : Rate of interest for Buyer's Credit ranges from 0.40% to 3.00%.

1 HSBC Buyers Credit of ₹ 99 Million (as at March 31, 2019: ₹ 56 Million) repayable by July 2022. Secured by way of first charge, in respect of entire current assets of the Company both present and future.

2 CITI Bank Buyers Credit of ₹ 118 Million (as at March 31, 2019: ₹ Nil) repayable by May 2022.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

3 Kotak Buyers Credit of ₹ 89 Million (as at March 31, 2019 : ₹ 11 Million) repayable by March 2022.

4 Federal Buyers Credit of ₹ 26 Million(as at March 31, 2019 : ₹ 63 Million) repayable by March 2022.

e) Vehicle Loans are Secured by way of hypothecation of respective motor vehicles purchased. Rate of interest for Vehicle loan ranges from 7 to 11%.

1 ICICI Bank Limited Vehicle Loan of ₹ 1 Million (as at March 31, 2019 : ₹ 11 Million) repayable on monthly basis. Repayable by July 2020.

2 Axis Bank Limited Vehicle Loan of ₹15 Million (as at March 31, 2019 : ₹ 21 Million) repayable on monthly basis. Repayable by May 2024.

3 Daimler Financial Services India Pvt. Ltd. Vehicle Loan of ₹ 2 Million (as at March 31, 2019 : ₹ 3 Million) repayable on monthly basis. Repayable by June 2021.

f) Working capital loan are secured by way of first charge on entire current assets of the Company both present and future and second charge on movable and immovable fixed assets of the company.

16 PROVISIONS

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current		
Provision for Employee Benefits (Note 34)	12	15
Total	**12**	**15**
Current		
Provision for Employee Benefits (Note 34)	25	17
Total	**25**	**17**

17 DEFERRED TAX LIABILITIES (NET)

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current		
Deferred Tax Liabilities	395	512
Deferred Tax Assets	(23)	(46)
Total	**372**	**466**

Deferred tax liabilities/(assets) in relation to :

(₹ in Million)

Particulars	As at April 1, 2018	On account of amalgamation (Note 38)	Recognised in profit and loss	As at March 31, 2019
Tangible and Intangible assets	317	91	104	512
Provision for doubtful trade receivables	(17)	-	(5)	(22)
Compensated absences and Gratuity	(2)	(3)	(1)	(6)
Others	-	(1)	0	(1)
Impairment of Investment in Joint Venture	(10)	-	(7)	(17)
Total	**288**	**87**	**91**	**466**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

(₹ in Million)

Particulars	As at April 1, 2019	Recognised in profit and loss	As at March 31, 2020
Tangible and Intangible assets	512	(117)	395
Provision for doubtful trade receivables	(22)	9	(13)
Compensated absences and Gratuity	(6)	(3)	(9)
Others	(1)	-	(1)
Impairment of Investment in Joint Venture	(17)	17	-
Total	**466**	**(94)**	**372**

18 TRADE PAYABLES

(₹ in Million)

Particulars		As at March 31, 2020	As at March 31, 2019
Current			
a	total outstanding dues of micro enterprises and small enterprises	-	-
	Total	**-**	**-**
b	total outstanding dues of creditors other than micro enterprises and small enterprises		
	Operational Buyer's credit	2,247	1,262
	Due to others	1,829	1,959
	Total	**4,076**	**3,221**
Total		**4,076**	**3,221**

Note

a Information as required to be disclosed under the Micro, Small and Medium Enterprises 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 Auditor.

b Refer Note 39 for information about credit risk, market risk and liquidity risk of Trade payables.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

19 OTHER FINANCIAL LIABILITIES

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Current		
Current maturities of long term borrowings (Note 15)	292	501
Interest accrued and due on borrowings	3	6
Interest accrued but not due on borrowings	14	14
Payable for capital goods	83	220
Unclaimed dividends and bonus* (Note 12)	0	0
Others	95	84
Total	**487**	**825**

* All the amounts required to be transferred to the Investor Education and Protection Fund by the Company have been transferred within the time frame prescribed for the same.

20 OTHER CURRENT LIABILITIES

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Statutory dues	114	215
Advance received from customers	90	50
Total	**204**	**265**

21 CURRENT TAX LIABILITIES (NET)

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Income tax payable (net of advance tax)	-	38
Total	**-**	**38**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

22 REVENUE FROM OPERATIONS

(₹ in Million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from contract with customers (Note)	20,385	19,121
Other operating revenues	43	36
Total	**20,428**	**19,157**

Note : The Company mainly deals into plastic products, mainly, Pipe & Fittings and hence, no disaggregation of revenue is provided. Other information relating to contract balances, i.e. Trade Receivables, is stated in note 10.

23 OTHER INCOME

(₹ in Million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest income comprises:		
From Banks	2	4
From Related party (Note 37) *	16	14
From Others	60	48
Profit on Sale of Current Investments (Net)	12	5
Foreign exchange gains (Net)	-	26
Miscellaneous Income (Note 37)	19	18
Total	**109**	**115**

* Includes impact of financial instruments.

24 COST OF MATERIALS CONSUMED

(₹ in Million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Inventories at the beginning of the year	815	977
Add : Inventories acquired on account of amalgamation (Note 38)	-	87
Add : Purchases	13,523	12,062
Less : Inventories at the end of the year	1,438	815
Total	**12,900**	**12,311**

25 PURCHASE OF STOCK-IN-TRADE

(₹ in Million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Pipes, fittings and solution	671	791
Total	**671**	**791**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

26 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

(₹ in Million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Inventories at the end of the year		
Finished Goods	2,194	1,587
Work-in-progress	160	126
Stock In Trade	297	344
Total	**2,651**	**2,057**
Inventories at the beginning of the year		
Finished Goods	1,587	1,174
Work-in-progress	126	81
Stock In Trade	344	328
Total	**2,057**	**1,583**
Inventories acquired on account of amalgamation (Note 38)		
Finished Goods	-	172
Stock In Trade	-	18
	-	**190**
Total	**2,057**	**1,773**
Net (Increase) / Decrease	**(594)**	**(284)**

27 EMPLOYEE BENEFITS EXPENSE

(₹ in Million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Salaries and wages	878	677
Share based payments to employees (Note 13(e))	11	7
Contribution to Provident and Other Funds (Note 34)	40	31
Staff Welfare Expenses	48	39
Total	**977**	**754**

28 FINANCE COSTS

(₹ in Million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest expense		
Working capital and term loans	154	198
Others	4	10
Other borrowing costs	12	11
Exchange differences regarded as an adjustments to borrowing costs	167	62
Total	**337**	**281**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

29 DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation on Property, Plant, Equipment and amortisation (Note 3)	798	618
Amortization on Intangible assets (Note 3)	72	53
Amortization on Right of use assets (ROU) (Note 3)	29	-
Total	**899**	**671**

30 OTHER EXPENSES

(₹ in Million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Consumption of Stores, Spares and Packing Materials	440	390
Power and Fuel	625	583
Rent (Note 37 & 40)	25	48
Repairs expenses	77	73
Insurance expenses	25	23
Rates and Taxes	8	12
Communication expenses	21	21
Travelling expenses	146	123
Factory and Other expenses	37	22
Printing and stationary expenses	5	4
Freight and Forwarding	414	360
Commission	23	18
Sales Promotions	708	639
Directors Sitting Fees (Note 37)	2	1
Donations and Contributions	2	0
Expenditure on Corporate Social Responsibility (Note 35 & 37)	38	22
Security Service Charges	39	31
Legal and Professional	46	84
Payments to Auditors *	3	2
Bad Debts Written Off	13	7
Provision for Doubtful Trade Receivables and advances	-	20
Net Loss on Foreign Currency transactions and translations	7	-
Loss on Sale of Property, plant and equipment (Net)	7	3
Other Expenses	66	60
Total	**2,777**	**2,546**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

*** PAYMENT TO AUDITORS (EXCLUDING GST)**

(₹ in Million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
a To Statutory Auditors		
For statutory audit and limited review	3	2
Total	**3**	**2**

31 TAX EXPENSES

(₹ in Million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Current tax		
In respect of the current year	634	672
In respect of prior years	(3)	5
	631	**677**
Deferred tax		
In respect of the current year	(94)	91
	(94)	**91**

Reconciliation of the income tax expenses to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarised below :

(₹ in Million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Profit before tax	**2,545**	**2,182**
Income tax expense @25.168% (FY 2018-19 : 34.944%)	641	762
Differences due to :		
Impact of Change in Statutory Tax Rate on Opening Deferred Tax	(113)	-
Exempt income not taxable	(2)	(2)
Effect of allowances	8	4
Others	6	(1)
Total	**540**	**763**
Adjustments in respect of current income tax of previous year	(3)	5
Tax expense as per statement of Profit and loss	**537**	**768**

The Company's weighted average tax rates for the year ended March 31, 2020 and March 31, 2019 were 21.10% and 35.20% respectively.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

32 EARNINGS PER SHARE:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Profit for the year attributable to owners of the Company (₹ In Million)	2,008	1,414
Weighted average number of equity shares for Basic EPS	150,662,206	150,451,061(*)
Add : Effects of dilutive shares options outstanding	10,732	-
Weighted average number of equity shares for Diluted EPS	150,672,938	150,451,061
Nominal Value per shares (₹)	1	1
Basic Earnings Per Share (In ₹)	13.33	9.40
Diluted Earnings Per Share (In ₹)	13.33	9.40

* Includes 7,23,200 equity shares issued on amalgamation of Rex (Note 38) and impact of bonus shares issued during the year 2019-20.

Earnings per share for previous periods have been adjusted for Bonus shares issued in current period as per Ind AS 33, Earnings per share (Note 13 & 14).

33 CONTINGENT LIABILITIES AND COMMITMENTS NOT PROVIDED FOR:

(₹ in Million)

Particulars		As at March 31, 2020	As at March 31, 2019
Contingent Liabilities			
1	Disputed Income Tax/Central Excise/Sales Tax and PF demands *	47	67
2	Guarantee given by Company on behalf of Joint Venture and Subsidiary company for availing borrowing from local Bank (Note 37)	420	763
Commitments			
1	Capital Contracts remaining to be executed (Net of Advances)	788	792
2	Letters of Credits for Purchases	260	612
3	Commitment on uncalled liability of shares subscription **	0	-

* Future cash outflows in respect of the above matters are determined only on receipt of judgments / decisions pending at various forums / authorities.

** The Company is a subscriber to Memorandum of Association of newly incorporated subsidiary company, namely, 'Astral Foundation'.

34 EMPLOYEE BENEFITS:

Post-employment Benefit

Defined Contribution Plan:

Amount towards Defined Contribution Plan have been recognised under "Contribution to Provident and Other funds" in Note 27 ₹ 28 Million (Previous Year: ₹ 21 Million).

Defined Benefit Plan:

The Company has defined benefit plans for gratuity to eligible employees, contributions for which are made to insurance service providers who invests the funds as per IRDA guidelines. The details of these defined benefit plans recognised in the financial statements are as under:

General Description of the Plan:

The Company operates a defined benefit plan (the Gratuity Plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employees salary and the tenure of employment.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

a) Movement in present value of defined benefit obligation are as follows:

(₹ in Million)

Particulars	Gratuity	
	As at March 31, 2020	As at March 31, 2019
Obligations at the beginning of the year	53	34
Obligations Acquired from the Rex	-	10
Current service cost	8	8
Past service cost	-	-
Interest cost	4	3
Liability Transferred Out/ Divestments	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-
Actuarial (gain) / loss – due to change in financial assumptions	5	-
Actuarial (gain) / loss- due to experience adjustments	(3)	1
Benefits paid	(2)	(2)
Benefits paid directly by employer	-	(1)
Present value of benefit obligation at the end of the year	**65**	**53**

b) Movement in the fair value of plan assets are as follows:

(₹ in Million)

Particulars	Gratuity	
	As at March 31, 2020	As at March 31, 2019
Plan assets at the beginning of the year, at fair value	26	26
Interest Income	2	2
Return on plant assets excluding interest income	0	(1)
Contributions from the employer	10	1
Benefits paid	(2)	(2)
Fair value of plan assets at the end of the year	**36**	**26**

c) The amount included in the balance sheet arising from the entities obligation in respect of defined benefit plan is as follows:

(₹ in Million)

Particulars	Gratuity	
	As at March 31, 2020	As at March 31, 2019
Present value of benefit obligation at the end of the year	(65)	(53)
Fair value of plan assets at the end of the year	36	26
Net liability arising from defined benefit obligation	**(29)**	**(27)**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

d) Amount recognised in the Statement of Profit and Loss in respect of the defined benefits plans are as follows:

(₹ in Million)

Particulars	Gratuity	
	Year ended March 31, 2020	Year ended March 31, 2019
Current service cost	8	8
Net Interest expense	2	1
Components of defined benefit costs recognised in the Statement of Profit and Loss	**10**	**9**
Remeasurement on the net defined benefit liability:		
Actuarial (gains) / losses on obligation for the period	2	1
Return on plant assets, excluding interest income	0	1
Components of defined benefit costs recognised in Other Comprehensive Income	**2**	**2**
Total	**12**	**11**

The current service cost and the net interest expenses for the year are included in the Employee benefits expense line item in the Statement of Profit and Loss. The remeasurement of the net defined benefit liability/ asset is included in Other Comprehensive Income.

e) Investment details of plan assets:

To fund the obligations under the gratuity plan, Contributions are made to Insurance service providers, who invests the funds as per IRDA guidelines.

f) The defined benefit obligations shall mature after year ended March 31, 2020 as follows:

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
As at March 31		
2020		5
2021	5	2
2022	3	3
2023	4	5
2024	5	5
2025	3	96
Thereafter	133	

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

g) Sensitivity analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant

(₹ in Million)

Particulars	Gratuity	
	As at March 31, 2020	As at March 31, 2019
Delta effect of +1% change in the rate of Discounting	(6)	(5)
Delta effect of -1% change in the rate of Discounting	7	6
Delta effect of +1% change in the rate of salary Increase	7	5
Delta effect of -1% change in the rate of salary increase	(6)	(5)
Delta effect of +1% change in the rate of employee turnover	0	0
Delta effect of -1% change in the rate of employee turnover	0	0

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using "Projected Unit Credit" method at the end of the reporting period which is the same as that applied in calculating the defined benefit obligation liability recognised in Balance Sheet.

There were no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

The Company expects to make a contribution of ₹ 29 Million (as at March 31, 2019 : ₹ 27 Million) to the defined benefit plans during the next financial year.

h) The principal assumptions used for the purpose of actuarial valuation were as follows:

Particulars	Gratuity	
	Year ended March 31, 2020	Year ended March 31, 2019
Discount Rate	6.87%	7.60% to 7.76%
Expected return on plan assets	6.87%	7.76%
Annual Increase in Salary Costs	7.00%	7.00%
Rate of Employee turnover	For service 4 years and below 7.00% p.a. For service 5 years and above 4.00% p.a.	For service 4 years and below 7.00% p.a. For service 5 years and above 4.00% p.a.(*)
Mortality Tables	Indian Assured Lives Mortality (2006-08)	

* For amalgamating company (Note 38) : 2% at all ages in previous year.

Future Salary increases are based on long term average salary rise expected considering inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employee market. Future Separation & mortality rates are obtained from relevant data of Life Insurance Corporation of India.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

35 CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE:

The gross amount required to be spent by the Company on Corporate Social Responsibility (CSR) activities during the year as per the provision of section 135 of the Companies Act, 2013 amounts to ₹ 37 Million (Previous year: ₹ 30 Million). The revenue expenditure charged to the Statement of Profit and Loss in respect of Corporate Social Responsibility (CSR) activities undertaken during the year is ₹ 38 Million (Previous year : ₹ 22 Million) and has been paid.

36 DISCLOSURES PURSUANT TO SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECTION 186 OF THE COMPANIES ACT, 2013

(₹ in Million)

Name of the party	Relationship	Maximum amount outstanding during the year		Amount outstanding	
		As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Loans (Unsecured)					
Astral Biochem Private Limited	Wholly owned subsidiary	11	11	11	11
Seal IT Services Limited	Subsidiary	322	266	322	266
Resinova Chemie Limited	Subsidiary	65	-	-	-
Advance for purchase of Non-current Investment					
Astral Pipes Limited	Joint Venture	-	-	-	14
Guarantee					
Astral Pipes Limited	Joint Venture	-	-	316	494
Seal IT Services Limited	Subsidiary	-	-	104	269

Notes:

1. There are no advances which are in the nature of loans.
2. The Company has issued corporate guarantees for the loans and credit facility arrangements in respect of subsidiary and joint venture.
3. The outstanding amount for the loan is including interest receivable.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

37 RELATED PARTY DISCLOSURES:

1. Name of the related parties and their relationships

Sr. No.	Description of Relationship	Name of Related Parties
A.	Subsidiaries	Astral Biochem Private Limited
		Resinova Chemie Limited
		Seal IT Services Limited, UK
		Seal IT Services Inc, USA (Step-down subsidiary)
		Astral Foundation (From February 18, 2020)
B.	Enterprises over which Key Managerial Personal are able to exercise significant influence	Kairav Chemicals Limited
		Saumya Polymers LLP
		Astral Charitable Trust
		Kairamya Journeys LLP
C.	Joint Venture	Astral Pipes Limited
D.	Key Managerial Personnel	Sandeep Engineer (Managing Director)
		Jagruti Engineer (Whole Time Director)
		Kyle Thompson (Non-Executive Director)
		Hiranand Savlani (Chief Financial Officer)
		Krunal Bhatt (Company Secretary)
		K.R. Shenoy (Independent Director)
		Pradip N. Desai (Independent Director)
		Narasinh K. Balgi (Independent Director) (upto January 27, 2020)
		Kaushal Nakrani (Independent Director)
		Anil Kumar Jani (Non-Executive Director)
		C. K Gopal (Independent Director) (From February 11, 2020)
		Viral Jhaveri (Independent Director) (From October 24, 2019)
E.	Relatives of Key Managerial Personnel	Sandeep Engineer HUF
		Kairav Engineer
		Saumya Engineer

2. DISCLOSURE OF TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES AND THE STATUS OF OUTSTANDING BALANCES AS ON MARCH 31, 2020

(₹ In Million)

	Particulars	Subsidiaries		Enterprises over which Key Managerial Personal are able to exercise significant influence		Joint Venture		Key Managerial Personnel		Relatives of Key Managerial Personnel		Total	
		2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Part 1 : Transactions during the year													
1	Advance for Purchase of non-current investment	-	-	-	-	-	14	-	-		-	-	14
2	Expenditure on Corporate Social Responsibility	-	-	3	21	-	-	-	-		-	3	21
3	Guarantee Given	-	269	-	-	-	-	-	-		-	-	269
4	Guarantee Withdrawn	179	230	-	-	-	-	-	-		-	179	230
5	Interest Income	10	9	-	-	-	-	-	-		-	10	9
6	Investment in Subsidiaries/ Others	-	-	-	-	13	41	-	-		-	13	41
7	Loans / Advances Given	44	83	-	-	-	-	-	-		-	44	83
8	Purchase of Goods/ Services/Expenses	536	471	22	6	-	-	-	-		-	558	477
9	Purchase of asset	-	-	-	-	-	-	22	-	-	-	22	-
10	Loan taken	85	-	-	-	-	-	-	-		-	85	-
11	Loan repaid	85	-	-	-	-	-	-	-		-	85	-
12	Amount claimed for reimbursement of expenses	1	1	-	-	-	-	-	-		-	1	1
13	Remuneration	-	-	-	-	-	-	114	97	6	5	120	102
14	Rent Paid	-	-	-	-	-	-	-	-	1	1	1	1
15	Sale of Goods/assets	42	139	-	-	16	14	-	-		-	58	153
16	Sitting fees	-	-	-	-	-	-	2	1		-	2	1
17	Rent Received	1	0	-	-	-	-	-	-		-	1	0
Part 2 : Balance at the end of the year													
1	Advance for Purchase of non-current investment	-	-	-	-	-	14	-	-	-	-	-	14
2	Advance received for goods purchase	-	-	-	-	0	4	-	-	-	-	0	4
3	Guarantee Given	104	269	-	-	316	494	-	-	-	-	420	763
4	Interest accrued on loans and deposits	6	5	-	-	-	-	-	-	-	-	6	5
5	Loans Given	327	272	-	-	-	-	-	-	-	-	327	272
6	Payables	0	-	-	0	-	-	17	16	0	0	17	16

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

Notes:

i. Compensation of key management personnel:

The remuneration of key management personnel during the year was as follows: (₹ in Million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Short term Benefits	114	97

The remuneration of key management personnel is determined by the remuneration committee. The same excludes gratuity as it is not determinable.

ii. The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions.

iii. The amounts outstanding are unsecured and will be settled in cash. No expense has been recognised in the current or prior years for bad or doubtful debts in respect of amounts owned by related parties.

iv. Transactions/balances during and end of the year/previous year are stated without considering impact of fair valuation carried out as per Ind AS.

38 ACQUISITION AND MERGER OF REX POLYEXTRUSION PRIVATE LIMITED:

On July 9, 2018, the Company acquired 51% of equity share of Rex Polyextrusion Private Limited ("Rex"), engaged in the business of Manufacturing and supply of corrugated and other plastic piping solutions, against a consideration of ₹ 752 Million paid in cash. Further, the Board had approved the scheme of amalgamation of Rex with the Company for which the Company have issued 723,200 equity shares of ₹ 1/- each fully paid up in exchange for the balance 49% of equity share of Rex. Such scheme was approved by NCLT, Ahmedabad Bench on May 2, 2019 and filed with the Registrar of Companies on May 9, 2019. The management has determined this as a subsequent adjusting event and hence, Rex has been amalgamated with effect from appointed date of July 10, 2018 in the previous year.

This has resulted in recognition of goodwill of ₹ 192 Million (Purchase consideration of ₹ 1,475 Million less net assets of ₹ 1,283 Million (Total Assets acquired ₹ 2,255 Million less total liabilities acquired ₹972 Million)).

39 FINANCIAL INSTRUMENTS:

1 Capital management

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return to stakeholders through optimisation of debt and equity balance.

The capital structure of the Company consists of net debt (borrowings as detailed in notes 15 and 19 off set by cash and bank balances) and total equity of the Company.

The company's risk management committee reviews the risk capital structure of the company on semi annual basis. As part of this review the company considers the cost of capital and the risk associated with each class of capital.

Gearing ratio (₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Debt (note i)	1,183	1,964
Less : Cash and cash equivalents	109	531
Net debt	**1,074**	**1,433**
Equity share capital	151	120
Other equity	13,166	11,420
Less : Revaluation reserve	12	12
Total equity excluding revaluation reserve	**13,305**	**11,528**
Net debt to equity ratio	**8.07%**	**12.43%**

i. Debt is defined as long-term borrowings, short-term borrowings and current maturities of long term borrowings (excluding financial guarantee contracts and contingent consideration), as described in notes 15 and 19.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

2 Category-wise classification of financial instruments

(₹ in Million)

Particulars		As at March 31, 2020	As at March 31, 2019
Financial assets			
Measured at amortised cost			
a	Cash and cash equivalents and other bank balances(Note 11,12)	710	619
b	Financial assets (Note 5,6 & 10)	1,877	2,689
Measured at fair value through Profit and loss			
a	Fair Value of derivative contracts (Note 6)	0	5
b	Investment in Mutual funds (Note 4)	2	2
Total		**2,589**	**3,315**
Financial liabilities			
Measured at amortised cost			
a	Borrowings (Note 15,19)	1,183	1,964
b	Financial liabilities (Note 18,19,40)	4,304	3,545
Total		**5,487**	**5,509**

The above excludes investments in subsidiaries and joint venture.

In respect of financial instruments, measured at amortised cost, the fair value approximates the amortised cost.

(₹ in Million)

Financial assets/Financial liabilities		Fair value	Quoted price in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
		(Note 2(a))			
As at March 31, 2020					
Financial assets measured at fair value through Profit and loss					
a	Fair Value of derivative contracts (Note 6)	0	-	0	-
b	Investment in Mutual funds (Note 4)	2	2	-	-
As at March 31, 2019					
Financial assets measured at fair value through Profit and loss					
a	Fair Value of derivative contracts (Note 6)	5	-	5	-
b	Investment in Mutual funds (Note 4)	2	2	-	-

There have been no transfers amount in Level 1, Level 2 and Level 3 during the years ended March 31, 2020 and March 31, 2019.

3 Financial risk management objectives

The Company's financial liabilities comprise mainly of borrowings, trade payables and other financial liabilities. The Company's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other financial assets.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

The Company's business activities are exposed to a variety of financial risks, namely market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

The Company's senior management has the overall responsibility for establishing and governing the Company's risk management framework who are responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Audit Committee of the Company. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

A MANAGEMENT OF MARKET RISK

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

- currency risk;
- interest rate risk

i Currency risk

The Company's activities expose it primarily to the financial risk of changes in foreign currency exchange rates. The Company enters into a variety of derivative financial instruments to manage its exposure to foreign currency risk.

The carrying amounts of the Company's foreign currency dominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

(In Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Liabilities (Foreign currency)		
In US Dollars (USD)	42	25
In Euro (EUR)	1	0
Assets (Foreign currency)		
In US Dollars (USD)	0	1
In Euro (EUR)	0	0
In Dirham (AED)	0	0
In Great Britain Pound (GBP)	3	3

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Liabilities (INR)		
In US Dollars (USD)	3,154	1,701
In Euro (EUR)	124	28
Assets (INR)		
In US Dollars (USD)	2	29
In Euro (EUR)	0	1
In Dirham (AED)	0	0
In Great Britain Pound (GBP)	322	262

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

Derivative instruments:

The Company uses foreign currency forward contracts and currency options to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. The use of foreign currency forward contracts is governed by the Company's strategy approved by the Board of Directors, which provide principles on the use of such forward contracts consistent with the Company's Risk Management Policy. The Company does not use forward contracts and Currency Options for speculative purposes.

Outstanding Forward/option Exchange Contracts entered into by the Company :

Particulars	As at March 31, 2020	As at March 31, 2019
Payable		
Outstanding Forward Exchange Contracts		
In USD		
No. of Contracts	1	7
In US Dollars - (In Million)	0	3
In INR - (In Million)	29	174
Outstanding Option Contracts		
In USD		
No. of Contracts	-	1
In US Dollars - (In Million)	-	1
In INR - (In Million)	-	35

Interest rate swaps to hedge against fluctuations in interest rate changes: As at March 31, 2020 : No. of contracts - Nil (as at March 31, 2019 : No. of contracts - 1).

The line items in the balance sheet that includes the above hedging instruments are "other financial assets" and "other financial liabilities".

Foreign currency sensitivity analysis

The Company is mainly exposed to the currency : USD,EUR and GBP.

The following table details, Company's sensitivity to a 5% increase and decrease in the rupee against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. This is mainly attributable to the exposure outstanding not hedged on receivables and payables in the Company at the end of the reporting period. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rate. A positive number below indicates an increase in the profit and equity where the rupee strengthens 5% against the relevant currency. For a 5% weakening of the rupee against the relevant currency, there would be a comparable impact on the profit and equity, and the balances below would be negative.

Impact on profit or loss and total equity (₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Increase in exchange rate by 5%	(146)	(61)
Decrease in exchange rate by 5%	146	61

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

The Company, in accordance with its risk management policies and procedures, enters into foreign currency forward contracts to manage its exposure in foreign exchange rate variations. The counter party is generally a bank. These contracts are for a period between one day and five years. The above sensitivity does not include the impact of foreign currency forward contracts and option contracts which largely mitigate the risk.

ii Interest rate risk

Interest rate risk is the risk that the future cash flow with respect to interest payments on borrowing will fluctuate because of change in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligation with floating interest rates.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/ decrease in basis points	Effect on profit before tax (₹ in Million)
As at March 31, 2020	100 bps	12
As at March 31, 2019	100 bps	20

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

B MANAGEMENT OF CREDIT RISK

Credit risk refers to the risk that a counter party will default on its contractual obligation resulting in financial loss to the Company. The Company uses its own trading records to evaluate the credit worthiness of its customers. The Company's exposure are continuously monitored and the aggregate value of transactions concluded, are spread amongst approved counter parties (refer note 10 - Trade receivable).

The company is exposed to credit risk in relation to financial guarantees given to banks in respect of borrowings obtained by the subsidiary company and joint venture. In case of joint Venture, the Company's share is 50% and the guarantee has been given jointly and severally by all the partners of Joint Venture. The Company's maximum exposure in this respect is of ₹ 420 Million as at March 31, 2020, ₹ 763 Million as at March 31, 2019 as disclosed in contingent liabilities (Note 33).

C MANAGEMENT OF LIQUIDITY RISK

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

(₹ in Million)

Particulars	Carrying amount	Less than 1 year	1-5 years	Total
As at March 31, 2020				
Non-derivative financial liabilities				
Borrowings	1,183	292	891	1,183
Lease liabilities (Note 40)	33	20	13	33
Financial Liabilities	4,271	4,271	-	4,271
Total	**5,487**	**4,583**	**904**	**5,487**
As at March 31, 2019				
Non-derivative financial liabilities				
Borrowings	1,964	751	1,213	1,964
Financial Liabilities	3,545	3,545	-	3,545
Total	**5,509**	**4,296**	**1,213**	**5,509**

40 LEASE:

Company as a lessee

The Company adopted Ind AS 116 using the modified retrospective method of adoption, with the date of initial application of April 1, 2019. The Company elected to use the transition practical expedient to not reassess whether a contract is, or contains, a lease at April 1, 2019. The Company applied the standard only to contracts that were previously identified as leases applying Ind AS 17 at the date of initial application. The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets).

(₹ in Million)

Particulars	Right of Use Assets (ROU) Tangible Assets	Lease Liabilities
As on April 1, 2019	52	52
Add : Reclassified from leasehold land	280	-
Add : Additions	58	5
Less : Deductions	28	
Less : Depreciation/amortisation of expenses	29	-
Add : Interest Expenses	-	4
Less : Payments	-	28
As on March 31, 2020	**333**	**33**
Current	-	20
Non-current	-	13

There is no material impact on total comprehensive income or the basic and diluted earnings per share.

Company as a lessor:

The Company has entered into operating leases on its buildings, these leases have terms less than 1 years. Rental income recognised by the Company during the year is ₹ 1 Million (Previous year: ₹ Nil).

The Company has not entered into any non-cancellable operating leases as a lessor.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

41 SEGMENT REPORTING:

The Company has presented segment information in the Consolidated Financial Statement which is presented in the same financial report. Accordingly, in terms of paragraph 4 of Ind AS 108 – Operating Segments, no disclosure related to segments are presented in this standalone financial statement.

42 INFORMATION RELATING TO JOINT VENTURE:

The Company has 50% ownership interest in joint venture company Astral Pipes Limited, incorporated in Kenya. Its proportionate share in the assets, liabilities, income and expenses etc. In the said joint venture company is given below:

(₹ in Million)

Particulars	As at December 31, 2019	As at December 31, 2018 (Restated)
Assets	361	327
Liabilities	265	232
Income	169	144
Expenses (including depreciation)	186	179
Contingent Liabilities	6	1
Capital commitments remaining to be executed	-	-

During the year ended March 31, 2020, the Company has made provision for diminution on its investment in Joint Venture viz: Astral Pipes Ltd, Kenya amounting to ₹ 25 Million (Previous year: ₹ 20 Million), which has been disclosed as exceptional item.

43 ESTIMATION OF UNCERTAINTY RELATING TO THE GLOBAL HEALTH PANDEMIC COVID-19:

In view of the unprecedented COVID-19 pandemic, the management has made a detailed assessment of its liquidity position for the next one year and recoverability of Property, Plant and Equipment, Investments, Trade Receivables and Inventories as at the balance sheet date. In assessing the recoverability, the Company has considered internal and external information upto the date of approval of these Ind AS financial statements and has concluded that there are no material impact on the operations and the financial position of the Company. However, the impact of the global health pandemic may be different from that estimated at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

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The figures for the previous year have been regrouped/ reclassified wherever necessary to confirm with the current year's classification.

For S R B C & CO LLP
Chartered Accountatnts
ICAI Firm Registration No.: 324982E/E300003

Per Anil Jobanputra
Partner
Membership No : 110759

Place : Mumbai
Date : May 25, 2020

For and on behalf of the Board of Directors of Astral Poly Technik Limited
CIN : L25200GJ1996PLC029134

Sandeep P. Engineer
Managing Director
DIN : 00067112

Jagruti S. Engineer
Whole Time Director
DIN : 00067276

Hiranand A. Savlani
Chief Financial Officer

Krunal D. Bhatt
Company Secretary

Place : Ahmedabad
Date : May 25, 2020

INDEPENDENT AUDITORS' REPORT

To the Members of
Astral Poly Technik Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

OPINION

We have audited the accompanying Consolidated Ind AS financial statements of Astral Poly Technik Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its joint venture comprising of the Consolidated Balance sheet as at March 31, 2020, the Consolidated Statement of Profit and Loss, including other comprehensive income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the Consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and joint venture, the aforesaid Consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the Consolidated state of affairs of the Group, its joint venture as at March 31, 2020, their Consolidated profit/loss including other comprehensive income, their Consolidated cash flows and the Consolidated statement of changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the Consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS FinancialStatements'section of our report. We are independent of the Group, joint venture in accordance with the 'Code of Ethics'issued by the Institute of Chartered Accountants of India 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the Consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Consolidated Ind AS financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Consolidated Ind AS financial statements.

INDEPENDENT AUDITORS' REPORT (Contd.)

Key audit matters	How our audit addressed the key audit matter
Impairment of Goodwill [as described in Note 2(x)iii of the Consolidated Ind AS financial statements]	
The Group's balance sheet includes ₹ 2,553 million of Goodwill. In accordance with Ind AS 36, these balances are allocated to Cash Generating Units (CGUs) which are tested annually for impairment using discounted cash-flow models of each CGU's recoverable value compared to the carrying value of the assets. A deficit between the recoverable value and the CGU's net assets would result in impairment. The inputs to the impairment testing model which have the most significant impact on CGU recoverable value include: - Projected revenue growth, operating margins, operating cash-flows; and - Business specific discount rates The annual impairment testing is considered a significant accounting judgement and estimate [Note 2(x)(iii)] and a key audit matter because the assumptions on which the tests are based are highly judgmental and are affected by future market and economic conditions which are inherently uncertain, and because of the materiality of the balances to the Consolidated Ind AS financial statements.	We performed following procedures, among others: • We assessed whether the Group's definition of the CGUs is compliant with the applicable accounting standards • We evaluated the forecast of future cash flows used by the management in the model to compute the recoverable value of CGUs. • We compared the forecast of future cash flows to business plan and previous forecasts to the actual results. • We focused our analysis on management assumptions in respect of future sales growth rate and discount rate used to compute the recoverable value of CGUs. • We recalculated estimates using the management model. • We involved valuation specialists to assist in evaluating the key assumptions and methodologies used by the Holding Company in computing the recoverable value of CGUs. • We assessed the disclosures made in the Consolidated Ind AS financial statements.

OTHER INFORMATION

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the Consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the Consolidated Ind AS 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 Consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT FOR THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the Consolidated financial position, Consolidated financial performance including other comprehensive income, Consolidatedcash flows and Consolidated statement of changes in equity of the Group including its joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with [the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its joint venture 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 the 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 Consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of the Group and of its joint venture 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 Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its joint venture are also responsible for overseeing the financial reporting process of the Group and of its joint venture.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the Consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions,
- misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint venture to cease to continue as a going concern.

INDEPENDENT AUDITORS' REPORT (Contd.)

- Evaluate the overall presentation, structure and content of the Consolidated Ind AS financial statements, including the disclosures, and whether the Consolidated Ind AS financial statements represent the underlyingtransactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint venture of which we are the independent auditors, to express an opinion on the Consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated financial statements of which we are the independent auditors. For the other entities included in the Consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Ind AS financial statements for the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTER

(a) We did not audit the financial statements and other financial information, in respect of three subsidiaries, whoseIndASfinancialstatementsincludetotalassetsof ₹ 1,442 million as at March 31, 2020, and total revenues of ₹ 2,059 million and net cash outflows of ₹ 71 million for the year ended on that date. These Ind AS financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The Consolidated Ind AS financial statements also include the Group's share of net loss of ₹ 16 million for the year ended March 31, 2020, as considered in the Consolidated Ind AS financial statements, in respect of one joint venture, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the Consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and itsjoint venture, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries andjoint venture, is based solely on the reports of such other auditors.

    Certain of these subsidiaries and joint venture are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries joint venture located outside

INDEPENDENT AUDITORS' REPORT (Contd.)

India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries and joint venture located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the Consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and joint venture, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We / the other auditors whose report we have relied upon 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 of the aforesaid Consolidated Ind AS financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Ind AS financial statements;

(d) In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these Consolidated Ind AS financial statements of the Holding Company and its subsidiary companies,incorporated in India, refer to our separate Report in "Annexure 1" to this report;

(g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiary, incorporated in India, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Holding Company, its subsidiary, incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to 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, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial

INDEPENDENT AUDITORS' REPORT (Contd.)

statements as also the other financial information of the subsidiaries, joint venture, as noted in the 'Other matter' paragraph:

i. The Consolidated Ind AS financial statements disclose the impact of pending litigations on its Consolidated financial position of the Group, in its Consolidated Ind AS financial statements – Refer Note 34 to the Consolidated Ind AS financial statements;

ii. The Group, its joint venture did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2020;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries incorporated in India during the year ended March 31, 2020.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Anil Jobanputra**
Partner
Membership Number: 110759
UDIN: 20110759AAAABW5426

Place of Signature: Mumbai
Date: May 25, 2020

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS OF ASTRAL POLY TECHNIK LIMITED

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

In conjunction with our audit of the Consolidated Ind AS financial statements of Astral Poly Technik Limited as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of Astral Poly Technik Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 Holding 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, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 over financial reporting with reference to the Consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these Consolidated financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of

INDEPENDENT AUDITORS' REPORT (Contd.)

management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Holding Company and its subsidiary companies which are companies incorporated in India, have, maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

OTHER MATTERS

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company, insofar as it relates to one subsidiary company, which is incorporated in India, is based on the corresponding reports of the auditors of such subsidiary company incorporated in India.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Anil Jobanputra**
Partner
Membership Number: 110759
UDIN: 20110759AAAABW5426

Place of Signature: Mumbai
Date: May 25, 2020

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2020

(₹ in Million)

Particulars	Notes	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3 (A)	9,236	8,095
(b) Capital work-in-progress		444	808
(c) Goodwill	4	2,553	2,538
(d) Other Intangible assets	3 (B)	355	421
(e) Right of Use Assets (ROU)	3 (C)	405	-
(f) Financial assets			
(i) Investments	5	2	2
(ii) Loans	6	70	69
(iii) Other financial assets	7	54	68
(g) Deferred tax assets (Net)	8	1	1
(h) Non-current tax Assets	9	-	7
(i) Other non-current assets	10	142	271
Total non-current assets		**13,262**	**12,280**
Current assets			
(a) Inventories	11	5,404	3,970
(b) Financial assets			
(i) Trade receivables	12	2,278	3,391
(ii) Cash and cash equivalents	13	139	892
(iii) Bank balances other than (ii) above	14	1,162	89
(iv) Loans	6	2	5
(v) Other financial assets	7	43	57
(c) Current tax assets (Net)	9	154	37
(d) Other current assets	10	448	271
Total current assets		**9,630**	**8,712**
Total assets		**22,892**	**20,992**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	15	151	120
(b) Other equity	16	14,878	12,657
Equity attributable to owners of the Parent		**15,029**	**12,777**
Non-controlling Interests		168	150
Total equity		**15,197**	**12,927**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	1,069	1,631
(ii) Lease payables	39	21	-
(b) Provisions	18	27	31
(c) Deferred tax liabilities (Net)	8	430	533
Total non-current liabilities		**1,547**	**2,195**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	201	304
(ii) Lease payables	39	33	-
(iii) Trade payables	19		
a total outstanding dues of micro enterprises and small enterprises		-	-
b total outstanding dues of creditors other than micro enterprises and small enterprises		4,754	3,897
(iv) Other financial liabilities	20	839	1,188
(b) Other current liabilities	21	256	388
(c) Provisions	18	39	29
(d) Current tax liabilities (Net)	22	26	64
Total current liabilities		**6,148**	**5,870**
Total liabilities		**7,695**	**8,065**
Total equity and liabilities		**22,892**	**20,992**

See accompanying notes to the consolidated financial statements

As per report of even date

For S R B C & CO LLP
Chartered Accountatnts
ICAI Firm Registration No.: 324982E/E300003

For and on behalf of the Board of Directors of Astral Poly Technik Limited
CIN : L25200GJ1996PLC029134

Per Anil Jobanputra
Partner
Membership No : 110759

Sandeep P. Engineer
Managing Director
DIN : 00067112

Jagruti S. Engineer
Whole Time Director
DIN : 00067276

Hiranand A. Savlani
Chief Financial Officer

Krunal D. Bhatt
Company Secretary

Place : Mumbai
Date : May 25, 2020

Place : Ahmedabad
Date : May 25, 2020

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

(₹ in Million, except as stated otherwise)

Particulars	Notes	Year ended March 31,2020	Year ended March 31, 2019
Income			
Revenue from operations	23	25,779	25,073
Other income	24	121	154
Total		**25,900**	**25,227**
Expenses			
Cost of materials consumed	25	16,429	16,500
Purchase of stock-in-trade	26	227	398
Changes in inventories of finished goods, stock-in-trade and work-in-progress	27	(699)	(421)
Employee benefits expense	28	1,752	1,391
Finance costs	29	394	319
Depreciation and amortisation expense	30	1,079	814
Other expenses	31	3,641	3,356
Total		**22,823**	**22,357**
Profit before share of loss of joint venture and tax		**3,077**	**2,870**
Share of loss of joint venture		(16)	(36)
Profit before tax		**3,061**	**2,834**
Tax expense	32		
Current tax		705	744
Deferred tax		(140)	117
Total tax expense		**565**	**861**
Profit for the year		**2,496**	**1,973**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Remeasurements gain/(loss) on defined benefit plans		(2)	(2)
Income Tax relating to items that will not be reclassified to profit or loss		0	1
Items that will be reclassified to profit or loss			
- Currency Translation (Loss)/Gain		5	(1)
Total other comprehensive income		3	(2)
Total comprehensive income for the year		**2,499**	**1,971**
Profit Attributable to:-			
Owners of the Parent		2,479	1,958
Non-controlling Interests		17	15
		2,496	**1,973**
Other Comprehensive Income/(loss) attributable to:-			
Owners of the Parent		2	(2)
Non-controlling Interests		1	(0)
		3	**(2)**
Total Comprehensive Income/(loss) attributable to:-			
Owners of the Parent		2,481	1,956
Non-controlling Interests		18	15
		2,499	**1,971**
Earnings per equity share (Face Value of Re. 1/- each)	33		
- Basic (in ₹)		16.45	13.01
- Diluted (in ₹)		16.45	13.01

See accompanying notes to the consolidated financial statements

As per report of even date

For S R B C & CO LLP
Chartered Accountatnts
ICAI Firm Registration No.: 324982E/E300003

Per Anil Jobanputra
Partner
Membership No : 110759

Place : Mumbai
Date : May 25, 2020

For and on behalf of the Board of Directors of Astral Poly Technik Limited
CIN : L25200GJ1996PLC029134

Sandeep P. Engineer
Managing Director
DIN : 00067112

Jagruti S. Engineer
Whole Time Director
DIN : 00067276

Hiranand A. Savlani
Chief Financial Officer

Krunal D. Bhatt
Company Secretary

Place : Ahmedabad
Date : May 25, 2020

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Million)

Sr No.	Particulars	Year ended March 31, 2020	Year ended March 31, 2019
A	**Cash flows from operating activities**		
	Profit before tax	3,061	2,834
	Adjustments for :		
	Depreciation and amortisation expense	1,079	814
	Finance costs	394	319
	Interest income	(76)	(61)
	Unrealised foreign exchange (gain)/loss (Net)	189	(78)
	Gain on sale of Current Investments	(18)	(7)
	(Profit)/Loss on sale of Property,Plant and Equipment (Net)	8	3
	Share Based payment expense	11	7
	Allowance for expected credit loss	11	20
	Bad-debts written off	13	-
	Credit balances written back	(7)	(7)
	Share of loss of joint venture	16	36
	Operating profit before Working Capital Changes	**4,681**	**3,880**
	Changes in working capital :		
	(Increase)/Decrease in Inventories	(1,434)	(109)
	(Increase)/Decrease in Trade receivables, financial assets and other assets	996	144
	Increase/(Decrease) in Trade Payables, financial liabilities other liabilities and provisions	626	273
	Cash generated from operations	**4,869**	**4,188**
	Income taxes paid	(815)	(768)
	Net cash generated from operating activities [A]	**4,054**	**3,420**
B	**Cash flows from investing activities**		
	Payment for purchase of property, plant and equipment and intangible assets (incl. capital advances and capital creditors)	(2,182)	(2,249)
	Proceeds from Sale of property, plant and equipment	49	53
	Increase/(Decrease) in other balances with banks	(1,073)	(7)
	Interest Received	11	54
	Sale and purchase of Current Investments (Net)	18	7
	Consideration paid to owners of amalgamating company (Note 42)	-	(752)
	Purchase of Mutual fund/NSC	-	0
	Purchase of Long term investments in Joint Venture	-	(40)
	Net Cash flow used in Investing Activities [B]	**(3,177)**	**(2,934)**

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Million)

Sr No.	Particulars	Year ended March 31, 2020	Year ended March 31, 2019
C	**Cash flow from Financing Activities**		
	Dividend paid (including tax on dividend)	(240)	(94)
	Proceeds from issue of Equity Shares	-	2
	Finance Cost paid	(409)	(312)
	Proceeds from Long Term Borrowings	213	1,297
	Repayment of Long Term Borrowings	(1,046)	(829)
	Lease payments	(45)	-
	Proceeds / (Repayment) from Short Term Borrowings	(103)	(114)
	Net Cash flow used in Financing Activities [C]	**(1,630)**	**(50)**
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS [A+B+C]	**(753)**	**436**
	Cash and cash equivalents at the beginning of the period (Note 13)	**892**	**435**
	Cash and cash equivalents acquired from amalgamating company	-	21
	Effect of exchange differences on restatement of foreign currency cash and cash equivalents	0	0
	Cash and Cash Equivalents at the end of the period (Note 13)	**139**	**892**

Note: The above Cash Flow Statement has been prepared as per 'Indirect Method' as set out in Ind AS 7 on Consolidated Statement of Cash Flows.

(₹ in Million)

Particulars	Non-current borrowings*	Current borrowings	Total
Balance as at April 1, 2018	**1,835**	**56**	**1,891**
Acquisition on account of amalgamation (Note 42)	155	362	517
Cash flows	469	(114)	355
Foreign exchange adjustments	(10)	-	(10)
Balance as at March 31, 2019	**2,449**	**304**	**2,753**
Cash flows	(833)	(103)	(936)
Foreign exchange adjustments	39	-	39
Balance as at March 31, 2020	**1,655**	**201**	**1,856**

* Long term borrowings including current maturities classified in Other Financial liabilities.

See accompanying notes to the consolidated financial statements

As per report of even date
For S R B C & CO LLP
Chartered Accountatnts
ICAI Firm Registration No.: 324982E/E300003

Per Anil Jobanputra
Partner
Membership No : 110759

For and on behalf of the Board of Directors of Astral Poly Technik Limited
CIN : L25200GJ1996PLC029134

Sandeep P. Engineer
Managing Director
DIN : 00067112

Jagruti S. Engineer
Whole Time Director
DIN : 00067276

Hiranand A. Savlani
Chief Financial Officer

Krunal D. Bhatt
Company Secretary

Place : Mumbai
Date : May 25, 2020

Place : Ahmedabad
Date : May 25, 2020

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2020

A EQUITY SHARE CAPITAL (NOTE 15)

(₹ in Million)

Particulars	Amount
Balance as at April 1, 2018	**120**
Add: movement during the year	0
Balance as at March 31, 2019	**120**
Add: movement during the year (Note 42 & Note 15 (b)	31
Balance as at March 31, 2020	**151**

B OTHER EQUITY (NOTE 16)

(₹ in Million)

Particulars	Attributable to the equity holders of the parent								Total	Non-controlling Interests	Total Other Equity
	Securities premium	General reserve	Capital reserve	Revaluation reserve	Foreign Currency translation reserve	Retained earnings	Stock options outstanding account	Shares pending allotment (Note 42)			
Balance as at April 1, 2018	**3,337**	**260**	**4**	**12**	**(16)**	**6,451**	**15**	**-**	**10,063**	**135**	**10,198**
Profit for the year	-	-	-	-	-	1,958	-	-	1,958	15	1,973
Other comprehensive income for the year, net of tax	-	-	-	-	(1)	(1)	-	-	(2)	(0)	(2)
Total comprehensive income for the year	**3,337**	**260**	**4**	**12**	**(17)**	**8,408**	**15**	**-**	**12,019**	**150**	**12,169**
Consequent to business combination (Note 42)	-	-	-	-	-	-	-	723	723	-	723
Issue of equity shares under employee share option plan (Note 15 (e))	24	-	-	-	-	-	-	-	24	-	24
Recognition of share-based payments	-	-	-	-	-	-	7	-	7	-	7
Exercise of stock options	-	-	-	-	-	-	(22)	-	(22)	-	(22)
Payment of dividends (Including tax on dividend)	-	-	-	-	-	(94)	-	-	(94)	-	(94)
Balance as at March 31, 2019	**3,361**	**260**	**4**	**12**	**(17)**	**8,314**	**-**	**723**	**12,657**	**150**	**12,807**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Million)

Particulars	Attributable to the equity holders of the parent								Total	Non-controlling Interests	Total Other Equity
	Securities premium	General reserve	Capital reserve	Revaluation reserve	Foreign Currency translation reserve	Retained earnings	Stock options outstanding account	Shares pending allotment (Note 42)			
Profit for the year	-	-	-	-	-	2,479	-	-	2,479	17	2,496
Other comprehensive income for the year, net of tax	-	-	-	-	4	(2)	-	-	2	1	3
Total comprehensive income for the year	**3,361**	**260**	**4**	**12**	**(13)**	**10,791**	**-**	**723**	**15,138**	**168**	**15,306**
Consequent to business combination (Note 42)	722	-	-	-	-	-	-	(723)	(1)	-	(1)
Issue of Bonus shares (Note No. 16(b))	(30)	-	-	-	-	-	-	-	(30)	-	(30)
Recognition of share-based payments	-	-	-	-	-	-	11	-	11	-	11
Payment of dividends (Including tax on dividend)	-	-	-	-	-	(240)	-	-	(240)	-	(240)
Balance as at March 31, 2020	**4,053**	**260**	**4**	**12**	**(13)**	**10,551**	**11**	**-**	**14,878**	**168**	**15,046**

See accompanying notes to the consolidated financial statements

As per report of even date
For S R B C & CO LLP
Chartered Accountatnts
ICAI Firm Registration No.: 324982E/E300003

Per Anil Jobanputra
Partner
Membership No : 110759

Place : Mumbai
Date : May 25, 2020

For and on behalf of the Board of Directors of Astral Poly Technik Limited
CIN : L25200GJ1996PLC029134

Sandeep P. Engineer
Managing Director
DIN : 00067112

Jagruti S. Engineer
Whole Time Director
DIN : 00067276

Hiranand A. Savlani
Chief Financial Officer

Krunal D. Bhatt
Company Secretary

Place : Ahmedabad
Date : May 25, 2020

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

1 GROUP'S BACKGROUND

The consolidated financial statements comprise financial statements of Astral Poly Technik Limited ("the Parent" or "The Company") and its subsidiaries (collectively, the Group) for the year ended March 31, 2020.

The Parent is a public company domiciled in India and is incorporated under the provision of Companies Act applicable in India. Its shares are listed in two recognised stock exchange in India, Bombay Stock Exchange and National Stock Exchange. The Company was established in 1996, with the aim to manufacture pro-India plumbing and drainage systems in the country. Astral Poly Technik is equipped with production facilities at Santej & Dholka (Gujarat), Ghiloth (Rajasthan), Sangli (Maharashtra), Sitarganj (Uttarakhand) and Hosur (Tamil Nadu) to manufacture Plumbing systems, Drainage systems, Agriculture, Industrial and Electrical Conduit Pipes with all kinds of necessary fittings.

The Consolidated financial statements were approved for issue by the board of directors on May 25, 2020.

2 SIGNIFICANT ACCOUNTING POLICIES:-

a) Basis of Preparation of Consolidated Financial Statements

The Consolidated financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter read with Section 133 of the Companies Act, 2013, as amended. All accounting policies are consistently applied except as given below:

The Group applied Ind AS 116 Leases for the first time. The nature and effect of the changes as a result of adoption of this new accounting standard is described below.

Several other amendments and interpretations apply for the first time in 2019, but do not have an impact

on the consolidated financial statements of the Group. The Group has not early adopted any standards,

Interpretations or amendments that have been issued but are not yet effective.

These consolidated financial statements are prepared under the accrual basis and historical cost measurement, except for certain financial instruments (refer accounting policy on financial instruments), which are measured at fair values. The consolidated financial statements provide comparative information in respect of the previous period. The consolidated financial statements are presented in Indian National Rupee (₹) which is the functional currency of the Company, and all values are rounded to the nearest million, except where otherwise indicated. All amounts individually less than ₹ 0.5 million have been reported as "0".

Ind AS 116 Leases:

Ind AS 116 supersedes Ind AS 17 Leases. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have an impact for leases where the Group is the lessor.

The Group adopted Ind AS 116 using the modified retrospective method of adoption, with the date of initial application of 1 April 2019. The Group elected to use the transition practical expedient to not reassess whether a contract is, or contains, a lease at 1 April 2019. The Group applied the standard only to contracts that were previously identified as leases applying Ind AS 17 at the date of initial application. The Group also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets).

b) Fair value:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either.

- In the principal market for the asset or liabilities or
- In the absence of a principal market in the most advantageous market for the asset and liabilities.

In estimating the fair value of an asset or liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristic into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these Consolidated financial statements is determined on such a basis, except for share based payment transaction that are within the scope of Ind AS 102 Share-based Payment, leasing transactions that are within the scope of Ind AS 17 Leases, and measurements that have some similarities to fair value but are not fair valued such as net realisable value in Ind AS 2 or value in use in Ind AS 36 Impairment of assets.

All assets and liabilities for which fair value is measured or disclosed in the Consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

1) Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or Liabilities.
2) Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
3) Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

c) Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries, being the entities controlled by the Company. Control is achieved when the Company:

- has power over the investee:
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Statement of Profit and Loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

expenses, after eliminating intra-group balances, intra-group transactions and the unrealised profits/ losses, unless cost/revenue cannot be recovered. The excess of cost to the Group of its investment in subsidiaries, on the acquisition dates over and above the Group's share of equity in the subsidiaries, is recognised as 'Goodwill on Consolidation' being an asset in the consolidated financial statements. The said Goodwill is not amortised, however, it is tested for impairment at each Balance Sheet date and the impairment loss, if any, is provided for. On the other hand, where the share of equity in subsidiaries as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves and Surplus' in the consolidated financial statements.

Non-controlling interests in the net assets of consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separately within equity.

Non-controlling interests in the net assets of consolidated subsidiaries consists of:

(a) The amount of equity attributable to non-controlling interests at the date on which investment in a subsidiary is made; and

(b) The non-controlling interests share of movements in equity since the date parent subsidiary relationship came into existence.

d) Investment in Joint Venture

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decision about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of joint venture are incorporated in these consolidated financial statements using the equity method of accounting.. Under equity method, an investment in a joint venture is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit and loss and other comprehensive income of the joint venture. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment separately. When the Group's share of losses of a joint venture exceeds the Group's interest in that joint venture (which includes any long term interest that, in substance, form part of Group's net investment in the joint venture), the Group discontinues recognizing its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss within 'Share of profit of a joint venture' in the statement of profit or loss. Any reversal of the impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

When a Group entity transacts with a joint venture of the Group, profit and losses resulting from the transaction with the joint venture are recognised in the Group's consolidated financial statements only to the extent of interest in joint venture that are not related to the Group.

When necessary, adjustments are made to bring the accounting policies in line with those of the Group. The financial statements of the joint venture used in applying the equity method are prepared as of a date different from that used by the entity, adjustments are made for the effects of significant transactions or events that occur between that date and the date of the entity's financial statements. The difference between the end of the reporting period of the joint venture and that of the Company is of three months. The length of the reporting periods and difference between the ends of the reporting periods are same from period to period.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

e) Inventories

Inventories are stated at lower of cost and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes cost of purchase and other expenses incurred in bringing the inventories to their present location and condition.. Raw materials, Stock in Trade, Stores, Spares and Packing materials are valued on weighted average costs. Work-in-progress and finished goods include appropriate proportion of overheads.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

f) Cash and cash equivalents

Cash and Cash equivalents consists of cash in hand & at bank and all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase.

g) Revenue from contract with customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

Sale of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer. In determining the transaction price for the sale of goods, the Group considers the effects of variable consideration, if any.

Variable consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Trade receivables (Contract balances)

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Interest Income

Interest income from financial assets is recognised when it is probable that the economic benefit will flow to the Group and the amount of income can be measured reliably. Interest income is recorded using the effective interest rate (EIR). Interest income is accrued on a time basis, by reference to the principal outstanding and the interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

h) Property, plant and equipment

Property, Plant and Equipment are stated at actual cost less accumulated depreciation and impairment losses, if any. The actual cost capitalised includes material cost, freight, installation cost, duties and taxes and other incidental expenses incurred during the construction / installation stage.

Properties in the course of construction for production, supply or administration purposes are carried at cost, less any recognised impairment loss. All the direct expenditure related to implementation including incidental expenditure incurred during the period of implementation of a project, till it is commissioned, is accounted as Capital work in progress (CWIP) and such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal

or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the consolidated statement of profit and loss.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on Property, Plant and Equipment are charged based on straight line method on an estimated useful life as prescribed in Schedule II to the Companies Act, 2013.

The estimated useful lives and residual values of the property, plant and equipment are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Depreciation on items of property, plant and equipment acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition / disposal.

i) Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life is reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the consolidated statement of profit and loss when the asset is de-recognised.

Useful lives of intangible assets

Intangible assets are amortised over their estimated useful life on a straight-line basis over a period of 5 years except assets like Brand which is amortised over 7 years since in the opinion of the management the benefits will be available for that period.

j) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

a. Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

b. Lease liabilities

At the commencement date of the lease, The Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liabilities are included in Note 39.

c. Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

k) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is reduced from the carrying amount of the asset.

l) Foreign Currencies

In preparing the consolidated financial statements of the Group, the transactions in currencies other than the entity's functional currency (INR) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rate prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on monetary items are recognised in the consolidated statement of profit and loss in the period in which they arise.

Translation of Financial Statements of foreign entities

On Consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of Profit and Loss are translated at the average exchange rates for the period. The exchange differences arising on translation for consolidation are

recognised in OCI. On disposal of foreign operation, the component of OCI relating to that particular operation is recognised in the Consolidated Statement of Profit and Loss.

m) Employee Benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity fund and compensated absences.

Defined Contribution Plan:

The Group's contribution to Provident Fund is considered as defined contribution plans and is charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees. The Parent Company and its Indian Subsidiaries operate defined contribution plans pertaining to ESIC and Provident fund scheme for eligible employees.

Defined benefit plans:

The Parent company and its Indian Subsidiaries operate a gratuity scheme for employees. The cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Remeasurement, comprising actuarial gains

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

and losses, the effect of the changes to the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to in the consolidated statement of profit and loss. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

1) Service costs comprising current service costs, gains and losses on curtailments and settlements; and

2) Net interest expense or income

The retirement benefit obligation recognised in the Consolidated Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Short-term employee benefits:

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

Long-term employee benefits:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the balance sheet date. The Group determines the liability for such accumulated leaves using the Projected Unit Credit Method with actuarial valuations being carried out at each Balance Sheet date.

Share based payment:

Equity settled share based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity settled share based payments is expensed on a straight line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

n) Borrowing costs

Borrowing cost includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily takes a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Capitalisation of borrowing cost is suspended and charged to statement of Profit and loss during the extended period when active development of the qualifying asset is interrupted.

All other borrowing costs are recognised in the consolidated statement of profit and loss in the period in which they are incurred.

o) Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) for the year attributable to equity shareholders by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.

p) Taxation

Current Tax

The tax currently payable is based on taxable profit for the year. Current tax is measured at the amount expected to be paid to the tax authorities, based on estimated tax liability computed after taking credit for allowances and exemption in accordance with the local tax laws existing in the respective countries. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets include Minimum Alternate Tax (MAT) credit paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT credit is recognised as deferred tax asset in the Consolidated Balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

The deferred tax assets (net) and deferred tax liabilities (net) are determined separately for the Parent and each subsidiary company as per their applicable laws and then aggregated.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the respective Group Company will pay normal tax during the specified period. Such asset is reviewed at each Balance sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal tax during the specified period.

Current and deferred tax are recognised in the consolidated statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly to equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly to equity, as the case may be.

The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Group has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Group.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

q) Provisions, Contingent Liabilities and Contingent Assets and Commitments

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligations. When a provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present obligations of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liabilities and Contingent assets are not recognised in the consolidated financial statements when an inflow/ outflow of economic benefits/ loss are not probable.

r) Non-derivative Financial Instruments

Financial assets and financial liabilities are recognised when a Group becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the consolidated statement of profit and loss.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets 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.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit and loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in consolidated statement of profit and loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments recognised by the Group are measured at the proceeds received net off direct issue cost.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in financial statements if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

s) Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts/options and interest rate swaps.

The use of foreign currency forward contracts / options is governed by the Group's policies approved by the Board of Directors, which provide written principles on the use of such financial derivatives consistent with the Group's risk management strategy. The counter party to the Group's foreign currency forward contracts is generally a bank. The

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

Group does not use derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the consolidated statement of profit and loss immediately.

Profit or loss arising on cancellation or renewal of a forward exchange contract is recognised as income or as expense in the period in which such cancellation or renewal occurs.

t) Impairment

Financial assets (other than at fair value)

The Group assesses at each Balance sheet whether a financial asset or a Group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Group recognises lifetime expected losses for all contract assets and/or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Non-financial assets

Property, Plant and Equipment and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash generating units, or otherwise they are allocated to the smallest Group of cash generating unit for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the consolidated statement profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the consolidated statement of profit and loss.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquire are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

u) Business combinations

At the time of acquisition, the Company considers whether each acquisition represents the acquisition of a business or the acquisition of an asset. The Company accounts for an acquisition as a business combination where an integrated set of activities and assets, including property, is acquired. More specifically, consideration is given to the extent to which significant processes are acquired and, in particular, the extent of services provided by the subsidiary (e.g., maintenance, cleaning, security, bookkeeping, hotel services, etc.).

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

v) Operating Cycle

The Group presents assets and liabilities in the consolidated balance sheet based on current / non-current classification based on operating cycle.

An asset is treated as current when it is:

1. Expected to be realised or intended to be sold or consumed in normal operating cycle;
2. Held primarily for the purpose of trading;
3. Expected to be realised within twelve months after the reporting period, or
4. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

1. It is expected to be settled in normal operating cycle;
2. It is held primarily for the purpose of trading;
3. It is due to be settled within twelve months after the reporting period, or
4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The Group has identified twelve months as its operating cycle.

w) Segment Reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. The Group's chief operating decision maker is the Managing Director.

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter segment

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

revenue is accounted on the basis of transactions which are primarily determined based on market/ fair value factors. Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on a reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

x) Critical accounting judgements and key sources of estimation uncertainty

The preparation of the consolidated financial statements in conformity with the Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures as at date of the consolidated financial statements and the reported amounts of the revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different assumptions and conditions. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing as material adjustment to the carrying amounts of assets and liabilities within next financial year.

i. Useful lives of property, plant and equipment

As described in Note 2(h), the Group reviews the estimated useful lives and residual values of property, plant and equipment at the end of each reporting period. During the current financial year, the management determined that there were no changes to the useful lives and residual values of the property, plant and equipment.

ii. Provisions and Contingent Liabilities

Provisions and Contingent Liabilities are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

iii. Impairment of Goodwill

Goodwill of ₹ 2,361 million and ₹192 million have been allocated for impairment testing purpose to the Cash Generating Unit (CGU) viz., Adhesives and Plastics Segment respectively.

The recoverable amount of all cash generating units (CGUs) has been determined based on value in use calculations. These calculations use cash flow projections based on financial budgets approved by management. Recoverable amounts for these CGUs has been determined based on value in use for which cash flow forecasts of the related CGU's using a growth rate based on company's projection of business and growth of the industry in which the Company is operating. Discount rate ranging from 7% to 16% has been applied. The values assigned to the assumption reflect past experience and are consistent with the management's plans for focusing operations in these markets. The growth rate does not exceed the long term average growth rate for the respective business in which the CGU operates. The management believes that the planned market share growth is reasonably achievable.

An analysis of the sensitivity of the computation to a change in key parameters (operating margin, discount rate and growth rate), based on a reasonable assumptions, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

3 PROPERTY, PLANT AND EQUIPMENT, OTHER INTANGIBLE ASSETS AND RIGHT OF USE ASSETS (ROU)

(₹ in Million)

SR. NO.	ASSETS	GROSS CARRYING AMOUNT							ACCUMULATED DEPRECIATION AND AMORTISATION					NET CARRYING AMOUNT	
		As At April 1, 2019	Acquisition on account of amalgamation (Refer note 42)	Recalssified on account of Ind AS 116	Additions	Disposals	Effect of Foreign currency Translation	As At March 31, 2020	As At April 1, 2019	For the year	Disposals	Effect of Foreign currency Translation	As At March 31, 2020	As At March 31, 2020	As At March 31, 2019
COST															
A.	**TANGIBLE ASSETS**														
a	Land	1,700	-	(333)	158	-	11	1,536	31	13	-	2	46	1,490	1,669
		1,420	*193*	-	*92*	-	*(5)*	*1,700*	*20*	*12*	-	*(1)*	*31*	*1,669*	*1,400*
b	Buildings	2,250	-	-	579	9	-	2,820	233	102	-	-	335	2,485	2,017
		1,483	*182*	-	*585*	-	-	*2,250*	*154*	*79*	-	-	*233*	*2,017*	*1,329*
c	Plant and Equipments	5,649	-	-	1,479	16	22	7,134	1,724	739	6	12	2,469	4,665	3,925
		4,163	*409*	-	*1,137*	*57*	*(3)*	*5,649*	*1,143*	*595*	*10*	*(4)*	*1,724*	*3,925*	*3,020*
d	Furniture and Fixtures	390	-	-	111	18	2	485	96	46	11	1	132	353	294
		233	*4*	-	*157*	*3*	*(1)*	*390*	*65*	*32*	*1*	*0*	*96*	*294*	*168*
e	Vehicles	162	-	-	31	5	0	188	37	25	2	0	60	128	125
		112	*19*	-	*47*	*16*	*0*	*162*	*27*	*19*	*9*	*0*	*37*	*125*	*85*
f	Computers and Office Equipments	136	-	-	84	2	1	219	71	34	2	1	104	115	65
		104	5	-	30	3	0	136	51	22	2	0	71	65	53
	Total (A)	**10,287**	**-**	**(333)**	**2,442**	**50**	**36**	**12,382**	**2,192**	**959**	**21**	**16**	**3,146**	**9,236**	**8,095**
		7,515	***812***	**-**	***2,048***	***79***	***(9)***	***10,287***	***1,460***	***759***	***22***	***(5)***	***2,192***	***8,095***	
B.	**OTHER INTANGIBLE ASSETS**														
a	Computer Software	47	-	-	8	-	-	55	28	10	-	-	38	17	19
		42	-	-	*5*	-	-	*47*	*19*	*9*	-	-	*28*	*19*	*23*
b	Brands	448	-	-	-	-	-	448	46	64	-	-	110	338	402
		-	*448*	-	-	-	-	*448*	-	*46*	-	-	*46*	*402*	*0*
	Total (B)	**495**	**-**	**-**	**8**	**-**	**-**	**503**	**74**	**74**	**-**	**-**	**148**	**355**	**421**
		42	***448***	***0***	***5***	**-**	**-**	***495***	***19***	***55***	**-**	**-**	***74***	***421***	
C.	**RIGHT OF USE ASSETS (ROU)**														
a	Leasehold Land	-	-	333	53	28	-	358	-	4	-	-	4	354	-
		-	-	-	-	-	-	-	-	-	-	-	-	-	-
b	Buildings	-	-	-	93	-	-	93	-	42	-	-	42	51	-
		-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total (C)	**-**	**-**	**333**	**146**	**28**	**-**	**451**	**-**	**46**	**-**	**-**	**46**	**405**	**-**
		-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	

Notes :

(a) Building Includes ₹ 750/- being face value of 15 number of shares of ₹ 50/- each held in Kant Apartment Co- Operative Housing Society Limited. Also includes ₹ 10 Million (Previous Year ₹ 10 Million) for which the procedure for transfer of title in the name of the Holding Company is in process

(b) Pursuant to the scheme of amalgamation as stated in note no. 42, the title deeds of, Land and Building ₹ 193 Million and ₹ 225 Million respectively (Previous year : ₹ 193 Million and ₹ 233 Million respectively) are under process with concerned government authorities for transfer in the name of the Holding Company.

(c) During the year the Holding Company has received ₹ 28 Million from Rajasthan State Industrial Development and Investment Corporation (RIICO) as incentive in land cost.

(d) Figures in the italics are of Previous Year.

(e) Brand include trademarks and technical know-how.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

4 GOODWILL

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Goodwill on Consolidation at the beginning of the year	2,538	2,347
Add : Arisen on acquisition and amalgamation (Note 42)	-	192
Add : Currency translation differences	15	(1)
Total	**2,553**	**2,538**

5 INVESTMENTS

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Non-Current Investments		
Investment in Equity Instruments of Joint Venture at deemed cost		
Unquoted		
i) 10,00,000 (as at March 31, 2019 : 10,00,000) Shares of Kenyan Shilling 50/- each fully paid up in Astral Pipes Limited, Kenya.	29	29
Less: Group's share of Loss	(29)	(29)
Total	**-**	**-**
Investment in Preference Shares of Joint Venture at deemed cost		
Unquoted		
i) 72,00,000 (as at March 31, 2019 : 68,00,000) Non-Cumulative Redeemable Preference Shares of Kenyan Shilling 50/- each fully paid up in Astral Pipes Limited, Kenya.	217	203
Less: Loan component of compound financial instrument (Note 6)	(52)	(52)
Less: Group's share of Loss	(165)	(151)
Total	**-**	**-**
Investments in Joint venture	**-**	**-**
Quoted		
Investment in Mutual funds		
Mutual Fund*	2	2
Total	**2**	**2**

* Aggregate carrying value of quoted investments is ₹ 2 million as at March 31, 2020 (as at March 31, 2019 : ₹ 2 million)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

6 LOANS

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current		
(Unsecured, considered good)		
Loan component of compound financial instrument *	72	67
Add: Loss for the current year**	(2)	(0)
	70	67
Loans and Advances to Employees	0	2
Total	**70**	**69**
Current		
(Unsecured, considered good)		
Loans and Advances to Employees	2	5
Total	**2**	**5**

Note: Refer note 38 for detailed disclosure on the fair values.

* Includes portion of compound financial instrument and fair valuation of loan of ₹ 72 Million as at March 31, 2020 (as at March 31, 2019 : ₹67 Million) (Note 5).

** to the extent of not adjusted with investment in Joint Venture.

7 OTHER FINANCIAL ASSETS

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current		
(Unsecured, considered good)		
Security deposits	53	41
Earmarked deposit accounts (with maturity more than 12 months from the balance sheet date)	1	13
Advance for purchase of non current investment (Note 36)	-	14
Total	**54**	**68**
Current		
(Unsecured, considered good)		
Security deposits	11	14
Interest accrued on loans and deposits	3	2
Discount receivables	28	26
Fair Value of derivative contracts	0	5
Others	1	10
Total	**43**	**57**

Note: Refer note 38 for detailed disclosure on the fair values.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

8 DEFERRED TAX (NET)

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Deferred Tax Assets	1	1
(b) Deferred Tax Liabilities	-	-
Deferred tax assets (Net)(a-b)	**1**	**1**
(a) Deferred Tax Liabilities	582	745
(b) Deferred Tax Assets	152	212
Deferred tax liabilities (Net) (a-b)	**430**	**533**
Total	**429**	**532**

Deferred tax liabilities/(assets) in relation to :

(₹ in Million)

Particulars	As at April 1, 2018	On account of amalgamation (Note 42)	Recongnised in statement of profit and loss	Other Adjustments	As at March 31, 2019
Tangible and Intangible assets	554	91	100	-	745
Unabsorbed Depreciation	(99)	-	99	-	0
Unabsorbed Scientific Research	-	-	(17)	-	(17)
Provision for doubtful trade receivables	(20)	(1)	(5)	-	(26)
Compensated absences	(9)	(3)	(5)	-	(17)
MAT Credit entitlement	(79)	-	(47)	-	(126)
Others	(18)	(1)	(8)	(0)	(27)
Total	**329**	**86**	**117**	**(0)**	**532**

(₹ in Million)

Particulars	As at April 1, 2019	Recongnised in statement of profit and loss	MAT Credit Utilisation	Other Adjustments	As at March 31, 2020
Tangible and Intangible assets	745	(177)	-	-	568
Unabsorbed Depreciation	0	0	-	-	-
Unabsorbed Scientific Research	(17)	17	-	-	-
Provision for doubtful trade receivables	(26)	6	-	-	(20)
Compensated absences	(17)	(4)	-	-	(21)
MAT Credit utilisation	(126)	-	38	-	(88)
Others	(27)	18	-	(1)	(10)
Total	**532**	**(140)**	**38**	**(1)**	**429**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

9 TAX ASSETS

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current		
Taxes receivable (Net of Provision)	-	7
Total	**-**	**7**
Current		
Taxes receivable (Net of Provision)	154	37
Total	**154**	**37**

10 OTHER ASSETS

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current		
Capital Advances	141	266
Prepaid Expenses	1	5
Total	**142**	**271**
Current		
Prepaid Expenses	91	51
Balances with Government Authorities	241	168
Advances recoverable in cash or in kind for value to be received	116	52
Total	**448**	**271**

11 INVENTORIES (at lower of cost and net realisable value)

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Raw Materials	1,885	1,144
Work-in-Progress	227	309
Stock In Trade	265	325
Finished Goods	2,805	1,964
Stores,Spares and Packing Materials	222	228
Total	**5,404**	**3,970**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

12 TRADE RECEIVABLES

(₹ in Million)

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Current		
Unsecured, considered good	2,278	3,391
Unsecured, credit impaired	73	75
Less : Allowance for expected credit loss	(73)	(75)
Total	**2,278**	**3,391**

Note: Refer note 38 for information about credit risk and market risk of Trade receivables.

Break-up of trade receivables

(₹ in Million)

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Trade receivables from other than related parties	2,278	3,391
Receivables from related parties (Note 36)	-	-
Total	**2,278**	**3,391**

Notes :

1 The credit period ranges from 30 days to 180 days.

2 Before accepting any new customer, the Group assesses the potential customer's creditability and defines credit limits for each customer. Such Limits are reviewed annually.

3 In determining the allowances for credit impaired trade receivables , the Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

4 At March 31, 2020, ₹ 201 million (At March 31, 2019 : ₹ 308 million) had been sold to a provider of invoice discounting and debt factoring services. The Group is committed to underwrite any of the debts transferred and therefore continues to recognise the debts sold within trade receivables until the debtors repay of default. Since the trade receivables continue to be recognised, the business model of the Group is not affected.

5 **Movement in Expected Credit Loss Allowance**

(₹ in Million)

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Balance at the beginning of the year	75	57
Less : Reversal / utilisation out of earlier year	13	2
Add : Provision during the year	11	20
Balance at the end of the year	**73**	**75**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

13 CASH AND CASH EQUIVALENTS

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Cash on Hand	6	3
Balances with Banks in current accounts	133	889
Total	**139**	**892**

14 OTHER BALANCES WITH BANKS

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
In deposit accounts	1,162	89
Unclaimed dividend and bonus accounts (Note 20)	0	0
Total	**1,162**	**89**

Note : Unclaimed Dividend account balance can only be used for payment of unclaimed dividend.

15 EQUITY SHARE CAPITAL

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Authorised Share Capital		
210,500,000 (as at March 31, 2019 : 150,000,000) Equity Shares of ₹ 1/- each	211	150
	211	**150**
Issued, Subscribed & Fully Paid Share Capital		
150,662,206 (as at March 31, 2019 : 119,806,565) Equity Shares of ₹ 1/- each fully paid up	151	120
Total	**151**	**120**

a) Rights, preferences and restrictions attached to shares :

The Parent Company has issued only one class of equity shares having value of ₹ 1/- per Share. Each holder of equity shares is entitled to one vote per share and are entitled to dividend as and when declared. All shares rank equally with regard to the Parent Company's residual assets after distribution of all preferential amounts.

b) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	No. of Shares	₹ In million
Balance as at April 1, 2018	**119,766,565**	**120**
Add: Shares issued	40,000	0
Balance as at March 31, 2019	**119,806,565**	**120**
Add: Shares issued pursuant to amalgamation (Note 42)	723,200	1
Add: Bonus Shares issued (Note No. 16(b))	30,132,441	30
Balance as at March 31, 2020	**150,662,206**	**151**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

c) Number of Shares reserved for issue under options

Particulars	As at March 31, 2020	As at March 31, 2019
Outstanding at the end of the year	98,527	93,718

d) Details of share held by each shareholder holding more than 5% shares :

Name of Shareholders	As at March 31, 2020	As at March 31, 2019
Sandeep Pravinbhai Engineer		
No. of Shares	47,303,074	37,842,460
% of Shares Held	31.40	31.59
Saumya Polymers LLP		
No. of Shares	14,847,712	14,758,170
% of Shares Held	9.85	12.32
Steadview Capital Mauritius Limited		
No. of Shares	12,833,134	10,972,125
% of Shares Held	8.52	9.16
Jagruti Sandeep Engineer		
No. of Shares	11,429,262	9,143,410
% of Shares Held	7.59	7.63
Kairav Chemicals Limited		
No. of Shares	10,395,037	2,360,260
% of Shares Held	6.90	1.97

e) Share options granted under the Employee Stock Options scheme

1 Details of the Employee stock option plan of the Parent Company

Astral Poly Technik Limited (the Holding Company) formulated Employees Stock Option Scheme viz. Astral Employee Stock Option Scheme 2015 ("the Scheme") for the benefit of employees of the Holding Company. Shareholders of the Holding Company approved the Scheme by passing special resolution through postal ballot dated October 21, 2015. Under the said Scheme as approved by the Shareholders, Nomination and Remuneration Committee is empowered to grant stock options to eligible employees of the Holding Company, up to 1,50,000 over a period of five years from the date of passing of resolution by shareholders. Minimum vesting period of stock option is one year and exercise period of stock option is one year from the date of vesting.

The Committee granted 16,282 stock options on November 14, 2015, 21,600 stock options on March 30, 2017, 22,400 stock options on November 13, 2017, 7,450 stock options on June 29, 2019 and 9,310 stock options on October 24, 2019 totalling 78,902 stock options till date. Exercise price of all stock options were ₹ 40/- share (Ex-bonus exercise price of all stock options was ₹ 50/- share). Each stock option is exercisable into one equity share of face value of Re. 1/- each.

The Holding Company made bonus issue of shares in the ratio of 1:4 during the financial year under review. A fair and reasonable adjustment was made in respect of options unvested/yet to be exercised and options available for grant. The number of stock options and exercise prices were adjusted to give effect to the bonus in compliance with the SEBI (Share Based Employee Benefits) Regulations, 2015. Further the Holding Company obtained in principle approval from stock exchanges for additional 23,429 equity shares under Astral Employee Stock Option Scheme, 2015 pursuant to Bonus Issue of shares by the Holding Company vide shareholders resolution dated September 6, 2019.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

The following stock based payment arrangement were in existence during the current and prior year

Option Series	**October 24, 2019**	**June 29, 2019**	**November 13, 2017**	**March 30, 2017**
Grant date	24-10-2019	29-06-2019	13-11-2017	30-03-2017
Number of shares	9,310	9,310*	22,400	21,600
Expiry date	22-10-2021	27-06-2021	12-11-2019	29-03-2019
Exercise price	₹ 40	₹ 40*	₹ 50	₹ 50
Fair value at grant date	₹ 1,090	₹ 1,013	₹ 722	₹ 507

** Adjusted pursuant to bonus issue.*

2 Movement in stock options during the year

The following is the reconciliation of stock option outstanding at the beginning and at the end of the year

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Option Outstanding, beginning of the year	-	42,800
Options Granted during the year (including bonus adjustment)	18,620	-
Options Exercised during the year	-	40,000
Option Lapsed/surrendered/forfeited	-	2,800
Option Outstanding, end of the year	18,620	-
Of which:		
Not Vested	18,620	-
Add : Adjustment on Account of Bonus Issue in ratio of 1:4	23,429	-
Options available for grant	**98,527**	**93,718**

Options available for grant as at March 31, 2020 has been adjusted with bonus shares issued during the year.

3 Fair value of share options granted in the year

Fair value of the share options granted during the financial year is ₹ 1013 and ₹ 1090 respectively for options granted on June 29,2019 and October 24, 2019. The company has not granted any share options during the previous financial year. The following assumptions were used for calculation of fair value of grants in accordance with Black Scholes model;

Option Series	**October 24, 2019**	**June 29, 2019**	**November 13, 2017**	**March 30, 2017**
Option grant date	24-10-2019	29-06-2019	13-11-2017	30-03-2017
Fair value at Grant date	₹ 1,090	₹ 1,013	₹ 722	₹ 507
Exercise Price	₹ 40	₹ 40	₹ 50	₹ 50
Expected Volatility	58%	66%	104%	49%
Expected life of Option	2 years	2 years	2 years	2 years
Dividend Yield	0.65%	0.60%	0.60%	0.70%
Risk Free Interest Rate	6.60%	6.88%	6.00%	6.00%

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

4 **Stock options exercised during the previous year :**

The following stock options were exercised during the previous year

Option Series	Number exercised	Avg Share price at excercised date	Exercise date
Granted on November 13, 2017	19,600	1,046	23-11-2018
Granted on March 30, 2017	20,400	919	07-04-2018

5 **Stock options outstanding at the end of the year**

The stock option outstanding at the end of the current year had a weighted average exercise price of as ₹ 40, and weighted average remaining contractual life of 512 days. No stock options outstanding at the end of the previous year.

16 OTHER EQUITY

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Capital Reserve		
Balance at the beginning and end of the year	**4**	**4**
Securities Premium		
Balance at the beginning of the year	3,361	3,337
Add : Premium on shares issued during the year (Note 42)	722	24
Less : Utilised during the year for Shares Issues Expenses (Note No. 16(b))	(30)	-
Balance at the end of the year	**4,053**	**3,361**
General Reserve		
Balance at the beginning of the year	260	260
Balance at the end of the year	**260**	**260**
Revaluation Reserve		
Balance at the beginning of the year	12	12
Balance at the end of the year	**12**	**12**
Shares pending allotment		
Balance at the beginning of the year	723	-
Add : Consequent to business combination (Note 42)	-	723
Less : Utilised during the year for Shares issued pursuant to amalgamation (Note 42)	723	-
Balance at the end of the year	**-**	**723**
Foreign Currency Translation Reserve		
Balance at the beginning of the year	(17)	(16)
Add : Other comprehensive income arising from Currency Translation (Loss)/ Gain	4	(1)
Balance at the end of the year	**(13)**	**(17)**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Stock Options Outstanding Account		
Balance at the beginning of the year	-	25
Add : On account of options granted during the year	19	-
	19	**25**
Less : Option Lapsed/surrendered/forfeited	-	2
Less : Exercise of employee stock options	-	23
	19	**-**
Less : Deferred employee Compensation expenses	8	-
Balance at the end of the year	**11**	**-**
Retained earnings		
Balance at the beginning of the year	8,314	6,451
Add : Profit for the year	2,479	1,958
Add : Other comprehensive income arising from remeasurement of defined benefit obligation net of tax	(2)	(1)
Less : Payment of dividend on equity shares (including Dividend Distribution Tax)	240	94
Balance at the end of the year	**10,551**	**8,314**
Total	**14,878**	**12,657**

Notes

a In August 2019 ,November 2019 and February 2020 the dividend of Re.0.40 per share (total dividend ₹ 58 Million), Re. 0.40 per share (total dividend ₹ 73 Million) and Re. 0.60 per share (total dividend ₹ 109 Million) was paid to holders of fully paid equity shares. The total dividend includes dividend distribution tax at applicable rates.

b The Company alloted 30,132,441 equity shares as fully paid up bonus shares by utilising securities premium amounting to ₹ 30 Million, pursuant to an ordinary resolution passed after taking the consent of shareholders through Postal ballot.

c **Nature and Purpose of reserve**

Capital reserve

The Parent Company has created capital reserve out of capital subsidies received from state Governments.

Securities premium

The amount received in excess of face value of the equity shares is recognised in Securities Premium. It is available for utilization in accrodance with the provisions of the Companies Act, 2013. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve.

General reserve

General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

Revaluation Reserve

The Parent Company has created revaluation reserve out of revaluation of land carried out during the year 2004-05.

Stock Options Outstanding Account

The fair value of the equity-settled share based payment transactions with employees is recognised in Statement of Profit and Loss with corresponding credit to Stock Options Outstanding Account.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

Retained earnings

Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

Shares pending allotment

Shares pending allotment represents equity shares to be issued pursuant to business combination. (Note 42)

17 BORROWINGS

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current		
Secured - at amortised cost		
Term Loans From Banks	1,071	2,072
Less : Current maturity of long term loans (Note 20)	324	782
	747	**1,290**
Buyers Credit	99	56
Less : Current maturity of long term buyers credit (Note 20)	37	-
	62	**56**
Vehicle Loans	18	35
Less : Current maturity of vehicle loans (Note 20)	5	14
	13	**21**
Finance Lease Obligations (Note 20 and 39)	28	20
Less : Current Maturity of finance lease obligations (Note 20)	14	12
	14	**8**
Unsecured - at amortised cost		
Buyers Credit	439	266
Less : Current maturity of long term buyers credit (Note 20)	206	10
	233	**256**
Total	**1,069**	**1,631**
Current		
Secured - at amortised cost		
Working capital demand loans from banks	201	54
Unsecured - at amortised cost		
Working capital demand loans from banks	-	250
Total	**201**	**304**

Notes

a) Refer note 38 for information about liquidity risk.

b) Amount stated in Current maturity is disclosed under the head of "Other Financial Liabilities (Current)" (Note 20).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

c) **Parent Company :**

(i) Term Loans are Secured by way of first charge, in respect of Property, plant and equipments , both present and future, and second charge on entire current assets of the Company both present and future. (Note 3,11,12). Rate of interest for Rupee Term Loan ranges from 6.5% to 10%. Rate of interest for ECB and Foreign currency Term Loan ranges from 3 to 4%.

1 HSBC Bank Term Loan of ₹ 833 Million (as at March 31, 2019 : ₹ 1,384 Million) repayable within 66 months (i.e. by February 2024) including initial moratorium period of Nine months from the date of first disbursement in Nineteen quarterly instalments.

2 Corporation Bank Term Loan of ₹ Nil (as at March 31, 2019 : ₹ 92 Million) repaid.

3 HSBC ECB Loan of ₹ Nil (as at March 31, 2019 : US $ 1 Million equivalent ₹ 73 Million) repaid.

(ii) Buyers Credit : Rate of interest for Buyer's Credit ranges from 0.40% to 3.00%.

1 HSBC Buyers Credit of ₹ 99 Million (as at March 31, 2019 : ₹ 56 Million) repayable by July 2022. Secured by way of first charge, in respect of entire current assets of the Company both present and future.

2 CITI Bank Buyers Credit of ₹ 118 Million (as at March 31, 2019 : ₹ Nil) repayable by May 2022.

3 Kotak Buyers Credit of ₹ 89 Million (as at March 31, 2019 : ₹ 11 Million) repayable by March 2022.

4 Federal Buyers Credit of ₹ 26 Million(as at March 31, 2019 : ₹ 63 Million) repayable by March 2022.

(iii) Vehicle Loans are Secured by way of hypothecation of respective motor vehicles purchased. Rate of interest for Vehicle loan ranges from 7 to 11%.

1 ICICI Bank Limited Vehicle Loan of ₹ 1 Million (as at March 31, 2019 : ₹ 11 Million) repayable on monthly basis. Repayable by July 2020.

2 Axis Bank Limited Vehicle Loan of ₹ 15 Million (as at March 31, 2019 : ₹ 21 Million) repayable on monthly basis. Repayable by May 2024.

3 Daimler Financial Services India Pvt. Ltd. Vehicle Loan of ₹ 2 Million (as at March 31, 2019 : ₹ 3 Million) repayable on monthly basis. Repayable by June 2021.

(iv) Working capital loan are secured by way of first charge on entire current assets of the Company both present and future and second charge on movable and immovable fixed assets of the company.

d) **Indian Subsidiary:**

(i) Term Loans are Secured by way of first charge, in respect of Fixed Assets, both present and future, and second charge on entire current assets of the Company both present and future. Rate of Interest for Rupee Term Loan ranges from 8 to 11%.

1 Kotak Bank Term Loan of ₹ 44 Million (as at March 31, 2019 : ₹ 60 Million) repayable within 45 Months (i.e. by December 2022) including initial moratorium period of twelve months from the date of first disbursement in twenty quarterly equal instalments.

(ii) Buyers Credit - Rate of Interest for Buyer's Credit ranges from 0 to 1%.

1 HSBC Bank Buyers Credit of ₹ 206 Million (as at March 31, 2019 : ₹ 192 Million) Repayable by December 2020.

e) **Foreign Subsidiary :** Rate of interest for Term Loan ranges from 2 to 4%. Rate of interest for Finance Lease ranges from 9 to 11%.

1 The subsidairy company has availed borrowings from banks amounting to ₹ 194 million (as at March 31, 2019 : ₹ 463 million) is secured by fixed charge on book debt and a floating charge on the assets of the company.

2 The Subsidiary Company has entered into finance lease arrangement for equipments. The finance lease obligation is secured by a charge against the said equipments.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

18 PROVISIONS

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current		
Provision for Employee Benefits (Note 35)	27	31
Total	**27**	**31**
Current		
Provision for Employee Benefits (Note 35)	39	29
Total	**39**	**29**

19 TRADE PAYABLES

(₹ in Million)

	Particulars	As at March 31, 2020	As at March 31, 2019
Current			
a	total outstanding dues of micro enterprises and small enterprises	-	-
	Total	**-**	**-**
b	total outstanding dues of creditors other than micro enterprises and small enterprises		
	Operational Buyers Credit	2,319	1,337
	Due to others	2,435	2,560
	Total	**4,754**	**3,897**
Total		**4,754**	**3,897**

Notes

a Information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Group. This has been relied upon by the Auditor.

b Refer note 38 for information about credit risk, market risk and liquidity risk of Trade payables.

20 OTHER FINANCIAL LIABILITIES

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Current		
Current maturities of Long Term Borrowings (Note 17)	572	806
Current maturities of Finance Lease Obligations (Note 17)	14	12
Interest accrued and due on borrowings	3	7
Interest accrued but not due on borrowings	14	14
Payable for capital goods	94	226
Unclaimed dividends and bonus* (Note 14)	0	0
Others	142	123
Total	**839**	**1,188**

* All the amounts required to be transferred to the Investor Education and Protection Fund by the Parent Company have been transferred within the time frame prescribed for the same.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

21 OTHER CURRENT LIABILITIES

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Statutory dues	143	329
Advance received from customers	113	59
Total	**256**	**388**

22 CURRENT TAX LIABILITIES (NET)

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Income tax payable (net of advance payment of tax)	26	64
Total	**26**	**64**

23 REVENUE FROM OPERATIONS

(₹ in Million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from contract with customers	25,714	25,013
Other operating revenues	65	60
Total	**25,779**	**25,073**

Note: The revenue generated by Group consists of plastic products, mainly, Pipe & Fittings and Adhesives products, which is disclosed in note no. 37 as segment revenue. Hence, no disaggregation of revenue is provided. Other information relating to contract balances, i.e. Trade Receivables, is stated in note no. 12.

24 OTHER INCOME

(₹ in Million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest Income:		
From Banks	2	4
From Joint ventures*	6	14
From Others	68	43
Profit on Sale of Current Investments (Net)	18	7
Foreign exchange gains (Net)	-	43
Miscellaneous Income	27	43
Total	**121**	**154**

* Includes impact of financial instruments.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

25 COST OF MATERIALS CONSUMED

(₹ in Million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Inventories at the beginning of the year	1,144	1,402
Add : Inventories acquired from amalgamating company (Note 42)	-	87
Add : Purchases	17,170	16,155
Less : Inventories at the end of the year	1,885	1,144
Total	**16,429**	**16,500**

26 PURCHASE OF STOCK-IN-TRADE

(₹ in Million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Pipes, fittings and solution	227	398
Total	**227**	**398**

27 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

(₹ in Million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Inventories at the end of the year		
Finished Goods	2,805	1,964
Work-in-progress	227	309
Stock In Trade	265	325
Total	**3,297**	**2,598**
Inventories at the beginning of the year		
Finished Goods	1,964	1,519
Work-in-progress	309	138
Stock In Trade	325	330
Total	**2,598**	**1,987**
Inventories acquired from amalgamating company (Note 42)		
Finished Goods	-	172
Stock In Trade	-	18
Total	**-**	**190**
Net (Increase) / Decrease	**(699)**	**(421)**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

28 EMPLOYEE BENEFITS EXPENSE

(₹ in Million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Salaries and wages	1,604	1,274
Share based payments to employees (Note 15 (e))	11	7
Contribution to Provident and Other Funds (Note 35)	73	50
Staff Welfare Expenses	64	60
Total	**1,752**	**1,391**

29 FINANCE COSTS

(₹ in Million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest expense on		
Working capital and term loan	183	225
Others	3	10
Other borrowing costs	25	22
Exchange differences regarded as an adjustment to borrowing costs	183	62
Total	**394**	**319**

30 DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation on Property, Plant and Equipment (Note 3)	959	759
Amortisation on intangible assets (Note 3)	74	55
Amortisation on Right of Use Assets (ROU) (Note 3)	46	-
Total	**1,079**	**814**

31 OTHER EXPENSES

(₹ in Million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Consumption of Stores, Spares and Packing Materials	460	408
Power and Fuel	703	653
Rent (Note 36 & 39)	59	86
Repairs Expenses	114	109

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

(₹ in Million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Insurance expenses	39	33
Rates and Taxes	19	12
Royalty expense	24	30
Communication expenses	43	39
Travelling expenses	252	201
Factory and Other expenses	50	32
Printing and Stationary expenses	9	8
Freight and Forwarding	638	561
Commission	23	19
Sales Promotions	909	873
Directors Sitting Fees (Note 36)	2	1
Donations and Contributions	2	0
Expenditure on Corporate Social Responsibility (Note 36)	42	24
Security Service Charges	50	40
Legal and Professional	68	105
Payments to Auditors	8	2
Bad Debts Written Off	13	7
Provision for Doubtful Trade Receivables	11	20
Net Loss on Foreign Currency transactions and translations	4	-
Loss on Sale of Property, plant and equipment (Net)	8	3
Other Expenses	91	90
Total	**3,641**	**3,356**

32 TAX EXPENSES

(₹ in Million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Current tax		
In respect of the current year	708	692
In respect of prior years	(3)	52
Total	**705**	**744**
Deferred tax		
In respect of the current year	(140)	117
Total	**(140)**	**117**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

Reconciliation of the income tax expenses to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarised below :

(₹ in Million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Profit before tax	**3,061**	**2,834**
Income tax expense @25.168% (FY 2018-19 : 34.944%)	770	990
Tax effect of the amounts which are not deductible / (taxable) in calculating taxable income :		
Impact of Change in Statutory Tax Rate on Opening Deferred Tax	(127)	-
Differences arising from different tax rates in the components	(95)	(91)
Exempt income not taxable	(2)	(2)
Effect of allowances	16	6
MAT Credit Entitlement	-	(47)
Others	6	(1)
Total	**569**	**855**
Adjustments in respect of current income tax of previous year	(4)	6
Tax expense as per Consolidated statement of Profit and loss	**565**	**861**

The Group's weighted average tax rates for the year ended March 31, 2020 and March 31, 2019 were 18.58% and 30.18% respectively.

33 EARNINGS PER SHARE:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Profit for the year attributable to owners of the Company (₹ In Million)	2,479	1,958
Weighted average number of equity shares for Basic EPS	150,662,206	150,451,061(*)
Add : Effects of dilutive shares options outstanding	10,732	-
Weighted average number of equity shares for Diluted EPS	150,672,938	150,451,061
Nominal Value per share (Re.)	1	1
Basic Earnings Per Share (In ₹)	16.45	13.01
Diluted Earnings Per Share (In ₹)	16.45	13.01

* Includes 7,23,200 equity shares to be issued on amalgamation of Rex (Note 42) and impact of bonus shares issued during the year 2019-20

Earnings per share for previous periods have been adjusted for Bonus shares issued in current period as per Ind AS 33, Earnings per share. (Note 15 & 16)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

34 CONTINGENT LIABILITIES AND COMMITMENTS NOT PROVIDED FOR

(₹ in Million)

Particulars		As at March 31, 2020	As at March 31, 2019
Contingent Liabilities			
1	Disputed Income Tax/Central Excise/Sales Tax and PF demands *	54	74
2	Other Matters	8	14
3	Guarantee given by Parent Company on behalf of Joint Venture for availing borrowing from local bank (Note 36)	316	494
Commitments			
1	Capital Contracts remaining to be executed (Net of Advances)	820	862
2	Letters of Credits for purchases	345	695
3	Commitment on uncalled liability of shares subscription**	0	-

* Future cash outflows in respect of the above matters are determined only on receipt of judgments / decisions pending at various forums / authorities.

** The Holding Company, along with its subsidiary Company, are subscribers to Memorandum of Association of newly incorporated subsidiary company, namely, 'Astral Foundation'

35 EMPLOYEE BENEFITS:

Post-employment Benefit

Defined Contribution Plan:

The Parent Company and one of its Indian subsidiaries make provident fund contributions to defined contribution benefit plans for eligible employees. Under the scheme the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions specified under the law are paid to the government authorities (PF commissioner).

Amount towards Defined Contribution Plan have been recognised under "Contribution to Provident and Other funds" in Note no. 28 "Employee Benefits Expense" of ₹ 51 million (Previous Year: ₹ 34 million).

Defined Benefit Plan:

The Parent Company and one of its Indian subsidiaries have defined benefit plans for gratuity to eligible employees, contributions for which are made to insurance service providers, which invests the funds as per IRDA guidelines. The details of these defined benefit plans recognised in the consolidated financial statements are as under:

General Description of the Plan:

The Parent Company and one of its Indian subsidiaries operates a defined benefit plan (the Gratuity Plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employees salary and the tenure of employment.

The defined benefit plans typically expose to the Parent Company and one of its Indian Subsidiaries to various risk such as;

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

a) Movement in present value of defined benefit obligation are as follows :

(₹ in Million)

Particulars	Gratuity	
	As at March 31, 2020	As at March 31, 2019
Obligations at the beginning of the year	78	56
Obligations Acquired from the amalgamating company	-	10
Current service cost	13	11
Interest cost	6	4
Past service cost	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	(1)	0
Actuarial (gain) / loss – due to change in financial assumptions	5	1
Actuarial (gain) / loss- due to experience adjustments	(2)	0
Benefit paid	(5)	(4)
Present Value of defined benefit Obligations at the end of the year	**94**	**78**

b) Movement in the fair value of plan assets are as follows :

(₹ in Million)

Particulars	Gratuity	
	As at March 31, 2020	As at March 31, 2019
Plan assets at the beginning of the year, at fair value	29	31
Interest Income	2	2
Return on plant assets excluding interest income	0	(1)
Contributions from the employer	15	1
Benefits paid	(5)	(4)
Fair value of plan assets at the end of the year	**41**	**29**

c) The amount included in the balance sheet arising from the entities obligation in respect of defined benefit plan is as follows :

(₹ in Million)

Particulars	Gratuity	
	As at March 31, 2020	As at March 31, 2019
Present value of defined benefit obligation at the end of the year	94	78
Fair value of plan assets at the end of the year	(41)	(29)
Net liability arising from defined benefit obligation	53	49

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

d) Amount recognised in the Statement of Profit and Loss in respect of the defined benefits plans are as follows :

(₹ in Million)

Particulars	Gratuity	
	Year ended March 31, 2020	Year ended March 31, 2019
Current service cost	13	11
Net Interest expense	4	2
Past Service cost	-	-
Components of defined benefit costs recognised in the Consolidated Statement of Profit and Loss	**17**	**13**
Remeasurement on the net defined benefit liability:		
Actuarial (gains) / losses on obligation for the period	2	1
Return on plant assets, excluding interest income	0	1
Components of defined benefit costs recognised in Other Comprehensive Income	**2**	**2**
Total	**19**	**15**

The current service cost and the net interest expenses for the year are included in the Employee benefits expense line item in the Consolidated Statement of Profit and Loss. The remeasurement of the net defined benefit liability/ asset is included in Other Comprehensive Income.

e) Investment details of plan assets:

To fund the obligations under the gratuity plan, Contributions are made to insurance service providers, who invests the funds as per IRDA guidelines.

f) The defined benefit obligations shall mature after year ended March 31, 2020 as follows:

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
As at March 31		
2020		7
2021	7	3
2022	4	4
2023	5	6
2024	7	7
2025	5	158
Thereafter	204	

g) Sensitivity analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

(₹ in Million)

Particulars	Gratuity	
	As at March 31, 2020	As at March 31, 2019
Delta effect of +1% change in the rate of Discounting	(9)	(7)
Delta effect of -1% change in the rate of Discounting	11	8
Delta effect of +1% change in the rate of salary Increase	11	8
Delta effect of -1% change in the rate of salary increase	(9)	(7)
Delta effect of +1% change in the rate of employee turnover	0	0
Delta effect of -1% change in the rate of employee turnover	(0)	(0)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using "Projected Unit Credit" method at the end of the reporting period which is the same as that applied in calculating the defined benefit obligation liability recognised in Balance Sheet.

There were no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

The Group expects to make a contribution of ₹ 53 million (as at March 31, 2019: ₹ 49 million) to the defined benefit plans during the next financial year.

h) The principal assumptions used for the purpose of actuarial valuation were as follows :

Particulars	Gratuity	
	Year ended March 31, 2020	Year ended March 31, 2019
Discount Rate	6.87% to 6.89%	7.60% to 7.76%
Expected return on plan assets	6.87% to 6.89%	7.76%
Annual Increase in Salary Costs	6% to 7%	7.00%
Rate of Employee turnover	For service 4 years and below 7% to 10% p.a. For service 5 years and above 2% to 4% p.a.	For service 4 years and below 7% p.a. For service 5 years and above 4% p.a.*
Mortality Tables	Indian Assured Lives Mortality (2006-08)	

*For amalgamating company (Note 42) : 2% at all ages in previous year.

Future Salary increases are based on long term average salary rise expected taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employee market. Future Separation and mortality rates are obtained from relevant data of Life Insurance Corporation of India.

Defined Benefit Pension Scheme of Foreign Subsidiary:

The Group pays fixed contribution into a separate entity. The Group has no further obligations once the contribution has been paid. An amount of ₹ 5 million (Previous Year: ₹ 5 million) is charged to Consolidated Statement of Profit and loss under Contribution to provident and other funds in Note 28 "Employee Benefits Expense ".

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

36 RELATED PARTY DISCLOSURES:

1. Name of the related parties and their relationships

Sr. No.	Description of Relationship	Name of Related Parties
a.	Joint Venture	Astral Pipes Limited
b.	Key Managerial Personnel	Sandeep Engineer (Managing Director)
		Jagruti Engineer (Whole Time Director)
		Kyle Thompson (Non-Executive Director)
		Hiranand Savlani (Chief Financial Officer)
		Krunal Bhatt (Company Secretary)
		K.R. Shenoy (Independent Director)
		Pradip N. Desai (Independent Director)
		Narasinh K. Balgi (Independent Director) (up to January 27, 2020)
		Kaushal Nakrani (Independent Director)
		Anil Kumar Jani (Non-Executive Director)
		C. K Gopal (Independent Director) (From February 11, 2020)
		Viral Jhaveri (Independent Director) (From October 24, 2019)
c.	Relatives of Key Managerial Personnel	Sandeep Engineer HUF
		Kairav Engineer
		Saumya Engineer
d.	Enterprises over which Key Managerial Personal are able to exercise significant influence	Kairav Chemicals Limited
		Saumya Polymers LLP
		Astral Charitable Trust
		Kairamya Journeys LLP

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

2. Disclosure of transactions between the Group and related parties and the status of outstanding balances as on March 31, 2020:

(₹ In Million)

Particulars	Joint Venture		Key Management Personnel		Relatives of Key Management Personnel		Enterprises over which Key Managerial Personal are able to exercise significant influence		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Part 1: Transaction during the year										
Advance for Purchase of non-current investment	-	14	-	-	-	-	-	-	-	14
Investment in Joint Venture	13	41	-	-	-	-	-	-	13	41
Sale of Goods	16	14	-	-	-	-	-	-	16	14
Purchase of Goods/ Services	-	-	-	-	-	-	26	7	26	7
Interest Paid on Security Deposit given	-	-	-	-	-	-	0	0	-	0
Remuneration (Note a)	-	-	114	97	8	5	-	-	122	102
Sitting Fees Paid	-	-	2	1	-	-	-	-	2	1
Rent Paid	-	-	-	-	1	1	16	15	17	16
Expenditure on Corporate Social Responsibility	-	-	-	-	-	-	3	23	3	23
Purchase of Assets	-	-	22	-	-	-	-	-	22	-
Part 2: Balance at the end of year										
Advance for Purchase of non-current investment	-	14	-	-	-	-	-	-	-	14
Advance from Customer	0	4	-	-	-	-	-	-	0	4
Payables	-	-	17	16	0	0	0	0	17	16
Guarantee Given	316	494	-	-	-	-	-	-	316	494

Notes:

a. Compensation of key management personnel:

The remuneration of key management personnel during the year was as follows: (₹ in Million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Short term Benefits	114	97

The remuneration of key management personnel is determined by the remuneration committee. The same excludes gratuity.

b. The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions.

c. The amounts outstanding are unsecured and will be settled in cash. No expense has been recognised in the current or prior years for bad or doubtful debts in respect of amounts owned by related parties.

d. Transactions/balances during and end of the year/previous year are stated without considering impact of fair valuation carried out as per Ind AS.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

37 SEGMENT REPORTING:

Information reported to the chief operating decision maker (CODM) for the purpose of resources allocation and assessment of segment performance focuses on the types of goods delivered. No operating segments have been aggregated in arriving at the reportable segments of the Group.

The Group has determined its business segment as "Plastic Products" and "Adhesives".

Segment revenue and results

The following is an analysis of the Group's revenue and results from operations by reportable segment.

(₹ in Million)

Segment	Segment revenue		Segment profit	
	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2020	Year ended March 31, 2019
Plastic Products	19,838	18,493	2,672	2,118
Adhesives	5,941	6,580	736	942
Total	**25,779**	**25,073**	**3,408**	**3,060**
Other Unallocable expenses			(58)	(25)
Finance costs			(394)	(319)
Non-operating Income			121	154
Share of loss of joint venture			(16)	(36)
Profit Before taxes			**3,061**	**2,834**

Notes

1. Segment revenue reported above represents revenue generated from external customers. There were no inter segment sales in current year (Year Ended March 31, 2019: ₹ Nil).

Segment Assets and Liabilities

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Segment Assets		
Plastic Products	15,440	13,921
Adhesives	7,227	6,796
Total Segment Assets	**22,667**	**20,717**
Unallocated	225	275
Total Assets	**22,892**	**20,992**

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Segment Liabilities		
Plastic Products	4,517	3,826
Adhesives	849	1,184
Total Segment Liabilities	**5,366**	**5,010**
Unallocated	2,329	3,055
Total Liabilities	**7,695**	**8,065**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

For the purpose of monitoring segment performance and allocating resources between segments:

- All assets are allocated to reportable segments other than current and deferred tax assets, unclaimed dividend, and advance given for purchase of non-current investment.
- All liabilities are allocated to reportable segments other than borrowings, unpaid dividend, and current and deferred tax liabilities.

Geographical Information

The Group operates in two principal geographical areas – India and outside India.

The Group's revenue from continuing operations from external customers by location of operations and information about its non-current assets by location of assets are detailed below.

(₹ in Million)

Particulars	Revenue from external customers		Non-current Assets *	
	Year ended March 31, 2020	Year ended March 31, 2019	As at March 31, 2020	As at March 31, 2019
Within India	23,354	23,096	12,122	11,140
Outside India	2,425	1,977	1,013	993
Total	**25,779**	**25,073**	**13,135**	**12,133**

*Non-current assets exclude those relating to financial assets, tax assets and deferred tax assets.

38 FINANCIAL INSTRUMENTS:

1 Capital management

The Group manages its capital to ensure that the Group will be able to continue as going concern while maximising the return to stakeholders through optimisation of debt and equity balance.

The capital structure of the Group consists of net debt (borrowings as detailed in notes 17 and 20 off set by cash and bank balances) and total equity of the Group.

The Parent company's risk management committee reviews the risk capital structure of the group on as semi annual basis. As part of this review the group considers the cost of capital and the risk associated with each class of capital.

Gearing ratio (₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Debt (note i)	1,856	2,753
Less : Cash and cash equivalents	139	892
Net debt	**1,717**	**1,861**
Equity share capital	151	120
Other Equity	14,878	12,657
Non controlling interests	168	150
Total	**15,197**	**12,927**
Less : Revaluation Reserve	12	12
Total equity excluding revaluation reserve	**15,185**	**12,915**
Net debt to equity ratio	**11.31%**	**14.41%**

i. Debt is defined as long-term borrowings, short-term borrowings and current maturities of long term borrowings as described in notes 17 and 20.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

2 Category-wise classification of financial instruments

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Financial assets		
Measured at amortised cost		
a Cash and cash equivalents and other bank balances (Note 13 and 14)	1,301	981
b Financial assets (Note 6,7 and 12)	2,447	3,585
Measured at fair value through Profit and loss		
a Fair Value of derivative contracts (Note 7)	0	5
b Investment in Mutual Funds (Note 5)	2	2
Total	**3,750**	**4,573**
Financial liabilities		
Measured at amortised cost		
a Borrowings (Note 17 and 20)	1,856	2,753
b Lease payments (Note 39)	54	-
c Financial liabilities (Note 19 and 20)	5,007	4,267
Total	**6,917**	**7,020**

In respect of financial instruments, measured at amortised cost, the fair value approximates the amortised cost.

(₹ in Million)

Particulars	Fair value	Quoted price in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
		(Note 2(a))		
As at March 31, 2020				
Financial assets measured at fair value through Profit and loss				
a Fair Value of derivative contracts (Note 7)	0	0	-	-
b Investment in Mutual Funds (Note 5)	2	2	-	-
As at March 31, 2019				
Financial assets measured at fair value through Profit and loss				
a Fair Value of derivative contracts (Note 7)	5	-	5	-
b Investment in Mutual Funds (Note 5)	2	2	-	-

There have been no transfers amount in Level 1, Level 2 and Level 3 during the years ended March 31, 2020 and March 31, 2019.

3 Financial risk management objectives

The Group's financial liabilities comprise mainly of borrowings, trade payables and other financial liabilities. The Company's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other financial assets.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

The Group's business activities are exposed to a variety of financial risks, namely market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

The Group's senior management has the overall responsibility for establishing and governing the Group's risk management framework who are responsible for developing and monitoring the Group's risk management policies. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Audit Committee of the Parent Company.

A MANAGEMENT OF MARKET RISK

The Group's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:
- currency risk;
- interest rate risk

i Currency risk

The Group's activities expose it primarily to the financial risk of changes in foreign currency exchange rates. The Group enters into a variety of derivative financial instruments to manage its exposure to foreign currency risk.

The carrying amounts of the Group's foreign currency dominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

(In Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Liabilities (Foreign currency)		
In US Dollars (USD)	44	27
In Euro (EUR)	4	4
Assets (Foreign currency)		
In US Dollars (USD)	0	0
In Euro (EUR)	-	0
In Pound (GBP)	3	-
In Dirham (AED)	-	0

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Liabilities (INR)		
In US Dollars (USD)	3,338	1,889
In Euro (EUR)	373	321
Assets (INR)		
In US Dollars (USD)	0	29
In Euro (EUR)	-	1
In Pound (GBP)	322	-
In Dirham (AED)	-	0

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

Derivative instruments:

The Group uses foreign currency forward contracts and currency options to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. The use of foreign currency forward contracts is governed by the Parent Company's strategy approved by the Board of Directors, which provide principles on the use of such forward contracts consistent with the Company's Risk Management Policy. The Group does not use forward contracts and Currency Options for speculative purposes.

Outstanding Forward/option Exchange Contracts entered into by the Group :

Particulars	As at March 31, 2020	As at March 31, 2019
Payable		
Outstanding Forward Exchange Contracts		
In USD		
No. of Contracts	2	8
In US Dollars - (In million)	1	3
In INR - (In million)	42	184
In EURO		
No. of Contracts	3	5
In EURO - (In million)	1	1
In INR - (In million)	43	100
Outstanding Option Contracts		
In USD		
No. of Contracts	-	1
In US Dollars - (In million)	-	1
In INR - (In million)	-	37

Interest rate swaps to hedge against fluctuations in interest rate changes: As at March 31, 2020 : No. of contracts - Nil (as at March 31, 2019 : No. of contracts - 1).

The line items in the balance sheet that includes the above hedging instruments are "other financial assets" and "other financial liabilities".

Foreign currency sensitivity analysis

The Group is mainly exposed to the currency : USD, EUR, GBP and AED.

The following table details, Group's sensitivity to a 5% increase and decrease in the rupee against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. This is mainly attributable to the exposure outstanding not hedged on receivables and payables in the Group at the end of the reporting period. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rate. A positive number below indicates an increase in the profit and equity where the rupee strengthens 5% against the relevant currency. For a 5% weakening of the rupee against the relevant currency, there would be a comparable impact on the profit and equity, and the balances below would be negative.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

Impact on profit or loss and total equity (₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Increase in exchange rate by 5%	(165)	(93)
Decrease in exchange rate by 5%	165	93

The Group, in accordance with its risk management policies and procedures, enters into foreign currency forward contracts to manage its exposure in foreign exchange rate variations. The counter party is generally a bank. These contracts are for a period between one day and five years. The above sensitivity dose not include the impact of foreign currency forward contracts and option contracts which largely mitigate the risk.

ii Interest risk

Interest rate risk is the risk that the future cash flow with respect to interest payments on borrowing will fluctuate because of change in market interest rates. The group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligation with floating interest rates.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/ decrease in basis points	Effect on profit before tax (₹ in Million)
As at March 31, 2020	100 bps	19
As at March 31, 2019	100 bps	28

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

B MANAGEMENT OF CREDIT RISK

Credit risk refers to the risk that a counter party will default on its contractual obligation resulting in financial loss to the Group. The Group uses its own trading records to evaluate the credit worthiness of its customers. The Group's exposure are continuously monitored and the aggregate value of transactions concluded, are spread amongst approved counter parties (Refer note 12 - Trade receivable).

The Parent company is exposed to credit risk in relation to financial guarantees given to banks in respect of borrowings obtained by the joint venture. In case of joint Venture, the Parent Company's share is 50.00% and the guarantee has been given jointly and severally by all the partners of Joint Venture.

The Parent Company's maximum exposure in this respect is of ₹ 316 million as at March 31, 2020 and ₹ 494 million as at March 31, 2019 as disclosed in contingent liabilities (Refer Note 34).

C MANAGEMENT OF LIQUIDITY RISK

Liquidity risk is the risk that the Group will face in meeting its obligations associated with its financial liabilities. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Group's short-term, medium-term and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

The following table shows the maturity analysis of the Group's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

(₹ in Million)

Particulars	Carrying amount	Less than 1 year	1-5 years	More than 5 years	Total
As at March 31, 2020					
Non-derivative financial liabilities					
Borrowings	1,856	787	1,069	-	1,856
Lease Liability	54	33	21	-	54
Financial Liabilities	5,007	5,007	-	-	5,007
Total	**6,917**	**5,827**	**1,090**	**-**	**6,917**
As at March 31, 2019					
Non-derivative financial liabilities					
Borrowings	2,753	1,122	1,631	-	2,753
Financial Liabilities	4,267	4,267	-	-	4,267
Total	**7,020**	**5,389**	**1,631**	**-**	**7,020**

39 LEASES

Group as a lessee:

The Group adopted Ind AS 116 using the modified retrospective method of adoption, with the date of initial application of April 1, 2019. The Group elected to use the transition practical expedient to not reassess whether a contract is, or contains, a lease at April 1, 2019. The Group applied the standard only to contracts that were previously identified as leases applying Ind AS 17 at the date of initial application. The Group also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets).

The carrying amounts of right-of-use assets, lease liabilities along with their movement during the period is as below:

(₹ in Million)

Particulars	Right of Use Assets (ROU) Tangible Assets	Lease Liabilities
As on April 1, 2019 (restated)	68	68
Add : Reclassified from leasehold land	333	NA
Add : Additions	78	25
Less : Deductions	28	-
Less : Depreciation / amortisation of expenses	46	NA
Add : Interest Expenses	NA	6
Less : Payments	NA	45
As on March 31, 2020	**405**	**54**
Current		33
Non-current		21

There is no material impact on total income or the basic and diluted earnings per share.

Group as a lessor:

The Group has entered into operating leases on its buildings. These leases have terms of less than 1 year. Rental income recognised by the Group during the year is ₹ 1 Million (Previous year: ₹ Nil).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

40 PARTICULARS OF SUBSIDIARIES AND JOINT VENTURE CONSIDERED IN THE PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS:

Name of the Company	Nature of Business	% of Holding		Country of Incorporation
		As at March 31, 2020	As at March 31, 2019	
Subsidiaries				
Astral Biochem Private Limited	Yet to commence business	100%	100%	India
Resinova Chemie Limited	Manufacturing of adhesive solutions	97.45%	97.45%	India
Seal IT Services Limited		80%	80%	United Kingdom
Subsidiary of Seal It Services Limited				
Seal IT Services Inc.	Manufacturing of Silicone Tape	80%	80%	USA

Name of the Company	Nature of Business	% of Holding		Country of Incorporation
		As at December 31, 2019*	As at December 31, 2018	
Joint Venture*				
Astral Pipes Limited, Kenya	Manufacturing of pipes and fittings	50.00%	50.00%	Kenya

* The financial statements for the joint venture are considered as on December 31, 2019.

Note: On February 18, 2020, the Company incorporated 'Astral Foundation', a subsidiary under Section 8 Company of the Companies Act, 2013, to execute the CSR activities of the Group. The objective is not to obtain economic benefits through the activities of Astral Foundation and accordingly, it doesn't meet the definition of Control as prescribed in Ind AS 110, Consolidated Financial Statements. Hence, the same has been excluded for the purpose of preparation of consolidated financial statements. .

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

41 ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013 FOR THE ENTERPRISES CONSOLIDATED AS SUBSIDIARIES:

a) As at and for the year ended March 31, 2020

Name of the entity in the Group	As at March 31, 2020		Year ended March 31, 2020					
	Net assets (Total Assets less Total Liabilities)		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ In million)	As % of consolidated profit or loss	Amount (₹ In Million)	As % of Consolidated OCI	Amount (₹ In Million)	As % of Consolidated TCI	Amount (₹ In Million)
Parent								
Astral Poly Technik Limited	88.61%	13,317	80.45%	2,008	-66.67%	(2)	80.27%	2,006
Subsidiaries								
Astral Bio Chem Private Limited	-0.07%	(10)	0.00%	(0)	-	-	0.00%	(0)
Resinova Chemie Limited (Formerly known as Advanced Adhesives Limited)	22.77%	3,422	1.68%	42	0.00%	0	1.68%	42
Foreign Subsidiaries								
Seal It Services Limited	2.68%	403	3.13%	78	166.67%	5	3.32%	83
Joint Venture								
Astral Pipes Limited	-	-	-0.64%	(16)	-	-	-0.64%	(16)
Non-controlling interests in all subsidiaries	-1.12%	(168)	-	-	-	-	-	-
	112.88%	**16,964**	**84.62%**	**2,112**	**100.00%**	**3**	**84.63%**	**2,115**
Adjustments arising out of Consolidation	-12.88%	(1,935)	15.38%	384	0.00%	-	15.37%	384
Consolidated net assets / Profit after tax	**100.00%**	**15,029**	**100.00%**	**2,496**	**100.00%**	**3**	**100.00%**	**2,499**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

b) As at and for the year ended March 31, 2019

Name of the entity in the Group	As at March 31, 2019		Year ended March 31, 2019					
	Net assets (Total Assets less Total Liabilities)		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ In Million)	As % of consolidated profit or loss	Amount (₹ In Million)	As % of Consolidated OCI	Amount (₹ In Million)	As % of Consolidated TCI	Amount (₹ In Million)
Parent								
Astral Poly Technik Limited	90.41%	11,550	72.22%	1425	47.86%	(1)	72.24%	1424
Subsidiaries								
Astral Bio Chem Private Limited	-0.08%	(10)	0.00%	(0)	-	-	0.00%	(0)
Resinova Chemie Limited	26.45%	3,380	7.14%	141	8.90%	(0)	7.14%	141
Foreign Subsidiaries								
Seal It Services Limited UK	2.51%	321	2.98%	59	43.24%	(1)	2.93%	58
Joint Venture								
Astral Pipes Limited	-	-	-1.81%	(36)	-	-	-1.81%	(36)
Non-controlling interests in all subsidiaries	-1.18%	(150)	-	-	-	-	-	-
	118.11%	**15,091**	**80.53%**	**1,589**	**100.00%**	**(2)**	**80.50%**	**1,587**
Adjustments arising out of Consolidation	-18.11%	(2,314)	19.47%	384	-	-	19.50%	384
Consolidated net assets / Profit after tax	**100.00%**	**12,777**	**100.00%**	**1,973**	**100.00%**	**(2)**	**100.00%**	**1,971**

42 ACQUISITION AND MERGER OF REX POLYEXTRUSION PRIVATE LIMITED

On July 9, 2018, the Holding Company acquired 51% of equity share of Rex Polyextrusion Private Limited ("Rex"), engaged in the business of Manufacturing and supply of corrugated and other plastic piping solutions, against a consideration of ₹ 752 million paid in cash. Further, the Board of Holding Company had approved the scheme of amalgamation of Rex with the Holding Company for which the Holding Company have issued 723,200 equity shares of ₹ 1/- each fully paid up in exchange for the balance 49% of equity share of Rex. Such scheme was approved by NCLT, Ahmedabad Bench on May 2, 2019 and filed with the Registrar of Companies on May 9, 2019. The management has determined this as a subsequent adjusting event and hence, Rex has been amalgamated with effect from appointed date of July 10, 2018 in the previous year.

This has resulted in recognition of goodwill of ₹ 192 Million (Purchase consideration of ₹ 1,475 million less net assets of ₹ 1,283 million (Total Assets acquired ₹ 2,255 million less total liabilities acquired ₹ 972 million).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

43 ESTIMATION UNCERTAINTY RELATING TO THE GLOBAL HEALTH PANDEMIC ON COVID-19:

In view of the unprecedented COVID-19 pandemic, the management of the Group has made a detailed assessment of its liquidity position for the next one year and recoverability of Property, Plant and Equipment, Investments, Trade Receivables and Inventories as at the balance sheet date. In assessing the recoverability, the Group has considered internal and external information up to the date of approval of these Consolidated Ind AS financial statements and has concluded that there are no material impact on the operations and the financial position of the Group. However, the impact of the global health pandemic may be different from that estimated at the date of approval of these financial statements and the Group will continue to closely monitor any material changes to future economic conditions.

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The figures for the previous year have been regrouped / reclassified wherever necessary to confirm with the current year's classification. Moreover, due to merger, figures for the previous year is not comparable with the current year to that extent.

For S R B C & CO LLP
Chartered Accountatnts
ICAI Firm Registration No.: 324982E/E300003

Per Anil Jobanputra
Partner
Membership No : 110759

Place : Mumbai
Date : May 25, 2020

For and on behalf of the Board of Directors of Astral Poly Technik Limited
CIN : L25200GJ1996PLC029134

Sandeep P. Engineer
Managing Director
DIN : 00067112

Jagruti S. Engineer
Whole Time Director
DIN : 00067276

Hiranand A. Savlani
Chief Financial Officer

Krunal D. Bhatt
Company Secretary

Place : Ahmedabad
Date : May 25, 2020

FORM AOC-1

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

PART – A : SUBSIDIARIES

(₹ in Million, except as stated otherwise)

Name of Subsidiary	Astral Biochem Pvt. Ltd	Resinova Chemie Ltd.	Seal IT Services Ltd., UK	Seal IT Services Inc, USA	Astral Foundation
Financial Period Ended	March, 2020	March, 2020	March, 2020	March, 2020	March, 2020
Reporting currency	INR	INR	GBP	GBP	INR
Exchange Rate @	-	-	93.8	93.8	-
Share capital	1	3	0	-	-
Reserves & surplus	(10)	3419	481	(89)	-
Total assets	1	4315	1512	356	-
Total Liabilities	11	893	1031	444	-
Investments	-	0	51	0	-
Turnover	-	3750	1872	185	-
Profit before taxation	0	40	123	(16)	-
Provision for taxation	0	(2)	30	(1)	-
Profit after taxation	0	42	93	(15)	-
Proposed Dividend	-	0	0	0	-
% of shareholding	100	97.45	80	80	75

Seal It Services Inc. is the 100% subsidiary of Seal IT Services Limited.

Equity shares of Astral Foundation are subscribed by Astral Poly Technik Limited and Resinova Chemie Ltd, 75% and 25% respectively.

@ P&L Item converted at yearly average exchange rate.

Note: Astral Biochem Pvt. Ltd. is yet to commence operations.

PART – B : ASSOCIATE AND JOINT VENTURE

(₹ in Million, except as stated otherwise)

Name of Associate / Joint Venture	Astral Pipes Limited, Kenya
Latest audited Balance Sheet Date	31st December, 2019
Shares of Joint Ventures held by the company on 31st March, 2020	
No. of shares	10,00,000 Equity Shares
	72,00,000 Preference Shares
Amount of investment	51
Extent of holding %	50
Description of how there is significant influence	Joint Venture
Reason why the joint venture is not consolidated	N.A.
Net-worth attributable to Shareholding as per latest audited balance sheet	196
Profit / (Loss) for the year	(24)
i . Considered in Consolidation	(16)
ii. Not Considered in Consolidation	(8)

Note: No Associate or Joint Venture was liquidated or sold during the year.

For and on behalf of the Board of Directors of Astral Poly Technik Limited
CIN : L25200GJ1996PLC029134

Sandeep P. Engineer
Managing Director
DIN : 00067112

Jagruti S. Engineer
Whole Time Director
DIN : 00067276

Hiranand A. Savlani
Chief Financial Officer

Krunal D. Bhatt
Company Secretary

Place : Ahmedabad
Date : May 25, 2020

NOTES

NOTES

ADHESIVES

EPOXY ADHESIVES & PUTTY
SILICONE SEALANTS
CONSTRUCTION CHEMICALS **PVA**
CYANOACRYLATE **SOLVENT CEMENTS**
TAPES **POLYMERIC FILLING COMPOUND**
ANAEROBIC ADHESIVES
INDUSTRIAL ADHESIVES
INSTANT HAND SANITIZER
SURFACE CLEANING PRODUCTS

PIPING

PLUMBING PIPES & FITTINGS
CPVC, PVC & PEX
SEWERAGE DRAINAGE PIPES & FITTINGS
AGRICULTURE PIPES & FITTINGS
INDUSTRIAL PIPES & FITTINGS
FIRE SPRINKLERS PIPES & FITTINGS
CONDUIT & CABLE PROTECTION
ANCILLARY PRODUCTS
URBAN INFRASTRUCTURE
DUCTING

ASTRAL®
PIPES • ADHESIVES

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Please get in touch with us
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(Except for 1st Saturday of the
month and public Holidays)