Astral Limited
Annual Report **2021-22**

ASTRAL

EXPANDING HORIZONS

Inside this Report

The annual report is also avialable online

http://annualreport 2021-22.astralpipes.com

Financial Highlights

REVENUE FROM OPERATION
(₹ IN MN)

43,940

FY22	**43,940**
FY21	31,763

21% 4 YEARS CAGR
38% Y-O-Y GROWTH

EBIDTA
(₹ IN MN)

7,883

FY22	**7,883**
FY21	6,626

26% 4 YEARS CAGR
19% Y-O-Y GROWTH

PAT
(₹ IN MN)

4,904

FY22	**4,904**
FY21	4,082

35% 4 YEARS CAGR
20% Y-O-Y GROWTH

As we progress, we are laying the groundwork for the next decade of growth and taking a step closer to realising our full potential.

Over the past two decades, Astral has emerged as the country's leading manufacturer of plastic piping systems, but our aspirations are far from being met.

We are now taking significant strides to become a comprehensive home building materials company, developing products to meet our customers' evolving needs, thereby also expanding our own horizons.

Needless to say, our piping business is certainly our core foundation, where we offer a whole range of solutions to customers world over and are known for our quality, technology and global benchmarked production processes. We are also investing in expanding our capacities which will help us in addressing the growing demands in this sector and reinforce our industry leadership.

While we continue to innovate and expand our piping business, we are also relentlessly working to leverage our legacy strengths and embrace new growth opportunities. As demonstrated in the past, our foray into the adhesives segment eight years ago proved to be the right choice for us at Astral, as today we witness our prowess in this segment as well. Similarly, we also set foot into the water tanks segment earlier last year, followed by our recent entry into the paints industry, and are now gearing to launch ourselves into the faucets and sanitary ware segment in FY23. Our strong track record, business acumen and ideals give us the reason to believe in our ability to create a strong position for ourselves in these industries as well.

Astral will continue to push its boundaries and expand its horizons with a firm belief that it will leave an unparalleled legacy that will live for many years to come.

EXPANDING HORIZONS

Safe Harbour Statement
This document contains statements about expected future events, financial and operating results of Astral Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results, and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications, and risk factors referred to in the management's discussion and analysis of Astral Limited's Annual Report, FY22.

ABOUT THE COMPANY

Exploring New Horizons

Astral Limited (Astral) is a prominent brand name in the Indian home building material space. The Company is India's leading manufacturer of plastic pipes, a well footed player in the adhesives business and is now making strong inroads in the paints, faucets and sanitary ware segments.

Our leadership position is backed by a strong foundation of business fundamentals, which includes manufacturing units across multiple locations, a wide range of products, a well-known brand, a wide distribution network, and an experienced management team.

In recent years, the Company has consistently outpaced the industry growth rate and emerged as one of the top brands in the country. Faced with unprecedented obstacles, our resilience and operational excellence have strengthened our position as the dominant force even further.

SCALE OF OUR OPERATIONS

25+ COUNTRIES SERVED

18 MANUFACTURING FACILITIES WORLDWIDE

2,535+ DISTRIBUTORS

6,000+ TEAM MEMBERS

1,80,000+ DEALERS

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.

Our focus on customer centricity and innovation has helped us pioneer several industry firsts

1st to introduce CPVC piping system in India

1st to introduce lead-free uPVC plumbing piping system in India

1st to get National Sanitation Foundation (NSF) approval for CPVC pipings

1st to launch lead-free uPVC column pipe in India

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*

PRODUCT OFFERINGS

Transforming Into A One-stop Solution for Building Materials

Pipes

- Plumbing System (01-05)
- Drainage System (06-13)
- Agriculture System (14-20)
- Cable Protection System (21-23)
- Fire Protection System (24)
- Industrial Piping System (25-26)
- Urban Infrastructure (27-28)
- Solvent Cements (29-30)
- Ancillary (31-32)
- Plumbing Accessories (33-35)

PRODUCT OFFERINGS (CONTD.)

Transforming Into A One-stop Solution for Building Materials

Water tanks

Adhesives & sealants

- Epoxy Adhesives & Putty (1-2)
- Silicone Sealants (3-4)
- Construction Chemicals (5)
- Membrane & Coating (6)
- Waterproofing (7)
- Tile & Grout Adhesives (8)
- Pva Adhesives (9)
- Rubber Adhesives (10)
- Tapes (11-12)
- Solvent Cements (13-17)
- Anaerobic Adhesives (18)
- Clear Acrylic Adhesive (19)
- Industrial (20-22)
- Cyanoacrylate Instant Adhesive (23)

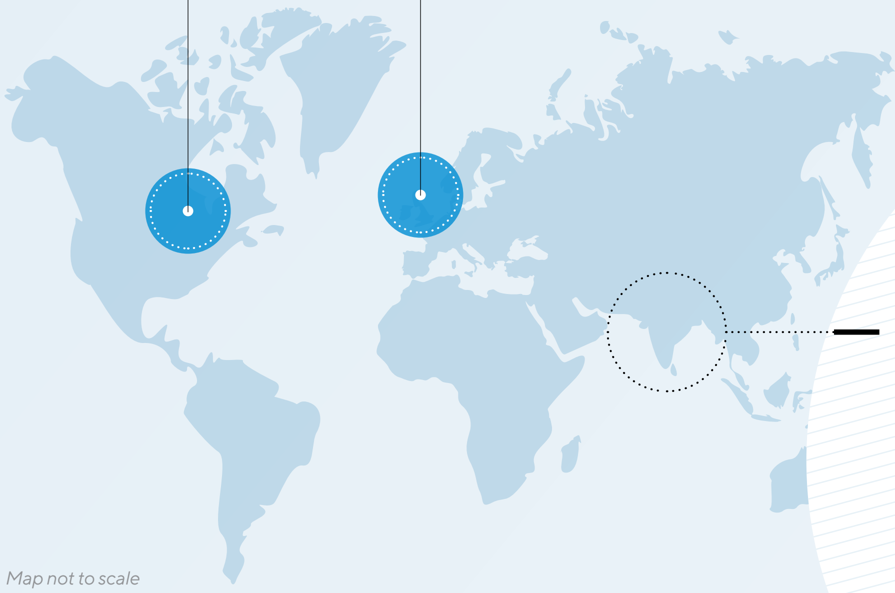
MANUFACTURING CAPABILITIES

Comprehensive Manufacturing Infrastructure

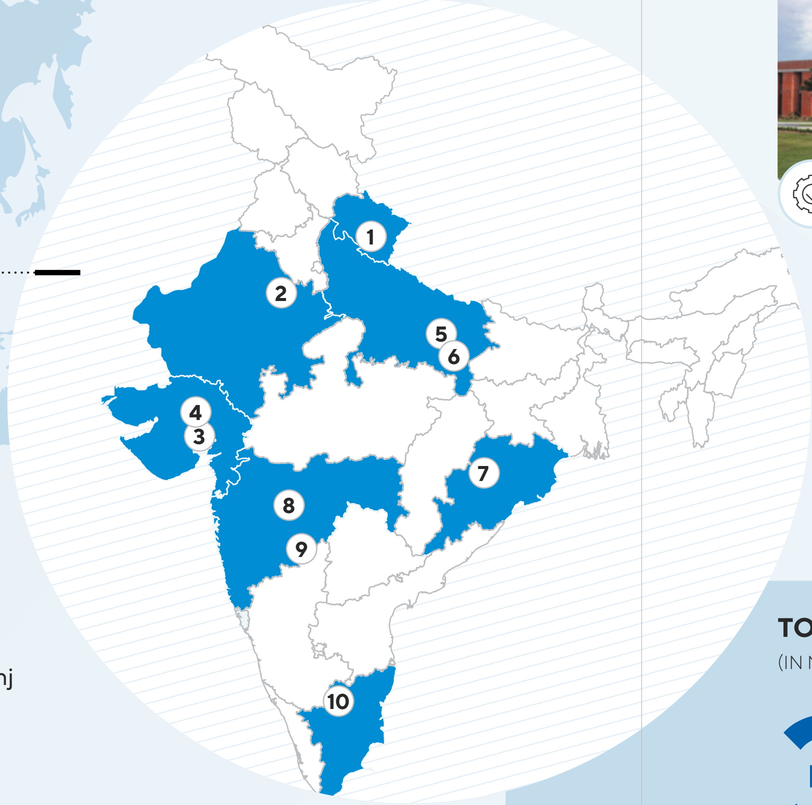
GLOBAL FACILITIES

SEAL IT, USA

SEAL IT, UK



Map not to scale



Map not to scale

1. Sitarganj
2. Ghiloth
3. Dholka
4. Santej
5. Unnao
6. Rania
7. Bhubaneshwar
8. Aurangabad
9. Sangli
10. Hosur

INSTALLED CAPACITY IN UK & US

(IN M.T.)

31,632

FY22	31,632
FY21	27,828

DOMESTIC FACILITIES

ADHESIVES & SEALANTS

Santej

28,178

Rania

23,397

Unnao

12,773

PIPES & WATER TANKS

Ghiloth

33,165

Dholka

55,057

Santej

85,085

Sitarganj

5,077

Bhubaneshwar (Cuttack)

7,515

Aurangabad

17,648

Sangli

32,344

Hosur

46,447

TOTAL DOMESTIC INSTALLED CAPACITY

(IN M.T.)

3,46,686

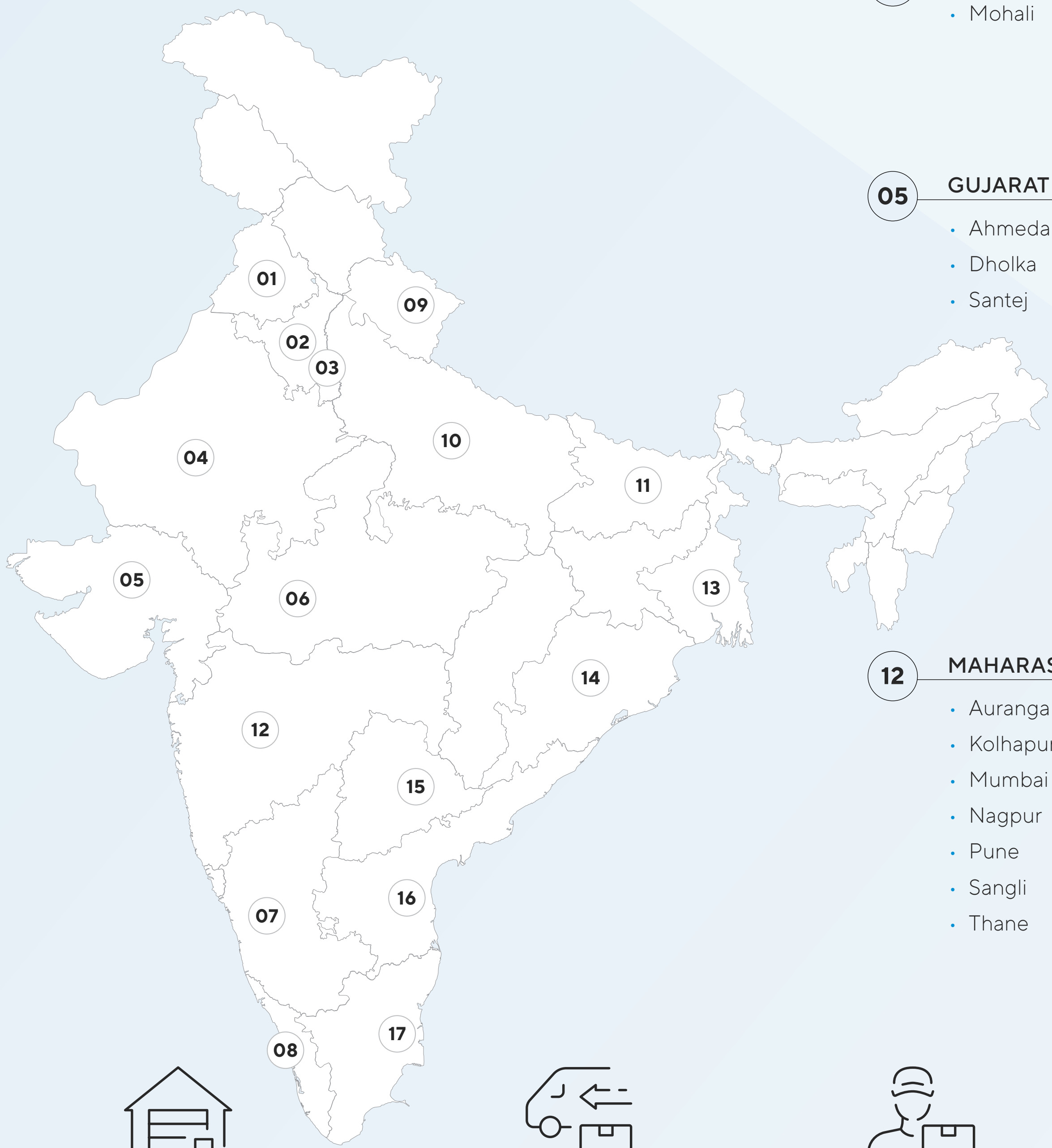
FY22	3,46,686
FY21	3,22,294

KEYS

- Pipes
- Adhesives & sealants
- Water tanks
- Installed Capacity (IN M.T.)

DEALER DISTRIBUTION NETWORK

Strategic Presence that Enables Efficiency



01 PUNJAB
- Mohali D

05 GUJARAT
- Ahmedabad C C
- Dholka P
- Santej P P P

12 MAHARASHTRA
- Aurangabad P P
- Kolhapur D
- Mumbai B B
- Nagpur D
- Pune B
- Sangli P
- Thane D

02 HARYANA
- Ambala D

03 DELHI
- New Delhi D B D

04 RAJASTHAN
- Ghiloth P P
- Jaipur D B D
- Udaipur D

06 MADHYA PRADESH
- Indore D B D

07 KARNATAKA
- Bengaluru B D

08 KERALA
- Kochi B

09 UTTARAKHAND
- Sitarganj P

10 UTTAR PRADESH
- Lucknow B
- Kanpur B
- Rania P
- Unnao P
- Varanasi D

11 BIHAR
- Patna D D

13 WEST BENGAL
- Kolkata D B D

14 ODISHA
- Cuttack P P

15 TELANGANA
- Hyderabad D B D

16 ANDHRA PRADESH
- Vijayawada D

17 TAMIL NADU
- Chennai B
- Hosur P P

23
DEPOTS

2,535+
DISTRIBUTORS

1,80,000+
DEALERS

KEYS

Pipes
- P PLANTS
- D DEPOTS
- C CORPORATE OFFICE
- B BRANCH OFFICE

Water tanks
- P PLANTS

Adhesives & sealants
- P PLANTS
- D DEPOTS
- C CORPORATE OFFICE
- B BRANCH OFFICE

BUSINESS MODEL

Our Canvas of Value Creation

INPUTS

Steady Performance
- Net worth: ₹ 23,354 million
- Capital expenditure: ₹ 3,061 million
- Net cash: ₹ 5,566 million

Manufacturing Capabilities
- Manufacturing units for pipes: 8
- Manufacturing units for adhesives and sealants: 5
- Manufacturing units for water tanks: 5

Human Capital
- Employees: 6,000+
- Training hours: 10,000+

Environmental & Social Stewardship
- ₹ 59.2 million capital investment in energy conservation
- ₹ 62.29 million spent towards uplifting communities

HOW WE CREATE VALUE

Strengths
- Experienced leadership and qualified managerial personnels
- Large manufacturing footprint and robust distribution network
- Marketing and branding acumen
- Robust financials
- Strong innovation capabilities
- Leadership in piping solutions

Read more on PG 14

Strategic Priorities
ASTRAL
- Enhance brand equity
- Strengthen the dealer and distributor network
- Expand the portfolio offerings by leveraging existing strengths
- Strong innovation capabilities
- Build future ready talent pool

Read more on PG 22

OUTPUTS
- Piping
- Adhesives and Sealants
- Water Tanks*
- Paints*
- Faucets and Sanitary ware*

* New addition

OUTCOMES
- Revenue from operations: ₹ 43,940 million
- PAT: ₹ 4,904 million
- EPS: ₹ 24.08
- **Piping & Tank** Revenue Contribution: 77% Capacity: 2,74,822 MTPA
- **Adhesives and Sealants** Revenue Contribution: 23% Capacity: 95,980 MTPA
- Upskilled and experienced workforce
- Well defined career progression path for employees
- Positively impacted lives through our CSR initiatives
- Reduced carbon footprint

VALUES
Safety | Excellence | Integrity | Equitability | Teamwork

KEYS
- Financial Capital
- Manufactured Capital
- Intellectual Capital
- Human Capital
- Social and Relationship capital
- Natural Capital

OUR STRENGTHS

Leveraging Our Robust Fundamentals

Our decades of experience in the industry has enabled us to build a robust company with a sharp competitive edge. We've adopted best-in-class practices and adopted strategies that have strengthened our presence, supply chain network, and product quality, resulting in a trusted brand name.

Experienced Leadership and Qualified Managerial Personnel

Our management comprises professionals with extensive industry knowledge and vast as well as varied experience. Their experience in numerous facets of the industry provides the Company with the necessary industry knowledge and keen insight, which we can leverage for future growth and expansion. In addition, our leadership strives to preserve the Company's founding vision and a sense of purpose, leading to an innovation-led and high-performance culture that propels it onto new growth trajectories.

Large Manufacturing Footprint and Robust Distribution Network

Our distribution network of 1,80,000+ dealers and 2,535+ distributors gives us a strong competitive advantage. We have an in-house marketing team to service this extensive network of dealers and distributors. Many of these dealers and distributors have been affiliated with the Company for decades. Through the years, our distribution prowess and long-standing relationships with our partners have contributed to our market dominance. The company has been strong in the West part of the country in the past. In recent years, the company has improved its position in the south and east with new plants as a part of the decentralisation strategy. Pipes and fittings are a bulk item with high logistics costs. As a result, a wide manufacturing footprint is needed to provide high service levels to distributors and maintain low cost of operation.

Marketing and Branding Acumen

Over the last few years, the Company has developed a strong brand. Astral's name is synonymous with quality and a track record of exceeding customer expectations. The Company has a strong legacy in the industry, and in recent years it has strengthened its brand positioning through sustained investments in marketing and brand promotional activities. The emphasis has been on increasing brand awareness and customer loyalty through innovative promotions and marketing via both digital and traditional channels.

Robust Financials

The company's balance sheet is robust, and its profitability has steadily increased over the years. Despite unprecedented inflation and a challenging macroeconomic environment in FY22, the company's financial performance remained strong. The financial position remains solid, with a net cash position of over ₹ 5,566 million and the industry's shortest working capital cycle. The Company continues to be one of India's most profitable piping solutions companies. For the eighth consecutive year, the profitability has grown. The Company has favourable return ratios, and with most of the capital expenditures to be completed by FY23, these metrics are expected to further improve over time. Our robust balance sheet and cash flows have sustained us through various cycles, and we are committed to maintaining our disciplined capital management strategy.

Strong Innovation Capabilities

Innovation remains one of Astral's key strengths, allowing the company to achieve product differentiation and provide consumers with a unique value proposition. The company's commitment to innovation to introduce new products and services and continuously improve customer engagement have led to sustained investments in manufacturing, research & development, information technology and sustainability. The allocation of capital to all of these needs has ensured that these investments advance the business growth objectives and generate a sustainable return on investment for shareholders.

Leadership in Piping Solutions

Astral is one of the largest piping solutions companies in India, catering to the needs of the real estate, infrastructure, and agricultural industries with various product offerings. Our state-of-the-art manufacturing facilities respond to the need for operational synergies and the ever-changing demands of our customers. The company intends to leverage its strengths, scale, and learnings in the piping business and implement them in the newer product categories to rapidly scale them.

MESSAGE FROM MANAGING DIRECTOR

Creating Possibilities for Progress

We continue to map our portfolio against the dynamic market environment to create a portfolio that serves as a lever for our ambitions.

Dear Shareholders,

It gives me immense pleasure to write to you after yet another eventful year of progress. We are proud to have continued our industry-leading growth momentum through a year that was relentless with the unprecedented inflationary pressures, ongoing war and supply chain constraints. Also, intermittent COVID-19 virus outbreaks continued its impact across the globe with various disruptions to businesses, and caused social and economic upheaval and lockdowns in some parts of the world.

While we are learning from this new order of conducting business in this new environment, the most important responsibility for us at Astral has been to ensure the health of our people. We will always prioritise the safety and well-being of our employees, partners, customers, and community at large.

To this effect, we mobilised a host of support services for our employees and their families, which include critical medical equipment supplies, doctor consultations and financial assistance. We also stepped up our partnerships with various NGOs, volunteering our time and financial support to provide COVID-19 relief.

The year in retrospect

During the year, we achieved the highest ever top line and profitability. This robust performance in a year marked with challenges was a result of our relentless focus on execution, wherein we reinforced our core strengths by investing in expanding our capacities and distribution networks. The year saw surging input costs and supply-side constraints. However, we mitigated the situation by taking a balanced approach of price hikes and cost optimisation initiatives. Our attempts at widening our distribution network also yielded results, and so did our efforts to enhance the brand visibility.

We progressed on our journey to make Astral structurally, financially and operationally future-ready. The modernisation and de-bottlenecking journey continued for existing facilities, as we added innovative and disruptive products in our Pipes and Adhesives category.

Continuous upheavals notwithstanding, we recorded strong growth across all our business segments, with the Pipes and Adhesives business segment recording the highest production volumes historically. We also made impressive progress on the Water Tanks business and remain confident of doubling our revenues in the same in FY23.

Focusing on the next

In a future-oriented move, our Board, in a meeting held on April 29, 2022, approved to acquire 51% controlling equity stake in the operating paint business of Gem Paints Private Limited. Strategically, the entry into paints gives us the opportunity to harness synergies with the existing sales and distribution network and legacy of the Astral brand, and has the potential to create significant value for all our stakeholders.

We continue to map our portfolio against the dynamic market environment to create a portfolio that serves as a lever for our ambitions. Thus, we have reworked our product offerings to also include faucets and sanitaryware, transforming us into a complete building material player.

Revenue potential from new propduct categories over the next five years

(₹ IN MN)

15,000

We will leverage our vast and deeply entrenched pan-India distribution network to drive growth in new businesses. Our go-to-market strategy will be to gradually scale up the new offerings by focusing on specific geographies and then eventually metamorphosing into a pan-India player. We anticipate that these two new product categories alongwith other newly launched products will add ~ ₹ 1500 crores to our top line over the next five years with no additional CAPEX. Gem Paints' current capacity allows for a threefold increase in sales from our existing levels. Furthermore, we have acquired a ready facility on asset purchase basis at Jamnagar to manufacture faucets.

Purpose beyond profit

In addition to our obligations to our customers, we think that social and environmental responsibility is necessary for long-term success. Through a variety of projects, the Astral Foundation made considerable progress in its objective to serve and empower marginalised communities.

In line with our commitment to achieving holistic progress, we are working continuously to empower our people. This year we ensured better training and up-skilling of our team members as we recorded a threefold increase in training man-hours compared to the previous year. We endeavour to make Astral a truly enriching workplace with supportive policies and appropriate health and safety measures. I am happy to announce that our commitment to employee care and career development earned us Great Place to Work® Institute's certification as a Great Place to Work® in India for 2021-22.

We continued to prioritise our ESG (environment, social and governance) initiatives, and the efficient utilisation of energy from cleaner sources at our facilities remained one of our primary focus areas during the year. The year also witnessed us consuming the highest ever solar units, as we doubled our installed solar power capacity compared to last year, and now ~ 20% of our Santej and Dholka plants' power needs are met by solar energy.

Looking ahead

Although the economic environment remains uncertain, the long-term growth opportunities remain favourable for us. Over the past few years, we have made substantial investments to support our decentralisation strategy by expanding our manufacturing capacities. We now believe we have reached a point where all of our investments will bear fruit and accelerate the growth of our company.

The past year has been a pivotal one, with numerous initiatives undertaken which were essential to accelerate the growth of our business. As we tread new avenues to capitalise on growth opportunities and enhance value, we impetrate our stakeholders to remain as committed to us as they have been in the past. We believe in our ability to endure the ebbs and flows of the business cycle and will continue to work to the best of our abilities to deliver value.

In closing, I would like to express my sincere appreciation to all our stakeholders for their confidence and support. I am certain that we will script an exciting growth journey ahead. Looking forward to our prosperous future at Astral Limited, thank you.

Regards

Sandeep Engineer

CHAIRMAN & MANGING DIRECTOR

MESSAGE FROM CFO

Delivering on Promises

I am proud of our team for displaying grit and character during these trying times. Their perseverance and dedication have helped us to navigate through the difficulties of the last few years.

REVENUE FROM OPERATION
(₹ IN MN)

43,940

FY22	**43,940**
FY21	31,763

NET WORKING CAPITAL
(IN DAYS)

21

FY22	**21**
FY21	27

Dear Shareholders,

It's been an incredible year for us at Astral, and I'd like to take this opportunity to thank you all and my dear colleagues for the unwavering support. We have all endured one of the most challenging periods of the pandemic, and I hope that you and your families are healthy and safe.

FY22 has bolstered our faith in our business model and strategic decisions. The resilience demonstrated by the Company amidst the disruptions caused by the pandemic resulted in its best-ever performance. This strong performance is a testimony to our robust business model and execution capabilities.

Reviewing FY22

In FY22, we witnessed strong growth across our business segments and we closed the year with a revenue of ₹ 43,940 million up by 38.34% as compared to ₹ 31,763 million in FY21. Our EBITDA grew by 18.97% to ₹ 7,883 million in FY22 from ₹ 6,626 million in FY21. Our PAT stood at ₹ 4,904 million in FY22 as compared to PAT of ₹ 4,082 million in FY21. This performance is remarkable given the challenging operating environment, which included managing supply chain issues, volatile raw material prices, and adhering to a multitude of COVID-19 constraints.

We maintained healthy liquidity to meet operational and strategic objectives. Despite the strong revenue growth, we ensured to keep our working capital cycle in check. As a result, the net working capital days decreased from 27 in FY21 to 21 in FY22. Despite holding higher inventory throughout the year to alleviate supply-side challenges, we optimised our working capital cycle by reducing our debtor days to 22 in FY22, as against 32 in FY21. As of March 31, 2022, our net cash balance was ₹ 5,566 million, up from ₹ 4,094 million as of March 31, 2021.

With revenues of ₹ 34,433 million, the pipes business performed extremely well during the year. EBITDA for the year was ₹ 6,624 million with an EBITDA margin of 19.20%. The strong performance was driven by a mix of volume and realisation growth along with well diversified demand from across geographies. The adhesives business recorded a strong top line growth of 37.39% reaching ₹ 10,091 million in FY22 as against ₹ 7,345 million in FY21. EBITDA for the year stood at ₹ 1,287 million with an EBITDA margin of 12.80%.

Inflationary pressures began building up in FY21 and largely persisted through FY22. As a result, prices of our key inputs touched all-time highs while exhibiting significant volatility in the interim. While most of the inflation was passed on to the end-user with a lag, we took a tactical call to face the inflation in specific categories to strengthen our competitiveness and aggressively pursue market share. This is reflected in the year-on-year decline in the operating margin. However, it was still better compared to the industry margins.

Delivered on our promise to achive ₹ 10,000 million in topline from our Adhesives segment
(₹ IN MN)

10,000

Delivering on our promises

We have always upheld our commitment to increasing value for our stakeholders. Despite the challenging environment, we remained steadfast in our commitment to deliver ₹ 10,000 million in top-line from our adhesives business and attained double-digit growth in our pipes business, as promised to our shareholders.

A future brimming with opportunities

By acquiring Gem Paints Private Limited, Astral has now diversified into the paints industry, which provides a significant opportunity for our growth objectives. The existing facility's 36,000 KL capacity can accommodate a threefold increase in volume without additional capital expenditures. In addition, we intend to leverage our existing dealer and distribution network to drive the growth in this segment.

Beginning June 2022, the Company also started marketing faucets and sanitary ware under the brand name Astral. The Company will operate in the premium economy segment in this product category and will kick start the operations using an asset-light model and only announce CAPEX once critical sales are achieved. We are confident of adding incremental revenues of ₹ 15,000 million from these two new product categories and newly launched products in the next five years.

Astral is a very strong brand that has earned the confidence of millions of consumers in India. We will try to build on our learnings and leverage our strengths in distribution as we straddle multiple categories. We will also continue to invest in brand building across diverse channels. Today, we are a stronger company with diversified and growing businesses, applying our learnings across the spectrum. While there is more work to be done, I am confident in our strategy and plans to deliver industry-leading growth.

I am proud of our team for displaying grit and character during these trying times. Their perseverance and dedication have helped us to navigate the difficulties of the last few years. I thank you, our shareholders, for your trust and confidence throughout our journey. And I am excited about the future as we set out to extend our horizons further, trace a higher growth trajectory and set new benchmarks for excellence.

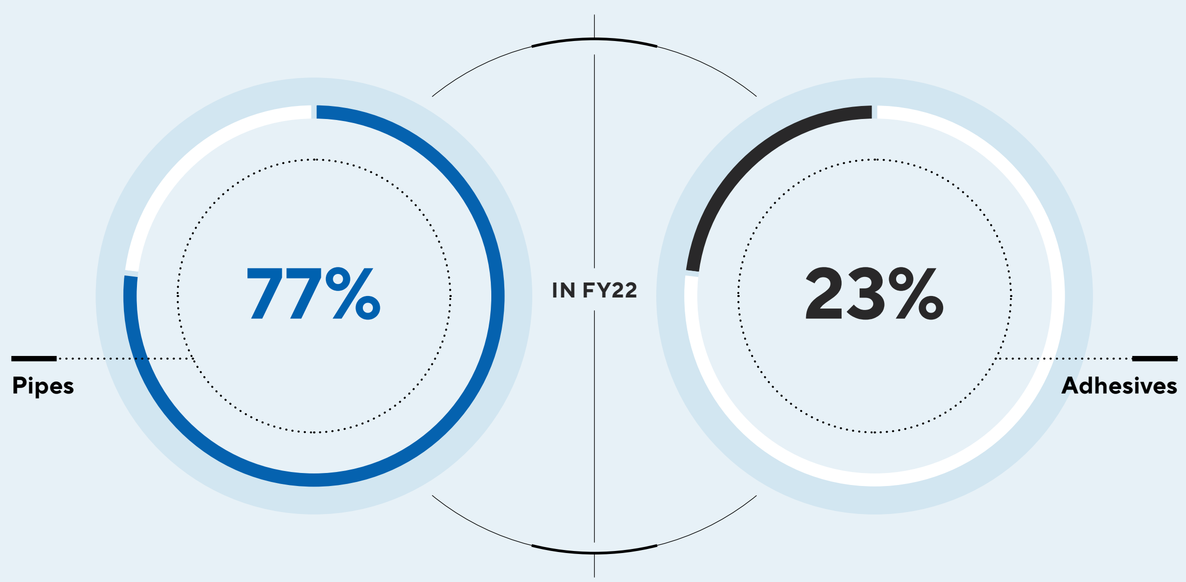
Regards
Hiranand Savlani
CHIEF FINANCIAL OFFICER

KEY PERFORMANCE INDICATORS

Robust Outcomes that Validate our Efforts

We reported strong performance in our pipes and adhesives segment as a result of robust demand, increased volumes, improved realisations, and an enhanced product mix. Despite the macro challenges, our operational efficiencies and customer engagement allowed us to meet customer demands on time. As we move forward, we remain confident in our ability to outpace industry growth in both the pipe and adhesives segments, with newer product segments further accelerating our growth momentum.

GROUP REVENUE BREAKUP



REVENUE FROM OPERATION
(₹ IN MN)

43,940

FY22	43,940
FY21	31,763
FY20	25,779
FY19	25,073

21% 4 YEARS CAGR

38% Y-O-Y GROWTH

EBITDA
(₹ IN MN)

7,883

FY22	7,883
FY21	6,626
FY20	4,534
FY19	3,967

26% 4 YEARS CAGR

19% Y-O-Y Growth

PROFIT BEFORE TAX
(₹ IN MN)

6,485

FY22	6,485
FY21	5,330
FY20	3,061
FY19	2,834

32% 4 YEARS CAGR

22% Y-O-Y Growth

PROFIT AFTER TAX
(₹ IN MN)

4,904

FY22	4,904
FY21	4,082
FY20	2,496
FY19	1,973

35% 4 YEARS CAGR

20% Y-O-Y Growth

EARNINGS PER SHARE
(₹)

24.08

FY22	24.08
FY21	20.13
FY20	12.34
FY19	9.76

35% 4 YEARS CAGR

20% Y-O-Y Growth

CASH PROFIT
(₹ IN MN)

6,173

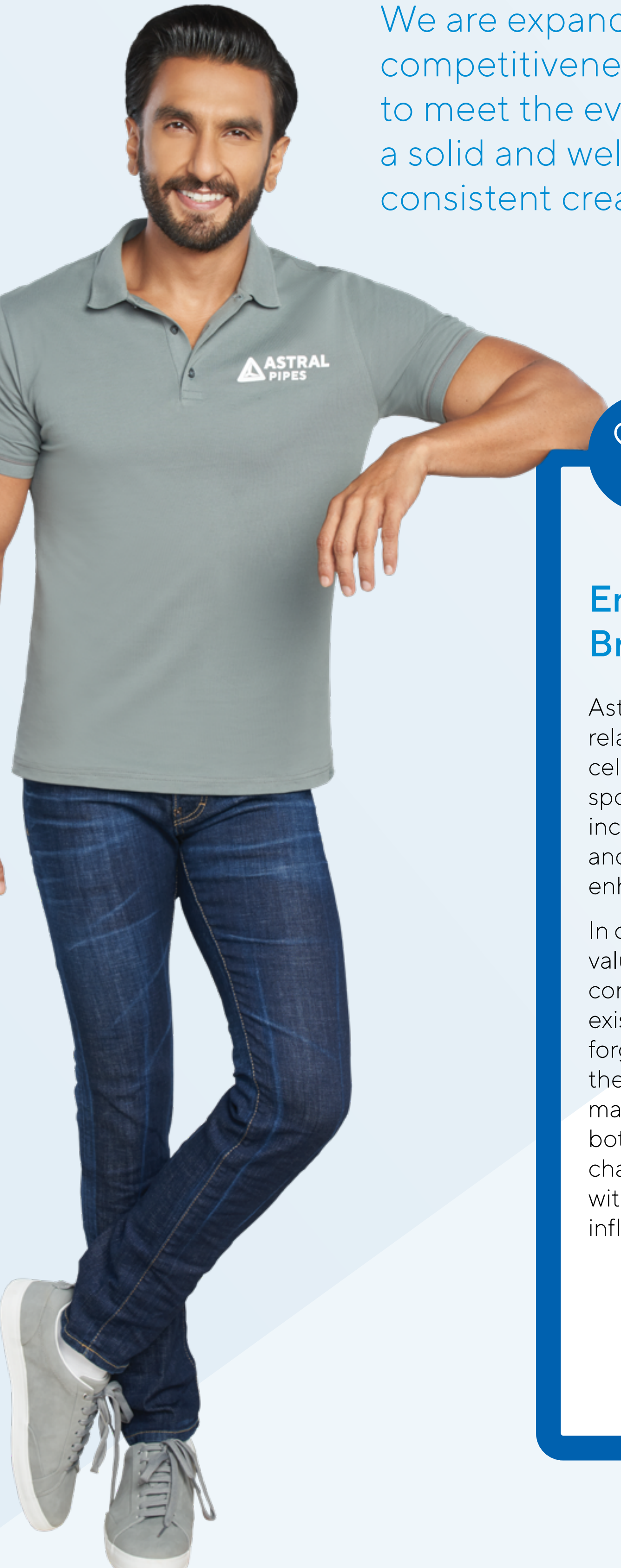
FY22	6,173
FY21	5,247
FY20	3,575
FY19	2,787

30% 4 YEARS CAGR

18% Y-O-Y Growth

STRATEGIC PRIORITIES

Strategic Roadmap for Growth Acceleration



We are expanding our horizons in order to increase our competitiveness in a dynamic external environment and to meet the ever-evolving customer priorities. Possessing a solid and well-grounded strategic vision allows for the consistent creation of value for our stakeholders.

Enhance Brand Equity

Astral enjoys a long-standing relationship with notable celebrity figures and marquee sporting events, which has increased brand recognition and top-of-mind recall, thereby enhancing brand equity.

In order to increase brand value, the company will continue to strengthen its existing partnerships and forge new ones. Additionally, the company will invest in marketing efforts across both traditional and modern channels in order to engage with channel partners, influencers, and consumers.

Strengthen the Dealer & Distribution Network

Our business is accelerated by partnering with a vast network of dealers and distributors. During the year we significantly expanded our dealer network to 1,80,000+ from 1,63,000 in FY21.

To further strengthen our network, we engaged in several network engagement activities, including regular dealer and influencer gatherings and the distribution of reward points across various promotional schemes and offers. Our loyalty programme at Astral is the most robust and transparent in the industry, allowing our dealers and influencers to access the reward systems through our mobile application.

Expand the Portfolio of Offerings by Leveraging Existing Strengths

In order to accelerate growth, the Company will continue to launch new products and enter categories that can benefit from Astral's brand and channel network. In addition, the Company intends to utilise its distribution network in order to market these more recent products and cross-sell to its current clientele.

Strong Innovation Capabilities

Over the last few years, the Company has strategically driven its investments towards its decentralisation strategy, the efforts of which should start to bear fruit now.

As we advance, the focus will be to drive asset utilisation across all facilities, which in turn will help lower the per-unit operating costs.

As the supply side situation normalises, the Company will also bring down its inventory levels, further optimising the working capital requirements.

These efforts should help the Company further enhance its return metrics.

Build Future Ready Talent Pool

In keeping with our people-first philosophy, our focus during the past few year was to ensure safety and holistic well being of team members. Going forward, we will continue to empower our people and enable their growth journey by providing challenging, enriching and fulfilling opportunities to maximise their potential.

At Astral we are continuously investing in building critical organisational capabilities and a high performing team force.

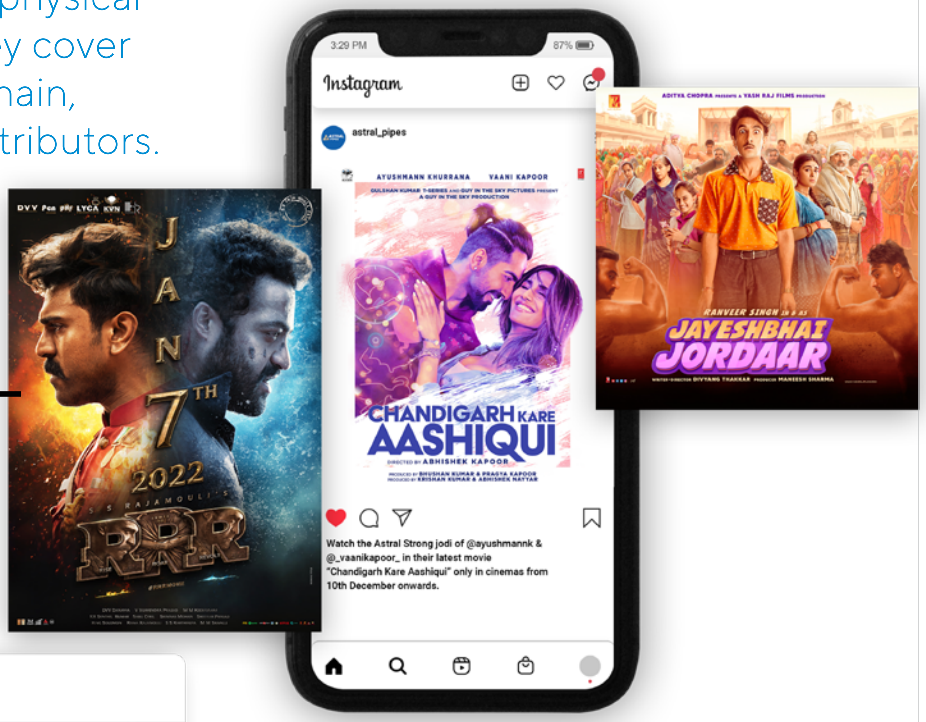
MARKETING AND BRANDING INITIATIVES

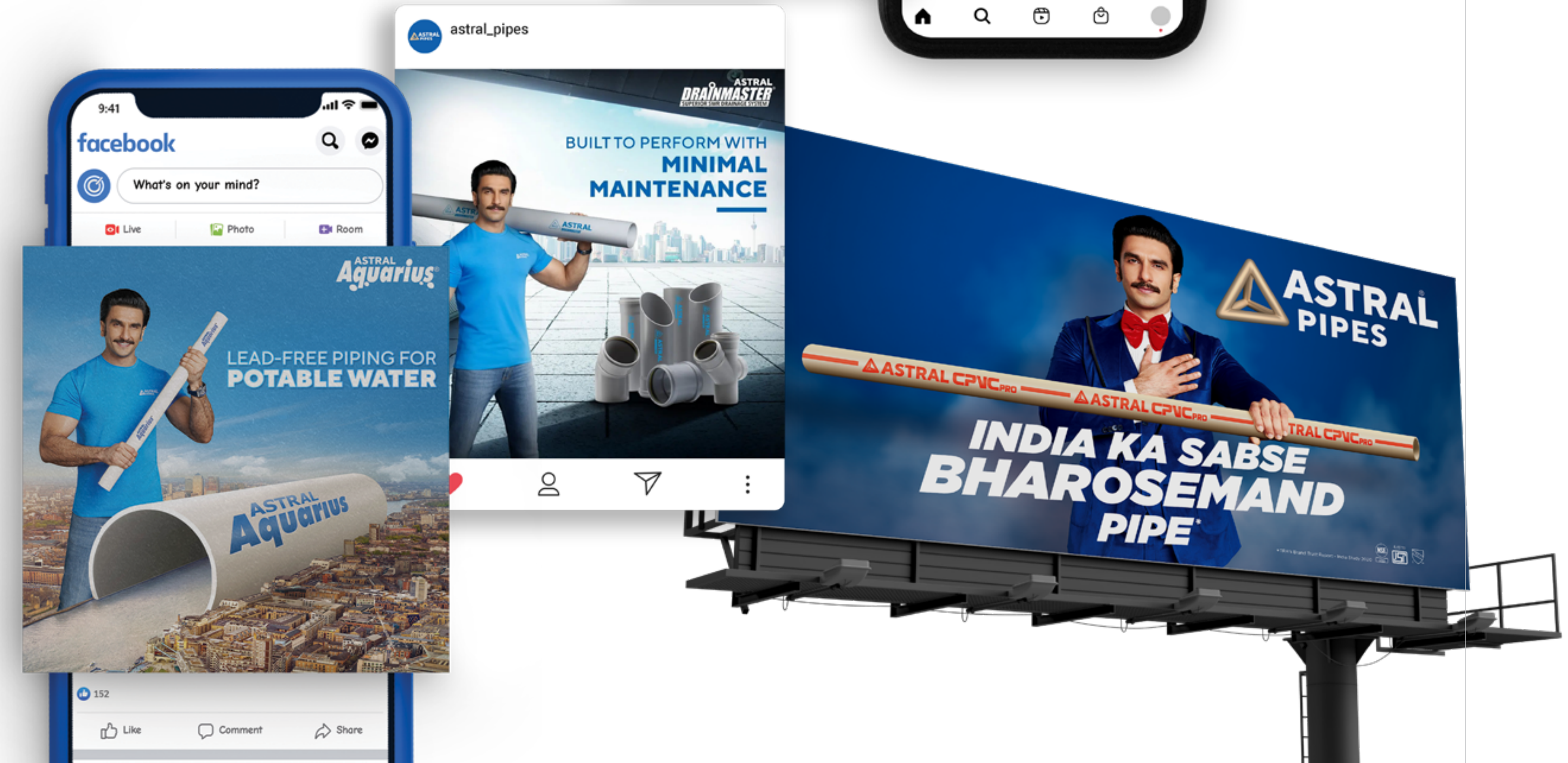
Strengthening Our Recall Value

We are constantly working to strengthen our brands through relevant marketing campaigns, sports associations, and events. These efforts are visible across a variety of physical and digital mediums, and they cover all participants in our value chain, including the dealers and distributors.

Social Media and outdoor Campaigns

During the year we also engaged with our users on social media platforms and through other outdoor marketing channels which resulted in higher brand visibility.





Association with major sports leagues

The Company has been at the forefront of partnerships, collaborations and sponsorship deals across various gamut of sporting events in the country including teams in the previous seasons of the T20 league, teams in the Pro-Kabbadi League and is focused on developing an ecosystem for nurturing and stimulating young talent across the country.

During the year, the Company announced its partnership with three marquee teams in the Indian Premier League – Chennai Super Kings, Gujarat Titans and Mumbai Indians. While the company was the Official sponsor of the four-time champions Chennai Super Kings, it acted as an Associate Sponsor for the new and upcoming team from Gujarat- Gujarat Titans and five-time champions Mumbai Indians.

Dadho Sutho

The Astral Pipes TV commercial, titled "Dadho Sutho (Very Nice)," featured Ranveer Singh. For additional intrigue, the commercial was shot entirely in Sindhi and featured the actor as a Sindhi character. This campaign aimed to educate our customers about the importance of investing in high-quality, long-lasting pipes in their dream homes.

Clik here to view the video

Celebrating 25 years of Bondtite by launching its first ever brand campaign

For the 25th anniversary of the Bondtite epoxy adhesive, the company launched a nation wide campaign. Product efficacy and widespread use across the country were highlighted in a TV commercial that brought together various states. It delivers glimpses of India's diverse culture and uniqueness thereby bonding different parts of India alike different products.

Clik here to view the video

RISK MITIGATION

Safeguarding our Business

We adopt an independent and comprehensive strategy to manage risks and safeguard the business. The approach enables us to continuously identify and assess risks, as well as implement the necessary mitigation measures to eliminate or limit their impact on the business. A robust risk management framework allows us to create and protect value for our stakeholders while ensuring a robust financial performance.

RISK MANAGEMENT COMMITTEE

Comprises of the Chairman and Managing Director, Chief Financial Officer and other Independent Directors

Reviews material risks to the business on an annual basis

Deploys strategies to mitigate risks on a strategic and operational level

RISK MANAGEMENT PROCESS

Identification of risk → Assessment and evaluation → Determination of response → Monitor and review

NATURE OF RISK	IMPACT	MITIGATION STRATEGY
Commodity risk	Unanticipated fluctuations in commodity prices and supply may have an effect on business margins and the capacity to service demand. Input prices have experienced significant fluctuations over the past few years	The Company has well-defined norms for building strategic inventory positions as a hedge against price volatility. Company purchases commodities in line with business requirements and in accordance with inventory policy and does not encourage speculative buying or trading of any commodity either in physical form or in exchanges
Competition risk	Increase in the number of competing brands in the marketplace and aggressive pricing by competitors could create a loss in market share	The company has strategically diversified its product offerings and entered newer categories (such as paints, faucets, and sanitary ware) in order to reduce the likelihood of market disruption by competition. The company firmly adheres to its policy of prioritising volume protection over short-term profitability. In addition, the company continues to invest in brand-building initiatives to ensure a strong brand recall among customers
Supply chain risk	Inability to obtain or procure products from our suppliers and vendors in a timely and cost effective manner could materially impact our operations	The company works closely with its suppliers to ensure supply reliability and business continuity. In addition, the company has established a reliable network of alternative suppliers to ensure supply chain diversification and reduce the risk of over-dependence
People risk	Attrition of key talent may adversely impact the Company's ability to pursue its growth strategies	To attract and retain the right talent, the company fosters a culture of diversity, inclusion, and transparency while also providing a challenging and rewarding work environment. The company also ensures that compensation and other benefits are periodically aligned with industry standards. The Company has also issued ESOPs to retain the right talent and align the long term interest of the employess with the organisational goals
Safety risk	The Company's manufacturing processes necessitate employee interaction with plant, machinery, and equipment, all of which pose an inherent risk of injury	The plants of the company are designed to ensure inherent safety in accordance with various applicable standards. In addition, the company adheres to highest safety standards and ensures the highest operational standards for material handling at the plant
Foreign currency risk	Fluctuations in foreign exchange rates may result in price volatility of raw materials, thereby negatively affecting the company's operations	The company consistently follow policy defined by board which help the company in getting average rate of currency and mitigate the risk.
Risk of change in consumer preference	A shift in consumer preference can adversely impact the demand and in turn the business perosrmance	The company monitors signals to identify emerging consumer trends and swiftly responds with innovative product offerings. The company continually reviews its product portfolio in order to introduce new products that meet consumers' ever-changing demands
Obsolescence risk	A product, process or technology used by the Company may become obsolete and decrease the brand's competitiveness in the market	In addition to conducting regular product portfolio reviews and market research to track current trends, the company invests in emerging technologies to create a first-mover advantage and differentiated offerings

CORPORATE SOCIAL RESPONSIBILITY

Empowering Our Communities

Astral believes that its business growth is inexplicably linked to the inclusive growth of its communities that it's a part of. It works to empower its communities, providing them access and exposure to basic necessities of life. The Company is committed to its social responsibilities and works relentlessly towards its upliftment and welfare, through its various partnerships and associations. Astral also has its own foundation, 'Astral Foundation' which regularly engages with implementation partners to support various initiatives.

Women Healthcare

Action Taken in FY 21-22

- Astral Foundation initiated women healthcare centric project "Arogyam" in FY 21-22. This project will serve 11 villages in the Gandhinagar area for the next three years, providing healthcare to pregnant women, adolescent females, and general residents.
- Pregnant women registered at Shri Jalaram Aarogya Seva Trust Meghraj received free medicines and medical tests as part of Astral Foundation's "Healthy Mother, Healthy Baby" initiative.

Healthcare

Action Taken in FY 21-22

- As part of the Arogyam project, Astral Foundation has provided a Mobile Medical Van, which is beneficial for children, vaccinations, ANC check-ups, and primary medical service for all age groups, in the rural and GIDC area.
- Astral Foundation arranged an eye check-up camp in collaboration with Bareja Eye Hospital for elderly people of Rampur, Khatripur, Sahij, Jalalpur Vajifa, and Ambethi villages in Dholka.
- Under the 'Happy Project', Astral Foundation helps patients measure the probable risk of heart attacks and strokes, and to examine coronary artery calcium scores. The patients who are found to be at greater risk of heart attack or paralysis are dispensed free statins and are provided with free medication every month.
- Astral Foundation through the Astral Charitable Trust attempts to strengthen the mental and physical health of citizens by regularly conducting yoga and meditation sessions.

Environmental Conservation

Action Taken in FY 21-22

- Astral Foundation in association with Himalayan Institute of Alternatives to the making of Ice stupas in Ladakh. Deeply committed to environmental conservation, Astral Foundation contributed to one of the most innovative initiatives for water conservation – ICE STUPAS of Ladakh! Astral Foundation contributed in terms of pipes and other materials for raising Ice Stupas in different villages of Ladakh which conserve many million liters of water and will help the villagers to have water for farming, cultivation, etc. at the right time when they need it the most.

CORPORATE SOCIAL RESPONSIBILITY

Wildlife Conservation

Action Taken in FY 21-22

- Madras Crocodile Bank Trust received a grant from the Astral Foundation to support Gharial Ecology Project fieldwork research in the National Chambal Sanctuary.
- For forest staff chowkis and Ness (places of community living), the Astral Foundation built 30 solar street lights. These streetlights prevent straying and prevent unexpected encounters between wild animals and local communities living there.
- The Astral Foundation is dedicated to assisting the Chamundi Wild Animals Rescue and Rehabilitation Centre which helps distressed wild animals and houses tigers, leopards, elephants and rescued birds, among other animals.
- Wildlife Trust of India (WTI), in collaboration with the Department of Wildlife Protection (DWP), J&K, and with the support of the Astral Foundation, conducted one-day workshops for Markhor watchers at the Limber wildlife sanctuary. The goal was to safeguard and maintain India's two remaining Markhor populations (Pirpanjal and Kazinag ranges, J&K). Astral foundation provided 16 waterproof jackets and high-altitude trekking shoes to the Markhor Watcher group.
- Astral Foundation supported a conservation project undertaken by Wildlife Conservation Trust (WCT) and the Madhya Pradesh Forest Department to assess the condition of rivers and streams draining the Satpura Tiger Reserve. The objective of this project was to evaluate the forest hydrology of Satpura Tiger Reserve and the habitats of Eurasian otters (Lutra lutra) in this region.

COVID-19 relief

Action Taken in FY 21-22

- During COVID-19, the Astral Foundation came forward to support and serve those in need by delivering dry ration kits.
- Astral Foundation provided 54 oxygen concentrators in total to Sola Civil Hospital, AMC - Health Department and various Hospitals in Ahmedabad, helping save lives by providing immediate oxygen to needy patients.
- Astral Foundation provided 16,667 cooked food meal to needy people during across the different areas of Ahmedabad.
- Astral Foundation in presence of Dr. Kuldeep Arya, IAS, Collector & District Magistrate Gandinagar District, provided 500 utility kits to Civil Hospital, Gandhinagar.

Education

Action Taken in FY 21-22

- Astral Foundation has partnered with the education scholarship portal Vidyasaarathi to implement a scholarship program. Under the initiative, students from the state of Gujarat who have enrolled in courses such as B.E/B.Tech, B.Sc in Agriculture, and other undergraduate courses such as B.A., would be able to support their education and fulfil their career goals.
- Kaushalya, a unique initiative of vocational training courses for underprivileged youth, was launched by Astral Foundation in collaboration with ShalbyAcademy of Shalby Academy of Shalby Hospitals. This effort provides paramedics and hospital administrators with one and two year training programs to upgrade their skill sets. Besides that, the program gives young people an opportunity to work in today's rapidly expanding healthcare industry.
- As part of the School Development Project, Astral Foundation contributed 6 fully equipped smart classrooms at Government Primary Schools of Gandhinagar. These smart classrooms will help impart technology-led quality education to students and enhance interactivity in class using IT (Information and communication technology) and multimedia resources to ensure comprehensive development.

Infrastructure Development

Action Taken in FY 21-22

- The Anganwadis in the surrounding areas have been renovated and upgraded by the Astral Foundation. We at Astral Foundation believe that equipping children in rural and semi-urban areas with the essential infrastructure is critical for their holistic development.
- In Ahmedabad, the Astral Foundation helped to procure 695 kg of wires that were used to tie on the poles of 15 overbridges. This kept commuters safe by preventing them from being entangled in manja and preventing accidents on overbridges during Uttarayan days.
- Astral Foundation has facilitated Ahmedabad Municipal Corporation with two hearses.
- Astral Foundation renovated children home in Gandhinagar running by District Social Defence Office - Gandhinagar. Astral Foundation renovated the old building and created joyful learning based living in which orphan children up to 6 years of age are living.

MD & A

Management Discussion and Analysis

GLOBAL ECONOMY

The global economy experienced erratic trends during the year gone by. After the initial COVID-19 wave, economic activity rebounded strongly in 2021, aided by pent-up demand and unprecedented policy support. However, two successive waves of COVID-19, prolonged labour market issues, and ongoing global supply chain bottlenecks have diminished the likelihood of widespread economic recovery. Moreover, geopolitical tensions rose significantly in the fiscal year's final quarter, followed by widespread sanctions and logistical difficulties.

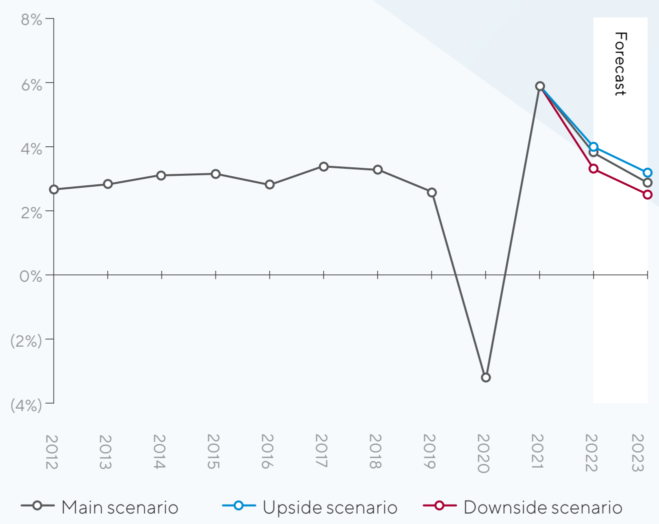
In CY22 and CY23, global growth is anticipated to be 3.6%. Investment should significantly contribute to global economic expansion, particularly in mature economies. However, the Russia-Ukraine conflicts have hampered global growth prospects and exerted inflationary pressure, as they account for a significant portion of global energy exports and a wide variety of metals, food staples, and agricultural inputs. Assuming inflation expectations remain stable, inflation should steadily decline as supply-demand imbalances diminish, and monetary policy in the world's leading nations responds. As long-term asset purchases are anticipated to slow, monetary policy is anticipated to tighten in advanced countries progressively. In emerging market and developing economies (EMDEs), monetary policy assistance is anticipated to be withdrawn more rapidly. Additional fiscal support in developed nations and the continued rapid adoption of digital technology could aid in sustaining a more robust global economic recovery than anticipated.

INDIAN ECONOMY

India was able to contain the effects of the third wave of COVID-19 while simultaneously pursuing the target of economic recovery because of government support and a rapid immunisation effort. Since then, indicators such as the mobility index, direct tax receipts, and power demand have increased, indicating economic expansion. As a result, India is anticipated to be one of the key economies with the fastest growth rate. The Reserve Bank of India (RBI) forecasts that India's GDP will increase by 9.2% in FY22 and 7.8% in FY23.

The Indian economy is anticipated to continue expanding in the coming years. However, the recent geopolitical events are hurting the stock indices and increasing the volatility of crude oil prices and exchange rates. India is a net importer of crude oil, natural gas, and other items, therefore an increase in inflation and a rise in the current account deficit are factors that must be monitored, especially amidst geopolitical environment changes. In addition, the future expansion of the Indian economy is jeopardised by the uncertainties surrounding the fourth wave of the COVID-19 outbreak and the virus' mutations.

WORLD GDP GROWTH UNDER THREE SCENARIOS
(IN %)



Source: Worldbank, KPMG projecting using NiGEM.

COMPANY OVERVIEW

Astral is a leading manufacturer of Chlorinated Poly Vinyl Chloride (CPVC) and Poly Vinyl Chloride (PVC) plumbing systems for residential and industrial use. The Company has a commanding market share in the domestic CPVC and PVC pipe industry. In addition to being a leader in the piping segment, it has also expanded into the adhesives and sealants segment, infrastructure products, and water tanks. The Company intends to make strong inroads into the paints, faucets and sanitaryware segments this year, transforming itself into a comprehensive home building material player.

The Company has its pipe manufacturing facilities at Santej and Dholka (Gujarat), Hosur (Tamil Nadu), Ghiloth (Rajasthan), Sangli (Maharashtra), Sitarganj (Uttarakhand), Aurangabad (Maharashtra) and Bhubaneswar (Odisha) for manufacturing of plumbing systems, drainage systems, agricultural pipes, industrial pipes, fire protection pipes, electrical conduit pipes and Infrastructure products.

In addition the Company also manufactures water tanks at its facilities in Santej, Ghiloth, Hosur, Aurangabad and Bhubaneswar.

The Company has its adhesive and sealant manufacturing facilities at Santej (Gujarat), Rania and Unnao (U.P.), Elland (U.K.) and Stanford (USA).

Strengths

- Established brand in plumbing and other building materials industry.
- Strategically located warehouses and manufacturing facilities (West/South/North and Shortly in East) with extensive distribution channel.
- Strong track record of growth and financial performance.
- Continues to introduce new CPVC and PVC products.
- Pursues growth through selective acquisition opportunities in India and internationally.
- Introduced many new products first time in India.
- Highest Quality certifications in piping industry.
- Most popular and recognised piping brand in India.

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INDUSTRY OVERVIEW

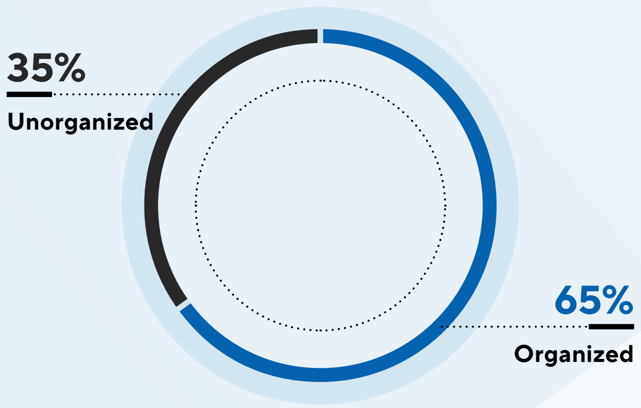
Plastic Pipes

Demand for building materials such as paint, sanitaryware and faucets, ceramic, plywood, and laminates is correlated to the real estate market's recovery. In contrast, a significant portion of pipe demand comes from irrigation, urban infrastructure, and sanitation projects, allowing for faster growth than in other building material sectors. Because of increased end-use sector investments such as irrigation and WSS, the plastic pipes industry has historically grown faster than the GDP. In addition, increased awareness, adoption, and replacement of metal pipes with plastic pipes have also aided growth.

The market for plastic pipes is valued at approximately ₹ 300 billion, with organised players accounting for approximately 65% of the market. 50-55% of the industry's demand is accounted for by plumbing pipes used in residential and commercial real estate, 35% by agriculture, and 5-10% by infrastructure and industrial projects.

THE MARKET FOR PLASTIC PIPES

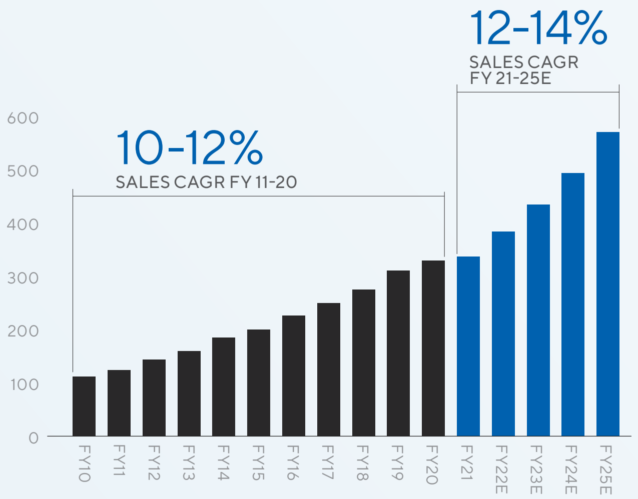
(IN %)



Due to the government's emphasis on cleanliness and sanitation, affordable home building, and replacement and substitution demand, the domestic plastic pipes market grew at a CAGR of 10 to 12% between FY15 and FY20. Demand is anticipated to expand at a CAGR of 12 to 14% between FY21 and FY25, driven by increased investment in WSS projects, the substitution of metal pipes with polymer pipes, and replacement demand.

THE DOMESTIC PLASTIC PIPES MARKET

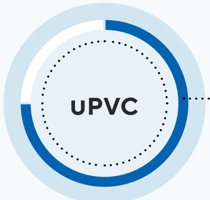
(₹ IN BN)



Source: Crisil

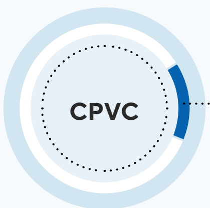
Plastic pipes have become a crucial infrastructure component for transporting and distributing water, oil, gas and other commodities. As a result, plastic pipes are being rapidly installed in a vast array of applications, such as irrigation, domestic plumbing, sewerage, and industrial applications. Depending on the application, plastic pipes, galvanised iron pipes, cement pipes, ERW pipes, and other materials are utilised. However, plastic pipes are gaining popularity and have become the material of choice due to the easy availability of raw materials, ease of use, lightweight, ease of installation, longer shelf life, and lower cost.

PLASTIC PIPES ARE MADE OF DIFFERENT TYPES OF POLYMERS. THE FOUR KEY TYPES ARE:



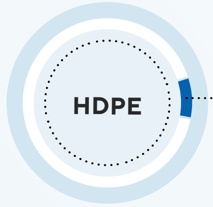
72-76%

Unplasticised Polyvinyl Chloride (UPVC)
Which represents
72-76% of industry demand



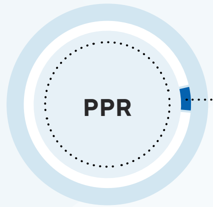
13-15%

Chlorinated Polyvinyl Chloride (CPVC)
Which represents
13-15% of the industry demand



06-08%

High Density Polyethylene (HDPE)
Representing
06-08% of the industry demand



03-05%

Polypropylene (PPR)
Representing
03-05% of the industry demand

UPVC PIPES:

UPVC pipes are used in agriculture and plumbing for potable water supply and sewerage. In the past, continuous replacement of galvanised iron pipes with UPVC pipes has driven robust demand growth. In addition, affordability and longer life spans compared to metal pipes have aided the growth of this segment. According to a CRISIL report, the market for UPVC pipes is expected to grow at 11-12% CAGR until 2024.

CPVC PIPES

CPVC pipes are used in plumbing applications for hot and cold potable water distribution systems, and the demand growth for this segment has been the highest among all other plastic pipes over the past few years. CPVC pipes in India are still at a nascent stage, however, they have an enormous growth potential due to favourable characteristics such as, longevity, corrosion resistance, fire resistance, being lead-free and the ability to withstand high temperatures. According to a CRISIL report, the share of CPVC pipes in the overall plastic pipes market will increase and surpass the estimated 20% growth by 2024.

HDPE PIPES

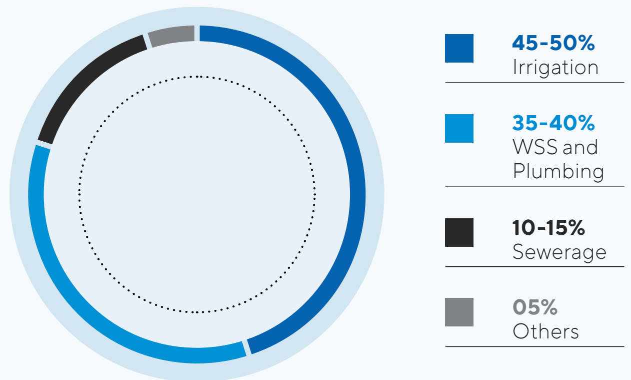
HDPE pipes are used in irrigation, sewerage and drainage, city gas distribution, and chemical and processing industries. It accounts for a good 6-8% of the overall plastic pipes industry. When compared to other traditional metal and cement pipes, these pipes are increasingly gaining popularity due to its superior build and quality. According to a CRISIL report, the HDPE pipes market is expected to grow at a CAGR of 12-13% until 2024.

PPR PIPES

PPR pipes, used for various industrial purposes, account for 3-5% of the total plastic pipe demand. However, due to its relatively higher costing in comparison to other plastic pipes, it is used much more restrictively. According to a CRISIL report, the market for PPR pipes is expected to grow at 6-7% CAGR until 2024.

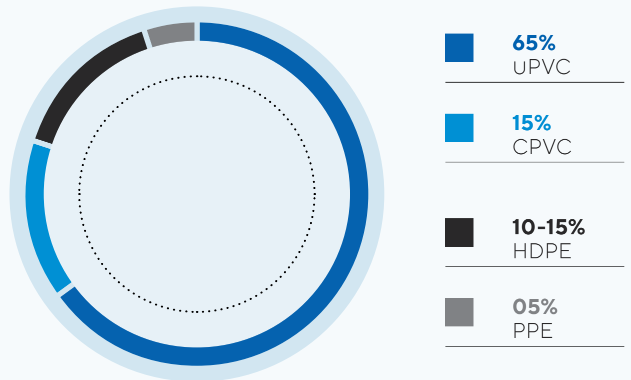
INDUSTRY BREAK-UP IN TERMS OF APPLICATIONS

(IN %)



INDUSTRY BREAK-UP IN TERMS OF POLYMER TYPE

(IN %)



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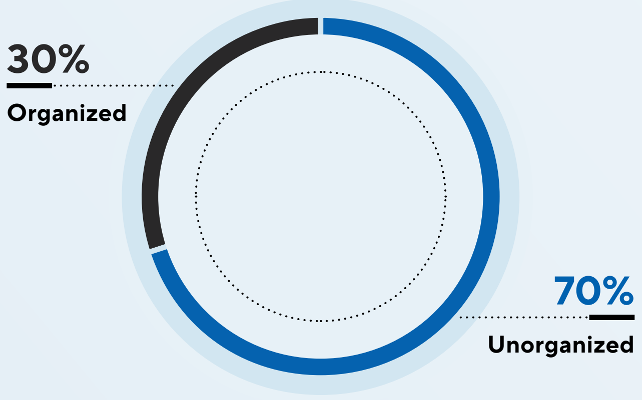
Tanks

With unorganised regional firms servicing 70% of the industry, water storage tanks in India is a ₹ 45-50 billion market opportunity growing at a 5-6% CAGR. The rationale for regional players' domination in this category is the product's voluminous nature, which adds high freight costs during transit. However, the major Indian pipes businesses' expanding their manufacturing base, which has resulted in pan-India presence with overlapping effective distribution networks, bodes well for the prominent pipe players. With increasing building activity, growing concerns about water conservation, a spike in population, increased government regulation on wastewater, and ageing water infrastructure, demand for plastic storage tanks is expected to remain healthy. Furthermore, the tank distribution network overlaps with the pipe distribution network, making it a logical extension for any pipe player.

₹ 50 BN INDUSTRY OF WATER TANKS DOMINATED BY UNORGANIZED PLAYERS
(IN %)



DEMAND DRIVERS

Value Migration

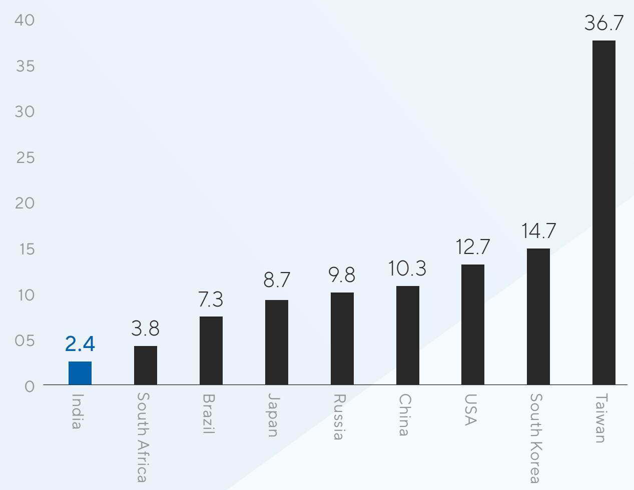
One of the most significant shifts in the pipes business over the last decade has been the large-scale migration from metals to polymer-based pipes in most applications, which is especially true in the case of building industry's plumbing and pipe applications. With the introduction of polymers such as CPVC for hot and cold-water plumbing, firefighting, and industrial fluid transportation, this progression has enabled for more research and development in specialised products by organised companies for specific applications.

The CPVC industry, which presents a technological barrier to entry, is providing an opportunity for branded competitors to further enhance their market share.

Low per capita consumption of PVC

Compared to the global average of 6 kg, India's PVC consumption per capita is roughly 2.4 kg. However, India's consumption per capita is further expected to increase and approach the world average, driving growth in product consumption.

PER CAPITA PVC CONSUMPTION ACROSS VARIOUS COUNTRIES
(IN KG)



Substitution and replacement demand

Plastic pipes have several advantages over metal pipes. Plastic pipes have hastened the replacement of metal pipes due to their superior qualities and inexpensive pricing. In addition, the increase in the availability of raw materials (PVC, PE and PPR) following the commissioning of new petrochemical facilities in India is expected to further support the plastic-pipes industry going forward. The other factor which is expected to drive long-term demand is the replacement of older pipes with plastic pipes.

Investments in end user segments

Among factors that will boost the demand, increased spending by state governments and municipal corporations to improve accessibility of water for a burgeoning population is the most critical one. Further, the heightened government thrust on irrigation, urban infrastructure and real estate, is the second most critical factor for demand growth. The Central government has launched various schemes to support these three sectors, which include:

- Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) in the irrigation sector
- Jawaharlal Nehru National Urban Renewal Mission (JNNURM), AMRUT, Swachh Bharat Mission in urban infrastructure development sector
- Housing for All scheme in the real estate sector

In addition to these factors, rise in private sector investments, particularly in the real estate sector, is also expected to boost demand. As construction in metros, tier-II, and tier-III cities accelerates, the demand for plumbing pipes and fittings is expected to increase multifold.

IRRIGATION

The irrigation industry is a major end-user segment for plastic pipes. Less than half of India's 160 million hectares (ha) of cultivated land is irrigated. Investment in the sector is expected to rise over the next five years as state governments push to increase irrigation penetration. Irrigation construction spending is expected to rise to ₹ 3.7 lakh crore between FY21 to FY25. Earlier the irrigation construction spending stood at from ₹ 3.1 lakh crore between 2016 to 2020.

URBAN INFRASTRUCTURE

The pandemic resulted in lower spending due to a loss of man-days during the lockdown, diversion of state funds to meet social and healthcare spending, and labour migration in FY21. FY22 witnessed the start of deferred projects from FY21, as the government focused on schemes such as the Swachh Bharat Mission, Jal Jeevan Mission, AMRUT, and metro projects, majority of which are currently being implemented. While these projects are long-term engagements, it is expected to drive demand for pipes drastically.

Urban infrastructure spending is expected to reach ₹ 2.9 lakh crore from FY21 to FY25, a 1.35x increase over the previous five fiscal years. Half of the money is expected to go towards WSS projects, which will primarily be led by state governments and funded by the central government through initiatives such as the Jal Jeevan Mission, AMRUT and Swachh Bharat Mission.

Following WSS, metro construction will attract the most investment in urban infrastructure development. Several projects announced and implemented by various state governments will drive the piping sector's medium-term growth.

REAL ESTATE

In India, real estate is a major end-use sector for PVC pipes. Demand for real estate has been sluggish in recent years, however, the government passed the Real Estate (Regulation and Development) Act which established a regulatory system for the sector to boost customer confidence. Furthermore, over the last three fiscal years, the Pradhan Mantri Awas Yojana-Urban (PMAY-U), a scheme under the Housing for All by 2022 programme, has seen healthy construction activity. Post the pandemic, Indian real estate markets have picked up once again, which will drive back the growth in the pipes segment as well.

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Adhesives

The ₹ 134 - 136 billion (FY21) domestic adhesives and sealants market is segmented as follows:

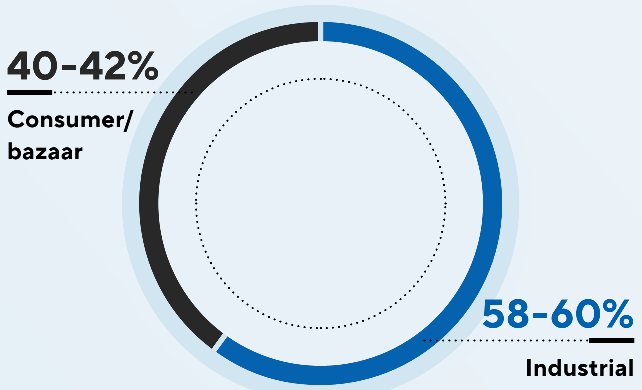
1) Industrial adhesives and sealants; and

2) Consumer and bazaar adhesives.

The industrial division serves B2B industries such as packaging, footwear, paints, and automotive, among others. The retail section serves industries including furniture/woodworking, building construction, arts and crafts, and electrical fittings, among others.

MARKET WISE SPLIT OF ADHESIVES

(IN %)

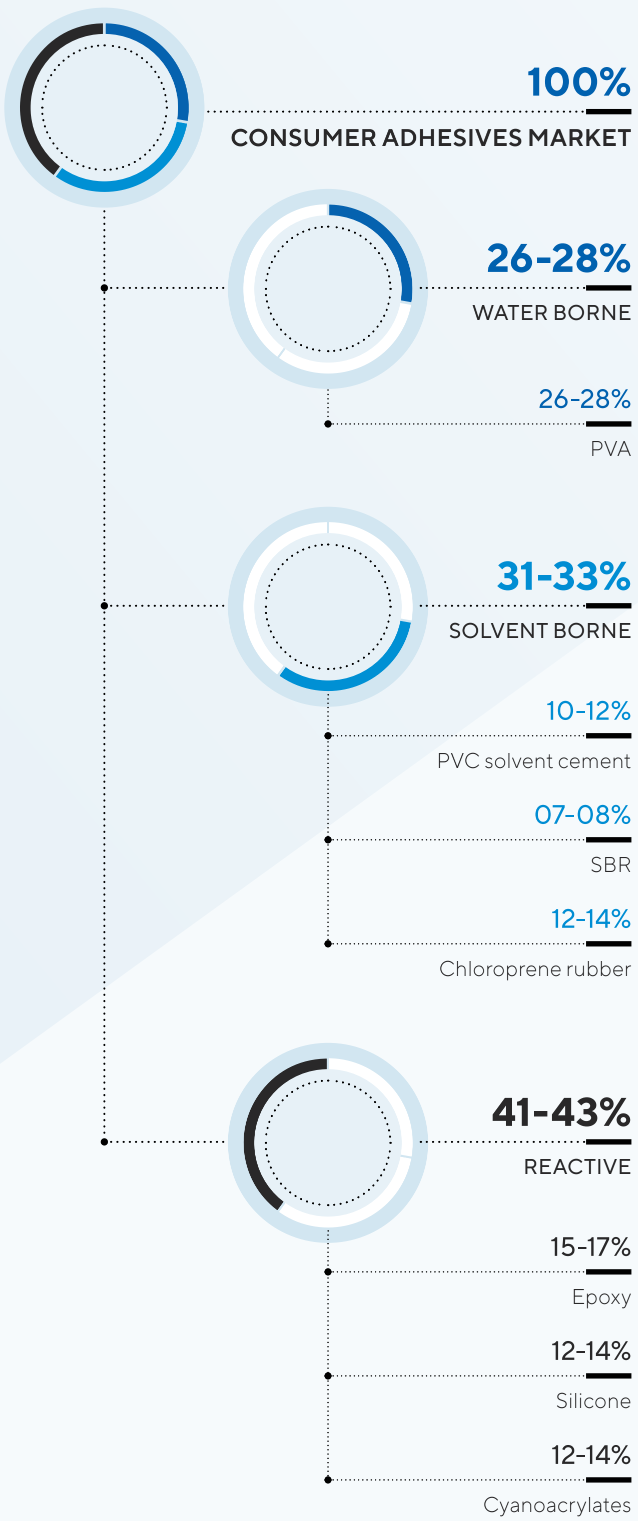


The ₹ 53-55 billion (FY21) consumer adhesives market grew at a CAGR of 8-10% between 2015 and 2020, propelled by the rapidly expanding furniture business and rising income levels, which led to a rise in interiors demand. In addition, enhanced building construction investment also contributed to the growth. However, due to the pandemic-induced decline in construction activity, the market did contract in FY21. However, the decline was mitigated by increasing demand from the furniture market due to work from home, which increased demand for home furnishings.

The consumer adhesives market in India is expected to grow at a 9-10% CAGR between FY21 and FY26

9-10%

PRODUCT WISE SPLIT OF CONSUMER ADHESIVES (FISCAL 2021)



Based on technology, the consumer adhesive market can be divided into water-borne, solvent-borne, reactive, and hot melt adhesives. Due to its increasing use in the woodworking and furniture industries, PVA (poly vinyl acetate), a water-based adhesive, dominates the market (26 to 28 % of revenue).

PVC solvent cement is a solvent-based adhesive used in the irrigation and building construction industries to join PVC pipes.

SBR (styrene butadiene rubber) is used in foam and mattress applications as a sprayable adhesive. Chloroprene rubber is used in a variety of applications ranging from woodworking to leather to foam applications, accounting for 12-14 percent of the market.

Epoxy adhesives dominate among reactive adhesives (15-17%). These are also utilised in the furniture, woodworking, and tiling sectors due to their resilience to water and fire, as well as their durability. Cyanoacrylates are used to connect polymers, metals, and rubbers. Silicone sealants account for 12 to 14% of the consumer adhesives market. Due to their water-resistance, they are commonly used for basic domestic repairs particularly around sinks and pipes.

DEMAND DRIVERS

Rising demand for wooden furniture

The furniture industry in India uses a variety of adhesives, such as PVA, SBR, chloroprene rubber, cyanoacrylates and epoxy. The market is anticipated to be driven by a number of variables, including increasing urbanisation, a growing preference for more modular and compact furniture, and a rising need for durable and hybrid furniture. In the near future, all of these variables are anticipated to contribute to the growth of the furniture industry, and by extension, the consumer adhesives sector as well. According to a CRISIL report, the demand for wooden furniture is expected to grow at a CAGR of 10-12% between fiscal 2021 and 2026.

Increasing demand for non-hazardous, green and sustainable adhesives

As consumers become increasingly conscious of the negative impacts of petroleum-based products, the demand for bio-based / eco-friendly adhesives such as starch and lignin is rapidly increasing. Consequently, manufacturers are heavily investing in the research and development of such adhesives. As green and sustainable alternatives to solvent-based adhesives, hybrid adhesives are widely being used by adhesive end-user sectors. This growth is expected to further rise, as more consumers become aware of environmental degradation.

Increased spending on building construction

Adhesives and sealants are used in a variety of applications in the construction sector, including flooring and carpets, tile insulation, resilient flooring, wall covering, prefinished panels, door perimeters, drywall, lamination and fixed window frames, among others. In a renewed push to the sector, under the Atmanirbhar Bharat programme, the government has introduced multiple policies to boost the National Infrastructure Pipeline (NIP) and the Affordable Rental Housing Complex (ARHC) schemes, which also includes Housing for All and other investments in the industrial segment. As a result , the investments in the construction sector are expected to grow at a CAGR of 4-6% over the medium term.

Increasing demand for electronics

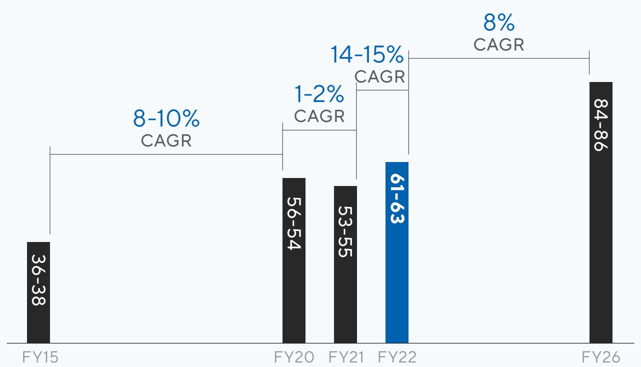
Adhesives are used in a variety of applications in the electronics sector, including conformal coatings, terminal electrode protection and surface mount device bonding, among others. According to the Ministry of Electronics and IT, the electronics industry is one of the fastest-growing in India, with a market value of ₹ 4,950-5,000 billion in FY21. The industry is expected to grow at a robust pace of 19-24% over the medium term.

OUTLOOK

The consumer adhesives market in India is expected to grow at a 9-10% CAGR between FY21 and FY26, owing to economic recovery and growth in end-user sectors. Demand, in particular, is likely to recover as the Indian economy recovers from the pandemic's impact. Overall, the consumer adhesives business is estimated to grow at an 8% CAGR between FY22 and FY26.

CONSUMER ADHESIVES MARKET ON GROWTH PATH

(₹ IN BN)



Source: CRISIL research

MD & A (CONTD.)

BUSINESS PERFORMANCE & FINANCIAL HIGHLIGHTS

The pipes business fared remarkably well through the year, generating sales of ₹ 34,433 million. The EBITDA for the year was ₹ 6,624 million with an EBITDA margin of 19.20%. The strong result was driven by a combination of volume, realisation growth, and geographically diverse demand. The adhesives business grew its revenue by 37.39% in FY22, from ₹ 7,345 million in FY21 to ₹ 10,091 million in FY22. EBITDA for the year was ₹ 1,287 million, with an EBITDA margin of 12.80%. The Company also performed well in its water storage tank business. Although the tanks' contribution to the total business pie is minimal, it will continue to grow fast in the medium term on a low base. This segment can become a sizeable avenue of growth once it matures in a few years.

On a consolidated basis, the Company recorded strong growth in our business and closed the year with a revenue of ₹ 43,940 million up by 38.34% as compared to ₹ 31,763 million in FY21. EBITDA grew by 18.97% to ₹ 7,883 million in FY22 from ₹ 6,626 million in FY21. PAT stood at ₹ 4,904 million in FY22 as compared to PAT of ₹ 4,082 million in FY21.

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS (CONSOLIDATED)

PARTICULARS	FY22	FY21	CHANGE
Debtors turnover	22	32	10 days
Inventory turnover	61	54	(7) days
Interest coverage	107.31	46.95	128.57%
Current ratio	1.85	1.84	0.60%
Debt equity ratio	0.02	0.03	33.33%
Operating margin	17.94	20.86	(292) bps
Net profit margin	11.16	12.85	(169) bps
Return on equity	22.92	23.77	(85) bps

INTERNAL CONTROL SYSTEMS AND THEIR APPROPRIATENESS

Astral has institutionalised a system of internal controls, with documented procedures covering all corporate functions. Internal controls provide reasonable assurance regarding the effectiveness and efficiency of operations, the reliability of financial controls, and compliance with applicable laws and regulations.

These policies and procedures are periodically updated, and the Internal Auditor oversees the process. In addition, the organisation aligns all of its processes and controls with industry standards. The Board and the Audit Committee supervise internal control's adequacy by monitoring the implementation of internal audit recommendations via compliance reports. In addition, the independent auditors have concluded in their report that Astral has adequate internal controls over financial reporting.

HUMAN RESOURCES

The company continues to maintain a strong relationship with its employees, in order to improve their efficiency level at the workplace. The company places great value to its employees through their commitment, competence and effort that is shown in different aspects of the business. It also confirms its commitment towards the development of HR policies, which will help the company to fulfill its business needs. The main focus has been on providing fulfilment, stretch and opportunity for the development to its employees at all levels of the business. Apart from such development, the employees have also shown considerable skill and motivation in their work, due to which the company is able to deliver highest level of performance in the year under review. As on March 31, 2022, the Company had 6,000+ employees spread across different locations.

As on March 31, 2022, the Company had 6,000+ employees (including contract labour) spread across different locations

6,000+

CAUTIONARY STATEMENT

Investors are cautioned that this discussion contains forward-looking statements that involve risks and uncertainties. When used in this discussion, words like 'will', 'shall', 'anticipate', 'believe', 'estimate', 'intend' and 'expect' and other similar expressions, as they relate to the Company or its business, are intended to identify such forward-looking statements.

The Company undertakes no obligations to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. Accordingly, actual results, performances, or achievements could differ materially from those expressed or implied in such statements. Readers are cautioned not to place undue reliance on the forward-looking statements as they speak only as of their dates.

FINANCIALS PERFORMANCE

Key Highlights (Consolidated)

(₹ In Million except as stated otherwise)

Particulars	2017-18	2018-19	2019-20	2020-21	2021-22
Capacity (In M.T.)	2,37,555	2,91,041	3,25,547	3,50,122	3,70,802
Sales	21,019	25,013	25,714	31,699	43,839
Less : Excise Duty	329	-	-	-	-
Net Sales	20,690	25,013	25,714	31,699	43,839
Other Income	166	214	186	315	450
Total Income	20,856	25,227	25,900	32,014	44,289
PBIDT	3,268	3,967	4,534	6,626	7,883
Interest	166	257	211	116	61
Profit Before Depreciation, Tax & Exceptional Items	3,102	3,710	4,323	6,510	7,822
Depreciation	571	814	1,079	1,165	1,269
Profit Before Tax & Exceptional Items	2,531	2,896	3,244	5,345	6,553
Exceptional Items (Exchange Gain/(Loss))	(50)	(62)	(183)	(15)	(68)
Profit Before Tax	2,481	2,834	3,061	5,330	6,485
Tax	724	861	565	1,248	1,581
Profit After Tax	1,757	1,973	2,496	4,082	4,904
Other Comprehensive Income (Net of tax)	34	(2)	3	28	6
Total Comprehensive Income	1,791	1,971	2,499	4,110	4,910
Paid Up Equity Capital	120	120	151	201	201
Reserve and Surplus [1]	10,050	12,645	14,866	18,745	23,153
Shareholders' Funds	10,170	12,765	15,017	18,946	23,354
Non-controlling Interests	135	150	168	212	278
Loans (Long term)	1,174	1,631	1,090	247	401
Deferred Tax Liability (Net)	330	533	429	400	398
Capital Employed [2]	11,095	14,302	16,288	19,267	23,219
Gross Fixed Assets [3]	7,557	10,335	12,888	14,657	17,723
Capital Work In Progress	731	808	444	566	1,232
Net Fixed Assets [4]	6,065	8,103	9,646	10,287	12,169
Net Current Assets	2,517	2,842	3,482	5,807	8,042
Book Value Per Equity Share (in ₹)	50.94	63.63	74.75	94.30	116.23
Earning Per Equity Share (in ₹)	8.76	9.76	12.34	20.13	24.08
Cash Earning Per Equity Share (in ₹)[5]	11.99	14.48	17.10	25.53	30.71
Debt : Equity (Long Term Debt/Total Net Worth)	0.18	0.19	0.11	0.03	0.02

[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]. Cash profit considered for cash earning per share is Net Profit + Depreciation + Deferred tax + Exceptional item excluding foreign gain(loss).

Corporate Information

BOARD OF DIRECTORS

Mr. Sandeep P. Engineer
Chairman & Managing Director

Mrs. Jagruti S. Engineer
Whole Time Director

Mr. Girish B. Joshi
Whole Time Director

Mr. C. K. Gopal
Independent Director

Mr. Viral M. Jhaveri
Independent Director

Mrs. Kaushal D. Nakrani
Independent Director

CHIEF FINANCIAL OFFICER

Mr. Hiranand A. Savlani

COMPANY SECRETARY

Mr. Krunal D. Bhatt

REGISTERED & CORPORATE OFFICE:

Astral Limited
(Formerly known as Astral Poly Technik Limited)
CIN: L25200GJ1996PLC029134
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
Email: info@astralpipes.com

STATUTORY AUDITORS

SRBC & CO. LLP
21st Floor, B Wing, Privilon
Ambli BRT Road, Behind Iskcon Temple
Off SG Highway, Ahmedabad - 380 059, India
Tel: +91 79 6608 3900

FACTORY LOCATION

Piping & Water Tanks Division

India
Santej (Gujarat)
Dholka (Gujarat)
Jamnagar (Gujarat)
Hosur (Tamil Nadu)
Ghiloth (Rajasthan)
Sangli (Maharashtra)
Aurangabad (Maharashtra)
Sitarganj (Uttarakhand)
Bhubaneshwar (Odisha)

Adhesive Division

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

Overseas
USA
UK

REGISTRAR & SHARE TRANSFER AGENT

Bigshare Services Private Limited
Office No S6-2, 6th Floor,
Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road
Andheri (East),
Mumbai 400093.
Phone No: +91 22-62638200,
Fax No. + 91 22-62638299,
E-mail: info@bigshareonline.com

BANKERS

HDFC Bank Limited
HSBC Bank
IndusInd Bank
Standard Chartered Bank

Directors' Report

Dear Shareholders,

Your Directors have pleasure in presenting the 26th Annual Report of your Company together with the Audited Statements of Accounts for the year ended March 31, 2022.

1. FINANCIAL HIGHLIGHTS:

The summary of Standalone and Consolidated Financial Results for the year ended March 31, 2022:

(₹ in Million)

Particulars	Standalone		Consolidated	
	FY 21-22	FY 20-21	FY 21-22	FY 20-21
Income from Operations (Net)	34,433	24,863	43,940	31,763
Other Income	274	207	349	251
Total Expenditure	28,083	19,518	36,387	25,318
Profit Before Depreciation, Interest and Tax	**6,624**	**5,552**	**7,902**	**6,696**
Finance Cost	89	76	129	131
Depreciation and amortization expense	1050	962	1269	1,165
Profit Before Exceptional Item & Tax	**5,485**	**4,514**	**6,504**	**5,400**
Exceptional Items	19	123	-	-
Share of profit/(loss) of joint venture	-	-	(19)	(70)
Profit Before Tax	**5,466**	**4,391**	**6,485**	**5,330**
Tax expense	1,418	1,122	1,581	1,248
Profit for the year	**4,048**	**3,269**	**4,904**	**4,082**
Add : Other Comprehensive Income (net of tax)	1	2	6	28
Total Comprehensive Income	**4,049**	**3,271**	**4,910**	**4,110**
Less: Currency Translation (Loss)/Gain	-	-	4	28
Total	**4,049**	**3,271**	**4,906**	**4,082**
Attributable to:				
Non- Controlling Interest	-	-	66	38
Shareholders of the Company	4,049	3,271	4,840	4,044
Surplus in Statement of Profit & Loss brought forward	**11,946**	**8,826**	**14,444**	**10,551**
Amount Available for Appropriation	**15,995**	**12,097**	**19,284**	**14,595**
Payment of Dividend (Including tax on dividend)	452	151	452	151
Balance carried to Balance Sheet	**15,543**	**11,946**	**18,832**	**14,444**

2. DIVIDEND:

During the year under review, the Board of Directors declared and paid Interim Dividend of ₹ 1.25 (125%) per equity share. Further your Directors have recommended a Final Dividend of ₹ 1.75/- per equity share for the financial year ended March 31, 2022 subject to approval of shareholders in the ensuing Annual General Meeting. With the above, the total dividend for the year under review would be ₹3/- (300%) per equity share as compared to ₹ 2 (200%) total dividends paid in the previous year. The Final Dividend if approved in the ensuing Annual General Meeting and Interim Dividend will be about ₹ 603 Million during the year under review compared to ₹ 352 Million absorbed in the previous year.

The dividend recommended is in accordance with the Company's policy on dividend distribution. The said policy is available on the website of the Company as can be accessed at https://www.astralpipes.com/uploads/investor_broucher/1628097600_3_policy_on_dividend_distribution.pdf

3. TRANSFER TO RESERVES:

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

4. CONSOLIDATED FINANCIAL AND OPERATIONAL PERFORMANCE:

- Consolidated Revenue from Operations has increased by 38% from ₹ 31,763 million to ₹ 43,940 million.
- Consolidated EBIDTA has increased by 19% from ₹ 6,626 million to ₹ 7,883 million.
- Consolidated Profit Before tax has increased by 22% from ₹ 5,330 million to ₹ 6,485 million.
- Consolidated Profit After tax has increased by 20% from ₹ 4,082 million to ₹ 4,904 million.

5. PROJECT IMPLEMENTATION AND PERFORMANCE REVIEW:

- During the year under review, your Company has increased its installed capacity by 6.54% from 257,946 MT to 274,822 MT. Sales Volume of your Company has increased from 136,593 M.T. to 149,569 M.T.
- During the year under review, your Company has incurred capital expenditure to the tune of ₹ 2,151 Million towards plant & machineries, factory building and other capital expenditure.

6. MATERIAL CHANGES FROM THE END OF THE FINANCIAL YEAR TILL THE DATE OF THIS REPORT:

There have been no material changes and commitments which affect the financial position of your Company that have occurred between the end of the financial year to which the financial statements relate and the date of this report.

7. MERGER & ACQUISITION:

During the year under review, the Board of Directors approved the Scheme of Amalgamation of subsidiaries of your Company viz. Resinova Chemie Limited and Astral Biochem Private Limited with your Company. The "no-objection" of the stock exchanges was received. Subsequently, approval of shareholders and creditors of respective companies have been obtained as per the direction of the Hon'ble National Company Law Tribunal Ahmedabad bench (NCLT). The matter is currently pending with NCLT.

As a part of your Company's strategy to expand its product portfolio under building material segment, the Board of Directors of your Company in their meeting held on April 29, 2022 approved to acquire 51% controlling equity stake in Operating Paint Business of Gem Paints Private Limited. Gem Paints Private Limited is a company incorporated under the provisions of the Companies Act 1956 having its registered office at Bangaluru and is in the business of manufacturing and supply of various types of paints coatings, products related to home décor, industrial paints and as dealers in all types of chemicals, essences, enamels, polishes, distempers, colours etc. Accordingly, your Company entered into definitive agreements with Gem Paints Private Limited and its shareholders. As per the agreements, your Company initially invested ₹ 194 Crores in Gem Paints Private Limited by subscribing to Optionally Convertible Debentures (OCDs) equivalent to value of 51% equity stake of Operating Paint business of Gem Paints on June 21, 2022. The Operating Paint Business of Gem Paints Private Limited is proposed to be demerged to a wholly owned subsidiary of Gem Paints Private Limited viz. Esha Paints Private Limited with an Appointed Date of April 1, 2022. Upon the completion of demerger, your Company shall acquire 51% equity shares of Esha Paints Private Limited against the redemption of OCDs. The name of Esha Paints Private Limited is proposed to be changed to Gem Paints Private Limited under the demerger scheme. As per the terms of Debenture Subscription Agreement, your Company acquired right to appoint majority directors on the Board of Gem Paints Private Limited and Esha Paint Private Limited and thereby said companies have become subsidiaries of the Company w.e.f June 21, 2022 as per the provisions of the Companies Act 2013.

8. NEW PRODUCT:

During the year under review, the Board of Directors of your Company decided to enter into the business of faucets and sanitaryware and related products. Accordingly, the product will be launched into market by August, 2022.

During the year under review, your Company also altered "Object Clause" of Memorandum of Association for the said purpose.

9. SUBSIDIARY/JOINT VENTURE COMPANIES:

As at March 31, 2022, your Company had 4 direct subsidiaries, 1 step down subsidiary and 1 joint venture company. There is no change is subsidiary/joint venture company during the year under review.

The highlights of performance of subsidiaries of your Company have been discussed and disclosed under the Management Discussion and Analysis section of the Annual Report. The statement containing salient features of the financial statement of each subsidiary/joint venture (associate) company including contribution of each subsidiary/joint venture company in terms of the revenue and profit in the prescribed format 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 https://www.astralpipes.com/uploads/investor_broucher/1659513427_financials_subsidiaries_-_2021-2022.pdf. 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.

The Company has formulated policy for determining "Material Subsidiaries". The said policy can be accessed at https://www.astralpipes.com/uploads/investor_broucher/1628097519_11._material_subsidiary_policy.pdf. As on March 31, 2022, Resinova Chemie Limited is material subsidiary of the Company.

10. CHANGES IN SHARE CAPITAL:

During the year under review, the Company's paid up equity share capital was increased from ₹ 20,09,07,768 to ₹ 20,09,20,181 upon allotment of 12,413 shares under Employee Stock Option Scheme.

11. 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 issued by the Institute of Chartered Accountants of India form part of this Annual Report.

12. 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.

13. CORPORATE GOVERNANCE:

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

14. SECRETARIAL STANDARDS:

During the year under review, your Company has complied with the provisions of Secretarial Standard -1 and Secretarial Standard - 2 issued by the Institute of Company Secretaries of India.

15. VIGIL MECHANISM:

Your 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/1628097744_9._vigil_mechanism_&_whistle_blower_policy.pdf.

16. BUSINESS RESPONSIBILITY REPORT:

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

17. INSURANCE:

Your Company's manufacturing facilities, properties, equipment and stocks are adequately insured against all major risks. The Company has also taken Directors' and Officers' Liability Policy to provide coverage against the liabilities arising on them.

18. 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.

19. 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.

20. 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 formulate annual action plan in pursuance of CSR policy and review CSR activities of the Company periodically and recommend to the Board amount of expenditure to be spent on CSR annually. CSR policy of the Company, inter alia, provides for CSR vision of the Company including proposed CSR activities and its implementation, monitoring and reporting framework.

During the year under review, your Company has spent ₹ 62.29 Million i.e. 2% of average net profit of last three financial years on CSR activities as per applicable statutory provisions.

Annual Report on CSR activities carried out by the Company during FY 2021-22 is enclosed as **Annexure – A** to this report.

21. 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, 2022, 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.

22. AUDITORS:

Statutory Auditor:

SRBC & CO. LLP, Chartered Accountants were appointed as Auditors of your Company for a term of five years at the Annual General Meeting held on August 08, 2017. They hold office upto the conclusion of ensuing Annual General Meeting. The Board of Directors has recommended to the shareholders for their re-appointment for a further period of five consecutive years. The Auditors have confirmed that they are not disqualified from continuing as Auditors of your 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) Your Company has maintained cost records in respect of plastic and polymers activity and the same 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 your Company for the financial year 2022-23 at a remuneration of ₹ 0.22 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 Financial year 2021-22 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 2021-22. Secretarial Audit Report for FY 2021-22 is enclosed as **Annexure – B1** to this report.

As per regulation 24A of SEBI (LODR) regulation, 2015 as amended from time to time, your Company's unlisted material subsidiary viz. Resinova Chemie Limited has undertaken Secretarial Audit for FY 2021-22. Copy of Secretarial Audit Report of Resinova Chemie Limited is enclosed as **Annexure- B2.**

The Secretarial Audit Report of your Company and Resinova Chemie Limited does not contain any qualification, reservation or adverse remark.

23. RISK MANAGEMENT AND INTERNAL FINANCIAL CONTROL:

The Risk Management Policy of your Company provides for the proactive identification and prioritization of risks based on the scanning of the external environment and continuous monitoring of internal risk factors. 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 authorized, recorded and reported quickly.

24. 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.

25. 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 in a separate meeting held on February 4, 2022. The exercise of performance evaluation was carried out through a structured evaluation process covering various criteria as recommended by the Nomination and Remuneration Committee.

26. 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 materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Accordingly, information in form 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/1657880968_rpt_policy_astral.pdf. The details of the transactions with Related Party are provided in the accompanying financial statements.

27. NUMBERS OF BOARD MEETINGS:

The Board of Directors met 7 (seven) times during the year under review. The details of Board Meetings and the attendance of the Directors are provided in the Corporate Governance Report.

28. DIRECTORS:

Resignation:

During the year under review, Mr. Anil Kumar Jani, Non Executive Director of your Company resigned due to other pre-occupations with effect from July 01, 2021. The Board placed on record the contribution and support rendered by him during his term as Director and expressed sense of appreciation and gratitude for the same.

Appointment / Re-Appointment:

Mr. Girish Joshi was appointed as Whole Time Director of your Company with effect from July 01, 2021. The Shareholders have already approved his appointment in the previous Annual General Meeting.

Mr. Sandeep Engineer was re-appointed as Managing Director of your Company w.e.f. April 01, 2022 by the Board of Directors in their meeting held on February 04, 2022. Subsequently approval of Shareholders was obtained by passing Special Resolution through Postal Ballot dated June 25, 2022.

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

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

Independent Director Declaration:

Your 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. The Independent Directors of the Company have confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs ('IICA') in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

Declaration for non-disqualification:

All the directors of your Company have confirmed that they are not disqualified from being appointed as directors in terms of Section 164 of the Companies Act, 2013.

29. CHANGES IN KEY MANAGERIAL PERSONNEL:

During the year under review, there was no change in Key Managerial Personnel except appointment of Mr. Girish Joshi as Whole Time Director as mentioned above.

30. POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS:

The Board of Directors has, on the recommendation of the Nomination and Remuneration Committee, framed a policy for selection and appointment of Directors, Key Managerial Personnel and Senior Management and their remuneration. Salient features of Nomination and Remuneration Policy have been disclosed in Corporate Governance Report. The same is available on the website of the Company at https://www.astralpipes.com/uploads/investor_broucher/1628097569_13._nomination_&_remuneration_policy.pdf

31. COMMITTEES OF BOARD:

With an objective of strengthen the governance standards and to comply with the applicable statutory provisions, the Board has constituted various committees Details of such Committees constituted by the Board are given in the Corporate Governance Report, which forms part of this Annual Report.

32. REPORTING OF FRAUD:

During the year under review, the Statutory Auditors, Cost Auditors and Secretarial Auditors have not reported any instances of frauds committed in the Company by its officers or employees, to the Audit Committee under Section 143(12) of the Act.

33. PREVENTION OF SEXUAL HARASSMENT:

Your Company has zero tolerance towards sexual harassment at the workplace and have a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. As required under law, an Internal Complaints Committee has been constituted for reporting and conducting inquiry into the complaints made by the victim on the harassments at the work place. During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

34. ANNUAL RETURN:

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2022 is available on the Company's website at https://www.astralpipes.com/uploads/investor_broucher/1658904087_form_mgt_7_draft_2021-2022_(1).pdf.

35. EMPLOYEES STOCK OPTION SCHEME:

Your Company approved formulation of Employee Stock Option Scheme ('ESOS') viz. Astral Employee Stock Option Scheme 2015 (Astral ESOS 2015) in October, 2015 which was further amended vide shareholders resolution passed in 24th Annual General Meeting held on August 21, 2020. 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, an aggregate of 12,413 stock options at an exercise price of ₹ 30/- per share were granted to eligible employees. Further, during the year, the eligible employees were allotted 12,413 equity shares (post bonus adjustment) at an exercise price of ₹ 30/- per share (post bonus adjustment).

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 and (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. The certificate of Secretarial Auditor regarding implementation of scheme shall be made available for inspection of members in electronic mode at AGM. 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/1659155950_esos_sebi_disclosure_2022.pdf

36. 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 - C** to this report.

The information required under Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, The certificate of Secretarial Auditor regarding implementation of scheme shall be made available for inspection of members in electronic mode at AGM. forms part of this Annual Report. Having regard to the provisions of Section 134 and Section 136 of the Companies Act, 2013, the Reports and Accounts are being sent to the Members excluding such information. However, the said information is available for inspection by the Members at the Registered Office of the company during business hours on working days of the Company up to the date of ensuing AGM. Any shareholder interested in obtaining a copy of such statement may write to the Company Secretary at the Registered Office of the Company or e-mail to co@astralpipes.com

37. DISCLOSURE WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars under Section 134(3)(m) of the Companies Act, 2013 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 - D** to the Report.

38. GENERAL:

The Board of Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions or applicability pertaining to these matters during the year under review:

i) Issue of equity shares with differential rights as to dividend, voting or otherwise.

ii) Scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.

iii) Payment of remuneration or commission from any of its subsidiary companies to the Managing Director of the Company.

iv) Change in the nature of business of the Company.

v) Issue of debentures / bonds / warrants / any other convertible securities.

vi) Details of any application filed for corporate insolvency under Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016.

vii) Instance of one-time settlement with any Bank or Financial Institution.

ix) Statement of deviation or variation in connection with preferential issue.

39. 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. 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
Chairman & Managing Director
DIN: 00067112

Date: July 01, 2022
Place: Ahmedabad

Annexure - A to Directors' Report

REPORT ON CORPORATE SOCIAL RESPONSIBILITY

1. A brief outline of the Company's CSR policy:

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.

2. The Composition of CSR Committee:

The composition of the Committee is set out below:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mrs. Jagruti Engineer	Whole Time Director- Chairman	3	3
2	Mr. Sandeep Engineer	Managing Director- Member	3	3
3	Mr. Viral Jhaveri	Independent Director- Member	3	3

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: https://www.astralpipes.com/uploads/investor_broucher/1628097433_8._csr_policy.pdf.

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be setoff for the financial year, if any (in ₹)
Not Applicable			

6. Average net profit of the company as per section 135(5): ₹ 3,110.67 Million

7.	(a) Two percent of average net profit of the company as per section 135(5)	₹ 62.21 Million
	(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	NA
	(c) Amount required to be set off for the financial year, if any	NA
	(d) Total CSR obligation for the financial year (7a+7b-7c).	₹ 62.21 Million

Based on the average net profit of the Company for the last 3 financial years, the Company was required to spend ₹ 62.21 Million, however the Company as a good corporate citizen has spent ₹ 62.29 Million.

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹ Million)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer.	Name of the Fund	Amount	Date of transfer.
62.29	-	-	-	-	-

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No).	Location of the project.		Project Duration	Amount allocated for the project* (in Million)	Amount spent in the current financial Year (in Million)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Million)	Mode of Implementation Direct (Yes/ No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration Number
1	Aarogyam Project - provided nutritional biscuits to pregnant women to fight against aneimia and improve health during pregnancy and Mobile medical van facility for primary medical services at village level and free sanitary pad to adolescent girl with awarness about menstrual days hygiene.	i	Yes	Gujarat	Gandhinagar	3 years	2.45	2.45	-	No	Astral Foundation	CSR00001644
2	Astral Foundation Scholarship project	ii	Yes	Gujarat, Maharashtra, Rajasthan	Ahmedabad, Sangli, Alwar	3 years	6.25	6.25	-	No	Astral Foundation	CSR00001644
	Total						**8.70**	**8.70**				

*Represents budget for financial year 2021-22.

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	**Name of the Project**	**Item from the list of activities in Schedule VII to the Act**	**Local area (Yes/ No).**	**Location of the project.**		**Amount spent for the project (in Million)**	**Mode of Implementation Direct (Yes/No).**	**Mode of Implementation - Through Implementing Agency**	
				State	**District**			**Name**	**CSR Registration Number**
1	Contribution to Shri Jalaram Aarogya Seva Trust towards "Healthy Mother Healty Baby."	i	No	Gujarat	Arvalli	1.00	No	Shri Jalaram Aarogya Seva Trust towards "Healthy mother Healty Baby	CSR00010257
	Provided equipment for oxygen plant in H J Doshi Ghatkopar Hindu Sabha Hospital Ghatkopar, Mumbai.		No	Maharashtra	Mumbai	1.19	No	Astral Foundation	CSR00001644
	Contribution to Juvenile Diabetes foundation for project of HAPPY. LDL Cholesterol Reduction project to prevent Heart Attack and strock in Diabetic Patients.		Yes	Gujarat	Ahmedabad	0.80	No	Juvenile Diabetes Foundation	CSR00010362
	Supported to local community person for Covishield vaccination		Yes	Gujarat	Ahmedabad	0.02	No	Astral Foundation	CSR00001644
	Support to poor patient for local community other related activities		Yes	Gujarat	Ahmedabad	0.05	No	Astral Foundation	CSR00001644
	Contribution to Blind People's Association (India) for outreach eye check-up camps and cataract surgery.		Yes	Gujarat	Ahmedabad	0.65	No	Astral Foundation	CSR00001644
	Contribution to Thakershy charitable Trust towards Health care support		Yes	Gujarat	Ahmedabad	1.50	No	Thakershy charitable Trust	CSR00016132
	Contribution to Mission safe utarayan foundation for wire for preventing health of local people during kite festival.		Yes	Gujarat	Ahmedabad	0.05	No	Astral Foundation	CSR00001644
	Abhaya Project towards sanatary pad for adolescent girl studying in all Govt. Primary School of Gandhinagar District.		Yes	Gujarat	Gandhinagar	0.29	No	Astral Foundation	CSR00001644
	Infrastructure Development For carring out activites like yoga and other Related activites		Yes	Gujarat	Ahmedabad	0.50	No	Astral Charitable trust	CSR00003228
	Contribution to CIMS foundation for financial support to very poor patients		Yes	Gujarat	Ahmedabad	1.70	No	CIMS Foundation	CSR00003995

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in Million)	Mode of Implementation Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
2	Contribution to School for sanitation renovation	ii	Yes	Gujarat	Ahmedabad	0.45	No	Astral Foundation	CSR00001644
	School development support to Mahatma Gandhi Preprimary, Primary and Secondary English medium School in Kubernagar Ahmedabad		Yes	Gujarat	Ahmedabad	0.71	No	Astral Foundation	CSR00001644
	Contribution to Indrajit Chimanlal Shah Charitable Trust for paramedical vocational skill training.		Yes	Gujarat	Ahmedabad	0.34	No	Indrajit Chimanlal Shah Charitable Trust n	CSR00003394
	Contribution towards setting up of smart classrooms.		Yes	Gujarat	Gandhinagar	0.75	No	Astral Foundation	CSR00001644
	Contribution for renovated and upgradation of old building of Aanganwadis.		Yes	Gujarat	Ahmedabad, Gandhinagar	3.59	No	Astral Foundation	CSR00001644
	Contribution to Omkar andhjan seva sansthan to provide equipment for enhance employment		Yes	Gujarat	Ahmedabad	0.10	No	Astral Foundation	CSR00001644
	Provided wooden toys to Aanganwadies for pre-education and learning of children.		Yes	Gujarat	Gandhinagar	0.01	No	Astral Foundation	CSR00001644
	Contribution to Gaurdbook conservation foundation for covid victims children scholarship and camera for field work.		No	Rajasthan	Sawai Madhopur	0.55	No	Guardbook Conservation Foundation	CSR00000359
3	Astral Aashiyana Project for orphan Children from 0 to 6 years are living at this home running by District Social Defence Officer, Govt. of Gujarat.	iii	Yes	Gujarat	Ahmedabad, Gandhinagar	1.77	No	Astral Foundation	CSR00001644
4	Contribution to Guard book conservation foundation for supporting to Ranthambhore Tiger reserve, for 25 Kilometres solar powered pipeline, by using a solar powered water pumping for maintaining and creating water holes for animas and maintain sufficient water in them during dry months.	iv	No	Rajasthan	Sawai Madhopur	4.39	No	Guard book Conservation Foundation	CSR00000359
	Contribution to Gaurdbook conservation foundation for Grassland Development project in Ranthambore Tiger Reserve		No	Rajasthan	Sawai Madhopur	1.94	No	Guardbook Conservation Foundation	CSR00000359

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	**Name of the Project**	**Item from the list of activities in Schedule VII to the Act**	**Local area (Yes/ No).**	**Location of the project.**		**Amount spent for the project (in Million)**	**Mode of Implementation Direct (Yes/No).**	**Mode of Implementation - Through Implementing Agency**	
				State	**District**			**Name**	**CSR Registration Number**
	Contribution to Madras crocodile bank trust. For Gharial Ecology project		No	Madhya Pradesh	Etawah	1.00	No	Madras crocodile bank trust	CSR00005322
	Contribution to Vicharta Samuday Samarthan Ma nch for tree plantation project		No	Gujarat	Banaskatha	0.22	No	Vicharta Samuday Samarthan Manch	CSR00001129
	Contribution to Wildlife conservation trust. For project of Effective Long-term protection of Hydrological system in a Bio-diversity in the Satpura.		No	Madhya Pradesh	Betul, Chhindwara, Hoshangabad (Narmadapuram)	2.65	No	Wildlife Conservation Trust	CSR00003682
	Contribution for solar street light at Gir National Park for forest chowki and community living place.		No	Gujarat	Junagadh	0.45	No	Astral Foundation	CSR00001644
	Vehicle support for security of animals at Nahargarh Biological Park..		No	Rajasthan	Jaipur	0.94	No	Astral Foundation	CSR00001644
	Contribution to Himalayan Institute of Alternatives Ladakh towards artificial glacier project at ladakh		No	Ladakh	Leh	4.35	No	Himalayan Institute of Alternative s Ladakh	CSR00008845
	Contribution to Chamundi Wild Animals Rescue and Rehabilitation Centre at Mysore for drinking water facility for wild animal		No	Karnataka	Mysore	0.41	No	Astral Foundation	CSR00001644
	Contribution to Wildlife trust of India for Project of Recovery of Kashmir Markhor.		No	Jammu And Kashmir	Baramulla, Punch, Shupiyan	1.50	No	Wildlife trust of India	CSR00003675
	Contribution to Earth Brigade Foundation towards solar water pump and water purifier project		Yes	Rajasthan	Alwar, Rajsamand, Udaipur	2.01	No	Earth Brigade Foundation	CSR00001078
	Contribution to Jhalana, leopard reserve, Jaipur for drinking water for wild animal.		No	Rajasthan	Jaipur	0.61	No	Astral Foundation	CSR00001644
5	Contribution to Civil hospital Gandhinagar Towards Covid -19 patient utility kit	xii	Yes	Gujarat	Gandhinagar	0.13	No	Astral Foundation	CSR00001644
	Contribution to Sola Civil Hospital towards Examination Latex Gloves, N-95 Swassa Mask, Oxygen Mask for COVID -19 support		Yes	Gujarat	Ahmedabad	0.93	No	Astral Foundation	CSR00001644

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in Million)	Mode of Implementation Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
	Provided ventilator to hospitals for needy patients to get timely treatment and can be saved from ill effects of Covid-19.		Yes	Gujarat	Ahmedabad	3.64	No	Astral Foundation	CSR00001644
	Provided oxygen concentrator to various hospital.		Yes	Gujarat Rajasthan	Ahmedabad Kota	5.34	No	Astral Foundation	CSR00001644
	Provided Patient monitoring system to hospital.		Yes	Gujarat	Ahmedabad	0.70	No	Astral Foundation	CSR00001644
	Provided BIPAP Machine to hospital so That needy Patient get timely treatment		Yes	Gujarat	Ahmedabad	0.53	No	Astral Foundation	CSR00001644
	Contribution for distribution of Grosary kit		Yes	Gujarat	Ahmedabad	0.50	No	Astral Foundation	CSR00001644
	Contribution to Akshaya Patra Foundation for cocked meal distribution to needy people		Yes	Gujarat	Ahmedabad	0.50	No	The Akshaya Patra Foundation	CSR00000286
	Contribution to Sola Civil Hospital and Health department Ahmedabad Municipal Corporation for medical items required during COVID -19.		Yes	Gujarat,	Ahmedabad	1.20	No	Astral Foundation	CSR00001644
	Donated emergency van to fire emergency department, Ahmedabad municipal corporation for carrying dead bodies/ injured people.		Yes	Gujarat	Ahmedabad	2.87	No	Astral Foundation	CSR00001644
	Contribution to Sola Civil Hospital towards endoscope camera system for mucormycosis patient support.		Yes	Gujarat	Ahmedabad	0.40	No	Astral Foundation	CSR00001644
	Distribution of relief kits in the rain- affected areas.		No	Gujarat	Jamnagar	0.36	No	Astral Foundation	CSR00001644
Total						**53.59**			

(d) Amount spent in Administrative Overheads	:	Nil
(e) Amount spent on Impact Assessment, if applicable	:	Not Applicable
(f) Total amount spent for the Financial Year (8b+8c+8d+8e)	:	₹ 62.29 Million

(g) Excess amount for set off, if any:

Sl. No.	Particulars	Amount (in ₹ Million)
1.	Two percent of average net profit of the company as per section 135(5)	62.21
2.	Total amount spent for the Financial Year	62.29
3.	Excess amount spent for the financial year [(ii)-(i)]	0.08
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
5.	Amount available for set off in succeeding financial years [(3)-(4)]	0.08

9. **(a) Details of Unspent CSR amount for the preceding three financial years:** Not Applicable

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (Asset wise):

(a)	**Date of creation or acquisition of the capital asset(s)**	Not Applicable
(b)	**Amount of CSR spent for creation or acquisition of capital asset.**	Not Applicable
(c)	**Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.**	Not Applicable
(d)	**Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).**	Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). Not Applicable

Jagruti S. Engineer
Chairman of CSR Committee
DIN: 00067276

Sandeep P. Engineer
Chairman & Managing Director
DIN: 00067112

Date: July 01, 2022
Place: Ahmedabad

Annexure - B1 to Directors' Report

FORM NO. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

[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 Limited
(Erstwhile 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 Limited (Erstwhile Astral Poly Technik Limited) (hereinafter called the "Company") (CIN : L25200GJ1996PLC029134). 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 authorized 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, 2022, 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, 2022 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; and (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
   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.

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 Board of Directors has approved a Scheme of Amalgamation of Astral Biochem Private Limited and Resinova Chemie Limited with the Company subject to necessary approvals and procedures.

(ii) The Company has amended its Object clause by altering the Memorandum of Association.

Date: June 30, 2022
Place: Ahmedabad

Name of PCS: **Monica Kanuga**
FCS No.: 3868
C P No. : 2125
UDIN: F003868D000547455

To,
The Members,
Astral Limited
(Erstwhile 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.

Date: June 30, 2022
Place: Ahmedabad

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

Annexure - B2 to Directors' Report

FORM NO. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

[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,
Resinova Chemie Limited
[CIN : U24295GJ2009PLC058120]
"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 Resinova Chemie 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 authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2022 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, 2022, according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
3. 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 applicable clauses of the following:

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

During the period under review the Company has 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 Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(ii) 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;

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

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

(v) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

(vi) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(vii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(viii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(ix) The Securities and Exchange Board of India and (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

(x) 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;

(xi) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements Regulations, 2015

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, unless a shorter notice was agreed to by the Directors 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 are 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:

(1) The Board of Directors has approved a Scheme of Amalgamation of the Company and Astral Biochem Private Limited with Astral Limited subject to necessary approvals and procedures.

Place: Ahmedabad
Date: May 27, 2022

Name of PCS: **Monica Kanuga**
FCS No.: 3868
C P No. : 2125
UDIN: F003868D000393281

To,
The Members,
Resinova Chemie 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.

Place: Ahmedabad
Date: May 27, 2022

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

Annexure - C to Directors' Report

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 2021-22, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2021-22.

Sr. No.	Name of Directors/KMP	% increase in remuneration in FY 2021-22	Ratio of remuneration of each Director to median of remuneration of employees
1	Mr. Sandeep P. Engineer Chairman & Managing Director	23	280
2	Mrs. Jagruti S. Engineer Whole Time Director	20	27
3	Mr. Anil Kumar Jani[1] Non- Executive Director	N.A.	N.A.
4	Mr. Girish Joshi Whole Time Director (w.e.f. July 01, 2021)	N.A.	3
5	Mr. C K Gopal Independent Director	N.A.	N.A.
6	Mr. Viral Jhaveri Independent Director	N.A	N.A
7	Mrs. Kaushal Nakrani Independent Director	N.A.	N.A.
8	Mr. Hiranand A. Savlani Chief Financial Officer	8	134
9	Mr. Krunal D. Bhatt Company Secretary	9	7

[1] Resigned w.e.f. July 01, 2021

2. In the Financial Year, there was Increase of 10% in the median remuneration of employees.

3. There were 1982 permanent employees on the rolls of Company as on March 31, 2022.

4. There was increase of 8% in average percentage in the salaries of employees other than the managerial personnel in the last financial year i.e. 2021-22, whereas the Increase in average percentage in the managerial remuneration for the same financial year was 23%. Increase in remuneration of managerial personnel is due to increase in variable pay linked to profitability of the Company. 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 - D to Directors' Report

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 2021-22:

- About 2,77,459 KHW energy saved by Modification of Machineries set up , replacement of Conventional Lights with LED Lights , Changing Energy Efficient equipments, Cooling Towers , Air Cooled Chillers etc.
- About 4000 KWH Energy Saved in use of Process Water by connecting RIICO's Waterline to Main Water Storage Tank at our Ghiloth Plant.

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

Solar power roof top panel Installed for Santej and total 937,247 kWh generated and utilized, Dholka total 986,268 kWh generated and utilized, Ghiloth total 1,404,990 Kwh generated and utilized, Sangli total 552,698 Kwh generated and utilized, Hosur total 270,192 kWh generated and utilized.

Also procured green power from Wind mills installed at Virvav village near Morbi to get 2.2 MW (contracted capacity) for Santej Plant and 1.5 MW (contracted capacity) for Dholka Plant under third party open access arrangements.

Wind Energy consumed at Santej Plant is total 5,757,714 kWh and at Dholka is total 4,093,501 kWh.

Project work of solar power roof top panel installation is completed for Sangli and Ghilot plants, Energy generation is already started.

(iii) The capital investment on energy conservation equipment:

Your Company has invested ₹ 59.22 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 ₹ 8.13 Million for its ultramodern 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 few operations operation as an area of immediate atomization. The Company has invested significant amount of resources for atomization of pipe and fitting 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 ₹ 8.13 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	2021-22
(a) Capital Expenses	8.02
(b) Revenue Expenses	0.11
Total (a)+(b)	**8.13**
(c) Total R&D expenditure as percentage of turnover	0.02%

C. Foreign Exchange Earnings and Outgo:

(₹ in Million)

Particulars	2021-22	2020-21
(a) Total Foreign Exchange Used	7,473	4,370
(b) Total Foreign Exchange Earned	310	228

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 6 (Six) Directors as on March 31, 2022, out of which 3 (Three) are Executive Directors and 3 (Three) are Non-Executive Independent Directors. The Chairman of the Board is an Executive 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, 2022 is as follows:

Name of Director	Category	Total No. of Other Directorship*	Details of Committees#	
			Chairman	Member
Mr. Sandeep P. Engineer	Chairman & Managing Director	3	1	-
Mrs. Jagruti S. Engineer	Whole Time Director	-	-	-
Mr. Anil Kumar Jani[1]	Non - Executive Director	-	-	-
Mr. Girish Joshi[2]	Whole Time Director	-	-	-
Mrs. Kaushal D. Nakrani	Independent Director	1	-	1
Mr. Viral M. Jhaveri	Independent Director	1	-	1
Mr. C K Gopal	Independent Director	1	1	-

*Excludes Private Limited 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] Resigned as Director w.e.f. July 01, 2021.

[2] Appointed as Whole Time Director w.e.f. July 01, 2021.

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

During the Financial Year 2021-22, the Board of Directors of your Company met 7 (seven) times on May 18, 2021, June 07, 2021, July 01, 2021, August 06, 2021, October 19, 2021, November 11, 2021 and on February 04, 2022. 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								
	May 18, 2021	June 07, 2021	July 01, 2021	August 06, 2021	October 19, 2021	November 11, 2021	February 04, 2022	Total No. of Board Meetings attended	Attendance at the last AGM held on August 31, 2021
Mr. Sandeep P. Engineer	Yes	Yes	Yes	Yes	Yes	Yes	Yes	7	Yes
Mrs. Jagruti S. Engineer	Yes	Yes	Yes	Yes	Yes	Yes	Yes	7	Yes
Mr. Anil Kumar Jani[1]	Yes	Yes	NA	NA	NA	NA	NA	2	NA
Mr. Girish Joshi[2]	NA	NA	NA	Yes	Yes	Yes	Yes	4	Yes
Mrs. Kaushal Nakrani	Yes	Yes	Yes	Yes	Yes	Yes	Yes	7	Yes
Mr. Viral Jhaveri	Yes	Yes	Yes	Yes	No	Yes	Yes	6	Yes
Mr. C K Gopal	Yes	Yes	No	Yes	Yes	Yes	Yes	6	Yes

[1] Resigned as Director w.e.f. July 01, 2021.

[2] Appointed as Whole Time Director w.e.f. July 01, 2021.

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/1628097356_7_code_of_conduct.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 Financial Year 2021-22, the Committee met 6 (Six) times on May 18, 2021, June 07, 2021, July 01, 2021, August 06, 2021, November 11, 2021 and February 04, 2022.

The composition of the Audit Committee as on March 31, 2022 and the attendance of the members in the meetings held during the Financial Year 2021-22 are as follows:

Name of Member	Designation	No. of meetings attended
Mr. C K Gopal	Chairman	5
Mr. Sandeep P. Engineer	Member	6
Mrs. Kaushal Nakrani	Member	6
Mr. Viral Jhaveri	Member	6

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 utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization 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;
- Reviewing the utilization 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
- Management discussion and analysis of financial condition and results of operations;
- 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.
- consider and comment on rational, cost-benefits and impacts of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

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 Financial Year 2021-22, the Committee met 4 (Four) times on May 18, 2021, August 06, 2021, November 11, 2021, and February 04, 2022.

The composition of the Stakeholder's Relationship Committee as on March 31, 2022 and the attendance of the members in the meetings held during the Financial Year 2021-22 are as follows:

Name of Member	Designation	No. of meetings attended
Mr. C K Gopal	Chairman	4
Mr. Sandeep P. Engineer	Member	4
Mr. Anil Kumar Jani[1]	Member	1
Mr. Viral Jhaveri[2]	Member	3

[1] Resigned w.e.f July 01, 2021

[2] Appointed w.e.f. July 01, 2021.

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, 2022 is as follows:

Number of complaints as on April 01, 2021	Nil
Number of complaints received during the year ended on March 31, 2022	5
Number of complaints resolved up to March 31, 2022	5
Number of complaints pending as on March 31, 2022	Nil

The complaints received were mainly in the nature of non-receipt of Annual Report and queries regarding Bonus Allotment. There were no pending requests for transfer of shares of the Company as on March 31, 2022.

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 Financial Year 2021-22, the Committee met 4 (Four) times on May 18, 2021, July 01, 2021, August 28, 2021 and February 04, 2022.

The composition of the Nomination and Remuneration Committee as on March 31, 2022 and the attendance of the members in the meetings held during the Financial Year 2021-22 are as follows:

Name of Member	Designation	No. of meetings attended
Mr. C K Gopal	Chairman	3
Mr. Viral Jhaveri	Member	4
Mr. Anil Kumar Jani[1]	Member	1
Mrs. Kaushal Nakrani[2]	Member	3

[1] Ceased to be member w.e.f July 01, 2021

[2] Appointed as member w.e.f. July 01, 2021.

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;
- Eveluation of skills, knowledge and experience on the Board and basis of the same preparation of discription of role and capabilities required for appointment of new Independent Director.
- 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 whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- 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/1628097569_13._nomination_&_remuneration_policy.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.

Details of remuneration and pecuniary benefits to the Directors during FY 2021-22:

(₹ in Million)

Name of the Director	Salary/ Allowances	Sitting Fees	Incentive
Mr. Sandeep P. Engineer	49.74	Nil	54.60
Mrs. Jagruti S. Engineer	10.06	Nil	-
Mr. Anil Kumar Jani[1]	Nil	0.2	-
Mr. Girish Joshi[2]	1.05	Nil	-
Mrs. Kaushal Nakrani	Nil	0.8	-
Mr Viral Jhaveri	Nil	1.2	-
Mr C K Gopal	Nil	1.00	-

[1] Resigned as Director w.e.f. July 01, 2021

[2] Appointed as whole time Director w.e.f. July 01, 2021

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, 2022 is as under:

Sr. No.	Name of Director	Shareholding	%
1	Mr. Sandeep P. Engineer	6,30,70,765	31.39
2	Mrs. Jagruti S. Engineer	1,52,39,016	7.58
3	Mr. Anil Kumar Jani[1]	1,226	0.00
4	Mr. Girish Joshi[2]	29	Nil
5	Mrs. Kaushal Nakrani	Nil	Nil
6	Mr. Viral Jhaveri	1,333	Nil
7	Mr. C K Gopal	Nil	Nil

[1] Resigned as Director w.e.f. July 01, 2021.

[2] Appointed as Whole time Director w.e.f. July 01, 2021.

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 Board as whole, reviewed the performance of Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board.

(iv) Risk Management Committee:

Regulation 21 of the SEBI Listing Regulations mandate top 1000 listed entities, determined on the basis of market capitalisation as at the end of the immediate previous financial year, to constitute a Risk Management Committee ('RMC') with effect from April 01, 2019 to assist the Board of Directors in overseeing the Company's risk management processes and controls. The RMC seeks to minimize adverse impact on the business objectives and enhance stakeholder value.

Composition, meetings and attendance

The Risk Management Committee of your Company has been constituted as per the requirements of regulation 21 of SEBI Listing Regulations. The Chairman of the Committee is the member of the Board.

During the Financial Year 2021-22, the Committee met 3 (Three) times on August 06, 2021, January 04, 2022, and February 04, 2022.

The composition of the Risk Management Committee as on March 31, 2022 and the attendance of the members in the meetings held during the Financial Year 2021-22 are as follows:

Name of Member	Designation	No. of meetings attended
Mr. C K Gopal	Chairman	2
Mr. Sandeep Engineer	Member	3
Mr. Viral Jhaveri	Member	3
Mr. Hiranand Savlani	Member	3

Terms of Reference:

The terms of reference of the RMC, inter alia, are as under:

1. To formulate a detailed risk management policy which shall include:

    a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

    b) Measures for risk mitigation including systems and processes for internal control of identified risks.

    c) Business continuity plan.

2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

(V) Corporate Social Responsibility Committee

Company has duly constituted Corporate Social Responsibility Committee (known as "CSR Committee") in compliance with the provisions of Section 135 read with Schedule VII of the Companies Act, 2013, for the purpose of activities to be undertaken by the company towards the Corporate Social Responsibility (CSR).

The terms of reference of CSR Committee includes, formulation and recommendation to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and rules made thereunder and providing guidance on various CSR activities to be undertaken by the Company and to monitor its progress.

During the year 2021-22, 3 (Three) meetings of the CSR Committee was held on May 18, 2021, August 06, 2021 and February 04, 2022.

The composition, details of number of meetings held during the year and attendance of each member at the meeting are mentioned below.

Name of Member	Designation	No. of meetings attended
Mrs. Jagruti Engineer	Chairman	3
Mr. Sandeep Engineer	Member	3
Mr. Viral Jhaveri	Member	3

4. GENERAL BODY MEETING

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

Financial Year	Date-Time-Venue
2020-21	August 31, 2021 at 11:00 a.m. through video conferencing ("VC")/Other Audio Visual Means (OAVM)
2019-20	August 21, 2020 at 11:00 a.m. through video conferencing ("VC")/Other Audio Visual Means (OAVM)
2018–19	August 02, 2019 at 10:00 a.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
2020-21	NIL
2019-20	To approve variation in terms & conditions of Astral Employee Stock Option Scheme, 2015, ("Astral ESOS 2015").
2018-19	Re-appointment of Mr. K.R. Shenoy (DIN: 00163468) 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.

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	%
Alteration of The Memorandum of Association of the Company	Special	15,42,81,810	154200075	99.95	81735	0.05

Date of Postal Ballot notice:	November 11, 2021.
Voting period:	November 24, 2021 to December 23, 2021
Date of approval:	December 23, 2021
Date of declaration of result:	December 24, 2021

No Extra Ordinary General Meeting was held during the Financial Year 2021-22.

5. DISCLOSURES

(a) Disclosure on materially significant related party transactions.

There were some related party transactions during the Financial Year 2021-22 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. Disclosure with regard to loans and advances to firms/ companies in which directors are interested have been made in the notes to 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 year 2021-22.

(d) Board disclosures – Risk Management

The Board members of the Company are regularly appraised about the risk assessment and minimization 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 minimization procedures is an ongoing process and the Board members are periodically informed of the status.

(e) Familiarization Program of Independent Directors

The Board familiarization 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 familiarization 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 familiarized 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 to the 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 Familiarization programmes can be accessed on the web link: https://www.astralpipes.com/uploads/investor_broucher/1628097478_12._familiarisation_programme_of_id.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/1628097744_9._vigil_mechanism_&_whistle_blower_policy.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/1628097519_11._material_subsidiary_policy.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 27, 2022 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 year 2021-22 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

Details with respect to commodity price risk and commodity hedging activities are mentioned on "Risk Mitigation" section on page 26 of Annual Report.

(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 summarizes 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 (Chairman & Managing Director)	✔	✔	✔	✔	✔	✔
Mrs. Jagruti Engineer (Whole-time Director)	✔	-	✔	✔	✔	✔

Director	Areas of Skills/ Expertise					
	Business Strategies	Finance & Accounting Expertise	Governance, Risk & Compliance	Merger & Acquisition	Innovative	Diversity
Mr. Ani Kumar Jani (Non- Executive Director)[1]	✔	-	✔	-	✔	-
Mr. Girish Joshi (Whole-time Director)[2]	✔	✔	✔	-	✔	-
Mrs. Kaushal Nakrani (Independent Director)	✔	✔	✔	✔	-	✔
Mr. Viral Jhaveri (Independent Director)	✔	✔	✔	✔	✔	-
Mr. C K Gopal (Independent Director)	✔	✔	✔	✔	✔	✔

[1] Resigned as Director w.e.f July 01, 2021.

[2] Appointed as Director w.e.f. July 01, 2021.

6. 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 Sixth Annual General Meeting:

Day and date	August 29, 2022
Time	11:00 A.M.
Venue	Through VC /OAVM

(b) Financial Year 2021-22:

Financial Year	April 01 to March 31

(c) Board Meetings approval of Quarterly for Results

Quarter	Tentative Date of Announcement of Board Meeting [F.Y.2022-2023]
1st Quarter Results	On or before August 14, 2022
2nd Quarter Results	On or before November 14, 2022
3rd Quarter Results	On or before February 14, 2023
4th Quarter and Annual Results	Within 60 days of the close of financial Year ending on March 31, 2023

(d) Record date:

The Company has fixed August 22, 2022 as the "Record Date" for determining entitlement of the shareholders to final dividend for the financial year ended March 31, 2022, if approved, at the AGM.

(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/1628097600_3_policy_on_dividend_distribution.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) Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001	National Stock Exchange of India Limited (NSE) "Exchange Plaza", Bandra Kurla Complex, Bandra (E), Mumbai - 400 051

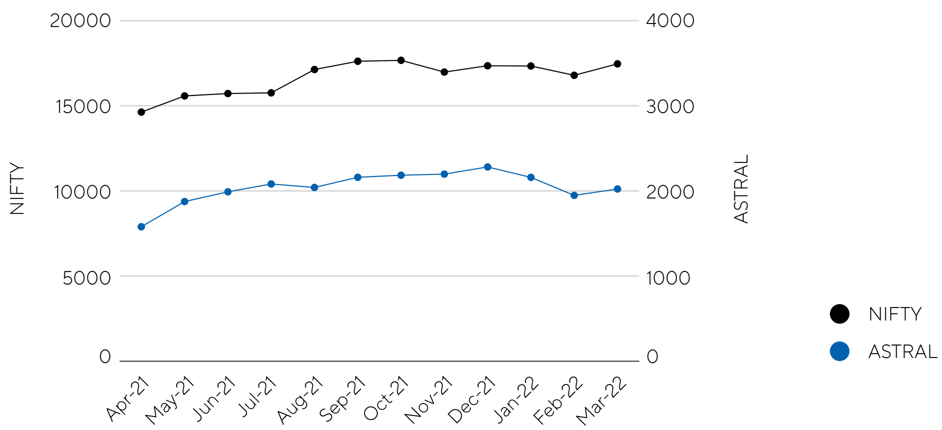
The Company has paid Annual Listing fees to the above Stock Exchanges for the Financial Year 2021-22 & 2022-23.

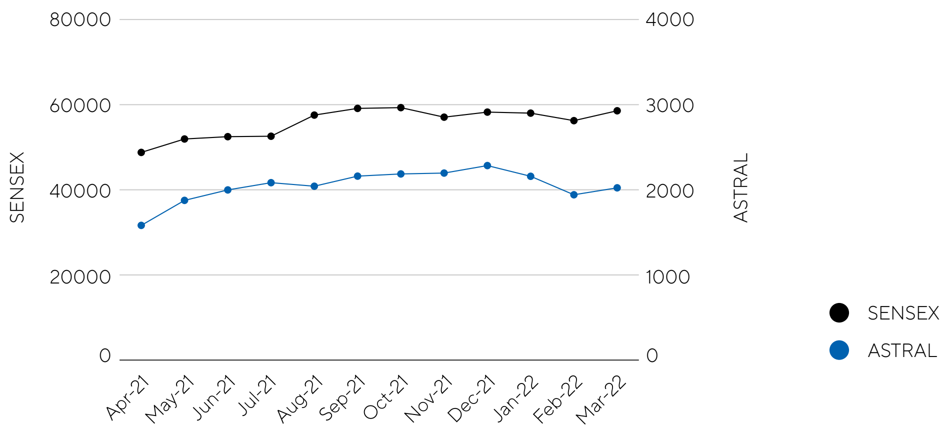
(g) Stock Code :

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, 2021	1,749.00	1,411.70	1,749.00	1,411.20
May, 2021	1,971.30	1,553.00	1,980.00	1,557.00
June, 2021	2,030.00	1,842.30	2,030.00	1,843.95
July, 2021	2,134.00	1,965.00	2,134.00	1,966.30
August, 2021	2,294.45	1,921.00	2,294.40	1,947.60
September, 2021	2,226.65	1,919.50	2,228.00	1,913.00
October, 2021	2,431.90	2,078.00	2,433.80	2,076.85
November, 2021	2,363.50	2,062.45	2,363.90	2,060.05
December, 2021	2,335.10	2,028.50	2,336.95	2,060.00
January, 2022	2,525.00	2,044.40	2,524.95	2,042.55
February, 2022	2,243.90	1,754.15	2,239.30	1,753.55
March, 2022	2,098.85	1,785.90	2,100.00	1,785.05





(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

Office No S6-2, 6th Floor,
Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road
Andheri (East),
Mumbai 400093.
Phone No: +91 022-62638200,
Fax No. + 91 022-62638299,
E-mail: info@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 of ₹ 17,218 for the year 2013-14(Final) & and ₹ 12,273.95 for the year 2014-15 (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. 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.

During the year under review, the Company has transferred 199 Equity Shares to IEPF authority.

(k) Share Transfer System :

The Shares of Company are compulsorily traded in dematerialized 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 dematerialization 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, 2022 is as follows:

No. of Equity Shares Held	No. of shareholders	% of Total shareholders	No. of Shares	% of Total Capital
Upto 5,000	2,49,441	99.69	1,44,56,867	7.20
5,001-10,000	334	0.13	24,39,387	1.21
10,001-20,000	157	0.06	22,69,690	1.13
20,001-30,000	61	0.02	15,15,837	0.75
30,001-40,000	40	0.02	14,26,039	0.71
40,001-50,000	21	0.01	9,31,750	0.46
50,001-1,00,000	59	0.02	43,62,993	2.17
1,00,001 and above	118	0.05	17,35,17,618	86.37
Total	**2,50,231**	**100.00**	**20,09,20,181**	**100.00**

(m) Shareholding Pattern:

The Shareholding Pattern of the Company as on March 31, 2022 is as follows:

Category	No of Shares	% of Total Capital
Promoters (including persons acting in concert)	11,19,76,428	55.73
Foreign Institutional/Portfolio Investors	3,57,41,909	17.79
Mutual Funds, other Financial Institutions and Banks	2,41,25,773	12.01
Non-resident Indians	12,70,385	0.63
Bodies Corporate	20,89,217	1.04
Resident Indians	2,27,74,101	11.33
Clearing members	89,039	0.05
Trust/Others	28,53,329	1.42
Total	**20,09,20,181**	**100.00**

(n) Dematerialization of Shares and liquidity:

As on March 31, 2022, 99.99 % of the total Equity Shares were held in dematerialized 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	19,48,89,692	97.00
2	CDSL	60,19,010	2.99
3	Physical	11,479	0.01
Total		**20,09,20,181**	**100.00**

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

(p) Plant Location:

Gujarat Unit	Santej	Village: Santej, Taluka: Kalol, Dist: Gandhinagar, Gujarat, India
	Dholka	Dholka-Kheda Road, Rampur, Dholka, Dist: Ahmedabad Gujarat, India
	Jamnagar	Survey No.228/229, Naghedi Industrial Area, Canal Road, Lakhabaval, Jamnagar, Gujarat.
Tamilnadu Unit		Perandaplli Post, Village-Alur, District-Krishnagiri, Hosur, Tamilnadu, India
Rajasthan		Plot No. Sp5-132, Ghiloth Riico Industrial Area, General Zone, Shahjahanpur, Ghiloth, Alwar, Rajasthan- 301705
Uttrakhand		Plot No. C-06, Phase-3, E.S.I.P., Sitarganj, Dist. : Udham Singh Nagar, Uttrakhand
Maharashtra		C.S. No. 190, 191, 192, 193/1, 193/2, 195/2, 196/2 and 196/3 Tasgaon, Miraj Road, Kanadwadi, Dist.: Sangli, Maharashtra
		Gat No. 127 & 128, Village Pangra, Taluka Paithan, District- Aurangabad.
Odisha		IDCO Plot No. 1B, Ramdaspur Industrial Estate, Tahasil, Barang, Village: Ramdaspur, Cuttack, Odisha - 754005

(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:

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-/ Positive	Upgraded	CARE AA; Stable	CARE AA; Stable	Reaffirmed
2	Short term Bank facilities	CRISIL A1+	CRISIL A1+	Reaffirmed	CARE A1+	CARE A1+	Reaffirmed

For, Astral Limited

Date: July 01, 2022
Place: Ahmedabad

Sandeep P. Engineer
Chairman & Managing Director

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 Limited.

I, Sandeep P. Engineer, Managing Director of Astral Limited hereby declare that as of March 31, 2022, all the Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct laid down by the Company.

For, Astral Limited

Date: July 01, 2022
Place: Ahmedabad

Sandeep P. Engineer
Chairman & Managing Director
DIN: 00067112

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 Limited
Astral Limited
Astral House,
207/1, B/h Rajpath Club,
Off S.G. Highway,
Ahmedabad, 380 059

1. The Corporate Governance Report prepared by Astral Limited (formerly known as 'Astral Poly Technik Limited') (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) [and (t)] 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, 2022 as required by the Company for annual submission to the Stock exchange and to be sent to shareholders of the company.

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, 2022 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 01, 2021 to March 31, 2022:

      (a) Board of Directors;

      (b) Audit Committee;

      (c) Annual General Meeting (AGM);

      (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.

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

8. 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, 2022, referred to in paragraph 4 above.

OTHER MATTERS AND RESTRICTION ON USE

9. 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.

10. 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: 22110759AMSJHN448

Date: July 01, 2022
Place of Signature: Mumbai

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 Limited
(Erstwhile 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 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 March 31, 2022 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.	Sandeep Engineer	00067112	25.03.1996
2.	Jagruti Engineer	00067276	25.03.1996
3.	Kaushal D. Nakrani	08405226	29.03.2019
4.	Viral Jhaveri	08277568	24.10.2019
5.	C K Gopal	08434324	11.02.2020
6.	Girish Bhanubhai Joshi	09222943	1.07.2021

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.

Date: May 27, 2022
Place: Ahmedabad

Name: **Monica Kanuga**
Membership No.: F 3868
CP No.: 2125
UDIN : F003868D000393180

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 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	2021-22
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 / fittings. 2. PVC pipes / fittings. 3. Water Tanks
9	Total number of locations where business activity is undertaken by the Company (as on March 31, 2022).	No. of national locations: 35 (which includes 8 manufacturing units, 13 offices and 14 depots)
10	Markets served by the Company	Local, State, National & International

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital (INR)	20,09,20,181/-
2	Total Turnover (INR)	34,433 Millions
3	Total profit after taxes (INR)	4,048 Millions
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	62.29 Millions during FY 2021-2022 (1.54% of PAT)
5	List of activities in which expenditure in 4 above has been incurred:	Contribution towards Disaster Management, Promoting education, promoting health care, 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, 2022

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: Chairman & 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/1628097333_2_business_responsibility_policies.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, 3-6months, 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 Sixth Business Responsibility Report as per the National Voluntary Guidelines on Social, Environmental and Economic Responsibility of Business (NVG). The Sustainability Report published by the company can be accessed at https://www.astralpipes.com/uploads/sustainability_images/pdf_1656082618.pdf for FY 2020-2021.

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.

With the aim of sustainability, the company has received the Green certifications like Leed (O & M), Greenco & Greenpro. According to company has made changes in old buildings, improved manufacturing processes and most importantly making environmentally-safe products. The company has also received GRIHA (Green Rating for Integrated Habitat Assessment) for its CPVC Pro Product. Company has participated in Danish Industry, Denmark (DI) and confederation of Indian Industry-Indian Green Building Council (CII-IGBC) case study project and received felicitation award as well as certificate. As well the company has initiated minutest Life Cycle Assessment for its products which covers all 5 main life cycle stages considering incoming raw material, manufacturing, packaging and transportation, use and end of life. Your company is dedicated to conduct its business in an Eco-Friendly methodology. the Company is cultivating sustainability into the various stages of product lifecycle including correct raw material acquisition, manufacturing of products, damage free transportation of goods and proper disposals by consumers. All along of new development, it is being regarded that how it will be helpful to the environment and menkind from Cradle to Grave. Taking into the consideration to minimise indirect emission of Green House Gases, company has installed windmills, going to emplaced solar power plants in all manufacturing plants, planted saplings all along plant boundary wall. All products being manufactured by Astral are eco-friendly and environmentally safe. 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?

Company is planning to add new manufacturing and warehouses units in more than a few places which can help reduction in Green House Gases in large quantity. Company has set up new plant in at, Bhubneshwar to cater demand of East India and North East India.

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

Your Company is dedicated to execute utmost reduction in water and energy with action of development of such products. The company has introduced numerous products in the category of underground drainage system as well as rain water harvesting system which can support for reduction in water usage as well as wastage. Also, the installation of such product is considerably quick which can lead to save on time and energy.

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

Astral is dedicated to have absolute best degree of sustainable business practices. For these all the feasible procurement is executed through sustainable practices as well as policies keeping the advantage to itself and to society as large.

Along with sourcing the material locally as much as possible, Astral also has the policies in place for its vendor to follow the sustainable practices at their end. This will help society extensively.

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 dedicated to procure all necessary material from nearest possible quality suppliers. Company is procuring total packing material, many raw material, components, accessories, equipment, services etc. from nearest possible suppliers. Accurate and very strict inhouse quality checks and persistent inspections of suppliers are performed by well qualified company technicians for enhancing their quality along with capacity. Company is trying to source maximum possible skilled, semiskilled and unskilled manpower from nearby areas.

Company has started regular monitoring of air quality of manufacturing plant for providing good work environment of its employees as well as nearby climate of its manufacturing units.

As Green House Gas Emissions is the fundamental parameter for climate change, company is willing to start to keep check on GHG emissions from its total operations and will set targets for the same. Already company has started the same for one of its products named SILENCIO.

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.

Company does not generate any hazardous waste which is having toxic substances and which can potentially be harmful to human health either environment.

Company is already monitoring percentage of waste recycling.

All the products made by company is 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. On top of that, company reuse STP recycled water & RO waste water for purpose of gardening and flushing recycled water in toilets. The company also organizes training programs at every time intervals for employees to make them understand their environmental responsibility towards mother nature, educate employees to save water, save papers by not taking prints unnecessarily or use one side printed paper, provides recycled calendar made by natural green waste, 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 1982 employees as on March 31, 2022

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

The Company has 2810 employees hired on temporary/ contractual/casual basis.

3. Please indicate the Number of permanent women employees

The Company has 79 women employees as on March 31, 2022

4. Please indicate the Number of permanent employees with disabilities

The Company has 8 employees with disabilities as on March 31, 2022

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

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

6. What percentage of your permanent employees is members of this recognized 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 organization. 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 marginalized

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 & marginalized stakeholders

Yes

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

The Company through various initiatives engage with disadvantaged, vulnerable and marginalized 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 about 1,00,000 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, recognizing 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 aspires to performance that not only complies with requirements but also lessens environmental impacts. It believes in creating high standards in the field of environmental responsibility. Health, safety, and environmental policies have been adopted by the company and are applicable to the company. At the manufacturing facilities, the Policy is prominently displayed. Every visitor to the factory is given a copy of the Policy.

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 constantly taking steps to create innovative, energy-efficient solutions that reduce energy use and related emissions.

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

The Company periodically evaluates and identifies potential environmental hazards. However, as of right now, the Company's processes do not involve the emission of any substances that are harmful to 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?

The Company has so far not started any clean development mechanism projects.

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.

In addition, the company's headquarters and manufacturing facilities each have solar roof top panels installed. Total 4.5 MW capacity is installed. Company has started to produce solar energy from the installed capacity.

Company has installed Wind mills of 2.2 MW capacity to get clean energy from wind.

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 admissible limits specified 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, & other industry 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 organizations. 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 organization?

The program is undertaken directly and through. Astral Charitable Trust & Astral Foundation or any other non-profit organization.

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 2021-22 was ₹ 62 Million. Till date, the Company has contributed ₹ 245 Million. 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.

Financial Statements

89-143
STANDALONE FINANCIAL STATEMENTS

144-201
CONSOLIDATED FINANCIAL STATEMENTS

Independent Auditor's Report

To the Members of Astral Limited (Formerly known as Astral Poly Technik Limited)

Report on the Audit of the Standalone Financial Statements Opinion

We have audited the accompanying Standalone financial statements of Astral Limited (Formerly known as Astral Poly Technik Limited) ("the Company"), which comprise the Balance sheet as at March 31, 2022, 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 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 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, 2022, 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 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 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 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 financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the Standalone 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 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 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 financial statements.

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 Financial Statements)	
The Company's investment in subsidiaries is amounting to ₹ 3,335 million as at 31 March 2022. 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 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 Director's report but does not include the standalone financial statements and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this auditor's report.

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

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

RESPONSIBILITIES OF MANAGEMENT FOR THE STANDALONE 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 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 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 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 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 thegoing 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.

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

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

Our objectives are to obtain reasonable assurance about whether the Standalone 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 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 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 tofinancial 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 financial statements, including the disclosures, and whether the Standalone 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 financial statements for the financial year ended March 31, 2022 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 determinethat 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, 2020 ("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.

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 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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 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, 2022 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 financial statements – Refer Note 33 to the Standalone 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.

      iv. a) The management has represented that, to the best of its knowledge and belief, as stated in the note no. 45 to the standalone financial statements, no funds have been advanced or loaned or invested(either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with theunderstanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, as stated in the note no. 45 to the standalone financial statements, no funds have been received by the Company fromany person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Act.

As stated in note 46 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

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

per **Anil Jobanputra**
Partner
Membership Number: 110759
UDIN: 22110759AJSIDU6382

Place of Signature: Ahmedabad
Date: May 27, 2022

Annexure 1 referred to in Paragraph 1 of Report on Other Legal and Regulatory Requirements of our report of even date of Astral Limited (Formerly known as Astral Poly Technik Limited) for the year ended March 31, 2022

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

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

(a)(B) The Company has maintained proper records showing full particulars of intangibles assets.

(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) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreementsare duly executed in favour of the lessee) disclosed in note 3 to the financial statements are held in the name of the company except the following:

Description of Property	**Gross carrying value (Amt in Mn)**	**Held in name of**	**Whether promoter, director other relative or employee**	**Period held – indicate range, where appropriate**	**Reason for not being held in the name of Company***
Two buildings located at Ahmedabad	13	Sandeep Engineer Jagruti Engineer	Director	12 years	The title deeds are under process of being transferred in the name of the Company.
Land	290	Telangana State Industrial Infrastructure Corporation (TSIIC)	No	Less than one year	The title deeds are under process and will beregistered after implementation of project.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2022.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory has been physically verified by the management during the year except for inventories lying with custom bonded warehouse. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Inventories lying with custom bonded warehouse have been confirmed by them as at March 31, 2022 and discrepancies were not noticed in respect of such confirmations. Discrepancies of 10% or more were not noticed in aggregate for each class of inventory.

(b) The Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns / statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company.

(iii) (a) During the year the Company has provided loans, to companies as follows:

(Amount in INR Mn)

	Loans
Aggregate amount granted / provided during the year	
- Subsidiaries	-
- Joint Ventures	-
Balance outstanding as at balance sheet date in respect of above cases	
- Subsidiaries	291
- Joint Ventures	-

(b) During the year the terms and conditions of the grant of all loans and guarantees to companies are not prejudicial to the Company's interest.

(c) The Company has granted loans to companies where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.

(d) There are no amounts of loans granted to companies which are overdue for more than ninety days.

(e) There were no loans granted to companies which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) As disclosed in note 37 to the financial statements, the Company has granted loans, repayable on demand. Of these following are the details of the aggregate amount of loans granted to promoters or related parties as defined in clause (76) of section2 of the Companies Act, 2013.

(Amount in INR Mn)

	Related Parties
Aggregate amount of loans - Repayable on demand	₹ 11 million
Percentage of loans to the total loans	3.78%

(iv) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

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

(vii) a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, value added tax, cess and other statutory dues applicable to it. According to the iInformation and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

Name of the statute	Nature of the dues	Amount (₹ in million)	Period to whichthe amount Relates	Forum where the dispute is Pending
Income Tax Act 1961	Income Tax	10	FY 2015-16	ITAT
Income Tax Act 1961	Income Tax	33	FY 2016-17 and FY 2017-18	CIT (A)
The Central Sales Tax Act, 1956	Central Sales Tax	2	FY 2013-14 & FY 2014-15	Office of commercial Tax

GST Act, 2017	Goods and Service Tax	4	FY 2017-18 to FY 2018-19	Appellate Authority
VAT Act, Delhi depot	Value Added Tax	3	Q1 2017-18	Appellate Authority
The Maharashtra Value Added Tax Act, 2002	Value Added Tax	2	FY 2002-03 to FY 2006-07	Tribunal

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority

(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(d) On an overall examination of the financial statements of the Company, no funds raised on short- term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures. Hence, the requirement to report on clause (ix)(f)of the Order is not applicable to the Company.

(x) (a) 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 instruments and term loans hence, reporting under clause 3(x)(a) is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year .

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) to (c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) 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 and hence, the requirement to report on clause (xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) There are no Core Investment Company as part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 41 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of theaudit report that Company is not capable of meeting its liabilities existing at the date of balance sheetas and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 35 to the financial statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 35 to the financial statements.

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

per **Anil Jobanputra**
Partner
Membership Number: 110759
UDIN: 22110759AJSIDU6382

Place of Signature: Ahmedabad
Date: May 27, 2022

Annexure 2 to the Independent Auditor's Report of even date on the Standalone Financial Statements of Astral Limited (formerly known as Astral Poly Technik Limited) Limted

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 with reference to standalone financial statements of Astral Limited (Formerly known as Astral Poly Technik Limited) ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation 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 with reference to these standalone 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 Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone 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 with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone 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 Company's internal financial controls with reference to these standalone financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THESE STANDALONE FINANCIAL STATEMENTS

A company's internal financial controls with reference to standalone 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 controls with reference to standalone 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.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to standalone 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone 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, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2022, 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 issued by the ICAI.

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

per **Anil Jobanputra**
Partner
Membership Number: 110759
UDIN: 22110759AJSIDU6382

Place of Signature: Ahmedabad
Date: May 27, 2022

Standalone Balance Sheet

As at March 31, 2022

(₹ In Million)

Particulars		Notes	As at March 31, 2022	As at March 31, 2021
ASSETS				
Non-current assets				
(a)	Property, plant and equipment	3(A)	9,727	7,876
(b)	Capital work-in-progress	3(E)	1,026	522
(c)	Goodwill	3(B)	192	192
(d)	Other Intangible assets	3(C)	230	290
(e)	Right of use assets	3(D)	430	391
(f)	Financial assets			
	(i) Investments	4	3,335	3,335
	(ii) Loans	5	280	284
	(iii) Other financial assets	6	75	64
(g)	Other non-current assets	7	125	237
Total non-current assets			**15,420**	**13,191**
Current assets				
(a)	Inventories	8	5,475	3,604
(b)	Financial assets			
	(i) Trade receivables	9	1,533	1,799
	(ii) Cash and cash equivalents	10	4,378	586
	(iii) Bank balances other than (ii) above	11	3	2,651
	(iv) Loans	5	13	12
	(v) Other financial assets	6	70	52
(c)	Current tax assets (net)	12	255	118
(d)	Other current assets	7	433	208
Total current assets			**12,160**	**9,030**
Total assets			**27,580**	**22,221**
EQUITY AND LIABILITIES				
Equity				
(a)	Equity share capital	13	201	201
(b)	Other equity	14	19,863	16,250
Total equity			**20,064**	**16,451**
Liabilities				
Non-current liabilities				
(a)	Financial liabilities			
	(i) Borrowings	15	232	89
	(ii) Lease liabilities	40	36	5
(b)	Provisions	16	9	13
(c)	Deferred tax liabilities (Net)	17	389	373
Total non-current liabilities			**666**	**480**
Current liabilities				
(a)	Financial liabilities			
	(i) Borrowings	15	54	187
	(ii) Lease liabilities	40	20	11
	(iii) Trade payables	18		
	a) total outstanding dues of micro enterprises and small enterprises		168	-
	b) total outstanding dues of creditors other than micro enterprises and small enterprises		5,708	4,178
	(iv) Other financial liabilities	19	482	339
(b)	Other current liabilities	20	403	466
(c)	Provisions	16	15	25
(d)	Current tax liabilities (Net)	21	-	84
Total current liabilities			**6,850**	**5,290**
Total liabilities			**7,516**	**5,770**
Total equity and liabilities			**27,580**	**22,221**

See accompanying notes to the standalone financial statements

As per report of even date

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

Per Anil Jobanputra
Partner
Membership No : 110759

Place : Ahmedabad
Date : May 27, 2022

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

Sandeep P. Engineer
Chairman & 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 27, 2022

Statement of Standalone Profit and Loss

For the year ended March 31, 2022

(₹ in Million, except as stated otherwise)

Particulars	Notes	Year ended March 31, 2022	Year ended March 31, 2021
Income			
Revenue from operations	22	34,433	24,863
Other income	23	274	207
Total		**34,707**	**25,070**
Expenses			
Cost of materials consumed	24	23,387	14,532
Purchase of Traded goods	25	826	623
Changes in inventories of finished goods, traded goods and work-in-progress	26	(1,073)	391
Employee benefits expense	27	1,303	1,043
Finance costs	28	89	76
Depreciation and amortization expense	29	1,050	962
Other expenses	30	3,640	2,929
Total		**29,222**	**20,556**
Profit before exceptional items and tax		**5,485**	**4,514**
Exceptional Items	43	19	123
Profit before tax		**5,466**	**4,391**
Tax expense	31		
Current tax		1,402	1,121
Deferred tax		16	1
Total tax expense		**1,418**	**1,122**
Profit for the year		**4,048**	**3,269**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
-Remeasurements gain/(loss) on defined benefit plans		1	3
Income Tax relating to items that will not be reclassified to profit or loss		0	(1)
Total other comprehensive income		**1**	**2**
Total comprehensive income for the year		**4,049**	**3,271**
Earnings per equity share (Face value of ₹ 1/- each)	32		
- Basic (in ₹)		20.15	16.27
- Diluted (in ₹)		20.15	16.27

See accompanying notes to the standalone financial statements

As per report of even date

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

Per Anil Jobanputra
Partner
Membership No : 110759

Place : Ahmedabad
Date : May 27, 2022

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

Sandeep P. Engineer
Chairman & 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 27, 2022

Statement of Standalone Cash Flows

For the year ended March 31, 2022

(₹ In Million)

Sr No.	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
A	**Cash flows from operating activities**		
	Profit before tax	**5,466**	**4,391**
	Adjustments for :		
	Depreciation and amortisation expense	1,050	962
	Finance costs	89	76
	Interest income	(43)	(29)
	Credit balances written back	(2)	(2)
	Gain on Sale of Mutual funds (Net)	(43)	(23)
	(Profit)/Loss on sale of Property, Plant & Equipment (Net)	1	1
	Impairment of Investment in Joint Venture	-	123
	Share based payment expense	16	13
	Allowance for expected credit loss	19	-
	Bad debts written off	1	2
	Unrealised foreign exchange loss/(gain) (Net)	12	(37)
	Operating profit before Working Capital Changes	**6,566**	**5,477**
	Changes in working capital :		
	(Increase)/Decrease in Inventories	(1,871)	617
	(Increase)/Decrease in Trade receivables, financial assets and other assets	1	(321)
	Increase/(Decrease) in Trade Payables, financial liabilities, other liabilities and provisions	1,638	402
	Cash generated from operations	**6,334**	**6,175**
	Income taxes paid	(1,621)	(1,028)
	Net cash generated from operating activities [A]	**4,713**	**5,147**
B	**Cash flows from investing activities**		
	Payment for purchase of property, plant and equipment and intangible assets (including capital advances and capital creditors)	(3,116)	(1,547)
	Proceeds from Sale of property, plant and equipment	12	5
	Loan repaid by subsidiary (Note 5 & 37)	-	51
	Interest Received	32	30
	Gain on Sale of Mutual funds (Net)	43	23
	(Increase)/Decrease in other balances with banks	2,648	(2,050)
	Proceeds from Investment	-	2
	Purchase of Long term investments in Joint Venture/others	-	(19)
	Net Cash flow used in Investing Activities [B]	**(381)**	**(3,505)**
C	**Cash flow from Financing Activities**		
	Dividend paid	(452)	(151)
	Proceeds from issue of Equity Shares	0	1
	Finance Costs paid	(88)	(88)
	Proceeds from Long Term Borrowings	221	17
	Repayment of Long Term Borrowings	(207)	(923)
	Payment of lease liabilities	(14)	(21)
	Net Cash flow used in Financing Activities [C]	**(540)**	**(1,165)**
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS [A+B+C]	**3,792**	**477**
	Cash and cash equivalents at the beginning of the year (Note 10)	586	109
	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 10)	**4,378**	**586**

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, 2020	**1,183**	**-**	**1,183**
Cash flows	(906)	-	(906)
Foreign exchange adjustments	(1)	-	(1)
Balance as at March 31, 2021	**276**	**-**	**276**
Cash flows	14	-	14
Foreign exchange adjustments	(4)	-	(4)
Balance as at March 31, 2022	**286**	**-**	**286**

* Non-current borrowings including current maturities classified as current borrowings.

See accompanying notes to the standalone financial statements

As per report of even date

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

Per Anil Jobanputra
Partner
Membership No : 110759

Place : Ahmedabad
Date : May 27, 2022

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

Sandeep P. Engineer
Chairman & 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 27, 2022

Standalone Statement of Changes in Equity

For the year ended March 31, 2022

A EQUITY SHARE CAPITAL (NOTE 13)

(₹ In Million)

Particulars	Amount
Balance as at April 1, 2020	**151**
Add: movement during the year (Note 13(f) & 14(c))	50
Balance as at March 31, 2021	**201**
Add: movement during the year (Note 13(f))	0
Balance as at March 31, 2022	**201**

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	
Balance as at April 1, 2020	**4,053**	**260**	**4**	**12**	**8,826**	**11**	**13,166**
Profit for the year	-	-	-	-	3,269	-	3,269
Other comprehensive income for the year, net of tax	-	-	-	-	2	-	2
Total comprehensive income for the year	**4,053**	**260**	**4**	**12**	**12,097**	**11**	**16,437**
Issue of Bonus shares (Note 14(c))	(50)	-	-	-	-	-	(50)
Premium on shares issued under Stock option Scheme 'ESOP 2015' (Note 13(f))	20	-	-	-	-	-	20
Recognition of share-based payments	-	-	-	-	-	13	13
Exercise of stock options	-	-	-	-	-	(19)	(19)
Payment of dividends	-	-	-	-	(151)	-	(151)
Balance as at March 31, 2021	**4,023**	**260**	**4**	**12**	**11,946**	**5**	**16,250**
Profit for the year	-	-	-	-	4,048	-	4,048
Other comprehensive income for the year, net of tax	-	-	-	-	1	-	1
Total comprehensive income for the year	**4,023**	**260**	**4**	**12**	**15,995**	**5**	**20,299**
Premium on shares issued under Stock option Scheme 'ESOP 2015' (Note 13(f))	8	-	-	-	-	-	8
Recognition of share-based payments	-	-	-	-	-	16	16
Exercise of stock options	-	-	-	-	-	(8)	(8)
Payment of dividends	-	-	-	-	(452)	-	(452)
Balance as at March 31, 2022	**4,031**	**260**	**4**	**12**	**15,543**	**13**	**19,863**

See accompanying notes to the standalone financial statements

As per report of even date

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

Per Anil Jobanputra
Partner
Membership No : 110759

Place : Ahmedabad
Date : May 27, 2022

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

Sandeep P. Engineer
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Jagruti S. Engineer
Whole Time Director
DIN : 00067276

Hiranand A. Savlani
Chief Financial Officer

Krunal D. Bhatt
Company Secretary

Place : Ahmedabad
Date : May 27, 2022

Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

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 recognized 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 Limited is equipped with production facilities at Santej & Dholka (Gujarat), Ghiloth (Rajasthan), Sangli and Aurangabad (Maharashtra), Sitarganj (Uttarakhand) and Hosur (Tamil Nadu) to manufacture Plumbing systems, Drainage systems, Agriculture, Industrial, Electrical Conduit Pipes and water tanks with all kinds of necessary fittings.

The financial statements were approved for issue by the resolution of board of directors on May 27, 2022.

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 and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III). All accounting policies are consistently applied;

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".

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 Leases, and measurements that have some similarities to fair value but are not fair valued such as net realizable 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 categorized 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 realizable 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 realizable 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 recognized 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.

Insurance claims

Insurance claims are accounted to the extent that there is no uncertainty in receiving the claims.

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 amortization 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.

1. 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.

2. 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.

The company's lease liabilities are included in Note 40.

3. 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 recognized 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.

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 recognizes 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. The Company 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:

Employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). 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.

Capitalization 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/(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 realized, 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 realize 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.

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.

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 recognizes 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.

t) Business combinations

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. For each business combination, the Company elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

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. . However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.

- Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

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.

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 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 unless (a) the impairment loss was caused by a specific external event of an exceptional nature that is not expected to recur; and (b) subsequent external events have occurred that reverse the effect of that event.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

u) Current versus non-current classification

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 realized or intended to be sold or consumed in normal operating cycle;

2. Held primarily for the purpose of trading;
3. Expected to be realized 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.

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 provision is required to be made based on expected credit loss of ₹ 19 Million for advances given for purchase of non-current investments in joint venture. During the previous year company made impairment provision of ₹ 123 Million in investments of 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.

3 PROPERTY, PLANT AND EQUIPMENT,GOODWILL, OTHER INTANGIBLE ASSETS, RIGHT OF USE ASSETS AND CAPITAL WORK IN PROGRESS

(₹ In Million)

Sr No	Assets	Gross Carrying Amount				Accumulated Depreciation And Amortization				Net Carrying Amount	
		As at April 1, 2021	Additions	Disposals	As at March 31, 2022	As at April 1, 2021	For the Year	Disposals	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
A. TANGIBLE ASSETS											
a	Land	1,241	689	-	1,930	-	-	-	-	1,930	1,241
		(1,036)	*(205)*	-	*(1,241)*	-	-	-	-	*(1,241)*	*(1,036)*
b	Buildings	2,805	623	7	3,421	395	115	-	510	2,911	2,410
		(2,472)	*(333)*	-	*(2,805)*	*(295)*	*(100)*	-	*(395)*	*(2,410)*	*(2,177)*
c	Plant and Equipments	6,483	1,411	8	7,886	2,755	755	4	3,506	4,380	3,728
		(5,740)	*(745)*	*(2)*	*(6,483)*	*(2,073)*	*(683)*	*(1)*	*(2,755)*	*(3,728)*	*(3,667)*
d	Furniture and Fixtures	392	43	2	433	124	38	1	161	272	268
		(347)	*(48)*	*(3)*	*(392)*	*(89)*	*(35)*	-	*(124)*	*(268)*	*(258)*
e	Vehicles	188	35	6	217	76	22	4	94	123	112
		(176)	*(17)*	*(5)*	*(188)*	*(55)*	*(24)*	*(3)*	*(76)*	*(112)*	*(121)*
f	Computers and Office Equipments	221	30	2	249	104	35	1	138	111	117
		(166)	*(56)*	*(1)*	*(221)*	*(76)*	*(28)*	-	*(104)*	*(117)*	*(90)*
Total		**11,330**	**2,831**	**25**	**14,136**	**3,454**	**965**	**10**	**4,409**	**9,727**	**7,876**
		(9,937)	***(1,404)***	***(11)***	***(11,330)***	***(2,588)***	***(870)***	***(4)***	***(3,454)***	***(7,876)***	
B.GOODWILL											
a	Goodwill	192	-	-	192	-	-	-	-	192	192
		(192)	-	-	*(192)*	-	-	-	-	*(192)*	*(192)*
Total		**192**	**-**	**-**	**192**	**-**	**-**	**-**	**-**	**192**	**192**
		(192)	**-**	**-**	***(192)***	**-**	**-**	**-**	**-**	***(192)***	***(192)***
C.OTHER INTANGIBLE ASSETS											
a	Computer software	50	9	-	59	36	5	-	41	18	14
		(43)	*(7)*	-	*(50)*	*(32)*	*(4)*	-	*(36)*	*(14)*	*(11)*
b	Brands	450	-	-	450	174	64	-	238	212	276
		(448)	*(2)*	-	*(450)*	*(110)*	*(64)*	-	*(174)*	*(276)*	*(338)*
Total		**500**	**9**	**-**	**509**	**210**	**69**	**-**	**279**	**230**	**290**
		(491)	***(9)***	**-**	***(500)***	***(142)***	***(68)***	**-**	***(210)***	***(290)***	
D. RIGHT OF USE ASSETS											
a	Leasehold land	383	2	0	385	7	4	-	11	374	376
		(305)	*(78)*	-	*(383)*	*(3)*	*(4)*	-	*(7)*	*(376)*	*(302)*
b	Buildings	61	53	-	114	46	12	-	58	56	15
		(57)	*(4)*	-	*(61)*	*(26)*	*(20)*	-	*(46)*	*(15)*	*(31)*
Total		**444**	**55**	**-**	**499**	**53**	**16**	**-**	**69**	**430**	**391**
		(362)	***(82)***	**-**	***(444)***	***(29)***	***(24)***	**-**	***(53)***	***(391)***	

Notes :

i Land includes land purchased from Telangana State Industrial Infrastructure Corporation at Telangana, where title will be transferred in the name of the company after implementation of the project in the allotted land.

Particulars	Gross Carrying Amount (₹ in Million)	Title deeds held in the name of	Whether title deed holder is director or relative of promoter
Land	290	Telangana State Industrial Infrastructure Corporation (TSIIC)	No

ii Building Includes ₹ 750/- being face value of 15 number of shares of ₹ 50/- each held in Kant Apartment Co- Operative Housing Society Limited for which the procedure for transfer of title in the name of the company is in process.

Particulars	Gross Carrying Amount (₹ in Million)	Title deeds held in the name of	Whether title deed holder is director or relative of promoter
Building	13	Sandeep Engineer Jagruti Engineer	Directors

iii Pursuant to amalgamation with Rex Polyextrusion Private Limited, the title deeds of, Land and Building of ₹193 Million and ₹218 Million respectively, were under process with concerned government authorities for transfer in the name of the Company during the previous year. During the current year, the same has been transferred in name of the company.

iv Figures in brackets represents previous year figures.

v Brand include trademarks and technical know-how.

E. CAPITAL WORK IN PROGRESS (CWIP) AGEING SCHEDULE

(₹ in Million)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2022					
Projects in progress	950	33	43	-	1,026
Total	**950**	**33**	**43**	**-**	**1,026**
As at March 31, 2021					
Projects in progress	383	133	6	-	522
Total	**383**	**133**	**6**	**-**	**522**

4 INVESTMENTS

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-Current Investments		
Investment in Equity Instruments of Subsidiaries at cost		
Unquoted		
i) 50,000 (as at March 31, 2021 : 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, 2021 : 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, 2021 : 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 cost		
Unquoted		
i) 1,000,000 (as at March 31, 2021 : 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 cost		
Unquoted		
i) 7,200,000 (as at March 31, 2021 : 7,200,000) Non-Cumulative Redeemable Preference Shares of Kenyan Shilling 50/- each fully paid up in Astral Pipes Limited, Kenya.	217	217
Less: Effect of diminution in value of investment (Note 42)	(165)	(165)
Less: Loan component of compound financial instrument (Note 5)	(52)	(52)
Equity component of compound financial instrument	**-**	**-**
Investments in Joint venture	**-**	**-**
Investment in equity shares of Others at fair value through Profit & loss		
i) 7,500 (75% holding) (as at March 31, 2021 : 7,500) Shares of ₹ 10/- each subscribed in Astral Foundation, India.	0	0
Investments in others	**0**	**0**
Total	**3,335**	**3,335**

Notes :

a Aggregate carrying value of unquoted investments is ₹3,335 Million as at March 31, 2022 (as at March 31, 2021 : ₹ 3,335 Million).

b Aggregate amount of diminution in value of investments is ₹194 Million as at March 31, 2022 (as at March 31, 2021 : ₹ 194 Million).

c The Company has, jointly with Resinova Chemie Limited, promoted section 8 company, i.e Astral Foundation, under the Companies Act, 2013 for the purpose of carrying out CSR activities.

5 LOANS

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
(Unsecured, considered good)		
Loans to related parties (Note 36 & 37) *	280	284
Total	**280**	**284**
Current		
(Unsecured, considered good)		
Loans to related parties (Note 36 & 37)	11	11
Loans and Advances to Employees	2	1
Total	**13**	**12**

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

* Includes portion of compound financial instrument and fair valuation of loan (net of impairment) of ₹ Nil as at March 31, 2022 (as at March 31, 2021 : Nil) (Note 4 and 43).

6 OTHER FINANCIAL ASSETS

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
(Unsecured, considered good)		
Security deposits	69	44
Earmarked deposit accounts (with maturity more than 12 months from the balance sheet date)	6	1
Advance for purchase of non current investments (Note 37)	19	19
Less : Allowance for expected credit loss (Note 37 & 43)	(19)	-
Total	**75**	**64**
Current		
(Unsecured, considered good)		
Security deposits	12	11
Interest accrued on loans and deposits from related parties (Note 37)	2	2
Interest accrued on loans and deposits from others	8	2
Discount receivables	46	37
Fair Value of derivative contracts	0	-
Others	2	0
Total	**70**	**52**

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

7 OTHER ASSETS

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Capital Advances	122	235
Prepaid Expenses	3	2
Total	**125**	**237**
Current		
Prepaid Expenses	89	54
Balances with Government authorities	86	48
Advances to Suppliers	258	106
Total	**433**	**208**

8 INVENTORIES (AT LOWER OF COST AND NET REALISABLE VALUE)

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Raw Materials	1,956	1,204
Work-in-Progress	241	202
Finished Goods	3,007	2,001
Traded Goods	85	57
Stores, Spares and Packing Materials	186	140
Total	**5,475**	**3,604**

9 TRADE RECEIVABLES

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Unsecured, considered good	1,533	1,799
Unsecured, credit impaired	30	31
Less : Allowance for expected credit loss	(30)	(31)
Total	**1,533**	**1,799**

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, 2022	As at March 31, 2021
Trade receivables from other than related parties	1,533	1,799
Receivables from related parties (Note 37)	-	0
Total	**1,533**	**1,799**

Notes :

1 The company offers credit period up 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, 2022	As at March 31, 2021
Balance at the beginning of the year	31	52
Less : Utilisation during the year	1	21
Balance at the end of the year	**30**	**31**

5 Trade receivables Ageing Schedule

(₹ in Million)

Particulars	Curent but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2022							
Undisputed Trade Receivables – considered good	1,426	107	-	-	-	-	1,533
Undisputed Trade receivable – credit impaired	-	11	-	2	1	2	16
Disputed Trade receivables – credit impaired	-	-	-	10	-	4	14
Total	**1,426**	**118**	**-**	**12**	**1**	**6**	**1,563**
As at March 31, 2021							
Undisputed Trade Receivables – considered good	1,450	349	-	-	-	-	1,799
Undisputed Trade receivable – credit impaired	-	12	1	3	5	1	22
Disputed Trade receivables – credit impaired	-	-	-	1	6	2	9
Total	**1,450**	**361**	**1**	**4**	**11**	**3**	**1,830**

10 CASH AND CASH EQUIVALENTS

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on Hand	3	4
Balances with Banks in current accounts	192	402
Cheques on hand	264	180
Balances with Banks in deposit accounts	2,890	-
Investments in mutual funds and bonds	1,029	-
Total	**4,378**	**586**

11 OTHER BALANCES WITH BANKS

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
In deposit accounts	2	2,651
Unclaimed dividend and bonus accounts (Note 19)	1	0
Total	**3**	**2,651**

Note: Unclaimed dividend and bonus account balance can only be used for the purpose it has been maintained.

12 TAX ASSETS

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Taxes receivables (Net of Provisions)	255	118
Total	**255**	**118**

13 EQUITY SHARE CAPITAL

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised Share Capital		
210,500,000 (as at March 31, 2021 : 210,500,000) Equity Shares of ₹ 1/- each	211	211
	211	**211**
Issued, Subscribed & Fully Paid Share Capital		
200,920,181 (as at March 31, 2021 : 200,907,768) Equity Shares of ₹ 1/- each fully paid up	201	201
Total	**201**	**201**

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, 2020	150,662,206	151
Add: Shares issued - under Employee Stock option scheme 'ESOP 2015' (Note 13(f))	18,620	0
Add: Bonus Shares issued (Note 14(c))	50,226,942	50
Balance as at March 31, 2021	200,907,768	201
Add: Shares issued - under Employee Stock option scheme 'ESOP 2015' (Note 13(f))	12,413	0
Balance as at March 31, 2022	**200,920,181**	**201**

Note : 80,359,383 shares were allotted as bonus shares in the last five financial years by capitalisation of Securities Premium.

c) Number of Shares reserved for issue under options

Particulars	As at March 31, 2022	As at March 31, 2021
Outstanding at the end of the year	106,959	118,956

d) Details of share held by each shareholder holding more than 5% shares :

Name of Shareholders	As at March 31, 2022	As at March 31, 2021
Sandeep Pravinbhai Engineer		
No. of Shares	63,070,765	63,070,765
% of Shares Held	31.39	31.39
Saumya Polymers LLP		
No. of Shares	19,796,949	19,796,949
% of Shares Held	9.85	9.85

d) Details of share held by each shareholder holding more than 5% shares :

Name of Shareholders	As at March 31, 2022	As at March 31, 2021
Jagruti Sandeep Engineer		
No. of Shares	15,239,016	15,239,016
% of Shares Held	7.58	7.59
Kairav Chemicals Limited		
No. of Shares	13,860,049	13,860,049
% of Shares Held	6.90	6.90
Steadview Capital Mauritius Limited		
No. of Shares	6,700,000	14,431,334
% of Shares Held	3.33	7.18

e) Shares held by Promoters and promoter group companies

Name of Shareholders	No of Shares	% of Total Shares	% Change during the year
As at March 31, 2022			
Sandeep Pravinbhai Engineer	63,070,765	31.39	(0)
Jagruti Sandeep Engineer	15,239,016	7.58	(0.01)
Saumya Polymers LLP	19,796,949	9.85	(0)
Kairav Chemicals Limited	13,860,049	6.90	(0)
As at March 31, 2021			
Sandeep Pravinbhai Engineer	63,070,765	31.39	(0)
Jagruti Sandeep Engineer	15,239,016	7.59	(0)
Saumya Polymers LLP	19,796,949	9.85	(0)
Kairav Chemicals Limited	13,860,049	6.90	(0)

f) Stock options granted under the Employee Stock Options scheme :

1 Details of the Employee stock option plan of the company :

Astral Limited (formerly known as 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 and was further amended vide shareholders resolution passed in the Annual General Meeting held on August 21, 2020. Under the said Scheme, Nomination and Remuneration Committee is empowered to grant stock options to eligible employees of the Company, up to 150,000 (Ex-bonus) 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 (Ex-bonus) on June 29, 2019, 9,310 stock options on October 24, 2019, 12,413 stock options on August 4, 2020 and 12,413 stock options on July 1, 2021 totaling 103,728 stock options till date. 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 1:3 during the previous financial year. A fair and reasonable adjustment was made in respect of options unvested/yet to be exercised, options available for grant and their exercise price to give effect to the bonus in compliance with the SEBI (Share Based Employee Benefits) Regulations, 2015. Post Bonus issue adjustment the Exercise price of all stock options available for grant and options unvested/yet to be exercised arrives at ₹ 30/- share (Ex-bonus exercise price of all stock options was ₹ 40/- share). Each stock option is exercisable into one equity share of face value of ₹ 1/- each.

Further the Company has obtained in principle approval from stock exchanges for additional 32,842 equity shares under Astral Employee Stock Option Scheme, 2015 pursuant to Bonus Issue of shares by the Company as approved by shareholders vide postal ballot resolution dated March 9, 2021.

The following stock based payment arrangement were in existence during the current and previous year

Option Series	July 1, 2021	August 4, 2020	October 24, 2019	June 29, 2019
Grant date	01-07-2021	04-08-2020	24-10-2019	29-06-2019
Number of shares	12,413	12,413*	9,310	9,310 *
Expiry date	30-06-2023	03-08-2022	22-10-2021	27-06-2021
Exercise price	₹ 30	₹ 30*	₹ 40	₹ 40 *
Fair value at grant date	1,939	903	1,090	1,013

* 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, 2022	As at March 31, 2021
Options Outstanding, beginning of the year	12,413	18,620
Options granted during the year (including bonus adjustment)	12,413	12,413
Options exercised during the year	12,413	18,620
Option Lapsed/surrendered/forfeited	416	-
Options Outstanding, end of the year	11,997	12,413
Of which:		
Not Vested	11,997	12,413
Add: Adjustment on Account of Bonus Issue in ratio of 1:3 during the previous year	-	32,842
Options available for grant	**106,959**	**118,956**

Options available for grants during the year 2020-21, 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 year is ₹ 1,939/- (previous financial years ₹ 903/-, ₹ 1,090/- and ₹ 1,013/- respectively for options granted on August 4, 2020, October 24, 2019 and June 29, 2019). The following assumptions were used for calculation of fair value of grants in accordance with Black Scholes model;

Option Series	July 1, 2021	August 4, 2020	October 24, 2019	June 29, 2019
Option grant date	01-07-2021	04-08-2020	24-10-2019	29-06-2019
Fair value at Grant date	₹ 1,939	₹ 903	₹ 1,090	₹ 1,013
Exercise Price	₹ 30	₹ 30	₹ 40	₹ 40
Expected Volatility	191%	79%	58%	66%
Expected life of Option	2 years	2 years	2 years	2 years
Dividend Yield	0.81%	0.65%	0.65%	0.60%
Risk Free Interest Rate	6.04%	6.02%	6.60%	6.88%

4 Stock options exercised :

The following stock options were exercised during the current and previous year

Option Series	Number exercised	Avg Share price at exercise date	Exercise date
Granted on August 4, 2020	12,413	1,976	28-08-2021
Granted on June 29, 2019	9,310	956	08-07-2020
Granted on October 24, 2019	9,310	1,467	18-11-2020

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 ₹ 30/- (Previous year: ₹ 30/-), and weighted average remaining contractual life of 456 days (Previous year : 491 days).

14 OTHER EQUITY

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
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	4,023	4,053
Add : Premium on shares issued under Stock option Scheme 'ESOP 2015' (Note 13(f))	8	20
Less : Utilised during the year for issue of Bonus Shares (Note c)	-	50
Balance at the end of the year	**4,031**	**4,023**
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**
Stock Options Outstanding Account		
Balance at the beginning of the year	8	19
Add : On account of options granted during the year	24	8
	32	27
Less : Option Lapsed/surrendered/forfeited	1	-
Less : Exercise of employee stock options	8	19
	23	8
Less : Deferred employee Compensation expenses	10	3
Balance at the end of the year	**13**	**5**
Retained earnings		
Balance at the beginning of the year	11,946	8,826
Add : Profit For the Year	4,048	3,269
Add : Other comprehensive income	1	2
Less : Payment of dividend on equity shares (Note a & b)	452	151
Balance at the end of the year	**15,543**	**11,946**
Total	**19,863**	**16,250**

Notes

a In August 2021 and November 2021, the dividend of ₹ 1/- per share (total dividend ₹ 201 Million) and ₹ 1.25/- per share (total dividend ₹ 251 Million) respectively, was paid to holders of fully paid equity shares.

b In November 2020, the dividend of ₹ 1/- per share (total dividend ₹ 151 Million) was paid to holders of fully paid equity shares.

c During the previous year, the Company allotted 50,226,942 equity shares of ₹ 1/- each as fully paid up bonus shares by utilising securities premium amounting to ₹ 50 Million, pursuant to an ordinary resolution passed after taking the consent of shareholders through Postal ballot.

d 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. It can be used for distribution to equity shareholders only in compliance with the Companies Act, 2013, as amended.

Revaluation Reserve

The company has created revaluation reserve out of revaluation of land carried out during the year 2004-05.

Stock Options Outstanding Account

Stock Option Outstanding Account is used to recognise grand date fair value options vested to employees under various equity settled schemes. 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.

15 BORROWINGS

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Secured - at amortised cost		
Buyers Credit	243	124
Less : Current maturity of long term buyers credit	28	97
	215	**27**
Vehicle Loans	-	12
Less : Current maturity of vehicle loans	-	3
	-	**9**
Unsecured - at amortised cost		
Buyers Credit	43	140
Less : Current maturity of long term buyers credit	26	87
	17	**53**
Total	**232**	**89**
Current		
Current maturities of long term borrowings	54	187
Total	**54**	**187**

Notes

a) Refer Note 39 for information about liquidity risk.

b) Buyers Credit : Rate of interest for Buyer's Credit ranges from 0.40% to 3.00% p.a..

1 HSBC Bank Limited Buyers Credit of ₹ 243 Million (as at March 31, 2021: ₹ Nil) repayable by December 2024. Secured by way of first charge, in respect of entire current assets of the Company both present and future.

2 Kotak Mahindra Bank Limited Buyers Credit of ₹ 43 Million (as at March 31, 2021: ₹ 129 Million) repayable by September 2023.

3 HDFC Bank Limited Buyers Credit of ₹ Nil (as at March 31, 2021: ₹ 57 Million) repaid

4 Standard Chartered Bank Buyers Credit of ₹ Nil (as at March 31, 2021: ₹ 67 Million) repaid.

5 Axis Bank Limited Buyers Credit of ₹ Nil (as at March 31, 2021: ₹ 11 Million) repaid.

c) Vehicle Loans were Secured by way of hypothecation of respective motor vehicles purchased. Rate of interest for Vehicle loan ranges from 7 to 11% p.a..

1 Axis Bank Limited Vehicle Loan of ₹ Nil (as at March 31, 2021 : ₹ 12 Million) repaid.

16 PROVISIONS

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Provision for Employee Benefits (Note 34)	9	13
Total	**9**	**13**
Current		
Provision for Employee Benefits (Note 34)	15	25
Total	**15**	**25**

17 DEFERRED TAX LIABILITIES (NET)

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Deferred Tax Liabilities (net)	389	373
Total	**389**	**373**

Deferred tax liabilities/(assets) in relation to :

(₹ in Million)

Particulars	As at April 1, 2020	Recognised in profit and loss	As at March 31, 2021
Tangible and Intangible assets	395	(3)	392
Provision for doubtful trade receivables	(13)	4	(9)
Provisions for employee benefits	(9)	0	(9)
Others	(1)	0	(1)
Total	**372**	**1**	**373**

(₹ in Million)

Particulars	As at April 1, 2021	Recognised in profit and loss	As at March 31, 2022
Tangible and Intangible assets	392	11	403
Provision for doubtful trade receivables	(9)	1	(8)
Provisions for employee benefits	(9)	4	(5)
Others	(1)	0	(1)
Total	**373**	**16**	**389**

18 TRADE PAYABLES

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
a) total outstanding dues of micro enterprises and small enterprises	168	-
Total	**168**	**-**
b) total outstanding dues of creditors other than micro enterprises and small enterprises		
Operational Buyer's credit	2,244	1,287
Due to others	3,464	2,891
Total	**5,708**	**4,178**

Notes

a Refer Note 39 for information about credit risk, market risk and liquidity risk of Trade payables.

b disclosure under the micro, small and medium enterprises development act, 2006 are provided as under for the year 2021-22, to the extent the company has received intimation from the "suppliers" regarding their status under the act

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year		
Principal amount due to micro and small enterprise	168	-
Interest due on above	-	-
(ii) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
(iii) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(v) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

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.

c **Trade Payables Ageing Schedule**

(₹ in Million)

Particulars	Unbilled dues	Current but not due	Outstanding for following periods from due date of payment				Total
			Less than 1 years	1-2 years	2-3 years	More than 3 years	
As at March 31, 2022							
Total outstanding dues of micro enterprises and small enterprises	-	168	-	-	-	-	168
Total outstanding dues of creditors other than micro enterprises and small enterprises	5	5,062	640	1	0	0	5,708
Total	**5**	**5,230**	**640**	**1**	**0**	**0**	**5,876**

c Trade Payables Ageing Schedule

(₹ in Million)

Particulars	Unbilled dues	Current but not due	Outstanding for following periods from due date of payment				Total
			Less than 1 years	1-2 years	2-3 years	More than 3 years	
As at March 31, 2021							
Total outstanding dues of creditors other than micro enterprises and small enterprises	8	3,862	306	2	0	0	4,178
Total	**8**	**3,862**	**306**	**2**	**0**	**0**	**4,178**

19 OTHER FINANCIAL LIABILITIES

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Interest accrued but not due on borrowings	3	3
Payable for capital goods	342	226
Unclaimed dividends and bonus* (Note 11)	1	0
Others	136	110
Total	**482**	**339**

* 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, 2022	As at March 31, 2021
Statutory dues	329	377
Advance received from customers	74	89
Total	**403**	**466**

21 CURRENT TAX LIABILITIES (NET)

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Income tax payables (net of advance tax)	-	84
Total	**-**	**84**

22 REVENUE FROM OPERATIONS

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from contract with customers	34,368	24,823
Other operating revenues	65	40
Total	**34,433**	**24,863**

Note : The Company mainly deals into plastic products, mainly, Pipe & Fittings, tanks and hence, no disaggregation of revenue is provided. Other information relating to contract balances, i.e. Trade Receivables and Advance from customers, is stated in note 9 and 20.

23 OTHER INCOME

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest Income :		
From Banks	12	15
From Related party (Note 37)	10	10
From Others	21	4
Gain on Sale of Mutual funds (Net)	43	23
Foreign exchange gains (Net)	74	135
Miscellaneous Income (Note 37)	114	20
Total	**274**	**207**

24 COST OF MATERIALS CONSUMED

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Inventories at the beginning of the year	1,204	1,438
Add : Purchases	24,139	14,298
Less : Inventories at the end of the year	1,956	1,204
Total	**23,387**	**14,532**

25 PURCHASE OF TRADED GOODS

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Purchase of Traded Goods	826	623
Total	**826**	**623**

26 CHANGES IN INVENTORIES OF FINISHED GOODS, TRADED GOODS AND WORK-IN-PROGRESS

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Inventories at the end of the year		
Finished Goods	3,007	2,001
Work-in-progress	241	202
Traded Goods	85	57
	3,333	**2,260**
Inventories at the beginning of the year		
Finished Goods	2,001	2,194
Work-in-progress	202	160
Traded Goods	57	297
	2,260	**2,651**
Net (Increase) / Decrease	**(1,073)**	**391**

27 EMPLOYEE BENEFITS EXPENSE

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries and wages	1,161	940
Share based payments to employees (Note 13(f))	16	13
Contribution to Provident and Other Funds (Note 34)	53	46
Staff Welfare Expenses	73	44
Total	**1,303**	**1,043**

28 FINANCE COSTS

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest expense		
Term loans and working capital loans	11	65
Others	4	4
Other borrowing costs	7	7
Exchange differences regarded as an adjustments to borrowing costs	67	-
Total	**89**	**76**

29 DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation on Property, Plant, Equipment (Note 3)	965	870
Amortization on Intangible assets (Note 3)	69	68
Amortization on Right of use assets (Note 3)	16	24
Total	**1,050**	**962**

30 OTHER EXPENSES

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Consumption of Stores, Spares and Packing Materials	659	447
Power and Fuel	689	572
Rent (Note 37 & 40)	47	27
Repairs expenses	89	69
Insurance expenses	60	44
Rates and Taxes	6	19
Communication expenses	20	20
Travelling expenses	158	83
Factory and Other expenses	41	57
Printing and stationary expenses	5	3
Freight and Forwarding	509	425
Commission	26	16
Advertisement and Sales Promotions expenses	1,046	955
Directors Sitting Fees (Note 37)	3	3
Donations and Contributions (Note a)	10	0
Expenditure on Corporate Social Responsibility (Note 35 & 37)	62	45
Security Service Charges	54	46
Legal and Professional	83	45
Payments to Auditors (Note b)	3	2
Bad Debts Written Off (net of utilisation from provision for doubtful debts)	1	2
Loss on Sale of Property, plant and equipment (Net)	1	1
Other Expenses	68	48
Total	**3,640**	**2,929**

a. Donations and contributions include political contribution of ₹ 10 Million (Previous year : ₹ Nil)

b. Payment to auditors (excluding GST)

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
For statutory audit and certification	3	2
Total	**3**	**2**

31 TAX EXPENSES

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current tax		
In respect of the current year	1,380	1,111
In respect of earlier years	22	10
Total	**1,402**	**1,121**
Deferred tax		
In respect of the current year	16	1
Total	**16**	**1**

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, 2022	Year ended March 31, 2021
Profit before tax	**5,466**	**4,391**
Income tax expense @25.168% (FY 2020-21 : 25.168%)	1,376	1,105
Differences due to :		
Effect of allowances	13	(25)
Others	7	32
Total	**1,396**	**1,112**
Adjustments in respect of current income tax of previous year	22	10
Tax expense as per statement of Profit and loss	**1,418**	**1,122**

The Company's weighted average tax rates for the year ended March 31, 2022 and March 31, 2021 were 25.94% and 25.55% respectively.

32. EARNINGS PER SHARE:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit for the year attributable to owners of the company (₹ In Million)	4,048	3,269
Weighted average number of equity shares for Basic EPS	200,915,114	200,899,376
Add : Effects of dilutive shares options outstanding	7,125	7,966
Weighted average number of equity shares for Diluted EPS	200,922,239	200,907,342
Nominal Value per shares (₹)	1	1
Basic Earnings Per Share (In ₹)	20.15	16.27
Diluted Earnings Per Share (In ₹)	20.15	16.27

33. CONTINGENT LIABILITIES AND COMMITMENTS NOT PROVIDED FOR:

(₹ in Million)

Sr. No.	Particulars	As at March 31, 2022	As at March 31, 2021
1	Disputed Income Tax/Goods and Service Tax (GST)/Central Excise/Sales Tax and PF demands *	54	31
2	Guarantee given by Company on behalf of Joint Venture for availing borrowing from local Bank (Note 37)	-	123
Commitments			
1	Capital Contracts remaining to be executed (Net of Advances)	856	1,107
2	Letters of Credits for Purchases	769	943

* Future cash outflows in respect of the above matters are determined only on receipt of judgments / decisions pending at various forums / authorities.

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 ₹ 37 Million (Previous Year: ₹ 32 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.

The defined benefit plans typically expose to the Company to various risk such as;

Interest rate risk: A fall in the discount rate which is linked to the Government Securities. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very low as insurance companies have to follow stringent regulatory guidelines which mitigate risk.

a) Movement in present value of defined benefit obligation are as follows:

(₹ in Million)

Particulars	Gratuity	
	As at March 31, 2022	As at March 31, 2021
Obligations at the beginning of the year	74	65
Current service cost	12	10
Interest cost	5	4
Actuarial (gain) / loss – due to change in financial assumptions	(4)	1
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	0	-
Actuarial (gain) / loss- due to experience adjustments	3	(4)
Benefits paid	(6)	(2)
Present value of benefit obligation at the end of the year	**84**	**74**

b) Movement in the fair value of plan assets are as follows:

(₹ in Million)

Particulars	Gratuity	
	As at March 31, 2022	As at March 31, 2021
Plan assets at the beginning of the year, at fair value	46	36
Interest Income	3	2
Return on plant assets excluding interest income	(0)	0
Contributions from the employer	28	10
Benefits paid	(6)	(2)
Fair value of plan assets at the end of the year	**71**	**46**

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, 2022	As at March 31, 2021
Present value of benefit obligation at the end of the year	(84)	(74)
Fair value of plan assets at the end of the year	71	46
Net liability arising from defined benefit obligation	**(13)**	**(28)**

d) Amount recognised in the Statement of Profit and Loss in respect of the defined benefits plans are as follows:

(₹ in Million)

Particulars	Gratuity	
	As at March 31, 2022	As at March 31, 2021
Current service cost	12	10
Net Interest expense	2	2
Components of defined benefit costs recognised in the Statement of Profit and Loss	**14**	**12**
Remeasurement on the net defined benefit liability:		
Actuarial (gains) / losses on obligation for the period	(1)	(3)
Return on plant assets, excluding interest income	0	0
Components of defined benefit costs recognised in Other Comprehensive Income	**(1)**	**(3)**
Total	**13**	**9**

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 (Insurance Regulatory and Development Authority) IRDA guidelines.

f) The defined benefit obligations shall mature after year ended March 31, 2022 as follows:

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
1st Following Year	6	4
2nd Following Year	3	4
3rd Following Year	4	3
4th Following Year	5	4
5th Following Year	7	5
Sum of Years 6 To 10	34	28
Thereafter	146	129

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, 2022	As at March 31, 2021
Delta effect of +1% change in the rate of Discounting	(8)	(7)
Delta effect of -1% change in the rate of Discounting	9	8
Delta effect of +1% change in the rate of salary Increase	9	8
Delta effect of -1% change in the rate of salary increase	(8)	(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 Company expects to make a contribution of ₹ 13 Million (as at March 31, 2021 : ₹ 23 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, 2022	Year ended March 31, 2021
Discount Rate	7.23%	6.80%
Expected return on plan assets	7.23%	6.80%
Annual Increase in Salary Costs	7.00%	7.00%

h) The principal assumptions used for the purpose of actuarial valuation were as follows:

Particulars	Gratuity	
	Year ended March 31, 2022	Year ended March 31, 2021
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 (2012-14) (Urban)	Indian Assured Lives Mortality (2006-08)

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.

35. EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY

(₹ in Million)

	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a	Gross amount required to be spent during the year	62	45
b	Amount approved by the Board to be spent during the year	62	45
c	**Amount spent during the year**		
i	Construction/acquisition of any asset	-	-
ii	On purposes other than (i) above	62	45
d	**Details related to spent**		
i	Directly spent by the Company	-	7
ii	Contribution to Public Trust	-	-
iii	Contribution to Charitable Trust	3	26
iv	Contribution to a trust / section 8 company controlled by the company	59	12
v	Unspent amount in relation to:		
	Ongoing project	-	-
	Other than ongoing project	-	-

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, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Loans (Unsecured)					
Astral Biochem Private Limited	Wholly owned subsidiary	11	11	11	11
Seal IT Services Limited	Subsidiary	286	322	282	286
Advance for purchase of Non-current Investment					
Astral Pipes Limited	Joint Venture	-	-	-	19
Guarantee					
Astral Pipes Limited	Joint Venture	-	-	-	123

Notes :

1. There are no advances which are in the nature of loans.
2. The Company had issued corporate guarantees for the loans and credit facility arrangements in respect of joint venture.
3. The outstanding amount for the loan is including interest receivable.

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)
B.	Joint Venture	Astral Pipes Limited
C.	Enterprises over which Key Managerial Personal are able to exercise significant influence	Kairav Chemicals Limited Saumya Polymers LLP Astral Charitable Trust Kairamya Journeys LLP Ameya Lifestyle Astral Foundation
D.	Key Managerial Personnel	Sandeep Engineer (Managing Director) Jagruti Engineer (Whole Time Director) Girish Joshi (Whole Time Director) (w.e.f. July 1, 2021) Kaushal Nakrani (Independent Director) C. K Gopal (Independent Director) Viral Jhaveri (Independent Director) Hiranand Savlani (Chief Financial Officer) Krunal Bhatt (Company Secretary) Kyle Thompson (Non-Executive Director up to July 8, 2020) K.R. Shenoy (Independent Director up to August 24, 2020) Pradip N. Desai (Independent Director up to August 24, 2020) Anil Kumar Jani (Non-Executive Director up to June 30, 2021)
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, 2022

(₹ In Million)

Particulars	Subsidiaries		Joint Venture		Enterprises over which Key Managerial Personal are able to exercise significant influence		Key Managerial Personnel		Relatives of Key Managerial Personnel		Total	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Transactions during the year												
Advance for Purchase of non-current investment	-	-	-	19	-	-	-	-	-	-	-	19
Expenditure on Corporate Social Responsibility	-	-	-	-	60	15	-	-	-	-	60	15
Guarantee Withdrawn	-	104	-	-	-	-	-	-	-	-	-	104
Interest Income	10	10	-	-	-	-	-	-	-	-	10	10
Investment in Joint venture/ Others	-	-	-	-	-	0	-	-	-	-	-	0
Loan received back	-	52	-	-	-	-	-	-	-	-	-	52
Purchase of Goods/Services	674	517	-	-	19	10	-	-	-	-	693	527
Purchase of Property plant & equipment	-	-	5	-	160	-	-	-	-	-	165	-
Amount claimed for reimbursement of expenses	4	0	0	0	-	-	-	-	-	-	4	0
Remuneration	-	-		-	-	-	138	121	8	6	146	127
Rent Paid	-	-	-	-	-	-	-	-	1	1	1	1
Sale of Goods	81	44	-	8	-	-	-	-	-	-	81	52
Sitting fees	-	-	-	-	-	-	3	3		-	3	3
Rent Received	1	1	-	-	-	-	-	-	-	-	1	1
Advance given for purchase of goods	-	-	-	6	-	-	-	-	-	-	-	6
Balance at the end of the year												
Advance for Purchase of non-current investment	-	-	-	19	-	-	-	-	-	-	-	19
Advance given for purchase of goods	-	-	-	6	-	-	-	-	-	-	-	6
Guarantee Given	-	-	-	123	-	-	-	-	-	-	-	123
Interest accrued on loans and deposits	2	2	-	-	-	-	-	-	-	-	2	2
Loans Given	291	295	-	-	-	-	-	-	-	-	291	295
Payables	-	-	2	-	-	-	36	25	0	0	38	25
Receivables	-	-	-	0	-	-	-	-	-	-	-	0

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, 2022	Year ended March 31, 2021
Short term Benefits	138	121
Sitting fees	3	3

The remuneration of key management personnel is determined by the remuneration committee. The same is including employer contribution to provident fund and exclusive of provision for liability in respect of leave earned and gratuity, since this is based on actuarial valuation done on an overall basis for all employees.

ii. Details of Loans and advances repayable on demand

Particulars	Year ended March 31, 2022		Year ended March 31, 2021	
	Amount (₹ In Million)	% to total loans and Advances	Amount (₹ In Million)	% to total loans and Advances
Related parties	11	3.75%	11	3.72%

iii. The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions.

iv. 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.

v. 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 OF WATER TANK BUSINESS:

In line with the framework agreement entered by the Company with M/s Shree Prabhu Petrochemicals Pvt Ltd. and other parties entered in November 2020, the Company has purchased property, plant, equipment, brand (intangible asset) and inventory of water tank business of M/s Shree Prabhu Petrochemicals Pvt Ltd. and other parties for a total consideration of approx. ₹ 436 million, which has been paid in cash. Such purchased assets (fair valued) are accounted in line with Purchase Price Allocation method as required under Ind AS 103, Business Combination.

The values of the identifiable assets purchased during the previous year from Shree Prabhu Petrochemicals Private Limited and other parties were:

(₹ in Million)

Particulars	2020-21
Non-Current assets	
Property, plant and equipment	406
Intangible assets	2
Current assets	
Inventories	28
Total Assets Acquired	**436**

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 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. 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, 2022	As at March 31, 2021
Debt (note i)	286	276
Less : Cash and cash equivalents	4,378	586
Net debt	-	-
Equity share capital	201	201
Other equity	19,863	16,250
Less : Revaluation reserve	12	12
Total equity excluding revaluation reserve	**20,052**	**16,439**
Net debt to equity ratio	**0%**	**0%**

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.

2 Category-wise classification of financial instruments

(₹ in Million)

Particulars		As at March 31, 2022	As at March 31, 2021
Financial assets			
Measured at amortised cost			
a	Cash and cash equivalents and other bank balances (Note 10,11)	4,381	3,237
b	Financial assets (Note 5,6 & 9)	1,971	2,211
Measured at fair value through Profit and loss			
a	Fair Value of derivative contracts (Note 6)	0	-
b	Investment in others (Note 4)	0	0
Total		**6,352**	**5,448**
Financial liabilities			
Measured at amortised cost			
a	Borrowings (Note 15)	286	276
b	Financial liabilities (Note 18,19,40)	6,414	4,533
Total		**6,700**	**4,809**

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)

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, 2022				
Financial assets measured at fair value through Profit and loss				
a Investment in others (Note 4)	0	-	-	0
As at March 31, 2021				
Financial assets measured at fair value through Profit and loss				
a Investment in others (Note 4)	0	-	-	0

There have been no transfers amount in Level 1, Level 2 and Level 3 during the years ended March 31, 2022 and March 31, 2021.

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.

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, 2022	As at March 31, 2021
Liabilities (Foreign currency)		
In US Dollars (USD)	38	32
In Euro (EUR)	2	1
Assets (Foreign currency)		
In US Dollars (USD)	0	0
In Euro (EUR)	0	0
In Dirham (AED)	-	0
In Great Britain Pound (GBP)	3	3

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Liabilities (INR)		
In US Dollars (USD)	2,914	2,334
In Euro (EUR)	166	66
Assets (INR)		
In US Dollars (USD)	10	20
In Euro (EUR)	0	0
In Dirham (AED)	-	0
In Great Britain Pound (GBP)	282	285

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 Exchange Contracts entered into by the Company :

Particulars	As at March 31, 2022	As at March 31, 2021
Payable		
Outstanding Forward Exchange Contracts		
In EUR		
No. of Contracts	1	-
In US Dollars - (In Million)	0	-
In INR - (In Million)	23	-

The line items in the balance sheet that includes the above hedging instruments are "other financial assets".

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, 2022	As at March 31, 2021
Increase in exchange rate by 5%	(137)	(105)
Decrease in exchange rate by 5%	137	105

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:

(₹ in Million)

Particulars	Increase/ decrease inbasis points	Effect on profit before tax
As at March 31, 2022	100 bps	3
As at March 31, 2021	100 bps	3

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 9 - Trade receivable).

"The company was 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 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 ₹Nil as at March 31, 2022 (as at March 31, 2021 : ₹123 Million) 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.

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, 2022				
Non-derivative financial liabilities				
Borrowings (Note 15)	286	54	232	286
Lease liabilities (Note 40)	56	20	36	56
Financial Liabilities (Note 18 & 19)	6,358	6,358	-	6,358
Total	**6,700**	**6,432**	**268**	**6,700**
As at March 31, 2021				
Non-derivative financial liabilities				
Borrowings (Note 15)	276	187	89	276
Lease liabilities (Note 40)	16	11	5	16
Financial Liabilities (Note 18 & 19)	4,517	4,517	-	4,517
Total	**4,809**	**4,715**	**94**	**4,809**

40. LEASE:

Company as a lessee

The Company's lease asset classes primarily consist of leases for Tangible assets. The company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether:

(1) the contract involves the use of an identified asset

(2) the company has substantially all of the economic benefits from use of the asset through the period of the lease and

(3) the company has the right to direct the use of the asset.

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 Tangible Assets		Lease Liabilities	
	2021-22	2020-21	2021-22	2020-21
Balance at the beginning of the year	391	333	16	33
Add : Addition during the year	55	82	53	4
Less : Depreciation/amortisation of expenses	16	24	-	-
Less : Adjustment due to COVID 19	-	-	-	2
Less : Deductions	0	-	-	-
Add : Interest Expenses	-	-	1	2
Less : Payments	-	-	14	21
Balance at the end of the year	**430**	**391**	**56**	**16**
Current			**20**	**11**
Non-Current			**36**	**5**

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 : 1 Million).

The company has not entered into any non-cancellable operating leases as a lessor.

41. RATIO ANALYSIS AND ITS ELEMENTS

Ratio	Numerator	Denominator	March 31, 2022	March 31, 2021	% Change	Note
Current Ratio	Current Assets	Current Liabilities	1.78	1.71	4%	
Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.02	0.02	-15%	
Debt Service Coverage Ratio	Earnings for debt service (1)	Debt service (2)	17.65	4.38	303%	a
Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity	22.2%	22.0%	1%	
Inventory turnover ratio	Cost of goods sold (3)	Average Inventories	5.10	3.97	28%	b
Trade Receivables turnover ratio	Revenue from operations	Average Trade Receivable	20.67	15.59	33%	c
Trade payables turnover ratio	Purchases of material, services and other expenses	Average Trade Payables	5.10	3.72	37%	d
Net working capital turnover ratio	Revenue from operations	Working capital (4)	6.48	6.65	-2%	
Net profit ratio	Profit for the year	Revenue from operations	11.8%	13.0%	-10%	
Return on Capital employed	Earnings before interest and taxes	Capital Employed (5)	27.3%	27.0%	1%	
Return on investment (Quoted)	Income generated from investments	Time weighted average investments	3.8%	4.0%	-5%	

[1] Earnings for debt service = Net profit after taxes + Depreciation + Finance cost + Loss on Sale of Property, Plant and Equipment

[2] Debt service = Interest & Lease Payments + Principal Repayments

[3] Cost of goods sold = Cost of materials consumed + Purchase of Traded goods + Changes in inventories

[4] Working capital = Current assets – Current liabilities

[5] Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability

a During the previous year the company has repaid all its term loans, hence there is an improvement in the ratio.

b Effective inventory management and increase in sales has resulted in an improvement of the ratio.

c Better collection cycle has resulted in an improvement in the ratio.

d The increase in ratio is on account of early payment of dues to avail early payment discount.

42. 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.

43. 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 March 31, 2022	As at March 31, 2021
Assets	94	289
Liabilities	113	191
Income	16	188
Expenses (including depreciation)	54	210
Contingent Liabilities	-	1
Capital commitments remaining to be executed	-	-

During the year ended March 31, 2022, the company has made provision for diminution on its investment in Joint Venture viz : Astral Pipes Ltd, Kenya amounting ₹ 19 Million (Previous Year : ₹ 123 Million), which has been disclosed as exceptional item.

44. TRANSACTIONS WITH STRUCK OFF COMPANIES

There are no transactions with struck of companies during the year ended March 31, 2022 and March 31, 2021.

45. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). Further, No funds have been received by the company from any parties (Funding Parties) with the understanding that the company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

46. EVENTS AFTER THE REPORTING PERIOD

a. The Board of Directors, in its meeting held on May 27, 2022, has proposed a final dividend of ₹ 1.75 per equity share for the financial year ended March 31, 2022. The proposal is subject to the approval of shareholders at the Annual General Meeting and if approved would result in a cash outflow of approximately ₹ 352 Million.

b. Subsequent to the year end, the Board of Directors of the Company, in its meeting held on April 29, 2022, has entered into definitive agreements with Gem Paints Private Limited and its shareholders to acquire 51% controlling equity stake in Operating Paint Business of Gem Paints Private Limited for cash consideration of ₹ 1,940 million under strategy to expand its portfolio under building material segment.

   Gem Paints Private Limited is a company engaged into the business of manufacturing and supply of various types of paints, varnishes, coatings, products related to home décor, industrial paints and as dealers in all types of chemicals, essences, enamels, polishes, distempers, colours etc.

   The Company is in process of finalising the fair value of net assets of the Operating Paint Business of Gem Paints Private Limited.

47. The Board of Directors of the Company at its meeting held on June 7, 2021 approved the scheme of amalgamation of the Company with Resinova Chemie Limited and Astral Bio Chem Private Limited with an appointed date of April 1, 2021, under section 230 to 232 and other applicable provisions of the Companies Act, 2013. The Scheme will be effective on receipt of regulatory approvals and on fulfilment of conditions precedent therein. Accordingly, impact of the said scheme has not been considered in the financial statements.

48. ESTIMATION OF UNCERTAINTY RELATING TO THE GLOBAL HEALTH PANDEMIC COVID-19: -

The Company has considered the impact of COVID-19 pandemic on its business operations and financial results based on its review of current indicators of future economic conditions and expects that the carrying amount of the assets will be recovered. However, the impact assessment of this pandemic is a continuing process given the uncertainties associated with its nature and duration. Accordingly, the Company will continue to monitor any material changes to future economic conditions.

49. The figures for the previous year have been regrouped/ reclassified wherever necessary to confirm with the current year's classification.

See accompanying notes to the standalone financial statements

As per report of even date

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

Per Anil Jobanputra
Partner
Membership No : 110759

Place : Ahmedabad
Date : May 27, 2022

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

Sandeep P. Engineer
Chairman & 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 27, 2022

Financial Statements

144-201

CONSOLIDATED FINANCIAL STATEMENTS

Independent Auditor's Report

To the Members of Astral Limited (Formerly known as Astral Poly Technik Limited)

Report on the Audit of the Consolidated Financial Statements Opinion

We have audited the accompanying consolidated financial statements of Astral Limited (Formerly known as 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 2022, 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 financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated 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 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 and its joint venture as at March 31, 2022, their consolidated profit 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 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 Financial Statements' section of our report. We are independent of the Group and 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 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 financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the consolidated 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 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 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 financial statements.

Key audit matters	How our audit addressed the key audit matter
Impairment of Goodwill (as described in Note 2(x)iii of the Consolidated financial statements)	
The Group's balance sheet includes ₹ 2,567 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 and operating cash-flows; and - Business specific discount rates The annual impairment testing is considered a significant accounting judgement and estimate 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 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 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 financial statements and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated 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 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.

RESPONSIBILITIES OF MANAGEMENT FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated 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, consolidated cash 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 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 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 financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated 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 FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated 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 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 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 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.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions 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 and whose financial information we have audited, to express an opinion on the consolidated 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 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 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 financial statements for the financial year ended March 31, 2022 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, whose financial statements include total assets of ₹ 2,432 million as at March 31, 2022, and total revenues of ₹ 3,327 million and net cash inflows of ₹ 96 million for the year ended on that date. These 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 financial statements also include the Group's share of net loss of ₹ 38 million for the year ended March 31, 2022, as considered in the consolidated 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 financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint 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 and joint 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 and joint venture located outside 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 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies, incorporated in India, as noted in the 'Other Matter' paragraph, we report that there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

2. 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 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 financial statements;

   (d) In our opinion, the aforesaid consolidated 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, 2022 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, 2022 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 with reference to consolidated financial statements of the Holding Company and its subsidiary companies, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries incorporated in India, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Holding Company, its subsidiaries 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 statements as also the other financial information of the subsidiaries and joint venture, as noted in the 'Other matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated financial statements – Refer Note 34 to the consolidated financial statements;

ii. The Group and its joint venture did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2022

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, 2022.

iv. a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, as stated in note no. to 46 consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, as stated in note no. to 46 consolidated financial statements, no funds have been received by the respective Holding Company or any of such subsidiaries from any person or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v) The final dividend paid by the Holding Company, during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

The interim dividend declared and paid during the year by the Holding Company, and until the date of the respective audit reports of such Holding Company and subsidiaries is in accordance with section 123 of the Act.

As stated in note 47 to the consolidated financial statements, the Board of Directors of the Holding Company, has proposed final dividend for the year which is subject to the approval of the members of the holding company at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

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

per **Anil Jobanputra**
Partner
Membership Number: 110759
UDIN: 22110759AJSIDU6382

Place of Signature: Ahmedabad
Date: May 27, 2022

Annexure to the Independent Auditor's Report of even date on the Consolidated Financial Statements of Astral Limited (formerly known as 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 financial statements of Astral Limited (Formerly known as Astral Poly Technik Limited) (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the companies included in the Group, 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 (ICAI). 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 Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated 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, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated 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 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 with reference to consolidated financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

A company's internal financial control with reference to consolidated 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 with reference to consolidated 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.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to consolidated 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated 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 Holding company and subsidiary companies which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2022, 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 issued by the ICAI.

OTHER MATTERS

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to one subsidiary, which is company incorporated in India, is based on the corresponding reports of the auditors of such subsidiary 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: 22110759AJSIDU6382

Place of Signature: Ahmedabad
Date: May 27, 2022

Consolidated Balance Sheet

As at March 31, 2022

(₹ In Million)

Particulars		Notes	As at March 31, 2022	As at March 31, 2021
ASSETS				
Non-current assets				
(a)	Property, plant and equipment	3 (A)	11,572	9,682
(b)	Capital work-in-progress	3 (D)	1,232	566
(c)	Goodwill	4	2,567	2,570
(d)	Other Intangible assets	3 (B)	233	295
(e)	Right Of Use Assets	3 (C)	588	598
(f)	Financial assets			
	(i) Investments	5	0	0
	(ii) Loans	6	1	0
	(iii) Other financial assets	7	93	79
(g)	Deferred tax assets (Net)	8	3	1
(h)	Other non-current assets	9	132	247
Total non-current assets			**16,421**	**14,038**
Current assets				
(a)	Inventories	10	7,334	4,721
(b)	Financial assets			
	(i) Trade receivables	11	2,691	2,767
	(ii) Cash and cash equivalents	12	6,413	707
	(iii) Bank balances other than (ii) above	13	5	4,053
	(iv) Loans	6	4	3
	(v) Other financial assets	7	188	54
(c)	Current tax assets (Net)	14	276	125
(d)	Other current assets	9	540	260
Total current assets			**17,451**	**12,690**
Total assets			**33,872**	**26,728**
EQUITY AND LIABILITIES				
Equity				
(a)	Equity share capital	15	201	201
(b)	Other equity	16	23,165	18,757
Equity attributable to equity share holders of the Parent			23,366	18,958
Non-controlling Interests			278	212
Total equity			**23,644**	**19,170**
Liabilities				
Non-current liabilities				
(a)	Financial liabilities			
	(i) Borrowings	17	328	168
	(ii) Lease liabilities	39	73	79
(b)	Provisions	18	17	27
(c)	Deferred tax liabilities (Net)	8	401	401
Total non-current liabilities			**819**	**675**
Current liabilities				
(a)	Financial liabilities			
	(i) Borrowings	17	523	499
	(ii) Lease liabilities	39	59	56
	(iii) Trade payables	19		
	a) total outstanding dues of micro enterprises and small enterprises		199	-
	b) total outstanding dues of creditors other than micro enterprises and small enterprises		7,285	5,172
	(iv) Other financial liabilities	20	600	417
(b)	Other current liabilities	21	556	584
(c)	Provisions	18	18	42
(d)	Current tax liabilities (Net)	22	169	113
Total current liabilities			**9,409**	**6,883**
Total liabilities			**10,228**	**7,558**
Total equity and liabilities			**33,872**	**26,728**

See accompanying notes to the consolidated financial statements

As per report of even date

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

Per Anil Jobanputra
Partner
Membership No : 110759

Place : Ahmedabad
Date : May 27, 2022

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

Sandeep P. Engineer
Chairman & 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 27, 2022

Consolidated Statement of Profit and Loss

For the year ended March 31, 2022

(₹ in Million, except as stated otherwise)

Particulars	Notes	Year ended March 31, 2022	Year ended March 31, 2021
Income			
Revenue from operations	23	43,940	31,763
Other income	24	349	251
Total		**44,289**	**32,014**
Expenses			
Cost of materials consumed	25	30,300	18,981
Purchase of traded goods	26	314	216
Changes in inventories of finished goods, work-in-progress and traded goods	27	(1,334)	492
Employee benefits expense	28	2,453	1,910
Finance costs	29	129	131
Depreciation and amortisation expense	30	1,269	1,165
Other expenses	31	4,654	3,719
Total		**37,785**	**26,614**
Profit before share of loss of joint venture, exceptional items and tax		**6,504**	**5,400**
Share of loss of joint venture		(19)	(70)
Profit before exceptional items and tax		**6,485**	**5,330**
Exceptional Items	43	-	-
Profit before tax		**6,485**	**5,330**
Tax expense	**32**		
Current tax		1,583	1,366
Deferred tax		(2)	(118)
Total tax expense		**1,581**	**1,248**
Profit for the year		**4,904**	**4,082**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Remeasurements gain/(loss) on defined benefit plans		2	(0)
Income Tax relating to items that will not be reclassified to profit or loss		0	0
Items that will be reclassified to profit or loss			
- Currency Translation (Loss)/Gain		4	28
Total other comprehensive income		6	28
Total comprehensive income for the year		**4,910**	**4,110**
Profit Attributable to:-			
Owners of the Parent		4,838	4,044
Non-controlling Interests		66	38
		4,904	**4,082**
Other Comprehensive Income/(loss) attributable to:-			
Owners of the Parent		6	22
Non-controlling Interests		0	6
		6	**28**
Total Comprehensive Income attributable to:-			
Owners of the Parent		4,844	4,066
Non-controlling Interests		66	44
		4,910	**4,110**
Earnings per equity share (Face Value of ₹ 1/- each)	**33**		
- Basic (in ₹)		24.08	20.13
- Diluted (in ₹)		24.08	20.13

See accompanying notes to the consolidated financial statements

As per report of even date

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

Per Anil Jobanputra
Partner
Membership No : 110759

Place : Ahmedabad
Date : May 27, 2022

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

Sandeep P. Engineer
Chairman & 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 27, 2022

Consolidated Statement of Cash Flows

For the year ended March 31, 2022

(₹ In Million)

Sr No.	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
A	**Cash flows from Operating Activities**		
	Profit before tax	6,485	5,330
	Adjustments for :		
	Depreciation and amortisation expense	1,269	1,165
	Finance costs	129	131
	Interest income	(46)	(38)
	Unrealised foreign exchange flactuations	(9)	9
	Gain on Sale and purchase of mutual funds (net)	(83)	(46)
	(Profit)/Loss on sale of Property,Plant and Equipment (Net)	17	1
	Share Based payment expense	16	13
	Allowance for expected credit loss	18	26
	Bad-debts written off	1	4
	Credit balances written back	(2)	(4)
	Share of loss of joint venture	19	70
	Operating profit before Working Capital Changes	**7,814**	**6,661**
	Changes in working capital :		
	(Increase)/Decrease in Inventories	(2,613)	683
	(Increase)/Decrease in Trade receivables, financial assets and other assets	(377)	(344)
	Increase/(Decrease) in Trade Payables, financial liabilities other liabilities and provisions	2,285	803
	Cash generated from operations	**7,109**	**7,803**
	Income taxes paid (net of refunds)	(1,678)	(1,162)
	Net cash generated from Operating Activities [A]	**5,431**	**6,641**
B	**Cash flows from investing activities**		
	Payment for purchase of property, plant and equipment and intangible assets (including capital advances and capital creditors)	(3,460)	(1,717)
	Proceeds from Sale of property, plant and equipment	14	6
	(Increase)/Decrease in other balances with banks	4,043	(2,891)
	Interest Received	35	32
	Gain on Sale and purchase of mutual funds (net)	83	46
	Proceeds from Investment	-	2
	Purchase of Long term investments in Joint Venture/Others	-	(19)
	Net Cash flow generated/(used) in Investing Activities [B]	**715**	**(4,541)**
C	**Cash flow from Financing Activities**		
	Dividend paid	(451)	(151)
	Proceeds from issue of Equity Shares	0	1
	Finance Cost paid	(123)	(140)
	Proceeds from Long Term Borrowings	221	17
	Repayment of Long Term Borrowings	(240)	(1,233)
	Payment of lease liabilities	(71)	(54)
	Proceeds / (Repayment) from Short Term Borrowings	224	28
	Net Cash flow used in Financing Activities [C]	**(440)**	**(1,532)**
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS [A+B+C]	**5,706**	**568**
	Cash and cash equivalents at the beginning of the year (Note 12)	**707**	**139**
	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 12)	**6,413**	**707**

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.

CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

(₹ In Million)

Particulars	Non-current borrowings *	Current borrowings	Total
Balance as at April 1, 2020	**1,655**	**201**	**1,856**
Cash flows	(1,216)	28	(1,188)
Foreign exchange adjustments	(1)	-	(1)
Balance as at March 31, 2021	**438**	**229**	**667**
Cash flows	(19)	224	205
Foreign exchange adjustments	(21)	-	(21)
Balance as at March 31, 2022	**398**	**453**	**851**

* Non-current borrowings including current maturities classified as current borrowings.

See accompanying notes to the consolidated financial statements

As per report of even date

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

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

Sandeep P. Engineer
Chairman & Managing Director
DIN : 00067112

Jagruti S. Engineer
Whole Time Director
DIN : 00067276

Per Anil Jobanputra
Partner
Membership No : 110759

Hiranand A. Savlani
Chief Financial Officer

Krunal D. Bhatt
Company Secretary

Place : Ahmedabad
Date : May 27, 2022

Place : Ahmedabad
Date : May 27, 2022

Consolidated Statement of Changes in Equity

For the year ended March 31, 2022

A EQUITY SHARE CAPITAL (NOTE 15)

(₹ In Million)

Particulars	Amount
Balance as at April 1, 2020	151
Add: movement during the year (Note 15 (f) & Note 16 (c))	50
Balance as at March 31, 2021	**201**
Add: movement during the year (Note 15 (f))	0
Balance as at March 31, 2022	**201**

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			
Balance as at April 1, 2020	**4,053**	**260**	**4**	**12**	**(13)**	**10,551**	**11**	**14,878**	**168**	**15,046**
Profit for the year	-	-	-	-	-	4,044	-	4,044	38	4,082
Other comprehensive income for the year, net of tax	-	-	-	-	22	(0)	-	22	6	28
Total comprehensive income for the year	**4,053**	**260**	**4**	**12**	**9**	**14,595**	**11**	**18,944**	**212**	**19,156**
Premium on shares issued under Employee Stock option scheme 'ESOP 2015' (Note 15 (f))	20	-	-	-	-	-	-	20	-	20
Issue of Bonus shares (Note 16 (c))	(50)	-	-	-	-	-	-	(50)	-	(50)
Exercise of stock options	-	-	-	-	-	-	(19)	(19)	-	(19)
Recognition of share-based payments	-	-	-	-	-	-	13	13	-	13
Payment of dividends	-	-	-	-	-	(151)	-	(151)	-	(151)
Balance as at March 31, 2021	**4,023**	**260**	**4**	**12**	**9**	**14,444**	**5**	**18,757**	**212**	**18,969**
Profit for the year	-	-	-	-	-	4,838	-	4,838	66	4,904
Other comprehensive income for the year, net of tax	-	-	-	-	4	2	-	6	0	6
Total comprehensive income for the year	**4,023**	**260**	**4**	**12**	**13**	**19,284**	**5**	**23,601**	**278**	**23,879**
Premium on shares issued under Employee Stock option scheme 'ESOP 2015' (Note 15 (f))	8	-	-	-	-	-	-	8	-	8
Recognition of share-based payments	-	-	-	-	-	-	16	16	-	16
Exercise of stock options	-	-	-	-	-	-	(8)	(8)	-	(8)
Payment of dividends	-	-	-	-	-	(452)	-	(452)	-	(452)
Balance as at March 31, 2022	**4,031**	**260**	**4**	**12**	**13**	**18,832**	**13**	**23,165**	**278**	**23,443**

See accompanying notes to the consolidated financial statements

As per report of even date

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

Per Anil Jobanputra
Partner
Membership No : 110759
Place : Ahmedabad
Date : May 27, 2022

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

Sandeep P. Engineer
Chairman & Managing Director
DIN : 00067112

Hiranand A. Savlani
Chief Financial Officer

Place : Ahmedabad
Date : May 27, 2022

Jagruti S. Engineer
Whole Time Director
DIN : 00067276

Krunal D. Bhatt
Company Secretary

Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

1. GROUP'S BACKGROUND:

The consolidated financial statements comprise financial statements of Astral Limited ("the Parent" or "the Company" or "Holding Company") and its subsidiaries (collectively, the Group) for the year ended March 31, 2022.

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 recognized 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 Limited is equipped with production facilities at Santej & Dholka (Gujarat), Ghiloth (Rajasthan), Sangli & Aurangabad (Maharashtra), Sitarganj (Uttarakhand) and Hosur (Tamil Nadu) to manufacture Plumbing systems, Drainage systems, Agriculture, Industrial, Electrical Conduit Pipes and water tanks with all kinds of necessary fittings.

The Consolidated financial statements were approved for issue by the board of directors on May 27, 2022.

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 and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III). All accounting policies are consistently applied except as given below:

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 Holding 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".

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.

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 characteristics 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 116 Leases, and measurements that have some similarities to fair value but are not fair valued such as net realizable 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 categorized 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 contractual arrangement with the other vote holders of the investee;
- the size of the Company's holding of voting rights relative to the size and dispersion of holdings ofthe other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March.

Consolidation procedure:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- Eliminate the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets), are eliminated in full. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group 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.

d) Business combinations and goodwill

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. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

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. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

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.

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 Group'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 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 unless (a) the impairment loss was caused by a specific external event of an exceptional nature that is not expected to recur; and (b) subsequent external events have occurred that reverse the effect of that event.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

e) 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.

f) Inventories

Inventories are stated at lower of cost and net realizable 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 realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

g) 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.

h) 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.

Insurance claims

Insurance claims are accounted to the extent that there is no uncertainty in receiving the claims.

i) 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.

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.

j) 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.

k) Leases

The group 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.

Group as a lessee

The group 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.

Right-of-use assets

The group 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.

Lease liabilities

At the commencement date of the lease, the group 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 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.

Short-term leases and leases of low-value assets

The group 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.

Group 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 recognized as revenue in the period in which they are earned.

l) 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.

m) 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.

n) 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 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:

- Service costs comprising current service costs, gains and losses on curtailments and settlements; and
- 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:

Employees of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). 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. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

o) 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.

p) 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 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.

q) 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 realized, 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 realize 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.

r) 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.

s) 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 realize the assets and settle the liabilities simultaneously.

t) 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 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.

u) 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 acquiree are assigned to those units.

v) Current versus non-current classification

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:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period, or
- 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:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- 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 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 and intangible assets

As described in Note 2(i) and Note 2(j), the Group reviews the estimated useful lives and residual values 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 Goodwill

Goodwill of ₹ 2,375 million (Previous year: 2,378 million) and ₹ 192 million (Previous year: 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.

3 PROPERTY, PLANT AND EQUIPMENT, OTHER INTANGIBLE ASSETS, RIGHT OF USE ASSETS AND CAPITAL WORK IN PROGRESS (CWIP)

(₹ In Million)

Sr No	Assets	Gross Carrying Amount						Accumulated Depreciation And Amortization						Net Carrying Amount	
		As at April 1, 2021	Recalssified on account of Ind AS 116	Additions	Disposals/ Adjustments	Effect of Foreign currency Translation	As at March 31, 2022	As at April 1, 2021	Recalssified on account of Ind AS 116	For the Year	Disposals/ Adjustments	Effect of Foreign currency Translation	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
A. TANGIBLE ASSETS															
a	Land	1,779	-	699	1	(4)	2,473	64	-	13	1	(1)	75	2,398	1,715
		1,536	-	*219*	-	*24*	*1,779*	*46*	-	*14*	-	*4*	*64*	*1,715*	*1,490*
b	Buildings	3,154	-	645	23	-	3,776	449	-	129	2	-	576	3,200	2,705
		2,820	-	*334*	-	-	*3,154*	*335*	-	*114*	-	-	*449*	*2,705*	*2,485*
c	Plant and Equipments	7,933	13	1,571	44	1	9,474	3,290	5	868	30	(2)	4,131	5,343	4,643
		7,134	*(72)*	*840*	*4*	*35*	*7,933*	*2,469*	-	*798*	*2*	*25*	*3,290*	*4,643*	*4,665*
d	Furniture and Fixtures	541	-	55	(5)	(1)	600	184	-	55	0	(1)	238	362	357
		485	-	*56*	*3*	*3*	*541*	*132*	-	*50*	*0*	*2*	*184*	*357*	*353*
e	Vehicles	197	-	37	7	-	227	81	-	24	3	(1)	101	126	116
		188	*(7)*	*25*	*10*	*1*	*197*	*60*	-	*25*	*8*	*4*	*81*	*116*	*128*
f	Computers and Office Equipments	290	-	44	(6)	-	340	144	-	48	(5)	-	197	143	146
		219	-	*69*	*1*	*3*	*290*	*104*	-	*38*	-	*2*	*144*	*146*	*115*
Total (A)		**13,894**	**13**	**3,051**	**64**	**(4)**	**16,890**	**4,212**	**5**	**1,137**	**31**	**(5)**	**5,318**	**11,572**	**9,682**
		12,382	***(79)***	***1,543***	***18***	***66***	***13,894***	***3,146***	**-**	***1,039***	***10***	***37***	***4,212***	***9,682***	
B. OTHER INTANGIBLE ASSETS															
a	Computer Software	63	-	10	-	-	73	44	-	8	-	-	52	21	19
		55	-	*8*	-	-	*63*	*38*	-	*6*	-	-	*44*	*19*	*17*
b	Brands	450	-	-	-	-	450	174	-	64	-	-	238	212	276
		448	-	*2*	-	-	*450*	*110*	-	*64*	-	-	*174*	*276*	*338*
Total (B)		**513**	**-**	**10**	**-**	**-**	**523**	**218**	**-**	**72**	**-**	**-**	**290**	**233**	**295**
		503	**-**	***10***	**-**	**-**	***513***	***148***	**-**	***70***	**-**	**-**	***218***	***295***	
C. RIGHT OF USE ASSETS															
a	Leasehold Land	436	-	2	-	-	438	9	-	5	-	-	14	424	427
		358	-	*78*	-	-	*436*	*4*	-	*5*	-	-	*9*	*427*	*354*
b	Buildings	185	-	63	-	2	250	93	-	44	-	(0)	137	113	92
		93	-	*92*	-	*(0)*	*185*	*42*	-	*51*	-	*(0)*	*93*	*92*	*51*
c	Plant, Machinery & Vehicles	79	(13)	-	(7)	(1)	72	-	(5)	11	(16)	(1)	21	51	79
		-	*79*	-	-	-	*79*	-	-	-	-	-	-	*79*	-
Total (C)		**700**	**(13)**	**65**	**(7)**	**1**	**760**	**102**	**(5)**	**60**	**(16)**	**(1)**	**172**	**588**	**598**
		451	***79***	***170***	**-**	***(0)***	***700***	***46***	**-**	***56***	**-**	***(0)***	***102***	***598***	

Notes :

1 Land includes land purchased from Telangana State Industrial Infrastructure Corporation at Telangana, where title will be transferred in the name of the company after implementation of the project in the allotted land.

Particulars	Gross Carrying Amount (₹ in Million)	Title deeds held in the name of	Whether title deed holder is director or relative of promoter
Land	290	Telangana State Industrial Infrastructure Corporation (TSIIC)	No

2 Building Includes ₹ 750/- being face value of 15 number of shares of ₹ 50/- each held in Kant Apartment Co- Operative Housing Society Limited for which the procedure for transfer of title in the name of the company is in process.

Particulars	Gross Carrying Amount (₹ in Million)	Title deeds held in the name of	Whether title deed holder is director or relative of promoter
Building	13	Sandeep Engineer Jagruti Engineer	Directors

3 Pursuant to amalgamation with Rex Polyextrusion Private Limited, the title deeds of, Land and Building of ₹193 Million and ₹218 Million respectively, were under process with concerned government authorities for transfer in the name of the Company during the previous year.During the current year, the same has been transferred in name of the company.

4 Figures in italics represents previous year figures.

5 Brand include trademarks and technical know-how.

D. CAPITAL WORK IN PROGRESS (CWIP) AGEING SCHEDULE

(₹ in Million)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2022					
Projects in progress	1,139	42	51	-	1,232
Total	**1,139**	**42**	**51**	**-**	**1,232**
As at March 31, 2021					
Projects in progress	419	141	6	-	566
Total	**419**	**141**	**6**	**-**	**566**

4. GOODWILL

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Goodwill on Consolidation at the beginning of the year	2,570	2,553
Add : Currency translation differences	(3)	17
Total	**2,567**	**2,570**

5. INVESTMENTS

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-Current Investments		
Investment in Equity Instruments of Joint Venture at cost		
Unquoted		
i) 1,000,000 (as at March 31, 2021 : 1,000,000) 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 cost		
Unquoted		
i) 7,200,000 (as at March 31, 2021 : 7,200,000) Non-Cumulative Redeemable Preference Shares of Kenyan Shilling 50/- each fully paid up in Astral Pipes Limited, Kenya.	217	217
Less: Loan component of compound financial instrument (Note 6)	(52)	(52)
Less: Group's share of Loss	(165)	(165)
Total	**-**	**-**
Investments in Joint venture	**-**	**-**
Investment in Equity Instruments of Others at fair value through profit and loss		
Unquoted		
i) 10,000 (100 % holding) (as at March 31, 2021 : 10,000) Shares of ₹ 10/- each subscribed in Astral Foundation, India. (Note 40(a))	0	0
Investments in Others	**0**	**0**
Total	**0**	**0**

Notes :

a Aggregate carrying value of unquoted investments is ₹ 0 million as at March 31, 2022 (as at March 31, 2021 : ₹ 0 million).

b The Holding Company has, jointly with its subsidiary Resinova Chemie Limited, promoted section 8 company, i.e Astral Foundation, under the Companies Act, 2013 for the purpose of carrying out CSR activities.

6. LOANS

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
(Unsecured, considered good)		
Loan component of compound financial instrument*	72	72
Less: Group's share of Loss**	(72)	(72)
	-	-
Loans and Advances to Employees	1	0
Total	**1**	**0**

6. LOANS (contd.)

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
(Unsecured, considered good)		
Loans and Advances to Employees	4	3
Total	**4**	**3**

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, 2022 (as at March 31, 2021 : ₹ 72 million).

** to the extent of not adjusted with investment in Joint Venture.

7. OTHER FINANCIAL ASSETS

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
(Unsecured, considered good)		
Security deposits	87	59
Earmarked deposit accounts (with maturity more than 12 months from the balance sheet date)	6	1
Advance for purchase of non current investment (Note 36)	19	19
Less: Group's share of Loss*	(19)	-
	-	19
Total	**93**	**79**
Current		
(Unsecured, considered good)		
Security deposits	13	12
Interest accrued on loans and deposits	9	3
Discount receivables	46	38
Fair Value of derivative contracts	0	-
Insurance claim receivable	118	-
Others	2	1
Total	**188**	**54**

Note: Refer note 38 for detailed disclosure on the fair values.

* to the extent of not adjusted with investment in Joint Venture.

8. DEFERRED TAX (NET)

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Deferred tax assets (Net)	3	1
Deferred tax liabilities (Net)	401	401
Total	**398**	**400**

Deferred tax liabilities/(assets) in relation to :

(₹ in Million)

Particulars	As at April 1, 2020	Recongnised in statement of profit and loss	MAT Credit Utilisation	Other Adjustments	As at March 31, 2021
Tangible and Intangible assets	568	(116)	-	-	452
Unabsorbed Depreciation	0	-	-	-	0
Provisions for doubtful trade receivables	(20)	(5)	-	-	(25)
Provisions for employee benefits	(21)	(1)	-	-	(22)
MAT Credit entitlement	(88)	-	88	-	-
Others	(10)	4	-	1	(5)
Total	**429**	**(118)**	**88**	**1**	**400**

(₹ in Million)

Particulars	As at April 1, 2021	Recongnised in statement of profit and loss	Other Adjustments	As at March 31, 2022
Tangible and Intangible assets	452	(43)	-	409
Unabsorbed Depreciation	0	-	-	0
Provisions for doubtful trade receivables	(25)	6	-	(19)
Provisions for employee benefits	(22)	13	-	(9)
Others	(5)	22	(0)	17
Total	**400**	**(2)**	**(0)**	**398**

9. OTHER ASSETS

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Capital Advances	129	245
Prepaid Expenses	3	2
Total	**132**	**247**
Current		
Prepaid Expenses	160	75
Balances with Government Authorities	108	75
Advances to Suppliers	272	110
Total	**540**	**260**

10. INVENTORIES (AT LOWER OF COST AND NET REALISABLE VALUE)

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Raw Materials	2,910	1,686
Work-in-Progress	371	86
Finished Goods	3,690	2,671
Traded Goods	78	48
Stores, Spares and Packing Materials	285	230
Total	**7,334**	**4,721**

11. TRADE RECEIVABLES

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Unsecured, considered good	2,691	2,767
Unsecured, credit impaired	93	76
Less : Allowance for expected credit loss	(93)	(76)
Total	**2,691**	**2,767**

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, 2022	As at March 31, 2021
Trade receivables from other than related parties	2,691	2,767
Receivables from related parties (Note 36)	-	0
Total	**2,691**	**2,767**

Notes :

1 The Group offers credit period up 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, 2022 : ₹ 453 million (At March 31, 2021 : ₹ 233 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, 2022	As at March 31, 2021
Balance at the beginning of the year	76	73
Less : Utilisation during the year	1	23
Add : Provisions during the year	18	26
Balance at the end of the year	**93**	**76**

6 Trade receivables Ageing Schedule

(₹ in Million)

Particulars	Curent but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2022							
Undisputed Trade Receivables – considered good	2,510	152	29	-	-	-	2,691
Undisputed Trade receivable – credit impaired	-	28	19	2	1	4	54
Disputed Trade receivables – credit impaired	-	-	-	11	13	15	39
Total	**2,510**	**180**	**48**	**13**	**14**	**19**	**2,784**

6 Trade receivables Ageing Schedule

(₹ in Million)

Particulars	Curent but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2021							
Undisputed Trade Receivables – considered good	2,389	377	1	-	-	-	2,767
Undisputed Trade Receivables – which have significant increase in credit risk	-	1	-	-	-	-	1
Undisputed Trade receivable – credit impaired	-	26	1	3	5	1	36
Disputed Trade receivables – credit impaired	-	1	-	16	9	13	39
Total	**2,389**	**405**	**2**	**19**	**14**	**14**	**2,843**

12. CASH AND CASH EQUIVALENTS

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on Hand	5	6
Balances with Banks in current accounts	399	521
Balances with Banks in deposit accounts	4,005	-
Investments in mutual funds and bonds	1,740	-
Cheques on hand	264	180
Total	**6,413**	**707**

13. OTHER BALANCES WITH BANKS

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
In deposit accounts	4	4,053
Unclaimed dividend and bonus accounts (Note 20)	1	0
Total	**5**	**4,053**

Note: Unclaimed dividend and bonus account balance can only be used for the purpose it has been maintained.

14. TAX ASSETS

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Taxes receivable (Net of Provisions)	276	125
Total	**276**	**125**

15. EQUITY SHARE CAPITAL

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised Share Capital		
210,500,000 (as at March 31, 2021 : 210,500,000) Equity Shares of ₹ 1/- each	211	211
	211	**211**
Issued, Subscribed & Fully Paid Share Capital		
200,920,181 (as at March 31, 2021 : 200,907,768) Equity Shares of ₹ 1/- each fully paid up	201	201
Total	**201**	**201**

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, 2020	150,662,206	151
Add: Shares issued - under Employee Stock option scheme 'ESOP 2015' (Note f)	18,620	0
Add: Bonus Shares issued (Note 16 (c))	50,226,942	50
Balance as at March 31, 2021	**200,907,768**	**201**
Add: Shares issued - under Employee Stock option scheme 'ESOP 2015' (Note f)	12,413	0
Balance as at March 31, 2022	**200,920,181**	**201**

Note: 80,359,383 shares were allotted as bonus shares in the last five financial years by capitalisation of Securities Premium.

c) Number of Shares reserved for issue under options

Particulars	As at March 31, 2022	As at March 31, 2021
Outstanding at the end of the year	106,959	118,956

d) Details of share held by each shareholder holding more than 5% shares :

Name of Shareholders	As at March 31, 2022	As at March 31, 2021
Sandeep Pravinbhai Engineer		
No. of Shares	63,070,765	63,070,765
% of Shares Held	31.39	31.39
Saumya Polymers LLP		
No. of Shares	19,796,949	19,796,949
% of Shares Held	9.85	9.85
Jagruti Sandeep Engineer		
No. of Shares	15,239,016	15,239,016
% of Shares Held	7.58	7.59
Kairav Chemicals Limited		
No. of Shares	13,860,049	13,860,049
% of Shares Held	6.90	6.90
Steadview Capital Mauritius Limited		
No. of Shares	6,700,000	14,431,334
% of Shares Held	3.33	7.18

e) Shares held by Promoters and promoter group companies

Name of Shareholders	No of Shares	% of Total Shares	% Change during the year
As at March 31, 2022			
Sandeep Pravinbhai Engineer	63,070,765	31.39	(0)
Jagruti Sandeep Engineer	15,239,016	7.58	(0.01)
Saumya Polymers LLP	19,796,949	9.85	(0)
Kairav Chemicals Limited	13,860,049	6.90	(0)

e) Shares held by Promoters and promoter group companies

Name of Shareholders	No of Shares	% of Total Shares	% Change during the year
As at March 31, 2021			
Sandeep Pravinbhai Engineer	63,070,765	31.39	(0)
Jagruti Sandeep Engineer	15,239,016	7.59	(0)
Saumya Polymers LLP	19,796,949	9.85	(0)
Kairav Chemicals Limited	13,860,049	6.90	(0)

f) Share options granted under the Employee Stock Options scheme

1 Details of the Employee stock option plan of the Parent Company

Astral Limited (formerly known as 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 and was further amended vide shareholders resolution passed in the Annual General Meeting held on August 21, 2020. Under the said Scheme, Nomination and Remuneration Committee is empowered to grant stock options to eligible employees of the Holding Company, up to 150,000 (Ex-bonus) 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 (Ex-bonus) on June 29, 2019, 9,310 stock options on October 24, 2019, 12,413 stock options on August 4, 2020 and 12,413 stock options on July 1, 2021 totaling 103,728 stock options till date. Each stock option is exercisable into one equity share of face value of ₹ 1/- each.

The Holding Company made bonus issue of shares in the ratio of 1:3 during the previous financial year. A fair and reasonable adjustment was made in respect of options unvested/yet to be exercised, options available for grant and their exercise price to give effect to the bonus in compliance with the SEBI (Share Based Employee Benefits) Regulations, 2015. Post Bonus issue adjustment the Exercise price of all stock options available for grant and options unvested/yet to be exercised arrives at ₹ 30/- share (Ex-bonus exercise price of all stock options was ₹ 40/- share). Each stock option is exercisable into one equity share of face value of ₹ 1/- each.

Further the Holding Company has obtained in principle approval from stock exchanges for additional 32,842 equity shares under Astral Employee Stock Option Scheme, 2015 pursuant to Bonus Issue of shares by the Holding Company as approved by shareholders vide postal ballot resolution dated March 9, 2021.

The following stock based payment arrangement were in existence during the current and previous year.

Option Series	July 1, 2021	August 4, 2020	October 24, 2019	June 29, 2019
Grant date	01-07-2021	04-08-2020	24-10-2019	29-06-2019
Number of shares	12,413	12,413*	9,310	9,310*
Expiry date	30-06-2023	03-08-2022	22-10-2021	27-06-2021
Exercise price	₹ 30	₹ 30*	₹ 40	₹ 40*
Fair value at grant date	1,939	903	1,090	1,013

* Adjusted pursuant to bonus issue in previous year.

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, 2022	As at March 31, 2021
Option Outstanding, beginning of the year	12,413	18,620
Options Granted during the year (including bonus adjustment)	12,413	12,413
Options Exercised during the year	12,413	18,620
Option Lapsed/surrendered/forfeited	416	-
Option Outstanding, end of the year	11,997	12,413
Of which:		
Not Vested	11,997	12,413
Add : Adjustment on Account of Bonus Issue in ratio of 1:3 during the previous year	-	32,842
Options available for grant	**106,959**	**118,956**

Options available for grants during the year 2020-21, has been adjusted with bonus shares issued during the previous year.

3 Fair value of share options granted :

Fair value of the share options granted during the year is ₹ 1,939/- (previous financial years ₹ 903/-, ₹ 1,090/- and ₹ 1,013/- respectively for options granted on August 4, 2020, October 24, 2019 and June 29, 2019). The following assumptions were used for calculation of fair value of grants in accordance with Black Scholes model;

Option Series	July 1, 2021	August 4, 2020	October 24, 2019	June 29, 2019
Option grant date	01-07-2021	04-08-2020	24-10-2019	29-06-2019
Fair value at Grant date	₹ 1,939	₹ 903	₹ 1,090	₹ 1,013
Exercise Price	₹ 30	₹ 30	₹ 40	₹ 40
Expected Volatility	191%	79%	58%	66%
Expected life of Option	2 years	2 years	2 years	2 years
Dividend Yield	0.81%	0.65%	0.65%	0.60%
Risk Free Interest Rate	6.04%	6.02%	6.60%	6.88%

4 Stock options exercised :

The following stock options were exercised during the current and previous year

Option Series	Number exercised	Avg Share price at exercise date	Exercise date
Granted on August 4, 2020	12,413	1,976	28-08-2021
Granted on June 29, 2019	9,310	956	08-07-2020
Granted on October 24, 2019	9,310	1,467	18-11-2020

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 ₹ 30/- (Previous year : ₹ 30/-), and weighted average remaining contractual life of 456 days (Previous year : 491 days).

16. OTHER EQUITY

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
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	4,023	4,053
Add : Premium on shares issued under Employee Stock option scheme 'ESOP 2015' (Note 15 (f))	8	20
Less : Utilised during the year for issue of Bonus Shares (Note c)	-	50
Balance at the end of the year	**4,031**	**4,023**
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**
Foreign Currency Translation Reserve		
Balance at the beginning of the year	9	(13)
Add : Other comprehensive income arising from Currency Translation (Loss)/Gain	4	22
Balance at the end of the year	**13**	**9**

16. OTHER EQUITY

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Stock Options Outstanding Account		
Balance at the beginning of the year	8	19
Add : On account of options granted during the year	24	8
	32	27
Less : Option Lapsed/surrendered/forfeited	1	-
Less : Exercise of employee stock options	8	19
	23	8
Less : Deferred employee Compensation expenses	10	3
Balance at the end of the year	**13**	**5**
Retained earnings		
Balance at the beginning of the year	14,444	10,551
Add : Profit for the year	4,838	4,044
Add : Other comprehensive income	2	(0)
Less : Payment of dividend on equity shares (Note a & b)	452	151
Balance at the end of the year	**18,832**	**14,444**
Total	**23,165**	**18,757**

Notes:

a In August 2021 and November 2021, the dividend of ₹ 1/- per share (total dividend ₹ 201 Million) and ₹ 1.25/- per share (total dividend ₹ 251 Million) was paid to holders of fully paid equity shares respectively.

b In November 2020, the dividend of ₹ 1/- per share (total dividend ₹ 151 Million) was paid to holders of fully paid equity shares.

c During the previous year, the Company allotted 50,226,942 equity shares of ₹ 1/- each as fully paid up bonus shares by utilising securities premium amounting to ₹ 50 Million, pursuant to an ordinary resolution passed after taking the consent of shareholders through Postal ballot.

d 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. It can be used for distribution to equity shareholders only in compliance with the Companies Act, 2014, as amended."

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

Stock Option Outstanding Account is used to recognise grand date fair value options vested to employees under various equity settled schemes. 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 Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

17. BORROWINGS

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Secured - at amortised cost		
Term Loans From Banks	112	162
Less: Current maturity of long term loans	16	83
	96	**79**
Buyers Credit	243	124
Less: Current maturity of long term buyers credit	28	97
	215	**27**
Vehicle Loans	-	12
Less: Current maturity of vehicle loans	-	3
	-	**9**
Unsecured - at amortised cost		
Buyers Credit	43	140
Less: Current maturity of long term buyers credit	26	87
	17	**53**
Total	**328**	**168**
Current		
Secured - at amortised cost		
Current maturity of long term borrowings	70	270
Working capital demand loans from banks	453	229
Total	**523**	**499**

Notes

a) Refer Note 38 for information about liquidity risk.

b) **Parent Company:**

i) Buyers Credit : Rate of interest for Buyer's Credit ranges from 0.40% to 3.00% p.a..

1 HSBC Bank Limited Buyers Credit of ₹ 243 Million (as at March 31, 2021: ₹ Nil) repayable by December 2024. Secured by way of first charge, in respect of entire current assets of the Company both present and future.

2 Kotak Mahindra Bank Limited Buyers Credit of ₹ 43 Million (as at March 31, 2021: ₹ 129 Million) repayable by September 2023.

3 HDFC Bank Limited Buyers Credit of ₹ Nil (as at March 31, 2021: ₹ 57 Million) repaid

4 Standard Chartered Bank Buyers Credit of ₹ Nil (as at March 31, 2021: ₹ 67 Million) repaid.

5 Axis Bank Limited Buyers Credit of ₹ Nil (as at March 31, 2021: ₹ 11 Million) repaid.

ii) Vehicle Loans were Secured by way of hypothecation of respective motor vehicles purchased. Rate of interest for Vehicle loan ranges from 7 to 11% p.a..

1 Axis Bank Limited Vehicle Loan of ₹ Nil (as at March 31, 2021 : ₹ 12 Million) repaid.

c) Foreign Subsidiary : Rate of interest for Term Loans and mortgage loans ranges from 2.75% p.a. to 3% p.a. Rate of interest on working capital loans ranging from 2 to 3% p.a.

1 The subsidairy company has availed term loan and mortgage loan from banks amounting to ₹ 112 million (as at March 31, 2021 : ₹ 162 million) is secured by fixed charge on book debt and a floating charge on the assets of the company.

2 The subsidairy company has availed working capital loan from banks amounting to ₹ 453 million (as at March 31, 2021: ₹ 229 million) is secured by fixed charge on book debt and a floating charge on the assets of the company.

18. PROVISIONS

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Provisions for Employee Benefits (Note 35)	17	27
Total	**17**	**27**
Current		
Provisions for Employee Benefits (Note 35)	18	42
Total	**18**	**42**

19. TRADE PAYABLES

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
a) total outstanding dues of micro enterprises and small enterprises	199	-
	199	**-**
b) total outstanding dues of creditors other than micro enterprises and small enterprises		
Operational Buyers Credit	2,479	1,287
Due to others	4,806	3,885
	7,285	**5,172**
Total	**7,484**	**5,172**

Notes:

a Refer note 38 for information about credit risk, market risk and liquidity risk of Trade payables.

b 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.

c Trade Payables Ageing Schedule

(₹ in Million)

Particulars	Unbilled dues	Current but not due	Outstanding for following periods from due date of payment				Total
			Less than 1 years	1-2 years	2-3 years	More than 3 years	
As at March 31, 2022							
Total outstanding dues of micro enterprises and small enterprises	-	199	-	-	-	-	199
Total outstanding dues of creditors other than micro enterprises and small enterprises	144	6,211	928	2	-	-	7,285
Total	**144**	**6,410**	**928**	**2**	**-**	**-**	**7,484**
As at March 31, 2021							
Total outstanding dues of creditors other than micro enterprises and small enterprises	104	4,525	541	2	-	-	5,172
Total	**104**	**4,525**	**541**	**2**	**-**	**-**	**5,172**

20. OTHER FINANCIAL LIABILITIES

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Interest accrued but not due on borrowings	3	3
Payable for capital goods	388	239
Unclaimed dividends and bonus* (Note 13)	1	0
Others	208	175
Total	**600**	**417**

* 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.

21. OTHER CURRENT LIABILITIES

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory dues	466	474
Advance received from customers	90	110
Total	**556**	**584**

22. CURRENT TAX LIABILITIES (NET)

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Income tax payable (net of advance taxes)	169	113
Total	**169**	**113**

23. REVENUE FROM OPERATIONS

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from contract with customers	43,839	31,699
Other operating revenues	101	64
Total	**43,940**	**31,763**

Note : The revenue generated by Group consists of plastic products, mainly Pipe & Fittings and Adhesives products, which is disclosed in note 37 as segment revenue. Hence, no disaggregation of revenue is provided. Other information relating to contract balances, i.e. Trade Receivables and Advance from customers, is stated in note 11 and 21 respectively.

24. OTHER INCOME

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest Income :		
From Banks	18	28
From Others	28	10
Profit on Sale of Mutual funds (Net)	83	46
Foreign exchange gains (Net)	105	149
Miscellaneous Income	115	18
Total	**349**	**251**

25. COST OF MATERIALS CONSUMED

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Inventories at the beginning of the year	1,686	1,885
Add: Purchases	31,524	18,782
Less: Inventories at the end of the year	2,910	1,686
Total	**30,300**	**18,981**

26. PURCHASE OF TRADED GOODS

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Purchase of Traded Goods	314	216
Total	**314**	**216**

27. CHANGES IN INVENTORIES OF FINISHED GOODS, TRADED GOODS AND WORK-IN-PROGRESS

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Inventories at the end of the year		
Finished Goods	3,690	2,671
Work-in-progress	371	86
Traded Goods	78	48
	4,139	**2,805**
Inventories at the beginning of the year		
Finished Goods	2,671	2,805
Work-in-progress	86	227
Traded Goods	48	265
	2,805	**3,297**
Net (Increase) / Decrease	**(1,334)**	**492**

28. EMPLOYEE BENEFITS EXPENSE

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries and wages	2,232	1,739
Share based payments to employees (Note 15 (f))	16	13
Contribution to Provident and Other Funds (Note 35)	98	96
Staff Welfare Expenses	107	62
Total	**2,453**	**1,910**

29. FINANCE COSTS

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest expense		
Term loans and working capital loans	33	94
Others	5	4
Other borrowing costs	23	18
Exchange differences regarded as an adjustments to borrowing costs	68	15
Total	**129**	**131**

30. DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation on Property, Plant, Equipment Note 3(A)	1,137	1,039
Amortization on Intangible assets Note 3 (B)	72	70
Amortization on Right of use assets Note 3 (C)	60	56
Total	**1,269**	**1,165**

31. OTHER EXPENSES

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Consumption of Stores, Spares and Packing Materials	680	467
Power and Fuel	777	643
Rent (Note 36 & 39)	82	60
Repairs Expenses	135	110
Insurance expenses	89	67
Rates and Taxes	22	28
Royalty expense	23	24
Communication expenses	37	35
Travelling expenses	265	150
Factory and Other expenses	62	72
Printing and Stationary expenses	8	7
Freight and Forwarding	788	679
Commission	27	16
Advertisement and Sales Promotion expenses	1,251	1,063
Directors Sitting Fees (Note 36)	3	3
Donations and Contributions	10	0
Expenditure on Corporate Social Responsibility (Note 36)	66	49
Security Service Charges	69	60
Legal and Professional	118	80
Payments to Auditors	10	7
Bad Debts Written Off	1	4
Expected credit loss for trade receivables	18	26
Loss on Sale of Property, plant and equipment (Net)	1	1
Other Expenses	112	68
Total	**4,654**	**3,719**

Note: Donations and contributions include political contribution made by Holding Company ₹ 10 Million (Previous year : ₹ Nil)

32. TAX EXPENSES

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current tax		
In respect of the current year	1,576	1,365
In respect of earlier years	7	1
Total	**1,583**	**1,366**
Deferred tax		
In respect of the current year	(2)	(118)
Total	**(2)**	**(118)**

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, 2022	Year ended March 31, 2021
Profit before tax	**6,485**	**5,330**
Income tax expense @25.168% (FY 2020-21 : 25.168%)	1,632	1,341
Differences due to :		
Impact of Change in Statutory Tax Rate on Opening Deferred Tax	-	(2)
Differences arising from different tax rates in the subsidiaries	(81)	(94)
Effect of allowances	16	(34)
Others	7	36
Total	**1,574**	**1,247**
Adjustments in respect of current income tax of previous year	7	1
Tax expense as per Consolidated statement of Profit and loss	**1,581**	**1,248**

The Group's weighted average tax rates for the year ended March 31, 2022 and March 31, 2021 were 24.27% and 23.40% respectively.

33. EARNINGS PER SHARE:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit for the year attributable to owners of the company (₹ In Million)	4,838	4,044
Weighted average number of equity shares for Basic EPS	200,915,114	200,899,376
Add : Effects of dilutive shares options outstanding	7,125	7,966
Weighted average number of equity shares for Diluted EPS	200,922,239	200,907,342
Nominal Value per shares (₹)	1/-	1/-
Basic Earnings Per Share (In ₹)	24.08	20.13
Diluted Earnings Per Share (In ₹)	24.08	20.13

34. CONTINGENT LIABILITIES AND COMMITMENTS NOT PROVIDED FOR:

(₹ in Million)

Sr. No.	Particulars	As at March 31, 2022	As at March 31, 2021
Contingent Liabilities			
1	Disputed Income Tax/Goods and Service Tax (GST)/ Central Excise/Sales Tax and PF demands *	55	38
2	Guarantee given by Parent Company on behalf of Joint Venture for availing borrowing from local bank (Note 36)	-	123
Commitments			
1	Capital Contracts remaining to be executed (Net of Advances)	1,146	1,175
2	Letters of Credits for purchases	933	1,128

* Future cash outflows in respect of the above matters are determined only on receipt of judgments / decisions pending at various forums / authorities.

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 ₹ 73 million (Previous Year: ₹ 73 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 Insurance Regulatory and Development Authority (IRDA) guidelines. The details of these defined benefit plan 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;

Interest rate risk: A fall in the discount rate which is linked to the Government Securities. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very low as insurance companies have to follow stringent regulatory guidelines which mitigate risk.

a) Movement in present value of defined benefit obligation are as follows:

(₹ in Million)

Particulars	Gratuity	
	As at March 31, 2022	As at March 31, 2021
Obligations at the beginning of the year	110	94
Current service cost	18	15
Interest cost	7	6
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	(0)	-
Actuarial (gain) / loss – due to change in financial assumptions	(6)	1
Actuarial (gain) / loss- due to experience adjustments	3	(1)
Benefit paid	(9)	(5)
Present Value of defined benefit Obligations at the end of the year	**123**	**110**

b) Movement in the fair value of plan assets are as follows:

(₹ in Million)

Particulars	Gratuity	
	As at March 31, 2022	As at March 31, 2021
Plan assets at the beginning of the year, at fair value	58	41
Interest Income	5	2
Return on plant assets excluding interest income	(0)	0
Contributions from the employer	55	20
Benefits paid	(8)	(5)
Fair value of plan assets at the end of the year	**110**	**58**

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, 2022	As at March 31, 2021
Present value of benefit obligation at the end of the year	123	110
Fair value of plan assets at the end of the year	(110)	(58)
Net liability arising from defined benefit obligation	**13**	**52**

d) Amount recognised in the Statement of Profit and Loss in respect of the defined benefits plans are as follows:

(₹ in Million)

Particulars	Gratuity	
	As at March 31, 2022	As at March 31, 2021
Current service cost	18	15
Net Interest expense	2	4
Components of defined benefit costs recognised in the Statement of Profit and Loss	**20**	**19**
Remeasurement on the net defined benefit liability:		
Actuarial (gains) / losses on obligation for the period	(2)	(0)
Return on plant assets, excluding interest income	0	(0)
Components of defined benefit costs recognised in Other Comprehensive Income	**(2)**	**(0)**
Total	**18**	**19**

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 (Insurance Regulatory and Development Authority) IRDA guidelines.

f) The defined benefit obligations shall mature after year ended March 31, 2022 as follows:

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
1st following year	9	6
2nd following year	5	5
3rd following year	6	5
4th following year	6	6
5th following year	10	6
Sum of year 6 to 10	47	41
Sum of year 11 and above	235	205

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, 2022	As at March 31, 2021
Delta effect of +1% change in the rate of Discounting	(12)	(11)
Delta effect of -1% change in the rate of Discounting	14	13
Delta effect of +1% change in the rate of salary Increase	14	13
Delta effect of -1% change in the rate of salary increase	(12)	(11)
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 ₹ 13 million (as at March 31, 2021: ₹ 38 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, 2022	Year ended March 31, 2021
Discount Rate	6.80% to 6.87%	6.80% to 6.87%
Expected return on plan assets	6.80% to 6.87%	6.80% to 6.87%
Annual Increase in Salary Costs	6% to 7%	6% to 7%
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% to 10% p.a. For service 5 years and above 2% to 4% p.a.
Mortality Tables	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2006-08)

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 ₹ 13 million (Previous Year: ₹ 21 million) is charged to Consolidated Statement of Profit and loss under Contribution to provident and other funds in Note no. 28 "Employee Benefits Expense

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.	Enterprises over which Key Managerial Personal are able to exercise significant influence	Kairav Chemicals Limited Saumya Polymers LLP Astral Charitable Trust Kairamya Journeys LLP Ameya Lifestyle Astral Foundation (Section 8 Company)
c.	Key Managerial Personnel	Sandeep Engineer (Managing Director) Jagruti Engineer (Whole Time Director) Girish Joshi (Whole Time Director) (w.e.f. 1 July 1, 2021) Kaushal Nakrani (Independent Director) C. K Gopal (Independent Director) Viral Jhaveri (Independent Director) Hiranand Savlani (Chief Financial Officer) Krunal Bhatt (Company Secretary) Kyle Thompson (Non-Executive Director up to July 8, 2020) K.R. Shenoy (Independent Director up to August 24, 2020) Pradip N. Desai (Independent Director up to August 24, 2020) Anil Kumar Jani (Non-Executive Director up to June 30, 2021)
d.	Relatives of Key Managerial Personnel (KMP)	Sandeep Engineer HUF Kairav Engineer Saumya Engineer Shilpa Shroff

2. DISCLOSURE OF TRANSACTIONS BETWEEN THE GROUP AND RELATED PARTIES AND THE STATUS OF OUTSTANDING BALANCES AS ON MARCH 31, 2022

(₹ In Million)

Particulars	Joint Venture		Enterprises over which Key Managerial Personal are able to exercise significant influence		Key Managerial Personnel		Relatives of Key Managerial Personnel		Total	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Part 1: Transaction during the year										
Advance for Purchase of non-current investment	-	19	-	-	-	-	-	-	-	19
Advances given for purchase of Goods	-	6	-	-	-	-	-	-	-	6
Amount claimed for reimbursement of expenses	0	0	0	-	-	-	-	-	0	0
Investment in Joint Venture/Others	-	-	-	0	-	-	-	-	-	0
Sale of Goods	-	8	-	-	-	-	-	-	-	8
Purchase of Goods/Services	-	-	26	11	-	-	-	-	26	11
Remuneration (Note a)	-	-	-	-	138	121	17	11	155	132
Sitting Fees Paid	-	-	-	-	3	3	-	-	3	3
Rent Paid	-	-	19	19	-	-	1	1	20	20
Expenditure on Corporate Social Responsibility	-	-	63	18	-	-	-	-	63	18
Purchase of Property, Plant and Equipment	5	-	160	-	-	-	-	-	165	-
Part 2: Balance at the end of year										
Advance for Purchase of non-current investment	-	19	-	-	-	-	-	-	-	19
Advance from Customer	-	-	-	-	-	-	-	-	-	-
Advances given for purchase of Goods	-	6	-	-	-	-	-	-	-	6
Receivable against Sales of Goods / Assets	-	0	-	-	-	-	-	-	-	0
Payables	-	-	2	1	35	25	1	0	38	26
Guarantee Given	-	123	-	-		-	-	-	-	123

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, 2022	Year ended March 31, 2021
Short term Benefits	138	121
Sitting fees	3	3

The remuneration of key management personnel is determined by the remuneration committee. The same is including employer contribution to provident fund and exclusive of provision for liability in respect of leave earned and gratuity, since this is based on actuarial valuation done on an overall basis for all employees.

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.

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" 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, 2022	Year Ended March 31, 2021	Year Ended March 31, 2022	Year Ended March 31, 2021
Plastic	33,658	24,187	5,200	4,194
Adhesives	10,282	7,576	1,254	1,145
Total	**43,940**	**31,763**	**6,454**	**5,339**
Other Unallocable expenses			(89)	(59)
Finance costs			(129)	(131)
Unallocable Non-operating Income			268	251
Share of loss of joint venture			(19)	(70)
Profit Before tax			**6,485**	**5,330**

Note:

1. Segment revenue reported above represents, revenue generated from external customers. There were no inter segment sales in current year as well as in previous year.

Segment Assets and Liabilities

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Segment Assets		
Plastic	23,644	18,365
Adhesives	9,949	8,165
Total Segment Assets	**33,593**	**26,530**
Unallocated	279	198
Total Assets	**33,872**	**26,728**

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Segment Liabilities		
Plastic	6,830	5,026
Adhesives	1,977	1,351
Total Segment Liabilities	**8,807**	**6,377**
Unallocated	1,421	1,181
Total Liabilities	**10,228**	**7,558**

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, 2022	Year Ended March 31, 2021	As at March 31, 2022	As at March 31, 2021
Within India	39,993	28,634	15,243	12,832
Outside India	3,947	3,129	1,081	1,126
Total	**43,940**	**31,763**	**16,324**	**13,958**

*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 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. 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, 2022	As at March 31, 2021
Debt (note i)	851	667
Less : Cash and cash equivalents	6,413	707
Net debt	**-**	**-**
Equity share capital	201	201
Other Equity	23,165	18,757
Non controlling interests	278	212
Total	**23,644**	**19,170**

Gearing ratio

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Less : Revaluation Reserve	12	12
Total equity excluding revaluation reserve	**23,632**	**19,158**
Net debt to equity ratio	**-**	**-**

i Debt is defined as long-term borrowings, short-term borrowings and current maturities of long term borrowings as described in notes 17.

2 Category-wise classification of financial instruments

(₹ in Million)

Particulars		As at March 31, 2022	As at March 31, 2021
Financial assets			
Measured at amortised cost			
a	Cash and cash equivalents and other bank balances (Note 12 and 13)	6,418	4,760
b	Financial assets (Note 6,7 and 11)	2,977	2,903
Measured at fair value through Profit and loss			
a	Fair Value of derivative contracts (Note 7)	-	-
b	Investment in Others (Note 5)	0	0
Total		**9,395**	**7,663**
Financial liabilities			
Measured at amortised cost			
a	Borrowings (Note 17)	851	667
b	Lease payments (Note 39)	132	135
c	Financial liabilities (Note 19 and 20)	8,084	5,589
Total		**9,067**	**6,391**

The above excludes investments in joint venture.

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(b))		
As at March 31, 2022				
Financial assets measured at fair value through Profit and loss				
a Investment in Others (Note 5)	0	-	-	0
As at March 31, 2021				
Financial assets measured at fair value through Profit and loss				
a Investment in Others (Note 5)	0	-	-	0

There have been no transfers amount in Level 1, Level 2 and Level 3 during the years ended March 31, 2022 and March 31, 2021.

3 Financial risk management objectives

The Group's financial liabilities comprise mainly of borrowings, trade payables and other financial liabilities. The Group's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other financial assets.

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, 2022	As at March 31, 2021
Liabilities (Foreign currency)		
In US Dollars (USD)	43	33
In Euro (EUR)	3	2
Assets (Foreign currency)		
In US Dollars (USD)	1	1
In Pound (GBP)	3	3

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Liabilities (INR)		
In US Dollars (USD)	3,273	2,447
In Euro (EUR)	235	143
Assets (INR)		
In US Dollars (USD)	72	45
In Pound (GBP)	282	285

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 Exchange Contracts entered into by the Group :

Particulars	As at March 31, 2022	As at March 31, 2021
Payable		
Outstanding Forward Exchange Contracts		
In USD		
No. of Contracts	1	2
In US Dollars - (In million)	0	0
In INR - (In million)	24	26
In EURO		
No. of Contracts	-	4
In EURO - (In million)	-	1
In INR - (In million)	-	77

Interest rate swaps to hedge against fluctuations in interest rate changes: As at March 31, 2022 : No. of contracts - Nil (as at March 31, 2021 : No. of contracts - Nil).

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.

Impact on profit or loss and total equity

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Increase in exchange rate by 5%	(156)	(110)
Decrease in exchange rate by 5%	156	110

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:

(₹ in Million)

Particulars	Increase/ decrease inbasis points	Effect on profit before tax
As at March 31, 2022	100 bps	10
As at March 31, 2021	100 bps	8

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 11 - Trade receivable).

In previous year, the Parent company was 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 was given jointly and severally by all the partners of Joint Venture.

The Parent Company's maximum exposure in this respect is of ₹ Nil million as at March 31, 2022 and ₹ 123 million as at March 31, 2021 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.

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, 2022					
Financial liabilities					
Borrowings (Note 17)	851	523	300	28	851
Lease payments (Note 39)	132	59	73	-	132
Financial liabilities (Note 19 and 20)	8,084	8,084	-	-	8,084
Total	**9,067**	**8,666**	**373**	**28**	**9,067**
As at March 31, 2021					
Financial liabilities					
Borrowings (Note 17)	667	500	131	36	667
Lease payments (Note 39)	135	56	79	-	135
Financial liabilities (Note 19 and 20)	5,589	5,589	-	-	5,589
Total	**6,391**	**6,145**	**210**	**36**	**6,391**

39. LEASE:

Group as a lessee:

The Group's lease asset classes primarily consist of leases for Tangible assets. The group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether: (1) the contract involves the use of an identified asset (2) the group has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the group has the right to direct the use of the asset.

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 Tangible Assets		Lease Liabilities	
	2021-22	2020-21	2021-22	2020-21
Balance at the beginning of the year	598	405	135	54
Add: Adjustment due to COVID 19	-	-	-	(2)
Add: Reclassified from Property, Plant and Equipment	-	79	-	-
Add: Additions during the year	65	170	63	132
Add: Effect of Foreign currency Translation on addition	1	(0)	-	-
Less: Deductions during the year	-	-	-	-
Less: Depreciation / amortisation of expenses	60	56	-	-
Less: Effect of Foreign currency Translation on depreciation	(1)	(0)	-	-
Less: Transfer to Property, Plant and Equipment (net)	8	-	-	
Less: Disposal / adjustment	9	-	-	
Add: Interest Expenses	-	-	5	5
Less: Payments	-	-	71	54
Balance at the end of the year	**588**	**598**	**132**	**135**
Current			59	56
Non-current			73	79

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, 2022	As at March 31, 2021	
Subsidiaries				
Astral Biochem Private Limited	Yet to commence business	100.00%	100.00%	India
Resinova Chemie Limited	Manufacturing of adhesive solutions	97.45%	97.45%	India
Seal IT Services Limited		80.00%	80.00%	United Kingdom
Subsidiary of Seal It Services Limited				
Seal IT Services Inc.	Manufacturing of Silicone Tape	80.00%	80.00%	USA

Name of the Company	Nature of Business	% of Holding		Country of Incorporation
		As at December 31, 2021	As at December 31, 2020	
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 at and year ended December 31.

Note (a): During the year 2020-21, the Holding Company along with Indian subsidiary, Resinova Chemie Limited, has invested ₹ 0.1 million in Astral Foundation whereby it acquired 10,000 equity shares of ₹10 each (100% of equity ownership) in Astral Foundation. Astral Foundation, Section 8 Company of the Companies Act, 2013, execute the CSR activities. The objective of the Investments is not to obtain economic benefits and these Company is also prohibited to give any right over their profits to the members, hence, in line with Ind AS 110, the Holding Company doesn't have control over the entity. Accordingly, such investments is not considered for Consolidated Financial Statement of the Group.

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, 2022

Name of the entity in the Group	As at March 31, 2022		For the year ended March 31, 2022		For the year ended March 31, 2022		For the year ended March 31, 2022	
	Net assets (Total Assets minus Total Liabilities)		Share in profit or loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
	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 TCI	Amount (₹ In million)
Parent								
Astral Limited	85.87%	20,064	82.54%	4,048	16.67%	1	82.46%	4,049
Subsidairies								
Astral Bio Chem Private Limited	-0.04%	(10)	0.00%	0	-	-	0.00%	0
Resinova Chemie Limited	17.00%	3,972	6.85%	336	16.67%	1	6.86%	337
Foreign Subsidairies								
Seal It Services Limited	3.77%	882	5.79%	284	66.67%	4	5.87%	288
Joint Venture								
Astral Pipes Limited	-	-	-0.39%	(19)	-	-	-0.39%	(19)
Non-controlling interests in all subsidiaries	**-1.19%**	**(278)**	**-**	**-**	**-**	**-**	**-**	**-**
	105.41%	**24,630**	**94.80%**	**4,649**	**100.00%**	**6**	**94.81%**	**4,655**
Adjustments arising out of Consolidation	-5.41%	(1,264)	5.20%	255	0.00%	-	5.19%	255
Consolidated net assets / Profit after tax	**100.00%**	**23,366**	**100.00%**	**4,904**	**100.00%**	**6**	**100.00%**	**4,910**

b) As at and for the year ended March 31, 2021

Name of the entity in the Group	As at March 31, 2021		For the year ended March 31, 2021					
	Net assets (Total Assets minus Total Liabilities)		Share in profit or loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
	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 TCI	Amount (₹ In million)
Parent								
Astral Limited	86.78%	16,451	80.08%	3,269	7.14%	2	79.59%	3,271
Subsidiaries								
Astral Bio Chem Private Limited	-0.05%	(10)	0.00%	0	-	-	0.00%	0
Resinova Chemie Limited	**19.17%**	**3,635**	**5.27%**	**215**	**-7.14%**	**(2)**	**5.18%**	**213**
Foreign Subsidiaries								
Seal It Services Limited	3.13%	594	3.99%	163	100.00%	28	4.65%	191
Joint Venture								
Astral Pipes Limited	-	-	-0.51%	(21)	-	-	-0.51%	(21)
Non-controlling interests in all subsidiaries	**-1.12%**	**(212)**	**-**	**-**	**-**	**-**	**-**	**-**
	107.91%	**20,458**	**88.83%**	**3,626**	**100.00%**	**28**	**88.91%**	**3,654**
Adjustments arising out of Consolidation	-7.91%	(1,500)	11.17%	456	0.00%	-	11.09%	456
Consolidated net assets / Profit after tax	**100.00%**	**18,958**	**100.00%**	**4,082**	**100.00%**	**28**	**100.00%**	**4,110**

42. ACQUISITION OF WATER TANK BUSINESS:

In line with the framework agreement entered by the Holding Company with M/s Shree Prabhu Petrochemicals Pvt Ltd. and other parties in November 2020, the Holding Company has purchased Property, plant, equipment, Brand (intangible asset) and Inventories of water tank business of M/s Shree Prabhu Petrochemicals Pvt Ltd. and other parties for a total consideration of approx. ₹436 million, which has been paid in cash. Such purchased assets (fair valued) are accounted in line with Purchase Price Allocation method as required under Ind AS 103, Business Combination.

The values of the identifiable assets purchased during the previous year from Shree Prabhu Petrochemicals Private Limited and other parties were:

(₹ in Million)

Particulars	2020-21
Non-current assets	
Property, plant and equipment	406
Intangible assets	2
Current assets	
Inventories	28
Total Assets Acquired	**436**

43. EXCEPTIONAL ITEMS

During the year, one of the Indian Subsidiary had fire in the storage section of factory premises, damaging Inventories and Property, Plant and Equipment (PPE). As per the best estimate of the management, the said Subsidiary Company had recognised insurance claim receivable to the extent of the corresponding loss of Inventories and PPE which were charged off in profit and loss statement under the head 'Exceptional Items'

Accordingly, exceptional item has been recognised as below:

(₹ in Million)

Particulars	Year Ended March 31, 2022
Loss on Asset discarded in Fire	16
Loss on Stock damaged in Fire	86
Total Loss (A)	**102**
Insurance Claim Income	102
Total Income (B)	**102**
Exceptional Item (A-B)	**-**

44. The Board of Directors of the Holding Company at its meeting held on June 7, 2021 approved the scheme of amalgamation of the Holding Company with Resinova Chemie Limited and Astral Bio Chem Private Limited with an appointed date of April 1, 2021, under section 230 to 232 and other applicable provisions of the Companies Act, 2013. The Scheme will be effective on receipt of regulatory approvals and on fulfilment of conditions precedent therein. Accordingly, impact of the said scheme has not been considered in the consolidated financial statements.

45. TRANSACTIONS WITH STRUCK OFF COMPANIES

Group has not done any transactions with struck off companies during the year ended March 31, 2022 and March 31, 2021.

46. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). Further, no funds have been received by the Group from any parties (Funding Parties) with the understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Group or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

47. EVENTS AFTER THE REPORTING PERIOD

a) The Board of Directors of Holding Company, in its meeting held on May 27, 2022, has proposed a final dividend of ₹ 1.75 per equity share for the financial year ended March 31, 2022. The proposal is subject to the approval of shareholders of the Holding Company at the Annual General Meeting and if approved would result in a cash outflow of approximately ₹ 352 million of the Holding Company.

b) Subsequent to the year end, the Board of Directors of Holding Company, in its meeting held on April 29, 2022, has entered into definitive agreements with Gem Paints Private Limited and its shareholders to acquire 51% controlling equity stake in Operating Paint Business of Gem Paints Private Limited for cash consideration of ₹ 1940 million under strategy to expand its portfolio under building material segment.

Gem Paints Private Limited is a company engaged into the business of manufacturing and supply of various types of paints, varnishes, coatings, products related to home décor, industrial paints and as dealers in all types of chemicals, essences, enamels, polishes, distempers, colours etc.

The Holding Company is in process of finalising the fair value of net assets of the Operating Paint Business of Gem Paints Private Limited.

48. ESTIMATION UNCERTAINTY RELATING TO THE GLOBAL HEALTH PANDEMIC ON COVID-19:

The Group has considered the impact of COVID-19 pandemic on its business operations and financial results based on its review of current indicators of future economic conditions and expects that the carrying amount of the assets will be recovered. However, the impact assessment of this pandemic is a continuing process given the uncertainties associated with its nature and duration. Accordingly, the Group will continue to monitor any material changes to future economic conditions.

49. The figures for the previous year have been regrouped / reclassified wherever necessary to confirm with the current year's classification.

See accompanying notes to the consolidated financial statements
As per report of even date

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

Per Anil Jobanputra
Partner
Membership No : 110759

Place : Ahmedabad
Date : May 27, 2022

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

Sandeep P. Engineer
Chairman & 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 27, 2022

Form AOC-1

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

PART – A : SUBSIDIARIES

(₹ In Million except otherwise stated)

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, 2022	March, 2022	March, 2022	March, 2022	March, 2022
Reporting currency	INR	INR	GBP	GBP	Refer Note 1 below
Exchange Rate @	-	-	99.4484	99.4484	
Share capital	1	3	0	-	
Reserves & surplus	(10)	3969	974	(93)	
Total assets	1	5432	2461	524	
Total Liabilities	11	1460	1487	618	
Investments	-	0	54	-	
Turnover	-	6729	3007	270	
Profit before taxation	(0)	442	339	(15)	
Provision for taxation	(0)	106	-54	-	
Profit after taxation	0	336	285	(15)	
Proposed Dividend	-	-	-	-	
% of shareholding	100	97.45	80	80	

^Seal It Services Inc. is the 100% subsidiary of Seal IT Services Limited.

*Equity shares of Astral Foundation are subscribed by Astral Limited and Resinova Chemie Ltd, 75% and 25% respectively.

@P&L Item converted at yearly average exchange rate.

Notes:

1. Astral Foundation is incorporated under Section 8 of the Companies Act, 2013 and it is prohibited to give any right over their profits to the members. In view of restrictions on Section 8 companies, the parent Company's proportionate share in Astral Foundation has not been considered in consolidated financial statement.

2. Astral Biochem Pvt. Ltd. is yet to commence operations.

PART – B : ASSOCIATE AND JOINT VENTURE

(₹ In Million except otherwise stated)

Name of Associate / Joint Venture	**Astral Pipes Limited, Kenya**
Latest audited Balance Sheet Date	December 31, 2021
Shares of Joint Ventures held by the company on March 31, 2022	
No. of shares	10,00,000 Equity Shares
	72,00,000 Preference Shares
Amount of investment	0
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	(38)
Balance Sheet	
Profit / (Loss) for the year	(65)
i. Considered in Consolidation (Refer note b below)	(19)
ii. Not Considered in Consolidation	(46)

Note a: No Associate or Joint Venture was liquidated or sold during the year.

Note b: Cumulative Additionally provided for ₹ 30 million in profit and loss statement.

For and on behalf of the Board of Directors

Sandeep P. Engineer
Chairman & 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 27, 2022

REGISTERED & CORPORATE OFFICE:

Astral Limited
(Formerly known as Astral Poly Technik Limited)
CIN: L25200GJ1996PLC029134
207/1, 'Astral House', B/h Rajpath Club,
Off S. G. Highway, Ahmedabad - 380059, Gujarat, India.
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