THE HINDUSTHAN GROUP®

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UKAS MANAGEMENT SYSTEMS 008

HINDUSTHAN URBAN INFRASTRUCTURE LIMITED

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CIN : L31300DL1959PLC003141 E-mail : huil@thehindusthangroup.co.in Website : www.thehindusthangroup.co.in

F:385:HUIL:MLB

24th August, 2020

To
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai- 400001
Scrip Code: 539984

Subject: **Annual Report for the financial year 2019-20**

Ref: **Disclosure under SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (Listing Regulations)**

Dear Sir/Madam,

This is further to our letter dated 24th August, 2020 wherein we had informed that the 60th Annual General Meeting of the members of the company would be held on Friday, 18th September, 2020 at 2:00 P.M.

In this connection and as required under the Listing Regulations, we hereby enclose the Annual Report of the company for the financial year 2019-20 for your information and records.

We would like to inform you that the said Annual Report is also uploaded on the website of the company viz. www.hindusthanurban.com

Thanking you

For Hindusthan Urban Infrastructure Limited

M. L. Birmiwala
Sr. V.P. – Finance & Secretary

HINDUSTHAN URBAN INFRASTRUCTURE LTD. NEW DELHI

Encl: As Above

ANNUAL REPORT 2019-2020



HINDUSTHAN URBAN INFRASTRUCTURE LIMITED

(An enterprise of THE HINDUSTHAN GROUP)

HINDUSTHAN URBAN INFRASTRUCTURE LIMITED

DIRECTORS

Mr. Raghavendra Anant Mody	Chairman & Whole-time Director
Mr. Shyam Sunder Bhuwania	Vice Chairman and Managing Director
Mr. Deepak Kejriwal	Whole-time Director & CFO
Mr. Sadhu Ram Bansal	Independent Director
Mr. Mool Chand Gauba	Independent Director
Ms. Suman Lata Saraswat	Independent Director

KEY MANAGERIAL PERSONNEL (KMP)

Mr. M.L. Birmiwala	Sr. V.P-Finance & Secretary

STATUTORY AUDITORS

M/s. K.N. Gutgutia & Co.,
Chartered Accountants

BANKERS

Canara Bank
State Bank of India

REGISTERED OFFICE

'Kanchenjunga' (7th Floor)
18, Barakhamba Road
New Delhi-110001

WORKS

Bhubaneswar	(Odisha)
Guwahati	(Assam)
Gwalior	(Madhya Pradesh)
Mandideep	(Madhya Pradesh)

LISTING OF EQUITY SHARES

BSE Limited

REGISTRAR & SHARE TRANSFER AGENT

Skyline Financial Services Private Limited
D-153/A, 1st Floor Okhla Industrial Area, Phase -1
New Delhi - 110020

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BOARDS' REPORT

The Shareholders,

Your Directors are pleased to present their Sixtieth Annual Report of the company for the year ended 31.03.2020.

Financial Highlights

The company's financial performance for the year ended 31.03.2020 is summarized below:

(₹ in Lakhs)

Particulars	Standalone Results		Consolidated Results	
	31.03.2020	31.03.2019	31.03.2020	31.03.2019
Total Revenue (Gross)	**46,294.00**	**70,255.16**	**55,032.85**	**71,138.13**
Operating Profit Before Depreciation, Finance Cost,	**5,175.91**	**5,558.77**	**3,356.99**	**5,252.31**
Exceptional Items and Tax				
Less: Depreciation and Amortisation expenses	1,473.50	1,495.59	2,824.41	1,633.95
Less: Finance Costs	2,753.91	3,222.38	4,517.62	3,298.83
Profit/(Loss) before exceptional items and tax	**948.50**	**840.80**	**(3,985.05)**	**319.53**
Exceptional Items	–	(91.63)	–	(120.60)
Profit/(Loss) before Tax	**948.50**	**749.17**	**(3,985.05)**	**198.93**
Less: Tax expenses	392.90	526.60	(889.35)	583.12
Net Profit/(Loss) for the year	**555.60**	**222.57**	**(3,095.70)**	**(384.19)**
Surplus brought forward from previous year	540.13	835.06	(574.29)	298.73
Dividend on Equity paid	–	(14.43)	–	(14.43)
Tax on Dividend	–	(2.94)	–	(2.94)
IndAS adjustments on Deferred Tax & Others	(0.18)	(500.13)	(0.18)	(471.46)
Balance available for appropriation	**1,095.55**	**540.13**	**(3,670.17)**	**(574.29)**

COVID-19

The beginning of 2020 has witnessed the world wide spread of COVID-19 pandemic, Global threat from COVID-19 is continuing to grow and at a rapidly accelerating rate. Authorities in most of countries announced lockdowns causing deep economic harm and could reverse the gains made in the industrial economy over many decades. Around the world, these coronavirus lockdowns have driven professional and social life out of the physical world and into the virtual realm. Industry members are reeling under severe financial stress and are in urgent need of ample liquidity to ensure business continuity. We are hopeful that the government will introduce more series of measures in quick succession to support demand to ensure business continuity. The economic fallouts of this is still difficult to assess as the situation is still evolving. In India, the economic impact of COVID-19 is trickling in on the backdrop of an already challenging macro-economic environment.

State of Affairs & Operations

During the year under review, the gross revenue of the company has decreased to ₹ 46,294.00 Lakhs as compared to ₹ 70,255.16 Lakhs in the 2018-19. However, the profit before depreciation and tax has increased from ₹ 2,244.76 Lakhs to ₹ 2,422 Lakhs.

The availability of our prime raw material for conductor division i.e. aluminum remained satisfactory. The prices of aluminium declined at the LME from USD 1888 in April, 2019 to USD 1684 in March, 2020.

There has been slow down in the issue of new tenders during the year which are likely to pick up in next financial years. The Company has comfortable order book position for Insulator division but there is paucity of orders for conductors. However, efforts are being made to secure more orders for conductors also.

The Insulator division has shown improved results inspite of declined turnover due to better realization of its products and efforts made in reduction of input cost.

The availability of power was comfortable at all Works.

During the year, the Company had successfully executed export /deemed export orders of ₹ 713.88 Lakhs as compared to previous year of ₹ 8,306.71 Lakhs.

The operation at Gwalior Plant of the Company which was discontinued during January, 2018 has been commenced from April, 2019.

Consolidated Financials

In the financial year 2019-20, income from operations was ₹ 55,601.30 Lakhs as compared to ₹ 72,321.68 Lakhs in previous year 2018-19. The profit before depreciation and tax has decreased from ₹ 1,832.88 Lakhs to Loss before depreciation and tax of ₹ (1160.64) Lakhs.

During the year under review, the gross revenue of the subsidiary company Hindusthan Speciality Chemicals Limited has increased to ₹ 8,755.78 Lakhs as compared to ₹ 882.97 Lakhs in financial year 2018-19.

The loss after tax has increased from ₹ 559.95 Lakhs to ₹ 3,649.52 Lakhs due to lower margin in key products.

Transfer to reserves

The Company do not propose to transfer any amount to general reserve for the financial year ended 31.03.2020.

Dividend

In order to conserve the resources, your Directors do not recommend payment of any dividend for the year ended 31st March, 2020.

Subsidiary Company

The Company has one material subsidiary company i.e Hindusthan Speciality Chemicals Limited.

Hindusthan Speciality Chemicals Limited (HSCL) has during the year under report, completed the establishment of the State of the Art Green-Field manufacturing facility of "Epoxy Resin and Allied products" at Jhagadia Distt, Bharuch, Gujarat. Quality of all the products has been well accepted in the market. The production at plant has been stabilized and bulk orders from established primary users are being received. HSCL is manufacturing various grades of Epoxy Resins and selling the same in HSCL's brand name. HSCL has, during the year under report, fully stabilized the plant and plant capacity of LER/SER/Formulations/Hardeners and Reactive Diluents has been achieved. Company has also initiated the activities to reduce the utility cost by contemplating use of alternative fuel which will result in the reduction of cost substantially. On the utilities fronts company have installed variable frequency drive on the Cooling Tower to reduce the power consumed in supplying water to the condensers. Company's LER and SER processes are now fully automated and running on Distributed Control System with adequate interlocks for improved safety during manufacturing. Efforts are on for the reduction of waste polymer generated during the processing of LER. Company is exploring the further ways to reduce cost by initiating various activities and have started recycling of water in the process to bring down the load on effluent and savings in water consumption. Company has developed number of products in in-house Research and Development Laboratory and commercialised the same which are accepted by the customers. Maximum emphasis is being given to increase the production and marketing of formulated products. Company has commenced the manufacturing of Bond One range of products and it has been very well accepted by the market. Company has commissioned the plant for Electrical and Electronic specialty products based on the Technology provided by international leader. The trial products are under evaluation. During the Year 2019-20, there is a significant increase in sales in comparison with last financial year.

A statement containing the salient features of financial statements of subsidiary Company in the prescribed Form AOC – 1 forms a part of Consolidated Financial Statements (CFS) in compliance with Section 129 (3) and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with Rule 5 of the Companies (Accounts) Rules, 2014 is attached in the notes to the consolidated Financial Statements.

The said Form also highlights the financial performance of the subsidiary included in the CFS of the Company pursuant to Rule 8(1) of the Companies (Accounts) Rules, 2014.

In accordance with Section 136 of the Act, the financial statements of the subsidiary are available for inspection by the members at the Registered Office of the Company during business hours on all days except Saturdays, Sundays and public holidays upto the date of the Annual General Meeting. Any member desirous of obtaining a copy of the said financial statements may write to the Company Secretary at the Registered Office of the Company. The financial statements including the CFS, and all other documents required to be attached to this report have been uploaded on the website of the Company at www.hindusthanurban.com.

The Policy for determining material subsidiaries is available on the website of the company at www.hindusthanurban.com.

Cash Flow and Consolidated Financial Statement

As required under regulation 34 of the Listing Regulations [Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015], a cash flow statement is part of the Annual Report 2019-2020. Further, the Consolidated Financial Statements of the Company for the financial year 2019-2020 are prepared in compliance with the applicable provisions of the Act, Accounting Standards and as prescribed by Listing Regulations. The said Financial Statements have been prepared on the basis of the audited financial statements of the Company, its subsidiaries as approved by their respective Boards of Directors.

Management Discussion and Analysis Report

Management Discussion and Analysis as stipulated under the Listing Regulations is presented in a separate section forming part

of this Annual Report. It provides details about the overall industry structure, global and domestic economic scenarios and developments in business operations / performance of the Company's business.

Corporate Governance

Your Company is committed to maintain the highest standards of corporate governance. We believe in adherence to good corporate practices, implement policies and guidelines and develop a culture of the best management practices and compliance with the law coupled with the highest standards of integrity, transparency, accountability and ethics in all business matters to enhance and retain investor trust, long-term shareholder value and respect minority rights in all our business decisions.

The Corporate Governance Report along with the requisite certificate from the statutory auditors of the Company confirming compliance with the conditions of corporate governance as stipulated under SEBI Listing Regulations forms part of the Annual Report.

Change in nature of Business, if any.

There is no change in the nature of business of the company during the year.

Directors Responsibility Statement

Pursuant to Section 134(5) of the Act, Directors of your Company hereby state and confirm that:

a) In the preparation of the annual accounts, the applicable accounting standards have been followed;

b) The selected accounting policies have been applied consistently and the judgments and estimates made 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 of the company for that period;

c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

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

e) Internal Financial Controls laid down in the company are adequate and were operating effectively;

f) Proper systems have been devised to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively.

Directors and Key Managerial Personnel

As on 31st March, 2020, the Board comprised of six members including one women member. The Board has an appropriate mix of Executive Directors ('EDs'), Non-Executive Directors ('NEDs') and Independent Directors ('ID'), which is compliant with the Companies Act, 2013, the SEBI Listing Regulations and is also aligned with the best practices of Corporate Governance.

Changes in Board of Directors and other Key Managerial Personnel

Mrs. Suman Lata Saraswat, Non-Executive Independent Director (DIN: 06932165) was re-appointed as an Independent Director of the company with effect from 1st April, 2019 for a second term of five consecutive years i.e upto 31st March, 2024.

Your company is in full compliance of Listing Regulations and the Act with regard to the composition of Board of Directors.

Retire by rotation

Mr. Deepak Kejriwal (Executive Director) will retire by rotation in the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board recommends his re-appointment as Director.

Key Managerial Personnel

As on date, company has following Key Managerial Personnel in compliance with the provisions of section 203 of the Act.

Mr. Raghavendra Anant Mody	-	Whole-time Director & Chairman
Mr. Shyam Sunder Bhuwania	-	Vice Chairman and Managing Director
Mr. Deepak Kejriwal	-	Whole-time Director and CFO
Mr. Murari Lal Birmiwala	-	Sr. Vice President-Finance & Secretary

Board Meetings

The meetings of the Board are scheduled at regular intervals to discuss and decide on matters of business performance, policies, strategies and other matters of significance. The schedule of the meetings is circulated in advance, to ensure proper planning and effective participation. In certain exigencies, decisions of the Board are also accorded through circulation.

During the year, the Board met six times. For further details, please refer report on Corporate Governance of this Annual Report. The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013. Detailed information regarding the meetings of the Board are included in the report on Corporate Governance, which forms part of the annual report.

Committee of the Board

Currently, the Company has five Board level Committees: Audit Committee ("AC"), Nomination and Remuneration Committee ("NRC"), Stakeholders' Relationship Committee ("SRC"), Corporate Social Responsibility Committee ("CSR") and share transfer Committee.

Detailed information regarding the Committees of the Board are included in the report on Corporate Governance, which forms part of the annual report.

Declaration of Independent Directors

The Company has three Independent Directors namely Mr. Sadhu Ram Bansal, Mr. Mool Chand Gauba and Ms. Suman Lata Saraswat. All the directors are professionally qualified and possess appropriate balance of skills, expertise and knowledge and are qualified for appointment as Independent Director.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act read with Regulation 16 and 25(8) of the Listing regulations. Independent Directors have also confirmed that they have complied with Schedule IV of the Act and the Company's Code of Conduct.

Further, the Independent Directors have also submitted their declaration in compliance with the provision of Rule 6(3) of Companies (Appointment and Qualification of Directors) Rules, 2014, which mandated the inclusion of an Independent Director's name in the data bank of Indian Institute of Corporate Affairs ("IICA") for a period of one year or five years or life time till they continues to hold the office of an independent director.

In the opinion of the Board, all the independent directors are persons of integrity, possesses relevant expertise and experience.

Auditors

i) Statutory Auditors

M/s. K.N. Gutgutia & Co., Chartered Accountants (Firm Registration No. 304153E) were appointed as Statutory Auditors of the company from the conclusion of 57th Annual General Meeting ("AGM") held on 29.09.2017 till the conclusion of 62nd AGM to be held in the year 2022.

M/s. K.N. Gutgutia & Co., Chartered Accountants have confirmed that they are not disqualified from continuing as Auditors of the Company.

The Audit Report of M/s. K.N. Gutgutia & Co., Chartered Accountants on the Financial Statements of the company for the Financial Year 2019-20 is a part of the Annual Report. The report does not contain any qualification, reservation, adverse remark or disclaimer.

ii) Cost Auditors

The Company is required to maintain the cost accounting records in terms of Section 148(1) of the Act read with rules made thereunder. The Company is regularly maintaining the required cost accounting records.

The Board of Directors of the company, on the recommendations made by the Audit Committee has appointed M/s. J.K Kabra & Co., Cost Accountants (Firm Registration No. 000009) as Cost Auditors of the company to conduct the audit of cost records of certain products for the financial year 2020-21.

The remuneration proposed to be paid to the Cost Auditors, subject to ratification by the members of the Company at the sixtieth AGM.

The Company has received consent from M/s. J.K. Kabra & Co., Cost Accountants, to act as the Cost Auditor for conducting audit of the cost records for the financial year 2020-21 along with a certificate confirming their independence and arm's length relationship.

The Cost Auditor will submit their report for the financial 2019-20 on or before the due date.

iii) Secretarial Auditors

The Board has re-appointed M/s. KCG & Associates, Company Secretaries as Secretarial Auditors to conduct an audit of the Secretarial records for the financial year 2020-21.

The Company has received consent from M/s. KCG & Associates to act as the Secretarial Auditors for conducting audit of the secretarial records for the financial year ending 31st March, 2021.

The Secretarial Audit Report for the financial year ended 31.03.2020 under the Act read with rules made thereunder and Regulation 24A of the Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) is annexed herewith as **Annexure-I** to this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Pursuant to the SEBI circular vide no. CIR/CFD/CMD/1/27/2019 dated 8th February, 2019, the Company has submitted the Annual Secretarial Compliance Report, issued by M/s. KCG & Associates, Practicing Company Secretaries with the BSE Limited where shares of the Company are listed.

iv) Internal Auditors

M/s. NSBP & Co., Chartered Accountants were appointed as Internal Auditors for the financial year 2019-20 and their report are reviewed by the Audit committee from time to time.

As per the recommendations of the Audit Committee, M/s. NSBP & Co., Chartered Accountants were re-appointed as Internal Auditors of the company for the financial year 2020-21.

Reporting of Frauds by Auditors

During the year under review, none of the Auditors have reported any instances of fraud committed in the Company by its Officers or Employees to the Audit Committee/Board under section 143(12) of the Act, details of which needs to be mentioned in this Report.

Share Capital

The Authorised share Capital of the Company is ₹ 100,00,00,000 divided into 25,00,000 equity shares of ₹ 10 each and 9,75,00,000 preference shares of ₹ 10 each. The paid up Share Capital as on 31.03.2019 stood ₹ 96,63,25,850 consisting of Equity Share Capital of ₹ 1,44,28,850/- Lakhs and Preference Share Capital of ₹ 95,18,97,000/-

During the year, the company has not issued any share capital with differential voting rights, sweat equity or ESOP nor provided any money to the employees or trusts for purchase of its own shares.

Material changes and commitments

No material changes or commitments have occurred between the end of the financial year to which the financial statements relate and the date of this report, affecting the financial position of the Company.

Annual Evaluation of Board and Directors

As required under the Act and the Listing Regulations, an evaluation of the performance of the Independent Directors was carried out by the Board of Directors during the year, based on the criteria laid down by the Nomination and Remuneration Committee. On an overall assessment, it was found that all the Independent Directors have given a good account of themselves. The Board concluded that the Independent Directors individually and collectively were well qualified and their contributions were in the interest of the Company.

The Independent Directors in a separate meeting held on 06.02.2020 reviewed and evaluated the performance of Non-Independent Directors and Board as a whole.

The performance of the Chairman and Executive Directors was evaluated by Independent Directors for leadership and direction to the Company judging as per the parameters of the evaluation criteria and it was noted that their performance was satisfactory. It was further noted that the Chairman took proper initiative in policy decisions making with the senior executives and Board.

The Members of Nomination and Remuneration Committee evaluated the performance of other Board members excluding themselves on the basis of the performance evaluation tools and were satisfied with overall performance of all the Board members and recommended the Board for continuation of the Members of the Board. Based on the recommendation of the Board, the Committee approved the term of appointment of Independent Directors.

Directors Appointment and Remuneration

Appointment of Directors on the Board of the Company is based on the recommendations of the Nomination and Remuneration Committee. The committee identifies and recommends to the Board, persons for appointment thereon, after considering the necessary and desirable competencies. The committee takes into account positive attributes like integrity, maturity, judgement, leadership position, time and willingness, financial acumen, management experience and knowledge in one or more fields of finance, law, management, marketing, administration, research, etc.

In case of Independent Directors (IDs) they should fulfill the criteria of independence as per the Act and Regulation 16 of the Listing Regulations in addition to the general criteria stated above. It is ensured that a person to be appointed as director has not suffered any disqualification under the Act or any other law to hold such an office.

The Directors of the Company are paid remuneration as per the Remuneration Policy of the Company. The details of remuneration paid to the directors during the year 2019-20 are given in Form MGT-9 annexed hereto.

Remuneration Policy

The Company has a Remuneration Policy relating to remuneration of the Directors, senior management including its Key Managerial Personnel (KMP) and other employees of the Company. During the year under review, the Company has revised the Nomination and Remuneration Policy, in accordance with the amendments to Section 178 of the Act and Listing Regulations.

The Remuneration Policy of the Company is available on the website of the company at www.hindusthanurban.com.

Board Diversity

Adequate diversity on the Board is essential to meet the challenges of business globalisation, rapid deployment of technology, greater social responsibility, increasing emphasis on corporate governance and enhanced need for risk management. The Board enables efficient functioning through differences in perspective and skill, and fosters differentiated thought processes at the back of varied industrial and management expertise, gender, knowledge and geographical backgrounds. The Board recognises the importance of a diverse composition and has adopted a Board Diversity Policy which sets out its approach to diversity. The policy is available at the website of the Company at www.hindusthanurban.com.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Information required under section 134(3) (m) of the Act read with Companies (Accounts) Rules, 2014 is given in the **Annexure-II** to this report.

Corporate Social Responsibility (CSR)

The Company has a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company which was duly approved by the Board. CSR Committee of the Board has developed a CSR Policy.

A detailed report regarding Corporate Social Responsibility is appended herewith as **Annexure-III** to the Boards' report**.**

Additionally, the CSR Policy is available on the website of the company at www.hindusthanurban.com.

Internal Control System and their Adequacy

The Company has adequate system of internal controls to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for proper maintaining of the books of accounts and reporting financial statements. The internal auditor of the company checks and verifies the internal control and monitors them in accordance with policy adopted by the company. The Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business.

Vigil Mechanism

In pursuance of the provisions of section 177 (10) of Act and Regulation 22 of the Listing Regulations, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Whistle Blower Policy is available on the website of the company at www.hindusthanurban.com.

Related Party Transactions

During the year under review, the Company revised its Policy on dealing with and Materiality of Related Party Transactions, in accordance with the amendments to the applicable provisions of the Listing Regulations. The Policy is available on the website of the Company at www.hindusthanurban.com.

All related party transactions that were entered into during the financial year 2019-20, were on an arm's length basis and in the ordinary course of business.

There are no material related party transactions made by the company during the year that required shareholders' approval under Section 188 of the Act.

All related party transactions are reviewed and approved by the Audit Committee and are in accordance with the Policy on dealing with and Materiality of Related Party Transactions, formulated by the Company. Prior approval of the Audit Committee is obtained on a yearly basis for the transactions which are planned and/or repetitive in nature and omnibus approvals are taken.

The details of the transactions with related parties during the financial year 2019-20 are provided in the accompanying financial statements. Form AOC-2 pursuant to Section 134 (3) (h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is attached as **Annexure-IV**.

Significant Material Orders Passed by Regulators or Courts or Tribunals

No significant orders have been passed by any Regulators, Courts or Tribunals impacting the going concern status and Company's operations in future.

Loans, Guarantees and Investments

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act read with Companies (Meetings of Board and its Power) Rules, 2014 are given in the notes to the Financial Statements.

Development and Implementation of a Risk Management Policy

Being a diversified and prudent enterprise, your Company continues to focus on a system-based approach to manage risks. Risk management has always been an integral part of your Company. Backed by strong internal control systems and existing Risk Management Framework have laid down the roles and responsibilities of various business segments regarding the managing of risks, covering a range of responsibilities, right from strategic to operational. These responsibilities today offer a strong foundation for appropriate risk management procedures, their effective implementation as well as the independent monitoring and reporting handled by Internal Audit and the top management team.

Your Company has set appropriate structures to monitor and manage inherent business risks proactively. Accordingly, raw material pricing risks, commodity risks and currency fluctuation risk effectively managed by its proficient and capable team. It also has appropriate checks and balances in place and aims to minimise the adverse impact of these risks on its operations.

Public Deposits

During the year under review, the Company has not accepted any deposits within the meaning of section 73 and 74 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re- enactment(s) thereof for the time being in force) from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

Anti-Sexual Harassment Policy

Pursuant to the "Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company constituted Internal Complaints Committee at all its workplaces. There has not been any instance of complaint reported in this regard to Audit Committee.

The Company has internal complaints committee as prescribed under the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 and is in compliance of provisions of the said Act.

Transfer of unpaid and unclaimed amount to Investor Education and Protection Fund (IEPF)

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013 read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all dividends which remains unpaid or unclaimed for a period of seven years from the date of their transfer to the unpaid dividend account are required to be transferred by the Company to the Investor Education and Protection Fund ("IEPF"), established by the Central Government.

During the year, the Company has transferred unpaid and unclaimed dividends of ₹ 53,301 for the financial year 2011-12 and 6596 corresponding shares on which dividends were unclaimed for seven consecutive years were transferred as per requirements of the IEPF Rules.

Details of shares/shareholders in respect of which dividend has not been claimed, are provided on our website and can be accessed at www.hindusthanurban.com. The shareholders are therefore encouraged to verify their records and claim their dividends of all the earlier seven years, if not claimed.

Secretarial Standards of ICSI

The Company is in compliance with the Secretarial Standards issued by issued by The Institute of Company Secretaries of India on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2).

Extract of Annual Return

The Extract of annual return in Form MGT-9 as per the provisions of Section 134(3)(a) and 92(3) of the Companies Act, 2013, is annexed to this report as **Annexure-V** and also is available on the website of the Company at www.hindusthanurban.com.

Green Initiative

We request all the shareholders to support the 'Green Initiative' of the Ministry of Corporate Affairs and HUIL's continuance towards greener environment by enabling the service of the Annual Report, AGM Notice and other documents electronically to your email address registered with your Depository Participant/ Registrar and Share Transfer Agent.

We also request all the investors whose email id is not registered to take necessary steps to register their email id with the Depository Participant/ Registrar and Share Transfer Agent.

Personnel

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of the Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 have been annexed to this report as ***Annexure-VI***.

Details of employee remuneration as required under provisions of Section 197 of the Companies Act, 2013 and Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are available at the Registered Office of your Company during working hours, 21 days before the Sixtieth Annual General Meeting and shall be made available to any shareholder on request.

For and on behalf of the Board of Directors

Raghavendra Anant Mody
Chairman
DIN: 03158072

Place: New Delhi
Date: 29th June, 2020

Annexure- I

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2020
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members,
HINDUSTHAN URBAN INFRASTRUCTURE LIMITED
7th Floor, Kanchenjunga Building,
18, Barakhamba Road, New Delhi - 110001

I, Kapoor Chand Garg, proprietor of M/s. KCG & Associates, Company Secretaries have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Hindusthan Urban Infrastructure Limited (**CIN: L31300DL1959PLC003141) (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 31st March, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

(i) The Companies Act, 2013 (as amended) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - ***Not Applicable to the company during the period of audit.***

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

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

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended; - - ***Not Applicable to the company during the period of audit.***

  (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; - ***Not Applicable to the company during the period of audit.***

  (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - ***Not Applicable to the company during the period of audit.***

  (f) 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;

  (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and - ***Not Applicable to the company during the period of audit.***

  (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - ***Not Applicable to the company during the period of audit.***

(vi) I further report that after considering the compliance system prevailing in the company and after carrying out test checks of the relevant records and documents maintained by the company, it has complied with the following laws that are applicable specifically to the company:

  (a) Industrial Disputes Act, 1947

  (b) Factories Act, 1948

  (c) Payment of Bonus Act, 1965

Annexure- I (Contd.)

(d) Minimum Wages Act, 1948

(e) Payment of Wages Act, 1936

(f) Payment of Gratuity Act, 1972

(g) Workmen's Compensation Act, 1923

(h) Employees' State Insurance Act, 1948

(i) The Employees' Provident Funds and Miscellaneous Provisions Act, 1952

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) The Listing Agreements entered into by the Company with BSE Limited and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015;

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

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Women Director. 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/shorter notice including meetings conducted through Video conference and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at the Board and Committee Meeting were carried out unanimously as recorded in the minutes of the Board of Directors or Committee of the Board, as the case may be.

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.

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

For KCG & Associates
Company Secretaries

Kapoor Chand Garg
Proprietor
C.P. No. 7829
FCS No. 7145

Place: New Delhi
Date: 29.06.2020

NOTE

Due to adverse impact of global pandemic COVID-19 has resulted into complete nation-wide lockdown. Therefore, my basis of examination for conducting the Secretarial Audit for the financial year 2019-20 was only restricted to the information/documents provided by the Company in the electronic mode.

However, due to the unavoidable adverse circumstances the physical verification/ inspection of the certain specified documents/ policies cannot be carried out and therefore, the Management declarations/ Departmental Declarations has been taken on record wherever required.

Annexure - A

To
The Members,
HINDUSTHAN URBAN INFRASTRUCTURE LIMITED
7th Floor, Kanchenjunga Building,
18, Barakhamba Road,
New Delhi - 110001

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the Secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices, I followed provide a reasonable basis of my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test check basis.
6. 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.

For KCG & Associates
Company Secretaries

Kapoor Chand Garg
Proprietor
C.P. No. 7829
FCS No. 7145

Place: New Delhi
Date: 29.06.2020

Annexure – II

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNING AND OUTGO ETC:

Information on conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo required to be disclosed under Section 134(3) (m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are provided hereunder:

I. Conservation of Energy

(a) Energy Conservation measures taken.

The company has made the efforts to meet the day to day required energy demand in manufacturing activities with available resources. Company has always considered energy and natural resource conservation as a focus area and has been consciously making efforts towards improving the energy performance year on year.

During the year, Company's Insulator Division had changed the conventional lighting with LED lighting in its administrative block to save the electricity.

(b) Additional Investments and proposals, if any, being implemented for reduction for consumption of energy.

No specific additional investment made by the company for it.

(c) Total energy consumption and energy consumption per unit of production of energy consumption and consequent impact on the cost of production of goods.

Nil

(d) Total Energy consumption and energy consumption per unit of production as per Form-A in respect of industries specified in the Schedule thereto. – Not applicable

II. Technology Absorption

1. **Research & Development (R&D)**
   (a) Specific areas in which R&D carried out by the Company. - Nil
   (b) Benefit derived as a result of the above R&D. - Nil
   (c) Future Plan of action - Nil
   (d) Expenditure on R&D
   i) Capital
   ii) Recurring
   iii) Total
   iv) Total R&D expenditure as a Percentage of total, turnover

   } Nil

2. **Technology absorption, adaptation and innovation.**
   (a) Efforts, in brief, made towards technology absorption, adaptation and innovation - Nil
   (b) Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution etc. - Nil
   (c) In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year). Not applicable

Technology Imported	Year of Import	Has technology been fully absorbed	If not fully absorbed, areas where this has not taken place, reasons thereof, and future plans of action.
Not Applicable			

III. Foreign Exchange Earning and outgo

(a) **Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans.**

Company's Insulators Division exported to countries i.e. Italy, Turkey, Russia, Egypt, South Africa, Bangladesh and Nepal etc. Company has made efforts to maintain focus on retaining of existing buyers and avail of export opportunities based on economic considerations.

During the year, Company made exports of ₹ 713.88 Lakhs including of deemed export out of which Export -FOB value ₹ 655.49 Lakhs.

(b) **Total Foreign Exchange used and earned on accrual basis (₹ in Lakhs)**

Used : ₹ 1253.53
Earned : ₹ 665.99

Annexure - III

Corporate Social Responsibility

Pursuant to provisions of section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, details pertaining to Corporate Social Responsibility Committee (CSR) are provided herein below:

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	The CSR Policy of the Company sets the framework guiding the Company's CSR activities. It outlines the governance structure, operating framework, monitoring mechanism, and CSR activities that would be undertaken. CSR activities are largely focused in the areas of education, poverty and protection of animals and other activities as the company may choose to select in fulfilling its CSR objectives. The CSR Policy was approved by the Committee in July 2014, and subsequently was put up on the Company's website at www.hindusthanurban.com.
2 The Composition of the CSR Committee.	Mr. Shyam Sunder Bhuwania - Chairman Mr. Sadhu Ram Bansal - Member Mr. Mool Chand Gauba - Member
3 Average net profit of the company for last three financial years	₹ 136 Lakh
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above). Last unspent amount: Total amount to be spent in 2019-20	 Nil ₹ 2.72 Lakh
5. Details of CSR spent during the financial year 2019-20: (a) Total amount to be spent for the financial year 2019-20 (b) Amount unspent, if any	 ₹ 2.72 Lakhs Nil

(c) Manner in which the amount spent during the financial year is detailed below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	**CSR project or activity Identified**	**Sector in which the Project is covered**	**Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken**	**Amount outlay (budget) project or programs wise**	**Amount spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs (2) Overheads:**	**Cumulative expenditure upto the reporting period**	**Amount spent: Direct or through implementing agency***
1.	Promoting Education	Promoting Education	Lakshmangarh, Sikar, Rajasthan	₹ 2.72 Lakh	₹ 2.72 Lakh	₹ 2.72 Lakh	Mody Education Foundation (Implementing Agency)

Details of implementing Agency are as follows:

Name and address of the Society	Mody Education Foundation, Lakshmangarh, Distt : Sikar, Rajasthan-332311

(6) In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.	Company has disbursed entire CSR fund of FY 2019-20 to its project implementing partner. The allotted CSR fund has been utilized.
(7) Our CSR responsibilities	We hereby affirm that the CSR policy, as approved by the Board of Directors, has been implemented and the CSR committee monitors the implementation of the CSR projects and activities in compliance with our CSR objectives.

For and on behalf of the Board of Directors

Raghavendra Anant Mody
Chairman
DIN: 03158072

Place: New Delhi
Date: 29th June, 2020

Annexure - IV

FORM NO. AOC – 2

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

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

1. Details of contracts or arrangements or transactions not at Arm's length basis. Not Applicable.

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

S. No.	Name(s) of the related party & nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date of approval by the Board	Amount paid as advances, if any
1.	Promain Limited (Promoter Group Company)	Premises taken on rent	Until cancellation as per mutual agreement	Promain Ltd. provided its premises on lease to the Company for office use	13th February, 2019	Nil
2.	Hindusthan Engineering & Industries Limited (Promoter Group Company)	Inter Corporate Loan	As per terms of Inter Corporate Loan Agreement	Unsecured loan	13th February, 2019	Nil
3.	Hindusthan Engineering & Industries Limited	Car parking	Until cancellation as per mutual agreement	Company provided its car parking space for office use	13th February, 2019	Nil
4.	Orient Bonds and Stock Limited (Promoter Group Company)	Inter Corporate Loan	As per terms of Inter Corporate Loan Agreement	Unsecured loan	13th February, 2019	Nil
5.	Paramount Enterprises Ltd (Promoter Group Company)	Inter Corporate Loan	As per terms of Inter Corporate Loan Agreement	Unsecured loan	13th February, 2019	NIL
6.	Intercontinental Trading and Investment Company Limited (Promoter Group Company)	Inter Corporate Loan	As per terms of Inter Corporate Loan Agreement	Unsecured loan	13th February, 2019	NIL
7.	Pradyumna Steels Limited (Promoter Group Company)	Inter Corporate Loan	As per terms of Inter Corporate Loan Agreement	Unsecured loan	13th February, 2019	NIL
8.	Mrs. Sanchita Mody (Relative of Director)	Office or place of profit	As per contractual terms	Appointment as Advisor-Corporate Planning	13th February, 2019	Nil
9.	Hindusthan Consultancy and Services Limited (Promoter Group Company)	Brand Equity Fee	Until cancellation as per mutual agreement	Brand equity fee paid against use of trademark	13th February, 2019	Nil
10.	Hindusthan Engineering & Industries Limited (Promoter Group Company	Reimbursement of electricity expenses	Until cancellation as per mutual agreement	Payment of electricity	13th February, 2019	Nil

For and on behalf of the Board of Directors

Raghavendra Anant Mody
Chairman
DIN: 03158072

Place: New Delhi
Date: 29th June, 2020

Annexure - V

EXTRACT OF ANNUAL RETURN
Form No. MGT-9
(Pursuant to section 92(3) of the Companies Act, 2013 and
Rule 12(1) of the Companies (Management and Administration) Rules, 2014)

Financial year ended on 31.03.2020

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	L31300DL1959PLC003141
ii	Registration Date	17-10-1959
iii.	Name of the Company	Hindusthan Urban Infrastructure Limited
iv.	Category/Sub-Category of the Company	Public Company limited by shares.
v.	Address of the Registered office and contact details	7th Floor, Kanchenjunga Building, 18, Barakhamba Road, New Delhi – 110001 Phone: 011-23310001, Email: investors@hindusthan.co.in
vi	Whether listed company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Skyline Financial Services Private Limited D-153/A, Ist Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 Phone: 011-40450193-97 Email - compliances@skylinerta.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

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

S. No.	Name and Description of main products/ services	NIC Code of the Product/ service*	% to total turnover of the company
1.	Conductors	261 - Manufacture of electronic components	58
2.	Insulators	239 - Manufacture of non-metallic mineral products	42

* As per National Industrial Classification – Ministry of Statistics and Programme Implementation

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S. No.	Name	Address of Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Hindusthan Speciality Chemicals Limited	7th Floor, Kanchenjunga Building, 18 Barakhamba Road, New Delhi–110001	U29120DL2003PLC242852	Subsidiary	58.50	2(87)(ii)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year 1st April, 2019				No. of Shares held at the end of the year 31st March, 2020				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Shareholding of Promoter and Promoter Group									
(1) Indian									
a. Individual/ HUF	700	0	700	0.05	3672	0	3672	0.25	0.2
b. Central Govt.	0	0	0	0	0	0	0	0	0
c. State Govt.	0	0	0	0	0	0	0	0	0

Annexure - V (Contd.)

Category of Shareholders	No. of Shares held at the beginning of the year 1st April, 2019				No. of Shares held at the end of the year 31st March, 2020				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
d. Bodies Corporates	1076545	0	1076545	74.61	1076545	0	1076545	74.61	0
e. Banks / FI	0	0	0	0	0	0	0	0	0
f. Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A)(1):-	**1077545**	**0**	**1077545**	**74.66**	**1080217**	**0**	**1080217**	**74.87**	**0.2**
(2) Foreign									
a. NRIs-Individuals	0	0	0	0	0	0	0	0	0
b Other-Individuals	0	0	0	0	0	0	0	0	0
c. Bodies Corp.	0	0	0	0	0	0	0	0	0
d. Banks / FI	0	0	0	0	0	0	0	0	0
e. Any Other	0	0	0	0	0	0	0	0	0
Sub Total (A)(2):-	0	0	0	0	0	0	0	0	0
Sub Total (A)(1) + (A)(2):-	**1077245**	**0**	**1077245**	**74.66**	**1080217**	**0**	**1080217**	**74.87**	**0.2**
B. Public Shareholding									
(1) Institutions									
a. Mutual Funds	0	0	0	0	0	0	0	0	0
b. Banks / FI	5000	0	5000	0.35	5000	0	5000	0.35	0
c. Central Govt.	0	0	0	0	0	0	0	0	0
d. State Govt.(s)	0	0	0	0	0	0	0	0	0
e. Venture Capital Funds	0	0	0	0	0	0	0	0	0
f. Insurance Companies	0	0	0	0	0	0	0	0	0
g. FIIs	0	0	0	0	0	0	0	0	0
h. Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i. Others (specify)	0	0	0	0	0	0	0	0	0
Sub Total (B)(1):-	**5000**	**0**	**5000**	**0.35**	**5000**	**0**	**5000**	**0.35**	**0**
(2) Non -Institutions									
a. Bodies Corporates	48922	150	49072	3.40	43554	150	43704	3.03	-0.37
b. Individuals									
i. Individual shareholders holding nominal share capital upto ₹ 1 lakh	124276	24460	148736	10.31	130414	17060	147474	10.22	-0.09
ii. Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	112624	21314	133938	9.28	112624	0	112624	7.81	-1.47
c. Others									
i. NRI	7250	0	7250	0.50	25266	0	25266	1.75	1.25
ii. HUF	12270	100	12370	0.86	11727	100	11827	0.82	-0.04
iii. Clearing member	33	0	33	0	936	0	936	0.06	0.06
iv. Unclaimed share (IEPF)	9241	0	9241	0.64	15837	0	15837	1.10	0.46
Sub-total (B)(2)	**314616**	**46024**	**360640**	**24.99**	**340358**	**17310**	**357668**	**24.78**	**-0.2**
Total Public Shareholding(B)= (B)(1)+ (B)(2)	**319616**	**46,024**	**365640**	**25.34**	**345358**	**17310**	**362668**	**25.13**	**-0.2**
Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total(A+B+C)	**1396861**	**46024**	**1442885**	**100**	**1425575**	**17,310**	**1442885**	**100**	**0**

Annexure - V (Contd.)

(ii) Shareholding of Promoters :

S. No.	Name of the Shareholder	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share-holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1.	Hindusthan Consultancy & Services Limited	708825	49.13	0	708825	49.13	0	0
2.	Promain Limited	117900	8.17	0	117900	8.17	0	0
3.	Carbo Industrial Holdings Limited	132820	9.21	0	132820	9.21	0	0
4.	Hindusthan Business Corporation Limited	47000	3.26	0	47000	3.26	0	0
5.	Pradyumnna Steel Limited	70000	4.85	0	70000	4.85	0	0
6.	Rajendra Prasad Mody	500	0.03	0	500	0.03	0	0
7.	Raghavendra Anant Mody	200	0.01	0	3172	0.21	0	0.2
	Total	**1077245**	**74.66**	**0**	**1080217**	**74.87**	**0**	**0.2**

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

S. No.	***Shareholder's Name***	Shareholding at beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Promoter				
1.	Mr. Raghavendra Anant Mody				
	At the beginning of the year	200	0.01	200	0.01
	Purchase 21.06.2019	256	0.018	456	0.032
	Purchase 22.11.2019	164	0.011	620	0.043
	Purchase 29.11.2019	264	0.018	884	0.061
	Purchase 06.12.2019	470	0.033	1354	0.094
	Purchase 13.12.2019	159	0.011	1513	0.105
	Purchase 20.12.2019	357	0.025	1870	0.130
	Purchase 31.12.2019	79	0.005	1949	0.135
	Purchase 13.03.2020	405	0.028	2354	0.163
	Purchase 20.03.2020	197	0.014	2551	0.177
	Purchase 27.03.2020	621	0.043	3172	0.220
	At the end of the year	-	-	3172	0.220

Annexure - V (Contd.)

(iv) Shareholding pattern of top ten Shareholders

(Other than Directors, Promoters & Holders of GDRs & ADRs)

Sr. No.	Name of Shareholder	No of Shares At the beginning of Year	% to the Total Shares	Transaction Date	Increase/ Decrease	Reason	Cummulative Shareholding Holding during the year	% of Total Shares of Company
1.	Ashok Kumar Gupta	66,513	4.61	-	-	-	66,513	4.61
2.	Nilesh Patel	-	-	-	-	-	-	-
				18.10.2019	21,314	Purchase	21,314	1.48
				10.01.2020	(5,328)	Sale	15,986	1.11
3.	3A Capital Services Limited	20750	1.44	20.09.2019	(2)	Sale	20748	1.44
				23.09.2019	(2555)	Sale	18193	1.26
				27.09.2019	(520)	Sale	17673	1.22
				30.09.2019	(100)	Sale	17573	1.22
				04.10.2019	(10)	Sale	17563	1.22
				11.10.2019	(3)	Sale	17560	1.22
				27.03.2020	(400)	Sale	17160	1.19
4.	Shah Paresh Chimanlal	16,194	1.12	-	-	-	16,194	1.12
5.	Mahendra Girdharilal	15,897	1.1	-	-	-	15,897	1.1
6.	Pinakin Chimanlal Shah	14,020	0.97	-	-	-	14,020	0.97
7.	Investor Education And Protection Fund Authority Ministry Of Corporate Affairs	9,241	0.64	29.11-2019	6596	Purchase	15,837	1.10
8.	Javeri Fiscal Services Ltd	8,400	0.58	07.06.2019	236	Purchase	8636	0.60
				06.09.2019	139	Purchase	8775	0.61
				13.09.2019	95	Purchase	8870	0.61
				20.09.2019	190	Purchase	9060	0.63
				27.09.2019	956	Purchase	10016	0.69
				30.09.2019	5	Purchase	10021	0.69
				04.10.2019	1	Purchase	10022	0.69
				06.12.2019	76	Purchase	10098	0.70
				13.12.2019	25	Purchase	10123	0.70
				20.12.2019	36	Purchase	10159	0.70
				27.12.2019	39	Purchase	10198	0.71
				03.01.2020	1	Purchase	10199	0.71
				10.01.2020	198	Purchase	10397	0.72
				17.01.2020	351	Purchase	10748	0.74
				27.03.2020	(2726)	Sale	8022	0.56
9.	Jayesh Pratapchand Shah	6,918	0.48	07.06.2019	290	Purchase	7208	0.50
				13.09.2019	50	Purchase	7258	0.50
				20.09.2019	224	Purchase	7482	0.52
				27.09.2019	318	Purchase	7800	0.54
				27.12.2019	300	Purchase	8100	0.56
				03.01.2020	150	Purchase	8250	0.57
				17.01.2020	250	Purchase	8500	0.59
				24.01.2020	435	Purchase	8935	0.62
10	The Oriental Insurance Company Limited	5,000	0.35	-	-	-	5,000	0.35

Annexure - V (Contd.)

(v) Shareholding of Directors and Key Managerial Personnel:

S. No.	*Shareholder's Name*	Shareholding at beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Directors				
1.	Mr. Raghavendra Anant Mody				
	At the beginning of the year	200	0.01	200	0.01
	Purchase 21.06.2019	256	0.018	456	0.03
	Purchase 22.11.2019	164	0.011	620	0.04
	Purchase 29.11.2019	264	0.018	884	0.06
	Purchase 06.12.2019	470	0.033	1354	0.09
	Purchase 13.12.2019	159	0.011	1513	0.10
	Purchase 20.12.2019	357	0.025	1870	0.13
	Purchase 31.12.2019	79	0.005	1949	0.13
	Purchase 13.03.2020	405	0.028	2354	0.16
	Purchase 20.03.2020	197	0.014	2551	0.17
	Purchase 27.03.2020	621	0.043	3172	0.22
	At the end of the year	-	-	3172	0.22
2.	Mr. Shyam Sunder Bhuwania				
	At the beginning of the year	70	0.004	-	-
	Date wise increase /decrease	-	-	-	
	At the end of the year	-	-	70	0.004
3.	Mr. Deepak Kejriwal				
	At the beginning of the year	5	0.00	-	-
	Date wise increase /decrease	-	-	-	-
	At the end of the year	-	-	5	0.00
4.	Mr. Sadhu Ram Bansal				
	At the beginning of the year	-	-	-	-
	Date wise increase /decrease	-	-	-	-
	At the end of the year	-	-	-	-
5.	Mr. Mool Chand Gauba				
	At the beginning of the year	-	-	-	-
	Date wise increase /decrease	-	-	-	-
	At the end of the year	-	-	-	-
6.	Mrs. Suman Lata Saraswat				
	At the beginning of the year	-	-	-	-
	Date wise increase /decrease	-	-	-	-
	At the end of the year	-	-	-	-
	KMP				
7.	Mr. M.L. Birmiwala				
	At the beginning of the year	-	-	-	-
	Purchase 01.03.2020	2	0.00014	2	0.00014
	Purchase 20.03.2020	1	0.0007	3	0.00021
	Purchase 27.03.2020	8	0.00055	11	0.00076
	Purchase 31.03.2020	9	0.00062	20	0.0014
	At the end of the year	-	-	20	0.0014

Annexure - V (Contd.)

V. INDEBTEDNESS:

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

(Amount in ₹)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2019)				
i) Principal Amount	1,04,21,50,466	22,91,08,050	-	1,27,12,58,516
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not paid	-	1,65,53,400	-	1,65,53,400
Total (i + ii + iii)	**1,04,21,50,466**	**24,56,61,450**	**NIL**	**1,28,78,11,916**
Change in Indebtedness during the financial year (Principal Amount)				
- Addition	2,66,31,925	16,72,82,102	-	19,39,14,027
- (Reduction)	-	-	-	-
Net Change	**2,66,31,925**	**16,72,82,102**		**19,39,14,027**
Indebtedness at the end of the financial year (31.03.2020)				
i) Principal Amount	1,06,87,82,391	39,63,90,152	-	1,46,51,72,543
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	1,93,99,820	-	1,93,99,820
Total (i + ii + iii)	**1,06,87,82,391**	**41,57,89,972**	**NIL**	**1,48,45,72,363**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A) Remuneration to Managing Director, Whole-time Directors and/or Manager **(Amount in ₹)**

S. No.	Particulars of Remuneration				Total Amount
		Mr. Raghavendra Anant Mody, Chairman and Whole-time Director	Mr. Shyam Sunder Bhuwania, Vice Chairman & Managing Director	Mr. Deepak Kejriwal, Whole-time Director & CFO	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	79,04,913	24,30,581	67,39,793	1,70,75,287
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	2,32,576	-	2,32,576
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission				
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total (A)	**79,04,913**	**26,63,157**	**67,39,793**	**1,73,07,863**

Annexure - V (Contd.)

B) Remuneration to other directors: **(Amount in ₹)**

S. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. Sadhu Ram Bansal	Mr. Mool Chand Gauba	Mrs. Suman Lata Saraswat	
1.	**Independent Directors**				
	• Fee for attending Board / Committee meetings	2,10,000	2,00,000	1,10,000	5,20,000
	• Commission	-	-	-	-
	• Others, please specify	-	-	-	-
	Total (1)	**2,10,000**	**2,00,000**	**1,10,000**	**5,20,000**
2.	**Other Non-Executive Directors**				
	• Fee for attending board committee meetings	-	-	-	-
	• Commission	-	-	-	-
	• Others, please specify	-	-	-	-
	Total (2)	**-**	**-**	**-**	**-**
	Total = (1+2)	**2,10,000**	**2,00,000**	**1,10,000**	**5,20,000**

C) Remuneration to Key Managerial Personnel other than MD /Manager /WTD: **(Amount in ₹)**

S. No.	Particulars of Remuneration	Mr. M.L. Birmiwala, Sr. Vice President- Finance & Company Secretary	Total
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961.	35,97,659	35,97,659
	(b) Value of perquisites u/s17(2) Income Tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission		
	- as % of profit		
	- others, specify	-	-
5.	Others, please specify	-	-
	Total	**35,97,659**	**35,97,659**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the companies Act	Brief description	Details of Penalty/Punishment/ Compounding fees imposed	Authority(RD/ NCLT/Court)	Appeal mad, If any (give details)
A. COMPANY					
Penalty Punishment Compounding	None				
B. DIRECTORS					
Penalty Punishment Compounding	None				
C. OTHER OFFICERS IN DEFAULT					
Penalty Punishment Compounding	None				

For and on behalf of the Board of Directors

Raghavendra Anant Mody
Chairman
DIN: 03158072

Place: New Delhi
Date: 29th June, 2020

Annexure - VI

Particulars prescribed under Section 197(12) of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

PART- A

Information required under section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

(i) ***The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2019-20 is as follows:***

Mr. Raghavendra Anant Mody	1:18
Mr. Shyam Sunder Bhuwania	1:04
Mr. Deepak kejriwal	1:11

(ii) ***Details of percentage increase in remuneration of each director, Chief Financial Officer and Company Secretary are as follows:***

Name of Director	**Increase / (Decrease)**
Mr. Raghavendra Anant Mody	78%
Mr. Shyam Sunder Bhuwania	Nil
Mr. Deepak Kejriwal	19%
Mr. Sadhu Ram Bansal	Nil
Mr. Mool Chand Gauba	Nil
Mrs. Suman Lata Saraswat	Nil
Mr. M.L. Birmiwala	4%

(iii) ***The percentage increase in the median remuneration of employees in the financial year 2019-20:***

The percentage increase in the median remuneration of employees in the financial year is around 7.90%.

(iv) ***The number of permanent employees on the rolls of company***

The number of employees on permanent rolls of the company is 253.

(v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

Not applicable

(v*i*) ***Affirmation that the remuneration is as per the remuneration policy of the company:***

Yes, the remuneration paid to all Key Managerial Personnel was in accordance with remuneration policy adopted by the Company.

For and on behalf of the Board of Directors

Raghavendra Anant Mody
Chairman
DIN: 03158072

Place: New Delhi
Date: 29th June, 2020

REPORT ON CORPORATE GOVERNANCE

1. PHILOSOPHY ON CORPORATE GOVERNANCE

Good Corporate Governance emerges from the application of best and sound business practices which ensure that the company operates within the regulatory framework. The adoption of such corporate practices ensures accountability of the persons in charge of the Company and brings benefits to investors, customers, lenders, creditors, employees, other stakeholders and the society at large. The practice of responsible governance has enabled it to achieve sustainable growth, while meeting the aspirations of its stakeholders and fulfilling societal expectations.

This report is prepared in accordance with the provisions of the Listing Regulations [Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015] and the report contains the details of Corporate Governance systems, procedures and processes at Hindusthan Urban Infrastructure Limited.

2. THE BOARD OF DIRECTORS

The Board of Directors have ultimate responsibility for the management, general affairs, direction, performance and long-term success of business as a whole. The Board has an optimal mix of Executive and Non-Executive Directors who have considerable expertise in their respective fields including competencies required in context of Company's businesses. The composition and size of the Board is reviewed periodically to ensure that the Board is a wholesome blend of Directors with complementary skill-sets.

Composition of the Board

As on date of this report, the Board comprised of 6 (six) directors consisting of 1 (one) Promoter Executive Director, 2 (two) Non-Promoter Executive Directors and 3 (three) Non-Executive Independent Directors including a Woman Director.

The composition of the Board is in conformity with the requirements of Regulation 17 of the Listing Regulations as well as the Companies Act, 2013 ("Act") read with the Rules issued thereunder.

Meeting, attendance and other directorships

The Board of Directors met six times during the financial year 2019-2020 i.e. on 28.05.2019, 01.08.2019, 14.11.2019, 27.11.2019, 06.02.2020 and 31.03.2020. The maximum gap between any two Board Meetings held during the year was not more than 120 days.

The details of membership of Directors on the other Board/Committees and attendance record of Directors at Board/Committees/ Annual General Meeting are given hereunder:

Name of Directors	Nature of Directorship	Board Meetings		AGM Attendance	Directorship in other companies*	Number of Chairmanship/ Memberships in Committees***		Directorship held in other listed companyies	Relationship with each other	No. of shares held in the company along with percentage to the paid up share capital of the company##
		Held	Attended			Member-ship	Chairman-ship			
Mr. Raghavendra Anant Mody	Executive Chairman/Promoter	6	3	No	4	-	-	Director of Pradyumna Steels Limited	**	3172 (0.22%)
Mr. Shyam Sunder Bhuwania	Executive, Vice Chairman & Managing Director	6	5	Yes	1	2	-	-	**	70 (0.004%)
Mr. Deepak Kejriwal	Executive, Whole-time Director & CFO	6	3	Yes	2	-	-	-	**	5 (0.0003 %)
Mr. Sadhu Ram Bansal	Non-Executive Director/Independent	6	6	No ^	3	-	1	Independent Director of KEI Industries Limited	**	-
Mr. Mool Chand Gauba	Non-Executive Director/Independent	6	6	Yes	2	1	1	-	**	-

Name of Directors	Nature of Directorship	Board Meetings		AGM Attendance	Directorship in other companies*	Number of Chairmanship/ Memberships in Committees***		Directorship held in other listed companyies	Relationship with each other	No. of shares held in the company along with percentage to the paid up share capital of the company##
		Held	Attended			Member-ship	Chairman-ship			
Ms. Suman Lata Saraswat #	Non-Executive Director/Independent	6	4	No	5	1	4	Independent Director of:- Carbo Industrial Holdings Limited Foster Engineering & Industries Limited Hindusthan Business Corporation Limited Pradyumna Steels Limited	**	-

* Excludes directorship in Hindusthan Urban Infrastructure Limited. Also excludes directorship in private companies, foreign companies, companies incorporated under Section 8 of the Companies Act, 2013 and alternate directorships.

** No inter-se relationship with any of the Directors of the Company.

*** The Committees considered for the purpose are those prescribed under Regulation 26(1)(b) of the Listing Regulations viz. Audit Committee and Stakeholders' Relationship Committee of Indian Public Limited Companies.

Ms. Suman Lata Saraswat was re-appointed as Independent Director for second term effective from 01.04.2019.

As per declaration made to the Company by the Directors as to the shares held in their own name or held jointly as the first holder or held on beneficial basis as the first holder.

^ Mr. Sadhu Ram Bansal, Chairman of Stakeholders Relationship Committee, authorized Mr. Mool Chand Gauba to attend the AGM held on 30.09.2019.

Matrix setting out the skills/expertise/competence required in the context of its business for it to function effectively and those actually available with the Board:

Skill and its description	Mr. Raghavendra Anant Mody	Mr. Shyam Sunder Bhuwania	Mr. Deepak Kejriwal	Mr. Sadhu Ram Bansal	Mr. Mool Chand Gauba	Mrs. Suman Lata Saraswat
Strategy and planning Ability to think strategically; identify and critically assess strategic opportunities and threats. Develop effective strategies in the context of the strategic objectives of the Company.	Yes	Yes	Yes	Yes	Yes	Yes
Risk and Compliance Ability to identify key risks to the Company in a wide range of areas including legal and regulatory compliance.	Yes	Yes	Yes	Yes	Yes	-
Financial Management and Accounting Comprehensive understanding of financial accounting, reporting and controls and analysis.	Yes	Yes	Yes	Yes	Yes	Yes
Sales, Marketing & Brand building Experience in developing strategies to grow sales and market share, build brand awareness and equity.	Yes	Yes	Yes	-	Yes	Yes
Board service and Governance Service on a public company board to develop insights about maintaining board and management accountability, protecting shareholders interest.	Yes	Yes	-	Yes	Yes	Yes

Knowldege and expertise of Trade and economics policies Possessing knowledge and expertise of various trade and economic policies, ability to analyse their impact on the business of the Company and devise revised strategies.	Yes	Yes	Yes	Yes	Yes	Yes

3. COMMITTEES OF THE BOARD

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities as mandated by applicable regulation; which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by Members of the Board, as a part of good governance practice. The minutes of the meeting of all Committees are placed before the Board for review. The Board Committees can request special invitees to join the meeting, as appropriate. During the year, all recommendations of the Committees of the Board which were mandatorily required have been accepted by the Board.

The Board has established the following statutory and non-statutory Committees:-

a. AUDIT COMMITTEE

Composition

The Audit Committee comprises of Mr. Mool Chand Gauba as Chairman, Mr. Shyam Sunder Bhuwania and Mr. Sadhu Ram Bansal as Members.

Mr. M.L. Birmiwala acts as Secretary of the Committee.

Meeting, quorum and attendance

During the year, five meetings of the Committee were held on the following dates:

(i) 28.05.2019 (ii) 01.08.2019 (iii) 14.11.2019 (iv) 27.11.2019 (v) 06.02.2020.

The attendance of the members at Audit Committee meetings held during the financial year 2019-20 are detailed below:

Name of the Members	No. of Meetings	
	Held during tenure	Attended
Mr. Mool Chand Gauba	5	5
Mr. Shyam Sunder Bhuwania	5	5
Mr. Sadhu Ram Bansal	5	5
Ms. Suman Lata Saraswat *	1	1

* Ms. Suman Lata Saraswat ceased to be member of the Committee w.e.f 28.05.2019.

The composition, powers, role and terms of reference of the Committee are in accordance with the requirements mandated under Section 177 of the Companies Act, 2013 read with the rules made thereunder and Regulation 18 and 21 read with Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as SEBI Listing Regulations, 2015). Apart from the above, the Committee also carries out such functions/responsibilities entrusted on it by the Board of Directors from time to time.

The detailed terms of reference of the Audit Committee is available on the website of the Company at www.hindusthanurban.com.

The Audit Committee ensures that it has reviewed each area that is required to be reviewed under its terms of reference and under applicable legislation or by way of good practice.

The meetings of Audit Committee are also attended by the Whole-time Director, Chief Financial Officer, Statutory Auditors and Internal Auditors as special invitees. The minutes of each Audit Committee meeting are placed in the next meeting of the Board.

b. NOMINATION AND REMUNERATION COMMITTEE

Composition

The Nomination and Remuneration Committee comprises of Mr. Mool Chand Gauba as Chairman, Mr. Sadhu Ram Bansal and Ms. Suman Lata Saraswat as Members.

Mr. M.L. Birmiwala acts as Secretary of the Committee.

Meeting, quorum and attendance

During the year, two meetings of the Committee were held on the following dates:

(i) 01.08.2019 (ii) 06.02.2019

The attendance of the members at Nomination and Remuneration Committee meetings held during the financial year 2019-20 are detailed below:

Name of the Members	No. of Meetings	
	Held during tenure	Attended
Mr. Mool Chand Gauba	2	2
Mr. Sadhu Ram Bansal	2	2
Ms. Suman Lata Saraswat	2	2

The composition, powers, role and terms of reference of the Committee are in accordance with the requirements mandated under Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations, 2015. Apart from the above, the Committee also carries out such functions/responsibilities entrusted on it by the Board of Directors from time to time.

The detailed terms of reference of the Nomination and Remuneration Committee is available on the website of the Company at www.hindusthanurban.com.

Board Diversity

The Company has adopted the Policy on Board Diversity as required under Regulation 19 read with Part D of Schedule II of SEBI Listing Regulations, 2015.

REMUNERATION POLICY

The details of Company's Remuneration Policy for Directors, Key Managerial Personnel and Senior Management are given in the Board's Report.

The Remuneration Policy of the Company is to ensure that Directors, Company's Senior Management including Key Managerial Personnel are rewarded in a fair and reasonable manner, for their individual contributions to the success of the Company and are provided with appropriate incentives to encourage enhanced performance.

The remuneration paid to the Directors, Company's Senior Management including Key Managerial Personnel is recommended by the Nomination and Remuneration Committee and approved by the Board of Directors. Remuneration payable to Executive Directors is subject to the subsequent approval by the shareholders at the General Meeting and such other authorities, if required.

REMUNERATION OF DIRECTORS

Executive Directors

The details of the Remuneration (including allowances and perquisites) paid to the Directors of the company for the financial year 2019-20 are as follows:

(Amount in ₹)

Name of the Directors	Basic Salary	Allowance & Perquisites	Sitting fee	Commission	Total
Mr. RaghavendraAnant Mody *	45,06,452	33,98,461	–	–	79,04,913
Mr. Shyam Sunder Bhuwania *	17,61,290	9,69,291	–	–	27,30,581
Mr. Deepak Kejriwal *	12,91,613	54,48,180	–	–	67,39,793
Mr. Sadhu Ram Bansal	–	–	2,10,000	–	2,10,000
Mr. Mool Chand Gauba	–	–	2,00,000	–	2,00,000
Ms. Suman Lata Saraswat	–	–	1,10,000	–	1,10,000

* Allowances and Perquisites in case of Mr. Raghavendra Anant Mody, Mr. Shyam Sunder Bhuwania and Mr. Deepak Kejriwal are Books and Periodicals, House Rent Allowance, Leave Travel concession, Provident Fund, Gratuity as per their appointment letters issued by the company as Executive Directors.

The Company has not granted stock options to any of its Directors.

Independent Directors

The Independent Directors are paid ₹ 20,000 as sitting fees for attending every meeting of the Board and ₹ 10,000 for attending the Committees Meetings including separate meeting of Independent Director held during the year. During FY 2019-20, the Non-Executive Directors did not have any other pecuniary relationship or transactions with the Company other than those mentioned in the Notes of the Standalone Financial Statements.

Non-Executive Directors with materially significant, pecuniary or business relationship with the Company

There have been no pecuniary or business relationship between the Non-Executive Directors and the Company, except for the sitting fees payable to them in accordance with the applicable laws and with the approval of the shareholders. A declaration to this effect is also submitted by all the Directors at the beginning of each financial year.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Act and Listing Regulations, a separate exercise was carried out to evaluate the performance of Individual Directors of the Board who were evaluated on parameters such as level of engagement and contribution and independence of judgment thereby safeguarding the interest of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board of Directors. The performance evaluation of the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

- **Board, Committees and Senior Management**

  One of the key responsibilities of the Board and the Nomination & Remuneration Committee includes establishment of a structured assessment process for evaluation of performance of the Board, Committees of the Board and individual performance of each Director including the Chairman.

- **Board and Individual Directors**

  The parameters of the performance evaluation process for the Board, *inter alia*, considers work done by the Board around long term strategy, mix of Board members, discharging its governance & fiduciary duties, handling critical and dissenting suggestions, etc.

  The parameters of the performance evaluation process for Directors includes, effective participation in meetings of the Board, attendance of Director(s), etc. Independent Directors were evaluated by the entire Board with respect to fulfillment of independence criteria as specified in the Listing Regulations and their Independence from the Management.

  The Independent Director(s) had evaluated the performance of Non – Executive Directors and the Chairman of the Board. The outcome of meeting evaluation was discussed at the respective meetings of Board, Committees and Independent Directors.

- **Committees of the Board**

  The performance evaluation of committees were carried out based on the degree of fulfillment of key responsibilities as outlined by the charter, adequacy of committee composition, effectiveness of meetings, quality of deliberations at the meetings and information provided to the Committees. The overall performance evaluation exercise was completed to the satisfaction of the Board. The Board of Directors deliberated on the outcome and agreed to take necessary steps going forward.

- **Managing Director or Whole-time Director**

  The Nomination & Remuneration Committee evaluates the performance of the Managing Director/Whole-time Director by setting his Key Performance Objectives or Key Performance Parameters at the beginning of each financial year. The Committee ensures that his Key Performance Objectives are aligned with the immediate and long-term goals of the Company.

c. STAKEHOLDER'S RELATIONSHIP COMMITTEE

Composition

The Stakeholders Relationship Committee comprises of Mr. Sadhu Ram Bansal as Chairman, Mr. Shyam Sunder Bhuwania and Ms. Suman Lata Saraswat as Members.

Mr. M.L. Birmiwala is the Secretary of the Committee and compliance officer of the company.

During the year, one meeting of the Committee was held on 06.02.2020.

The attendance of the members at Stakeholders Relationship Committee meeting held during the financial year 2019-20 are detailed below:

Name of the Members	No. of Meetings	
	Held during tenure	Attended
Mr. Sadhu Ram Bansal	1	1
Mr. Shyam Sunder Bhuwania	1	1
Mr. Suman Lata Saraswat	1	1

The detailed terms of reference of the Stakeholders' Relationship Committee is available on the website of the Company at www.hindusthanurban.com.

During the year, the Company had received no complaints from shareholders and there were no complaints which had remained unresolved at the end of the year. Further, no investor grievance has remained unattended / pending for more than thirty days.

d. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Composition

CSR Committee comprises of Mr. Shyam Sunder Bhuwania as Chairman, Mr. Mool Chand Gauba and Mr. Sadhu Ram Bansal as Members.

Mr. M.L. Birmiwala is the Secretary of the Committee.

Meeting, quorum and attendance

During the year, two meetings of the Committee were held on the following dates:

(i) 01.08.2019 (ii) 06.02.2019

The attendance of the members at Nomination and Remuneration Committee meetings held during the financial year 2019-20 are detailed below:

Name of the Members	No. of Meetings	
	Held during tenure	Attended
Mr. Shyam Sunder Bhuwania	2	2
Mr. Mool Chand Gauba	2	2
Mr. Sadhu Ram Bansal	2	2

The composition, powers, role and terms of reference of the Committee are in accordance with the requirements mandated under Section 135 of the Companies Act, 2013.

The CSR Policy of the Company has been uploaded on the Company's website at www.hindusthanurban.com.

e. SHARE TRANSFER COMMITTEE

The share transfer Committee comprises of Mr. Shyam Sunder Bhuwania and Mr. M.L. Birmiwala and responsible for approving the transfer, transmission, consolidation of securities, issuance of duplicate certificates etc. which are in physical form. The Board takes note of the transfer of shares approved by the Committee in their next meeting.

The Committee is authorized to look into and review the reports relating to approval / confirmation of requests for share transfer / transmission / transposition / consolidation / issue of duplicate share certificates / sub-division, remat, demat of shares etc. from time to time.

4. INDEPENDENT DIRECTORS

MEETINGS OF INDEPENDENT DIRECTORS

In the opinion of the Board, the Independent Director's fulfil the conditions specified in SEBI Listing Regulations, 2015 and all are independent of the Management.

The Independent Directors are appointed by the Members of the Company and letter of appointment is issued to them as per Schedule IV of the Companies Act, 2013. The terms and conditions of appointment of Independent Directors are disclosed on the website of the Company at www.hindusthanurban.com.

Schedule IV of the Companies Act, 2013 and Secretarial Standard - 1 on Meetings of the Board of Directors mandates that the Independent Directors of the Company hold at least one meeting in a year, without the attendance of Non – Independent Directors.

During the financial year 2019-20, the Independent Directors met on 06.02.2020 discussed and reviewed performance of Non-Independent Directors, the Board as a whole, Chairman of the Company and assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board. In addition to formal meetings, interactions outside the Board Meetings also take place between the Chairman and Independent Directors.

FAMILIARISATION PROGRAMME

The Company conducts Familiarisation Programme for Independent Directors to enable them to understand their roles, rights and responsibilities. The Independent Directors are provided with necessary documents/ brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices.

Moreover, when new Director(s) are inducted on the Board, an information pack is handed over to them which includes Company profile, Company's Codes and Policies, Strategy and such other operational information which will enable them to understand the Company and its business(es) in a better way.

The details of such familiarisation programme are disclosed on the website of the company at www.hindusthanurban.com.

SELECTION OF INDEPENDENT DIRECTORS

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field/profession, and who can effectively contribute to the Company's business and the decisions are considered by the Nomination and Remuneration Committee, for appointment of Independent Director on the Board. The Committee, inter alia, considers Qualification, positive attributes, area of expertise number of Directorship(s) and Membership(s) held in various committees of other companies by such persons in accordance with the Company's Policy for selection of Directors and determining Directors' independence. The Board considers the Committee's recommendation, and takes appropriate decision.

Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he/she meets the criteria of independence as provided under the law.

5. GENERAL BODY MEETINGS

a. The details of the last three Annual General Meetings are as under:

Financial Year(s)	Venue	Date	Time	Special Resolution Passed
2016-2017	Ghalib institute, Aiwan-e- Ghalib Marg, New Delhi - 110002	29.09.2017	9:30A.M.	Nil
2017-2018	Hotel Connaught Royale, 106, Babar Road, Connaught Place, Opp. World Trade Center, New Delhi – 110001	28.09.2018	9:30A.M.	Nil
2018-2019	Hotel Connaught Royale, 106, Babar Road, Connaught Place, Opp. World Trade Center, New Delhi – 110001	30.09.2019	9:30A.M	Yes *

b. * Special resolution was passed for Payment of Managerial Remuneration under Section 197 of the Companies Act, 2013

c. Whether any Special Resolution is proposed to be passed through postal ballot this year: Currently, there is no proposal to pass any Special resolution through Postal Ballot. Special resolutions by way of Postal Ballot, if required to be passed in the future, will be decided at the relevant time.

d. No postal Ballot was conducted during the financial year 2019-20.

6. <u>Means of Communication</u>

The Company promptly discloses information on material corporate developments and other events as required under Listing Regulations. Such timely disclosures are an indicator of the Company's good corporate governance practices.

Annual Reports, notice of the meetings and other communications to the Shareholders are sent through e-mail, post or courier.

However, this year in view of the outbreak of COVID-19 pandemic and owing to the difficulties involved in dispatching of physical copies of Annual Report, the Ministry of Corporate Affairs ("MCA") has vide its circular no 20/2020 dated 5th May 2020 directed the Companies to send the Annual Report only by e-mail to all the Members of the Company. Therefore, the Annual Report for FY 2019-20 and Notice of 60th AGM of the Company is being sent to the Members at their registered e-mail addresses in accordance with MCA and SEBI Circulars.

(a) Quarterly Results

The Company's quarterly/half-yearly/nine months/annual financial results are sent to Stock Exchange and published in newspapers i.e. Financial Express in English & Jansatta in Hindi. Simultaneously, they are also put on the Company's website www.hindusthanurban.com.

(b) Stock Exchange

The Company is timely submitting the required information, statement and report to the BSE Ltd. The Company intimates Stock Exchange all price sensitive information which in its opinion are material & of relevance to the shareholders.

(c) Reminder to Investors

Reminders for unclaimed shares, unpaid dividend / unpaid interest are sent to the shareholders as per records every year.

7. General Shareholder information

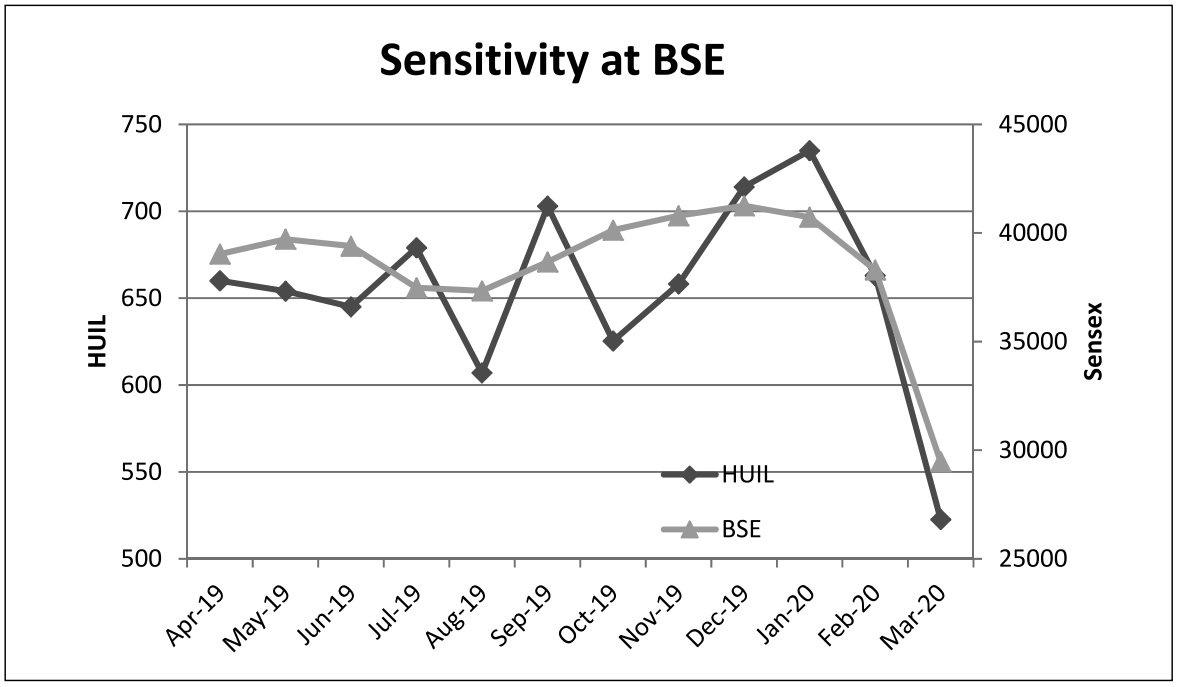
a	Annual General Meeting	:	
	Date, Time and venue		Friday, 18th September, 2020 at 2:00 p.m. through Video Conference ("VC")/ Other Audio Visual Means ("OAVM")
b	Book Closure	:	Saturday, 12th September, 2020 to Friday, 18th September, 2020 (both days inclusive)
c	Financial Calendar	:	
	Financial year		1st April, 2020 to 31st March, 2021
	Tentative schedule for declaration of financial results during the financial year 2020-21		
	Quarter ending 30th June, 2020		Before 14th August, 2020
	Quarter ending 30th September, 2020		Before 14th November, 2020
	Quarter ending 31st December, 2020		Before 14th February, 2021
	Quarter and year ending 31st March, 2021		Before 30th May, 2021
d	Listing details	:	
	Name of Stock Exchange and Stock Code		Address
	BSE Limited (BSE) – 539984		BSE Limited, Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400001
	ISIN		INE799B01017
	Payment of Listing Fees		Annual listing fee for the financial year 2020-21 will be paid to BSE Limited on receipt of invoice.
	Payment of Depository Fees		Annual Custody / Issuer fee for the year 2020-21 to Central Depository Services Limited (CDSL) and National Securities Depository Limited (NSDL) will be paid on receipt of the invoice.

e. Market Price Data – the monthly high and low prices of the Company's shares at BSE for the financial year ended 31st March, 2020 are as follows:

Month	BSE (In Rs.)			BSE (Sensex Closing)
	High	Low	Closing	
2019				
April	719	636.50	660	39031.55
May	695	554.10	654	39714.2
June	699	608	645	39394.64
July	705	557.08	679	37481.12
August	699	505	606.95	37332.79

Month	BSE (In Rs.)			BSE (Sensex Closing)
	High	Low	Closing	
September	769	604	702.95	38667.33
October	734.95	623.10	625.3	40129.05
November	710	615.10	658.15	40793.81
December	740	640	714	41253.74
2020				
Jan	779.90	672.25	734.9	40723.49
Feb	750	590.05	662.95	38297.29
Mar	715	485.15	522.6	29468.49

f. Stock Performance (comparison of closing price / index value on respective dates)



* Sources www.bseindia.com

g	In case the securities of the Company are suspended from trading, the reasons thereof	:	The Securities of the Company are not suspended from trading on the stock exchanges.
h	Registrar and Transfer Agents:	:	Skyline Financial Services Private Limited, D-153/A, First Floor, Okhla Industrial Area, Phase-1, New Delhi – 110020 Phone no. :011-40450193-97 Email: info@skylinerta.com, Website: www.skylinerta.com
i	Share Transfer System	:	The share transfer committee meets to approve the transfer/transmission /transposition, issue of duplicate share certificates and consolidation of shares in physical form in case there is/are such request and duly transferred shares are generally dispatched within the prescribed period under the Companies Act, 2013/Guidelines of the Stock Exchange.

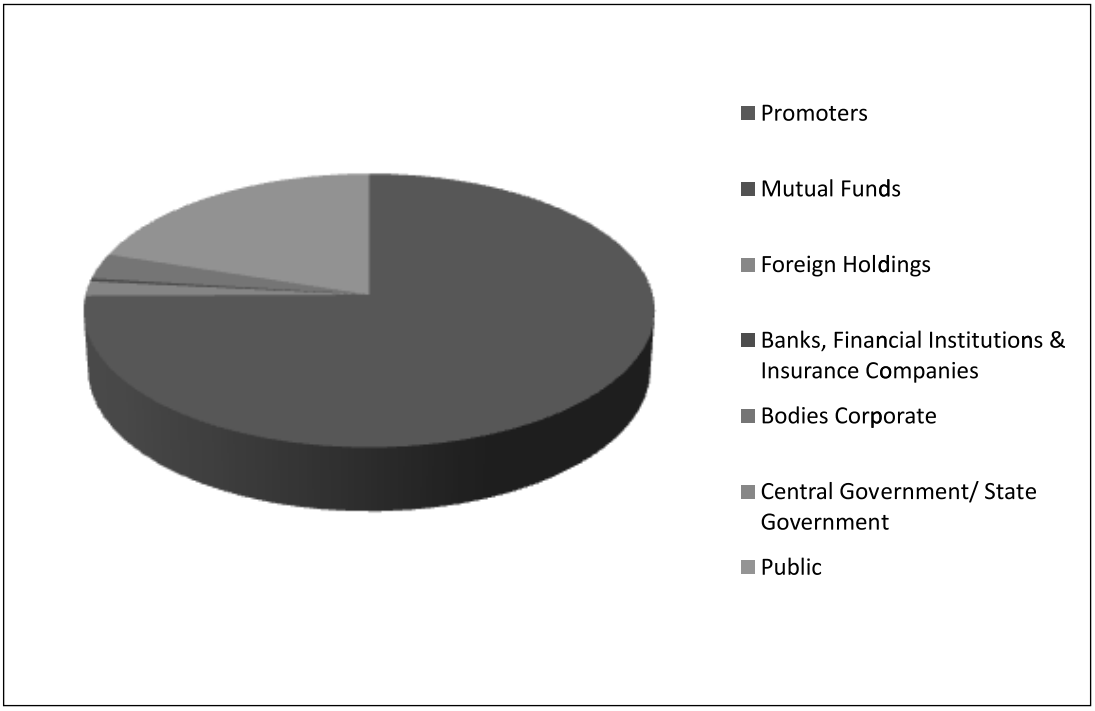
j	Distribution of Shareholding		Distribution of shareholding of shares of the Company as on 31st March, 2020 is as follows:

No. of Shares held	No. of Shareholders	% of Shareholders	Aggregate Shares held	% of Shareholding
1 – 500	1153	92.68	79642	5.52
501 – 1000	44	3.54	31265	2.17
1001 – 2000	12	0.96	15625	1.08
2001 – 3000	15	1.21	37716	2.61
3001 – 4000	3	0.24	10302	0.71
4001 – 5000	3	0.24	13226	0.92
5001 – 10000	2	0.16	16957	1.18
10001 & above	12	0.96	1238152	85.81
Total	**1244**	**100**	**1442885**	**100**

k The Shareholding Pattern as on 31st March, 2020.

Shares held by	No. of Shares	% of Shareholding
Promoters & Promoters Group	1080217	74.87
Public Shareholding :		
Banks and Financial Institutions	5000	0.34
Bodies Corporate	43704	3.03
Foreign holdings (NRIs)	25266	1.75
Indian Public/ Others	288698	20.01
Total	**1442885**	**100**

l Category wise shareholding



m	Dematerialization of Shares	:	The Company entered into tripartite agreement with both Depositories i.e, the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to facilitate holding and trading of securities in electronic form. The dealing in Company's equity shares is in demat form only. As on date 98.80 % of equity capital of the Company has been dematerialized.
n	Outstanding Instruments and their impact on equity	:	The Company does not have any outstanding GDRs/ ADRs/ Warrants/ Convertible Instruments as on 31st March, 2020.
o	Commodity Price Risk / Foreign Exchange Risk and Hedging activities	:	The Company has a mechanism to assess risk, periodically review it and ensure that steps are taken to mitigate the risks. The company does not undertake any commodity hedging activity. The company actively monitors the foreign exchange movements and take steps to cover risks.
p	Plant Locations	:	Plot No. 321, 325/1386, Champajhara, Mallipada, Distt.- Khurda-752108, (Odisha)
			Insulators & Electricals Company (Insulator Division)1-8, New Industrial Area, P.B. No. 1, Mandideep-460046 (M.P)
			Plot No. 1C, Brahmaputra Industrial Park, Village: Sila, P. O. College Nagar, North Guwahati, Distt. Kamrup – 781031 (Assam)
			Industrial Area, P.O. Birla Nagar, Gwalior – 474004 (Madhya Pradesh)
q	Address for Correspondence	:	Hindusthan Urban Infrastructure Limited, 7th Floor, Kanchenjunga Building, 18, Barakhamba Road, New Delhi – 110001 Tel: +91-11-23310001-05 Email: investors@hindusthan.co.in, Website:www.hindusthanurban.com
r	Credit Ratings	:	The company has not issued any debt instruments and does not have any fixed deposit programme or any scheme during the financial year ended 31.03.2020. The rating given by Brickwork Ratings for the short term borrowing and long term borrowing of the company are A3 and BBB- respectively. There was no revision in the said ratings during the year under review.
s	Transfer to the Investor Education and Protection Fund		Pursuant to applicable provisions of the Companies Act, 2013 (Act) read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) (IEPF Rules), all unpaid or unclaimed dividends are required to be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government, after completion of 7 (seven) years from the date of transfer to Unclaimed Dividend Account of the Company. During the year under review, the Company sent individual notices, seeking action from the shareholders who have not claimed their dividends for 7 (seven) consecutive years or more. The Company has transferred to IEPF the following unclaimed dividends:

Particulars	Amount of Dividend
Final Dividend for the Financial Year 2011-12	₹ 53,301

During the financial year 2020–21, the Company would be transferring unclaimed final dividend amount for the financial year ended 31st March, 2013 on or before 30th September, 2020 to IEPF.

8. OTHER DISCLOSURES

i. Related Party Transactions

None of the transactions with any of related parties were in conflict with the Company's interest. Attention of members is

drawn to the disclosure of transactions with related parties set out in notes of Standalone Financial Statements, forming part of the Annual Report.

The Company's major related party transactions are generally with its subsidiary company. All related party transactions are negotiated on an arm's length basis and are intended to further the Company's interests.

During the year under review, the Board of Directors has adopted the updated related party transaction policy in line with the amendments to the Listing Regulations. During FY 2019-20, there were no material related party transactions in terms of Regulation 23 of the SEBI Listing Regulations, 2015.

The policy on dealing with and materiality of Related Party Transactions has been placed on the Company's website at www.hindusthanurban.com.

The details of remuneration paid to the employee of the company, who is relative of Director as on 31st March, 2020 is as under:

Name of employee	Nature of relationship with Director(s)	Remuneration (Amount in ₹)
Mrs. Sanchita Mody, Advisor – Corporate Planning	Relative (Mother) of Mr. Raghavendra Anant Mody	53,31,666

In terms, of Section 177 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules issued thereunder and the Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the appointment and remuneration payable to the aforesaid is approved by the Audit Committee and noted by the Board of Directors of the Company and is at arm's length and in ordinary course of business of the Company.

ii. **Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years:**

None

iii. Vigil Mechanism and Whistle Blower Policy

The Company has adopted a Whistle Blower Policy as per the provision of Act and as required by the Listing Regulations. The Whistle Blower Policy is hosted on the website of the Company.

During the year under review, the Policy was suitably amended to include reporting of instances relating to leak of Unpublished Price Sensitive Information (UPSI).

iv. Disclosure of commodity price risks or foreign exchange risk and hedging activities:

Commodities are a large part of raw materials procured and consumed by the Company. Your Company has a robust framework and governance mechanism to ensure that it is sufficiently protected from market volatilities. Your Company manages foreign exchange risk with appropriate hedging activities consistent with the policies of the Company. Foreign exchange transactions are fully covered with strict limits placed on the amount of uncovered exposure, if any, at any point in time. There are no materially uncovered exchange rate risks in the context of the Company's imports and exports. The details of foreign exchange exposures as on 31st March 2020 are disclosed in the Notes to the Standalone financial statements.

v. **Details of utilization of funds raised through preferential allotment or qualified institutional placement as specified under Regulation 32 (7A) of the Listing Regulations**

The Company has not raised funds through preferential allotment or qualified institutional placement.

vi. **Certificate from Practicing Company Secretary**

On an annual basis, the Company obtains from each Director, details of the Board and Board Committee positions he/she occupies in other Companies, and changes if any regarding their Directorships. The Company has obtained a certificate from Mr. Kapoor Chand Garg, proprietor of M/s. KCG & Associates, Company Secretaries, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any such authority.

vii. **Recommendations of Committees of the Board**

There were no instances during the financial year 2019-20, wherein the Board had not accepted recommendations made by any committee of the Board.

viii. Total fees paid to Statutory Auditors of the Company

Total fees of ₹ 7,48,037 (Rupees Seven Lakh Forty Eight Thousand Thirty Seven Only) for financial year 2019-20, for all services, was paid by the Company and its subsidiary, on a consolidated basis, to the statutory auditors.

ix. Disclosure relating to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place an effective mechanism for dealing with complaints relating to sexual harassment at workplace. The details relating to the number of complaints received and disposed of during the financial year 2019-20 are as under:

a. Number of complaints filed during the financial year: Nil

b. Number of complaints disposed of during the financial year: Nil

c. Number of complaints pending as on end of the financial year: Nil

x. **Risk Management**

The Audit Committee reviews key risks affecting the Company and mitigation measures thereof.

xi. Code of Conduct

All the Board members and Senior Management personnel have affirmed compliance with the code of conduct. The Company has in place a comprehensive Code of Conduct ('the Code') applicable to the Directors and employees. The Code is applicable to Non-Executive Directors including Independent Directors to such an extent as may be applicable to them depending on their roles and responsibilities. The Code gives guidance and support needed for ethical conduct of business and compliance of law.

A copy of the Code has been put up on the Company's website and can be accessed at www.hindusthanurban.com. The Code has been circulated to Directors and Management Personnel, and its compliance is affirmed by them annually.

A declaration to this effect signed by Mr. Shyam Sunder Bhuwania, Vice Chairman and Managing Director of the company forms part of this Report.

In accordance with the provisions of Regulation 26 (6) of the Listing Regulations, the Key Managerial Personnel, Director(s) and Promoter(s) of the Company have affirmed that they have not entered into any agreement for themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

xii **Accounting Treatment**

The Financial Statements of the Company for FY 2019-20 have been prepared in accordance with the applicable accounting principles in India and the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with the rules made thereunder.

xiii. **CEO/ CFO Certification**

Mr. Shyam Sunder Bhuwania, Managing Director and Mr. Deepak kejriwal, Whole-time Director & Chief Financial Officer have provided Compliance Certificate to the Board in accordance with Regulation 17 (8) read with Part B of Schedule II of the SEBI Listing Regulations, 2015 for the financial year ended 31.03.2020.

xiv. Compliance Reports

The Board has reviewed the compliance reports pertaining to the laws applicable to the Company at its meetings on quarterly basis.

xv. **Subsidiary Companies Monitoring Framework:**

The Company has material non-listed Indian subsidiary company in terms of Regulation 16 of the Regulations. Minutes of the Board meetings of the subsidiary company are placed at the Board meeting of the Company on periodical basis. The Audit Committee reviews the financial statements including investments by the unlisted subsidiary of the Company.

The Policy for determining material subsidiaries has been uploaded and can be accessed on the Company's website at www.hindusthanurban.com.

xvi. Audit of Reconciliation of Share Capital:

As stipulated by SEBI, a Practicing Company Secretary carries out the Audit of Reconciliation of Share Capital on a quarterly basis to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and paid up capital. The Audit report is submitted to the Stock Exchanges and is placed before the Board at its meetings.

xvii **Corporate Identification Number (CIN):** L31300DL1959PLC003141.

xviii. Information flow to the Board Members

As required under Regulation 17(7), Part A of Schedule II of SEBI Listing Regulations, 2015, information is provided to the Board members for their information, review, inputs and approval from time to time.

xix. **Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons:**

The Company has adopted a Code of Conduct to Regulate, Monitor and Report trading by Designated Persons (Insider Trading Code) under Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (SEBI Insider Trading Regulations).

The Code of Conduct to Regulate, Monitor and Report trading by Designated Persons, Code of Fair Disclosure & Conduct and Whistle Blower Policy have been uploaded on website of the Company at www.hindusthanurban.com.

The Audit Committee review cases of non-compliances, if any, and makes necessary recommendations w.r.t. action taken against such defaulters.

xx. Website

The Company ensures dissemination of applicable information under Regulation 46(2) of the Listing Regulations. Detailed information on the Company's business and products, quarterly/half yearly/nine months and annual financial results are displayed on the Company's website and can be accessed at www.hindusthanurban.com.

xxi. **Secretarial Compliance Report**

SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 read with Regulation 24(A) of the Listing Regulations, directed listed entities to conduct Annual Secretarial compliance audit from a Practicing Company Secretary of all applicable SEBI Regulations and circulars/guidelines issued thereunder. The said Secretarial Compliance report is in addition to the Secretarial Audit Report by Practicing Company Secretaries under Form MR – 3 and is required to be submitted to Stock Exchange within 60 days of the end of the financial year.

The Company has engaged the services of Mr. Kapoor Chand Garg, Proprietor of M/s. KCG & Associates, Company Secretaries and Secretarial Auditors of the Company for providing this certification.

xxii. **compliance with mandatory requirements**

The Company has complied with all mandatory requirements of Listing Regulations relating to Corporate Governance.

xxiii. compliance with mandatory requirements

The Company has complied with all the mandatory requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations, 2015.

xxiv. Adoption and Non Mandatory Requirements

(i) During the year under review, there is no audit qualification on the Company's financial statements. The Company continues to adopt best practices to ensure regime of unmodified audit opinion.

(ii) The Internal Auditors of the Company directly reports to the Audit Committee which oversees the internal audit functions.

DECLARATION AFFIRMING COMPLIANCE OF CODE OF CONDUCT

In accordance with SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, I hereby confirm that all the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for Board Members and Senior Management for the year ended 31st March, 2020.

For Hindusthan Urban Infrastructure Limited

Place: New Delhi
Date: 29th June, 2020

Shyam Sunder Bhuwania
Vice Chairman & Managing Director

CEO & CFO CERTIFICATE

We hereby certify that-

a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2020 and that to the best of our knowledge and belief;

   i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

   ii. These statements together present a true and fair view of the Company's affair and are in accordance with existing accounting standards, applicable laws and regulations.

b) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March 2020 fraudulent, illegal or violate the Company's code of conduct.

c) We accept the responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal controls system of the company pertaining to financial reporting Deficiencies in the design or operation of internal controls, if any of which we are aware have been disclosed to the Auditors and the Audit Committee and steps have been taken to rectify these deficiencies.

d) (i) There has not been any significant change in internal control over financial reporting during the year under reference.

   (ii) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements.

   (iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the company's internal control system over financial reporting.

Deepak Kejriwal
(Whole-time Director & Chief Financial Officer)

Shyam Sunder Bhuwania
(Vice Chairman & Managing Director)

Place: New Delhi
Date: 29th June, 2020

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ANNUAL OVERVIEW

Amidst the Covid-19 crisis, Fitch Ratings lowered India's economic growth estimate for FY 2020-21 to 0.8%, FY 2019-20 has been a challenging year with several macro headwinds encompassing Industrial, Infrastructure and Real estate market. Slow economic activity and Liquidity challenges impacted the overall demand scenario in the industry.

The Global Covid-19 pandemic may have an extended impact, but this means opportunities as well as challenges. The Board, through its engagement with the management, will guide the Company in recalibrating its growth strategy to address these challenges and to make use of the new opportunities.

1. Industry Structure and Developments

The Indian Power sector is one of the most diversified in the world. Power being one of the components of infrastructure crucial for the economic growth of nations. The Government of India has identified the power sector as key sector of focus to promote sustained industrial growth. Power for all has accelerated the demand in the Country and is expected to rise further in the years to come.

Total installed capacity of power stations in India stood at 370.34 GW as of April 2020. Electricity production reached 1,252.61 billion units (BU) in FY20.

2. Opportunities & Threats

India's electricity sector is likely to register a decline in power demand by 1.0% and a drop in plant load factor (PLF) to 54% for the whole year in financial year 20-21, considering the full lockdown till May 3rd, 2020 and resumption of full operations by industrial and commercial establishments from July 2020 as a base case scenario.

There are opportunities for more Porcelain Insulators sales due to increasing investment toward the modernization of aging grid infrastructure along with rapid urbanization will drive the India electric insulators market. We are also roping in new buyers. India transmission electric insulators market is anticipated to grow over 7% by 2024.

The Conductors are crucial elements of a transmission and distribution (T&D) network. However, the domestic conductor industry has witnessed sluggish growth over the past four years, recording a CAGR about 2%.

3. Segment-wise or Product-wise Performance

During the year revenue from operations of Insulator division has decreased by 4.47% from ₹ 203.25 Crore in FY 2018-19 to ₹194.16 Crores in FY 2019-20 whereas profit before interest and tax has fallen slightly 0.68% from ₹ 26.45 Crores in FY 2018-19 to ₹ 26.27 Crores in FY 2019-20.

During the year revenue from operations of conductor division has decreased by 46.62% from ₹ 494.64 Crores to ₹ 264.00 Crores in F Y 2019-20 as a result profit before interest and tax has fallen to ₹ 8.75 Crores as compared to ₹ 17.94 Crores in previous financial year.

During the year revenue from segment of "Real Estate" has grown by 36.67% from ₹ 3.49 Crore in F Y 2018-19 to ₹ 4.77 Crore in FY 2019-20. As a result, profit before interest and tax has grown to ₹ 4.11 Crores as compared to ₹ 2.42 Crores in previous year.

4. Future Outlook

India is the world's third largest power consumer and producer with installed power capacity of 370.34 GW. The 13th National Electricity plan target 479 GW of generation capacity, including 243 GW of thermal and 175 GW of renewable capacity.

Growing population along with increasing electrification and per capita uses will provide further impetus. Power consumption is estimated to reach 1894.7 Twh in 2022.

Power demand is expected to grow at 6.5 – 6.8% CAGR in FY20-23 driven by high latent demand, rapid urbanization and increasing electricity access. The Government has undertaken programs to provide 24x7 power to all villages and households leading to increase in power demand.

5. Risk and Concerns:

Slow economic activity and Liquidity challenges impacted the overall demand scenario in the industry. Later part of the year also witnessed an unprecedented outbreak of pandemic Covid-19 impacting global economies, supply chain as well as consumer sentiment led to delay in implementation of power projects by state governments. Complete lockdown of the country was unparalleled to any disruption experienced in the past several decades. It is feared that COVID-19 would leave a deep cut in economy and corporate financials.

The cyclical nature of the power business has an obvious impact on conductor manufacturing Companies. Increasing competition in the domestic market with fixed price contracts may put pressure on the profitability of the Company. Delay in orders from state discoms and power utilities may impact performance for both the segments i.e conductor and insulator. Project delays

from the customer's side may impact order book position. The volatility in prices of prime raw material i.e aluminum may impact on fixed price contracts

6. Internal control systems and their adequacy

The company is having adequate internal control systems and procedures commensurate with the size of the company. The Company continued its focus on enhancing revenue growth. Various actions in terms of cost reduction, value engineering, competitive sourcing and improving credit discipline have been undertaken. There has been a significant progress in the Industry.

The Audit Committee is regularly reviewing the Internal Audit Reports for the audit carried out in all the key areas of the operations. All Internal Audit Reports are regularly placed before the Audit Committee for their approval and advising appropriate action, wherever required.

7. Human Resources/Industrial Relations

It is the company's belief that the Human Resource is the driving force towards progress and success of a Company. In order to bring focus in HR Systems, Company has implemented system and procedures in HR system in line with the industry standards. . The company seeks to motivate and retain its professional by offering reasonable compensation and opportunity to grow in the organization by systematic training for employees and with career and succession plans in place. The total permanent employee's strength of the company was 253 as on 31.03.2020. The industrial relations in all Works remained cordial during the year.

8. Financial/ Operational performance:

Covered under the separate head of the Board's Report.

9. Cautionary Statement

This report to the Shareholders is in compliance with the Corporate Governance Standard incorporated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchange and as such cannot be construed as holding out for any forecast, projection, expectation, invitation, offer, etc. within the meaning of applicable Securities' Laws and Regulations.

Actual results could differ materially from those expressed or implied. Significant factors that could make a difference to Company's operations include domestic and international economic conditions affecting demand, supply and price conditions, changes in government regulations, tax regimes and other statutes. Readers are cautioned not to place undue reliance on the forward looking statements.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HINDUSTHAN URBAN INFRASTRUCTURE LIMITED

I. Report on the Audit of Standalone Financial Statements for the year ended 31st March, 2020

1. Opinion

A. We have audited the Standalone Financial Statements of **Hindusthan Urban Infrastructure Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

B. 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 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its Profit, other comprehensive income, changes in equity and its cash flows for the year ended on that date.

2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) 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 (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made 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.

3. 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 of the current period. 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. We have determined that there are no key audit matters to be communicated in our report.

4. Information Other than the Standalone Financial Statements and Auditor's Report thereon

A. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Financial Statements and our auditor's report thereon.

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

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

5. Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

A. 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, other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) specified under section 133 of company Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

B. 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 the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

6. Auditor's Responsibilities for the Audit of the Standalone Financial Statements

A. 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.

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

i) 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.

ii) Obtain an understanding of internal financial controls 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 system in place and the operating effectiveness of such controls.

iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

iv) 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 Standalone 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.

v) 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.

C. 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.

D. 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.

E. 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 of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that 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.

II. Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.

2. (A) As required by Section 143(3) of the Act, based on our audit 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 Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account;

   d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

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

   f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B**".

   (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements. Refer note 31 to the standalone financial statements

   ii) The Company has made provision, as required under the applicable law or Ind-AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

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

   (C) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act,:

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

For **K.N. Gutgutia & Co.**
Chartered Accountants
(Firm's Registration No. 304153E)

(B.R. GOYAL)
Partner
(Membership No.12172)
(UDIN : 20012172AAAAOI4193**)**

Place: New Delhi
Date: 29th June, 2020

ANNEXURE "A" TO THE INDEPNDEDNT AUDITOR'S REPORT

(Referred to in paragraph II point 1 under "Report on Other Legal and Regulatory Requirements" section of our report to the members of Hindusthan Urban Infrastructure Limited of even date)

i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) As explained to us, physical verification of fixed assets has been carried out by the company and no material discrepancies were noticed on such verification. In our opinion, this periodicity and manner of physical verification is reasonable having regard to the size of the company and the nature of its assets.

(c) According to the information and explanations given to us, title deeds of immovable properties of the company are held in the name of the Company.

ii) (a) The inventories have been physically verified during the year lying at various project sites by the management at reasonable intervals.

(b) In our opinion, no material discrepancies were noticed on physical verification of stocks.

iii) According to the information and explanations given to us the Company has, during the year, granted unsecured loan to its subsidiary company covered in the register maintained under Section 189 of the Act. The terms and conditions of the grant of such loans are not prejudicial to the company's interest. The borrower has been regular in paying interest on loan and there is no overdue principal amount at the year end.

iv) According to the information and explanation given to us, the company has complied with the provisions of section 185 and 186 of the Act in respect of making Investment, grants of Loans and providing guarantees and securities.

v) The Company has not accepted any deposits from the public during the year and hence paragraph 3(v) of the Order is not applicable to the Company.

vi) Pursuant to the rules made by the central government of India, the company is required to maintain cost records as specified under section 148(1) of the act in respect of its products. We have broadly reviewed the same, and are of opinion that prima facie, the prescribed accounts and records have been made and maintained. However we have not made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii) (a) According to the records examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax , Goods & Service Tax, Duty Of Custom, Duty Of Excise, Cess and other statutory dues wherever applicable.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Income Tax, Duty Of Customs, Goods and Service Tax, Cess and other material statutory dues were in arrears as at 31st March 2020 for a period of more than six months from the date they became payable.

(b) According to the records and information and explanations given to us and the records of the company examined by us, dues of Income Tax, Sales Tax Service Tax, Goods & Service Tax, Duty Of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues which have not been deposited on account of disputes are as follows:

Name of the Statute	Nature of dues	Amount (in ₹) (net of amount paid)	Year to which the amount relates(FY)	Forum where dispute is pending
Central Sales Tax Act, 1956 & Sales Tax/Vat Act of Various States	Sales Tax, Haryana	17,20,197	2004-05	Sales Tax Tribunal, Chandigarh
Central Sales Tax Act, 1956 & Sales Tax/Vat Act of Various States	Sales Tax, U.P.	4,88,619	1995-96	Hon'ble High Court, Allahabad. Remanded to Assistant Commissioner (Assessment), Ghaziabad.
Central Sales Tax Act, 1956 & Sales Tax/Vat Act of Various States	Sales Tax, U.P.	64,307	1985-86	Assisstant Commissioner (Assessment) Ghaziabad.
Central Sales Tax Act, 1956 & Sales Tax/Vat Act of Various States	Sales Tax, U.P.	9,25,200	2000-01	Hon'ble High Court, Allahabad
Central Sales Tax Act, 1956 & Sales Tax/Vat Act of Various States	Sales Tax, U.P.	70,678	1984-85	Tribunal, Ghaziabad

Name of the Statute	Nature of dues	Amount (in ₹) (net of amount paid)	Year to which the amount relates(FY)	Forum where dispute is pending
Central Sales Tax Act, 1956 & Sales Tax/Vat Act of Various States	Central Excise, Guhawati	16,34,135	2012-13	Commissioner of Central Excise-(Appeal), Guwahati,
Central Sales Tax Act, 1956 & Sales Tax/Vat Act of Various States	Central Excise, Guhawati	26,38,394	2014-15	Commissioner of Central Excise-(Appeal), Guwahati,
Central Sales Tax Act, 1956 & Sales Tax/Vat Act of Various States	Sales Tax, Gwalior	1,48,91,201	2015-16	Appeal filed before Commissioner of VAT, Gwalior
Central Sales Tax Act, 1956 & Sales Tax/Vat Act of Various States	Sales Tax, Gwalior	14,81,400	2011-12	Appeal filed before Commissioner of ET Gwalior
Central Sales Tax Act, 1956 & Sales	Sales Tax, Gwalior	23,28,746	2016-17	Appeal filed before Commissioner
Tax/Vat Act of Various States				of ET Gwalior
Central Sales Tax Act, 1956 & Sales Tax/Vat Act of Various States	GST & Central Excise, Khurda	20,55,175	2014-15	Appeal filed with Commissioner (Appeals), GST & Central Excise against order of Commissioner (Audit)-GST & Central Excise
Central Sales Tax Act, 1956 & Sales Tax/Vat Act of Various States	VAT, Khurda	2,86,973	2017-18	Appeal filed before STO CT & GST CIRCLE
Central Sales Tax Act, 1956 & Sales Tax/Vat Act of Various States	Central Sale Tax, Khurda	73,92,174	2017-18	Appeal filed before STO CT & GST CIRCLE
Central Sales Tax Act, 1956 & Sales Tax/Vat Act of Various States	GST & Central Excise, Khurda	3,64,182	2016-17	Superintendent of GST & Central Excise
Central Sales Tax Act, 1956 & Sales Tax/Vat Act of Various States	Central Sale Tax, Khurda	2,74,43,798	2015-16	Appeal filed before STO CT & GST CIRCLE
Central Sales Tax Act, 1956 & Sales Tax/Vat Act of Various States	Central Sale Tax, Khurda	2,92,61,576	2016-17	Appeal filed before STO CT & GST CIRCLE
Central Sales Tax Act, 1956 & Sales Tax/Vat Act of Various States	Central Sale Tax, Khurda	19,20,462	2016-17	Assisstant Commissioner of GST & Central Excise
Central Sales Tax Act, 1956 & Sales Tax/Vat Act of Various States	Central Sale Tax, Khurda	1,83,854	2016-17	Assisstant Commissioner of GST & Central Excise
Central Sales Tax Act, 1956 & Sales Tax/Vat Act of Various States	Central Sale Tax, Khurda	1171519	2017-18	Assisstant Commissioner of GST & Central Excise
Central Sales Tax Act, 1956 & Sales Tax/Vat Act of Various States	Central Sale Tax, Khurda	2456487	2016-17	Assisstant Commissioner of GST & Central Excise
Income Tax Department	Income Tax	1,70,47,710	2013-14(A.Y.)	CIT, Appeals, Kolkata
Income Tax Department	Income Tax	12,71,693	2014-15 (A.Y.)	CIT, Appeals, Kolkata
Income Tax Department	Income Tax	5,85,215	2015-16(A.Y.)	CIT, Appeals, Kolkata
Income Tax Department	Income Tax	12,49,380	2016-17(A.Y.)	CIT, Appeals, Kolkata

In respect of Income Tax Demand given above, company state that these demand pertaining to wrong calculation of Interest U/s 234B & 234C, wrong demand of DDT and ITAT Appeal order effect not given by the Income Tax department. The company had filed appeal as well as rectification application for the said demand.

viii) Based on our audit procedures and according to the information given by the management, the company has not defaulted repayment in respect of any loans or borrowings from any financial institution, bank, government. The company has not issued debentures during the year.

ix) In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of any initial public offer or further public offer (including debt instrument) and the monies raised by way of term loans were applied for the purpose for which the loans were obtained.

x) Based upon the audit procedures performed and to the best of our knowledge and according to the information and explanations given to us by the management, we report that no fraud by the Company or any fraud on the company by its officer or employees has been noticed or reported during the course of our audit.

xi) On the basis of records and information and explanations made available and based on the examination of the records of the company, managerial remuneration which has been paid or provided is in accordance with the requisite approval mandated vide provisions of Section 197 read with schedule V to the Companies Act 2013.

xii) The Company is not a Nidhi Company and hence 3 (xii) of the Order is not applicable to the Company.

xiii) As per the information and explanations and records made available by the management of the company and audit procedure performed, for the related parties transaction entered during the year, the company has complied with the provisions of sec 177 and 188 of the act, wherever applicable. As explained, as per records and details made available to us such related parties transactions have been disclosed in the note no. 34 of standalone financial statements as required by the applicable Ind-AS.

xiv) According to the records of the company, it has not made any preferential allotment of shares or private placement of shares or fully/partly convertible debentures during the year under report. Accordingly paragraph 3 (xiv) of the Order is not applicable to the Company.

xv) According to information and explanation given to us and based on the examination of the records of the company, the Company has not entered into any non-cash transaction with Director or person connected with him. Hence paragraph 3 (xv) of the Order is not applicable to the Company.

xvi) The Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934 and hence paragraph 3 (xvi) of the Order is not applicable to the Company.

For **K.N. Gutgutia & Co.**
Chartered Accountants
(Firm's Registration No. 304153E)

(B.R. GOYAL)
Partner
(Membership No.12172)
(UDIN : 20012172AAAAOI4193**)**

Place: New Delhi
Date: 29th June, 2020

ANNEXURE "B" TO THE INDEPNDEDNT AUDITOR'S REPORT

(Referred to in paragraph II point 2 A (f) under "Report on Other Legal and Regulatory Requirements" section of our report to the members of Hindusthan Urban Infrastructure Limited of even date)

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

Opinion

We have audited the internal financial controls over financial reporting of **Hindusthan Urban Infrastructure Limited** ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control over Financial Reporting issued by the Institute of Chartered Accountants of India.

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 (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the

internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **K.N. Gutgutia & Co.**
Chartered Accountants
(Firm's Registration No. 304153E)

(B.R. GOYAL)
Partner
(Membership No.12172)
(UDIN : 20012172AAAAOI4193**)**

Place: New Delhi
Date: 29th June, 2020

STANDALONE BALANCE SHEET AS AT MARCH 31, 2020

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
ASSETS			
1. **Non - current assets**			
(a) Property, Plant and Equipment	2	17,627.21	18,606.16
(b) Capital work - in - progress	3	47.24	12.21
(c) Investment Properties	4	20,603.84	20,584.05
(d) Other Intangible assets	5	98.47	163.35
(e) Financial assets			
(i) Investment	6	8,459.31	8,459.31
(ii) Loans	10	3.15	5.66
(iii) Other Financial Assets	11	369.61	24.07
(f) Other non - current assets	13	929.01	871.03
Total non - current assets		**48,137.84**	**48,725.84**
2. **Current assets**			
(a) Inventories	7	9,437.06	7,344.97
(b) Financial assets			
(i) Trade receivables	8	11,195.46	21,325.13
(ii) Cash and cash equivalents	9(I)	785.01	298.88
(iii) Other bank balances	9(II)	352.94	248.44
(iv) Loans	10	4,395.06	1,714.72
(v) Other Financial Assets	11	565.65	72.25
(c) Current Tax Assets (Net)	12	63.69	72.68
(d) Other Current Assets	13	1,409.25	1,342.54
Total current assets		**28,204.12**	**32,419.61**
Total Assets		**76,341.96**	**81,145.45**
EQUITY AND LIABILITIES			
1. **EQUITY**			
(a) Equity share capital	14	144.29	144.29
(b) Other equity		45,485.78	44,945.95
Total equity		**45,630.07**	**45,090.24**
2. **LIABILITIES**			
(A) **Non - current liabilities**			
(a) Financial liabilities			
(i) Borrowings	15	3,822.69	4,348.02
(ii) Other financial liabilities	17	68.73	79.65
(b) Provisions	18	584.02	502.10
(c) Deferred tax liabilities (net)	19	7,345.34	7,151.81
(d) Other Non-current liabilities	20	58.30	79.21
Total non - current liabilities		**11,879.08**	**12,160.79**
(B) **Current liabilities**			
(a) Financial liabilities			
(i) Borrowings	15	9,627.31	7,281.79
(ii) Trade payables			
(a) total outstanding dues of micro and small enterprises	16	191.62	525.53
(b) total outstanding dues of creditors other than (ii) (a) above	16	6,509.77	14,011.98
(iii) Other financial liabilities	17	1,712.11	1,390.51
(b) Other current liabilities	20	678.18	525.75
(c) Provisions	18	113.82	158.86
Total current liabilities		**18,832.81**	**23,894.42**
Total Equity & Liabilities		**76,341.96**	**81,145.45**
Significant accounting policies	**1**		
Notes to the financial statements	**2-46**		

The accompanying notes referred to above form an integral part of the financial statements.

As per our report of even date
For K. N. Gutgutia & Company
Chartered Accountants
FRN: 304153E

(B. R. Goyal)
Partner
Membership No: 12172

Place: New Delhi
Date : 29th June, 2020

For and on behalf of the Board of directors of
Hindusthan Urban Infrastructure Ltd

Raghavendra Anant Mody
(DIN : 03158072)
Chairman and Whole Time Director

S.S.Bhuwania
(DIN No.00107171)
Vice Chairman and Managing Director

Deepak Kejriwal
(DIN : 07442554)
Whole Time Director & CFO

M.L.Birmiwala
Sr.V.P.Finance &
Company Secretary

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

(₹ in Lakhs except per share data)

Particulars		Note No.	Year ended March 31, 2020	Year ended March 31, 2019
I	Revenue from operations	21	46,294.00	70,255.16
II	Other income	22	952.70	1,230.02
III	**Total income (I + II)**		**47,246.70**	**71,485.18**
IV	**Expenses :**			
	Cost of Materials Consumed	23	31,498.19	51,394.91
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	24	(2,408.28)	(144.15)
	Employee benefits expense	25	2,209.59	2,432.40
	Finance costs	26	2,753.91	3,222.38
	Depreciation and amortization expense	27	1,473.50	1,495.59
	Other expenses	28	10,771.29	12,243.25
	Total expenses		**46,298.20**	**70,644.38**
V	**Profit /(Loss) before exceptional items and tax (III - IV)**		**948.50**	**840.80**
VI	Exceptional items	30	–	91.63
VII	**Profit/(Loss) before tax (V-VI)**		**948.50**	**749.17**
VIII	**Tax expense/(benefit)**			
	(1) Current tax		516.51	154.23
	(2) Deferred tax		43.24	372.37
	(3) Tax adjustment of earlier years		(166.85)	–
			392.90	526.60
IX	**Profit / (Loss) for the year (VII - VIII)**		**555.60**	**222.57**
X	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to profit or loss	29	(23.96)	7.22
	(ii) Income tax relating to items that will not be reclassified to profit or loss		8.37	(2.41)
	Total Other Comprehensive Income for the year		(15.59)	4.81
XI	**Total Comprehensive Income for the year (IX + X)**		**540.01**	**227.38**
XII	**Earnings per equity share:**			
	(1) Basic (₹)		**38.51**	15.43
	(2) Diluted (₹)		**38.51**	15.43
Significant accounting policies		**1**		
Notes to the financial statements		**2-46**		

The accompanying notes referred to above form an integral part of the financial statements.

As per our report of even date
For K. N. Gutgutia & Company
Chartered Accountants
FRN: 304153E

(B. R. Goyal)
Partner
Membership No: 12172

Place: New Delhi
Date : 29th June, 2020

For and on behalf of the Board of directors of
Hindusthan Urban Infrastructure Ltd

Raghavendra Anant Mody
(DIN : 03158072)
Chairman and Whole Time Director

S.S.Bhuwania
(DIN No.00107171)
Vice Chairman and Managing Director

Deepak Kejriwal
(DIN : 07442554)
Whole Time Director & CFO

M.L.Birmiwala
Sr.V.P.Finance &
Company Secretary

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

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
CASH FLOW FROM OPERATING ACTIVITIES		
Profit /(Loss) Before Tax	**948.50**	**749.17**
Adjustments for :		
Depreciation & amortisation expense	1,473.50	1,495.59
Unrealised Foreign Exchange Fluctuation Loss/(Gain)	(24.19)	(1.63)
Finance Cost	2,753.91	3,222.38
Provision for Liquidated Damages/ Bad Debts W/off	56.35	15.86
Liability/Sundry Balance Written back	(90.97)	(609.60)
Provision for Employee Benefits	36.88	(200.34)
Re-measurement of defined benefit plans transferred to OCI	(23.96)	7.22
Rental Income	(477.14)	(348.62)
Exceptional Items	-	91.63
Interest Income	(539.43)	(170.85)
Dividend Income	-	(3.00)
Profit on Sale of Property, Plant & Equipment	(4.25)	(2.84)
Profit on Sale of Investment	(2.43)	(205.95)
Deferred Government Grant transferred	(14.63)	(14.63)
Operating Profit Before Working Capital Changes	**4,092.13**	**4,024.39**
Adjustments for:		
(Increase)/Decrease in Trade Receivables	9,999.48	(905.97)
(Increase)/Decrease in Loans and Other Assets	(176.55)	370.96
(Increase)/Decrease in Inventories	(2,092.09)	(764.04)
Increase/(Decrease) in Trade Payable, Provisions & Other liabilities	(7,475.49)	(1,450.98)
Cash Generated from Operations	**4,347.48**	**1,274.36**
Direct Tax Paid (net of refund)	(75.00)	(37.00)
Net Cash Inflow /(Outflow) from Operating Activities	**4,272.48**	**1,237.36**
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition / Purchase of PPE & Other Intangible Assets	(406.25)	(313.62)
Sale Proceeds of Property, Plant & Equipment (PPE)	33.32	1,643.90
Purchase of Investment Property	(93.02)	(267.73)
Purchase of Investment	(1,825.00)	(11,050.00)
Investment in Equity Share Capital in Subsidiary company	-	(600.00)
Sale of Investments in shares / mutual funds	1,827.43	12,059.49
Interest Income Received	136.80	114.81
(Investment)/Redemption in Term Deposit with bank as margin money (incl. unclaimed dividend)	(450.03)	195.58
Dividend Income Received	-	3.00
Rental Income	477.14	348.62
Loan given to Subsidiary (net)	(2,684.66)	(1,701.00)
Net Cash Inflow /(Outflow) from Investing Activities	**(2,984.29)**	**433.06**
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds From / (Repayment) of Short Term Borrowings (net)	847.74	1,954.03
Issue of Preference Share Capital	-	9,518.97
Loan taken from /(repaid to) Related parties	1,500.00	(9,370.12)
Proceeds from /(Repayment) of Long term Borrowings	(579.20)	(1,163.02)
Finance Cost Paid	(2,548.78)	(3,185.12)
Repayment of Lease Liability	(19.65)	–
Dividend Paid (including DDT)	(2.17)	(17.59)
Net Cash Inflow /(Outflow) from Financing Activities	**(802.06)**	**(2,262.85)**
Net Increase/ (Decrease) in cash & cash equivalents	**486.13**	**(592.43)**
Cash & cash equivalents at Beginning of the Year	298.88	891.31
Cash & cash equivalents at End of the Year	**785.01**	**298.88**
Components of cash & cash equivalents:		
- Balance with Banks : On current accounts	51.50	30.45
- Cash on hand	4.86	4.67
- Term Deposits with Banks (with maturity of less than 3 months)	728.65	263.76
	785.01	**298.88**

1) The above cash flow has been prepared under the "Indirect Method" as set out in Ind AS-7 : Statement of Cash Flows
2) Acquisition/Purchase of Property, Plant & Equipment includes movement of capital work in progress, Intangible assets and capital advances & capital payable, paid during the year.

Significant accounting policies	**1**
Notes to the financial statements	**2-46**

The accompanying notes referred to above form an integral part of the financial statements.

As per our report of even date
For K. N. Gutgutia & Company
Chartered Accountants
FRN: 304153E

(B. R. Goyal)
Partner
Membership No: 12172

Place: New Delhi
Date : 29th June, 2020

For and on behalf of the Board of directors of Hindusthan Urban Infrastructure Ltd

Raghavendra Anant Mody
(DIN : 03158072)
Chairman and Whole Time Director

S.S.Bhuwania
(DIN No.00107171)
Vice Chairman and Managing Director

Deepak Kejriwal
(DIN : 07442554)
Whole Time Director & CFO

M.L.Birmiwala
Sr.V.P.Finance &
Company Secretary

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

(₹ in Lakhs)

A Equity Share Capital

Particulars	Issued		Subscribed & fully paid up	
Equity shares of ₹ 10 each	**No of Shares**	**Amount**	**No of Shares**	**Amount**
As at March 31, 2019	1443000	144.30	1442885	144.29
As at March 31, 2020	1443000	144.30	1442885	144.29

B Other Equity

Particulars	Reserves and Surplus			Items of Other Comprehensive Income	Equity Component of	Total
	Capital Redemption Reserve	General Reserve	Surplus/ (Deficit)	Remeasurement of Defined Benefit Plans	Redeemable Preference Share Capital (Net of Taxes)	
Balance as at 01.04.2018 (A)	**26.44**	**39,538.21**	**835.07**	**(12.01)**	–	**40,387.70**
Profit for the year	–	–	222.57	–	–	**222.57**
Items of OCI for the year ended, net of tax-						
Remeasurement benefit of defined benefit plans	–	–		4.81	–	**4.81**
Total Comprehensive Income for the year 2018-19 (B)	–		**222.57**	**4.81**	–	**227.38**
Increase / Reductions during the year	–	–	–	–	4,848.37	**4,848.37**
Proposed Dividend on Equity	–	–	(14.43)	–	–	**(14.43)**
Tax on Dividend	–	–	(2.94)	–	–	**(2.94)**
Deferred Tax on IndAS Provisions adjusted	–	–	(500.13)	–	–	**(500.13)**
Total (C)	–	–	**(517.50)**	–		**4,330.87**
Balance as at 31.03.2019 (A)+(B)+(C) (D)	**26.44**	**39,538.21**	**540.13**	**(7.20)**	**4,848.37**	**44,945.95**
Profit for the year	–	–	555.60	–	–	**555.60**
Items of OCI for the year ended, net of tax-						
Remeasurement benefit of defined benefit plans	–	–		(15.59)	–	**(15.59)**
Total Comprehensive Income for the year 2019-20 (E)	**-**	–	**555.60**	**(15.59)**	–	**540.01**
Leases: Ind-AS 116 transition effect	–	–	(0.18)	–	–	**(0.18)**
Total (F)	–	–	**(0.18)**	–	–	**(0.18)**
Balance as at 31.03.2020 (D)+(E)+(F) (G)	**26.44**	**39,538.21**	**1,095.55**	**(22.79)**	**4,848.37**	**45,485.78**

Significant accounting policies **1**

Notes to the financial statements **2-46**

The accompanying notes referred to above form an integral part of the financial statements.

As per our report of even date
For K. N. Gutgutia & Company
Chartered Accountants
FRN: 304153E

(B. R. Goyal)
Partner
Membership No: 12172

Place: New Delhi
Date : 29th June, 2020

For and on behalf of the Board of directors of
Hindusthan Urban Infrastructure Ltd

Raghavendra Anant Mody
(DIN : 03158072)
Chairman and Whole Time Director

S.S.Bhuwania
(DIN No.00107171)
Vice Chairman and Managing Director

Deepak Kejriwal
(DIN : 07442554)
Whole Time Director & CFO

M.L.Birmiwala
Sr.V.P.Finance &
Company Secretary

COMPANY INFORMATION

Hindusthan Urban Infrastructure Limited (the 'Company') is a public limited Company domiciled and incorporated in India under the Indian Companies Act, 1956. The registered office of the Company is located at 'Kanchenjunga' (7th Floor), 18, Barakhambha Road, New Delhi, India. The Company is listed on the Bombay Stock Exchange (BSE).

The Company is engaged mainly in the business of manufacturing & selling of electrical conductors, insulator products and also engaged in real-estate activity of renting out property.

These financial statements were authorized for issue in accordance with a resolution of the directors on dated 29th June, 2020.

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

(i) Statement of compliance

These financial statements are the separate financial statements of the Company (also called standalone financial statements) prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

(ii) Historical cost convention

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

(iii) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakhs as per the requirement of Schedule III, unless otherwise stated

1.2 Key accounting estimates and judgements

The preparation of the Company's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

a. Property, Plant and Equipment

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

b. Defined benefit obligation

The costs of providing post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in Note 33, 'Employee benefits'.

c. Fair value measurement of Financial Instruments

When the fair values of financials assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using prudent valuation techniques, which involve various judgements and assumptions.

d. Income taxes

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/ recovered for uncertain tax positions/deferred tax liability/assets.

1.3 Current & non-current classification:

The assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

a) it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;

b) it is held primarily for the purpose of being traded;

c) it is expected to be realised within 12 months after the reporting date; or

d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the portion of non current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

a) it is expected to be settled in the company's normal operating cycle;

b) it is held primarily for the purpose of being traded;

c) it is due to be settled within 12 months after reporting date; or

d) the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

1.4 Property, Plant and Equipment and Intangible Assets

(i) Property, Plant and Equipment

Property, plant and equipment are stated at cost net of recoverable taxes and includes amounts added on revaluation, less accumulated depreciation and impairment loss, if any.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other nonrefundable purchase taxes or levies, and any directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenditure incurred on start-up and commissioning of the project and/or substantial expansion, including the expenditure up to the date of commencement of commercial production are capitalised. Subsequent expenditures related to an item of fixed asset are capitalised to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

(ii) Capital work in progress and Capital advances:

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances paid towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

(iii) Intangible Assets

- **Acquired Intangible Assets**

  Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation / impairment loss, if any.

  Subsequent expenditure is capitalized only when it increases the future economic benefits from the specific asset to which it relates.

- **Internally generated intangible assets**

  Internally generated intangibles including research cost are not capitalized and the related expenditure is recognized in the Statement of Profit and Loss in the period in which the expenditure is incurred.

(iv) Derecognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the Statement of Profit and Loss when the asset is derecognized.

(v) Depreciation and Amortization

- **Depreciation**

  Depreciation on each part of an item of property, plant and equipment is provided using the Straight-Line Method as per the useful lives and in the manner prescribed under Part C of Schedule II of the Companies Act, 2013.

  Freehold land is not depreciated. Leasehold land and Leasehold improvements are amortized over the period of the lease.

  The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

  On increase in value due to revaluation on the basis of remaining useful life as estimated by the valuer, the corresponding amount is directly transferred to General Reserve from Revaluation Reserve.

- **Amortisation**

  Intangible Assets with finite lives are amortized on a Straight-Line basis over the estimated useful economic life. The amortization expense on intangible assets with finite lives is recognized in the Statement of Profit and Loss.

  The estimated useful life of intangible assets like Product development, Software systems etc. has been estimated as five years.

  The amortization period and the amortization method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

1.5 Impairment

The Company assesses at each Balance Sheet date whether there is any indication that an asset/cash generating unit may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset/cash generating unit. If such recoverable amount of the asset or the recoverable amount of the cash generating unit is less than the carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss.

An assessment is also done at each balance sheet date whether there is any indication that an impairment loss recognized for an asset/cash generating unit in prior accounting periods may no longer exist or may have decreased. If any such indications exists, the assets/ cash generating unit's recoverable amount is estimated. The carrying amount of the fixed asset/ cash generating unit is increased to the revised estimate of its recoverable amount but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in previous periods. A reversal of impairment loss is recognized in the Statement of Profit and Loss.

1.6 Revenue Recognition

Revenue from sale of products & services is recognized when the significant risks and rewards of ownership of the products or services are transferred to the buyer, recovery of the consideration is reasonably assured and the amount of revenue can be measured reliably. Revenues is net of goods & service tax (GST) and discounts, if any.

Income from subsidy, disbursed/disbursable by the Governments is included in other operating income. The subsidy amount is recognized only to the extent that the realization is reasonably assured.

Dividend income is recognized when the right to receive the income is established.

Income from interest on deposits and loans is recognized on time proportionate basis.

Export incentives/ benefits are accounted for on accrual basis in the year in which exports are made and are included in other operating income.

1.7 Government grants and subsidies

The Company is entitled to subsidies from government in respect of manufacturing unit located in specified regions.

Such subsidies are measured at amounts receivable from the government which are non-refundable and are recognized as income when there is a reasonable assurance that the Company will comply with all necessary conditions attached to them.

Government subsidy relating to purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to Statement of Profit and Loss on a straight line basis over the expected life of the related assets and presented within other operating revenue.

1.8 Inventory

Inventories are stated at lower of cost or net realisable value except scrap which is valued at net estimated realizable value.

The cost for the purpose of valuation is computed on the basis of weighted average price in case of Conductors and in case of Insulators Division on the basis of First-in-First out (FIFO).

Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

The cost of work-in-progress and finished goods comprises of raw materials, packing materials, direct labour, other direct costs, and appropriate portion of variable and fixed production overheads and such other costs incurred as to bring the inventory to its present location and condition. Fixed production overheads are allocated on the basis of normal capacity of production facilities.

Net realisable value is the estimate of the selling price in the ordinary course of business, less the estimated costs of completion/ reprocessing and the estimated cost necessary to make the sale.

1.9 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A) Financial Assets

The Company recognizes a financial asset in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis.

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

a) Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premium or discounts) through the expected life of the debt instrument, or where appropriate, a shorter period to the net carrying amount on initial recognition.

Income is recognized on effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in the statement of profit and loss and is included in the" Other income" line item.

b) Investment in Equity Instruments at fair value through profit & loss

These investments are initially measured at fair value plus transaction costs Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in profit & loss

c) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss.

B) Financial Liabilities

The Company recognizes a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

1.10 Derivative financial instrument and Hedge accounting

Derivative financial instruments such as forward contracts, option contracts and cross currency swaps, to hedge its foreign currency risks are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value with changes in fair value recognised in the Statement of Profit and Loss in the period when they arise.

1.11 Measurement of Fair Values

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above.

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.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 — inputs that are unobservable for the asset or liability

1.12 Investment in Subsidiary Companies

The Company has elected to recognize its investments in subsidiary companies at cost in accordance with the option available in Ind AS 27, 'Separate Financial Statements'. The details of such investments are given in Note 6.

1.13 Foreign Currency Translation

Initial Recognition:

On initial recognition, transactions in foreign currencies entered into by the Company are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.

Measurement of foreign currency items at reporting date:

Foreign currency monetary items of the Company are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction.

Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured.

Exchange differences arising out of these translations are recognized in the Statement of Profit and Loss.

1.14 Income Taxes

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current tax:

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961.

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

Deferred tax:

Deferred tax is recognized 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 under Income Tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized.

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 the benefits of part or all of such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Presentation of current and deferred tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/ expense are recognized 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 recognized 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.

1.15 Provisions and Contingencies

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

1.16 Cash and Cash Equivalents

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments.

1.17 Employee Benefits

Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

Post-Employment Benefits:

I. Defined Contribution plans:

Recognition and measurement of defined contribution plans:

The Company recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Company during the reporting period.

II. Defined Benefit plans:

Recognition and measurement of Defined Benefit plans:

The cost of providing defined benefits is determined using the actuarial valuation techniques with actuarial valuations being carried out at each reporting date. Re-measurements of the net defined benefit liability / (asset) comprising actuarial gains and losses, are recognized in Other Comprehensive Income. The Company presents the above liability/(asset) as current and non-current in the Balance Sheet as per actuarial valuation by the independent actuary.

Other Long Term Employee Benefits:

Entitlements to annual leave and sick leave are recognized when they accrue to employees. Sick leave can only be availed while annual leave can either be availed or encashed subject to a restriction on the maximum number of accumulation of leave. The Company determines the liability for such accumulated leaves using the actuarial valuation techniques.

1.18 Research & Development

Expenditure on research is recognized as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognized as an expense when it is incurred.

1.19 Borrowing Cost

Borrowing cost includes interest, 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, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

1.20 Operating Segment

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

1.21 Events occurring after Reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

1.22 Earnings Per Share

a) *Basic earnings per share*

Basic Earnings per share is calculated by dividing the net profit for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period.

b) Diluted earnings per share

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to the equity shareholders after taking income tax effect of interest and other finance cost associated with dilutive potential equity shares and the weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

1.23 Investment Properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property.

Investment property is measured at its cost, including related transaction costs and where applicable borrowing costs less depreciation and impairment if any.

Depreciation on building is provided over its useful life using the Straight-Line Method

1.24 Exceptional items

When items of income and expense within statement of profit and loss from ordinary activities are of such size, nature

or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.

1.25 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.

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

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 measurement 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 lease term.

Lease Liability

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 less any lease incentives receivable. 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 or a change in the assessment of an option to purchase the underlying asset.

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 of office equipment 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.

(₹ in Lakhs)

2 Property, Plant & Equipment

Particulars	Freehold Land	Leasehold Land	Buildings	Plant & equipment	Computers & IT equipment	Office equipment	Furniture & fixtures	Motor Vehicle	Right of use assets	Total
Gross Block										
As at 01.04.2018	1,745.60	154.13	8,007.50	23,086.96	72.45	179.44	411.96	467.12	–	**34,125.16**
Additions	–	–	2.02	544.74	5.63	10.59	30.63	67.15	–	**660.76**
Disposals	–	(50.47)	–	(3,800.84)	–	(0.83)	(0.58)	(59.93)	–	**(3,912.65)**
Other adjustments	–	–	(2.12)	–	–	–	(5.55)	–	–	**(7.67)**
As at 31.03.2019	1,745.60	103.66	8,007.40	19,830.86	78.08	189.20	436.45	474.35	–	**30,865.60**
As at 01.04.2019	1,745.60	103.66	8,007.40	19,830.86	78.08	189.20	436.45	474.35	–	**30,865.60**
Additions	–	–	15.93	302.81	2.16	7.87	–	8.86	46.26	**383.90**
Disposals	–	–	–	(28.11)	–	(0.26)	(0.97)	(79.46)	–	**(108.80)**
Other adjustments	–	56.54	–	–	–	–	–	–	–	**56.54**
As at 31.03.2020	1,745.60	**160.20**	**8,023.33**	**20,105.56**	**80.24**	**196.81**	**435.48**	**403.76**	**46.26**	**31,197.24**
Depreciation										
As at 01.04.2018	–	40.26	2,102.56	10,344.94	49.42	121.36	102.93	262.51	–	**13,023.98**
Charge for the year	–	3.05	288.46	1,008.12	7.90	23.26	39.61	45.13	–	**1,415.53**
Disposals	–	(21.11)	–	(2,112.06)	–	(0.78)	(0.44)	(45.55)	–	**(2,179.94)**
Adjustments	–	–	(0.12)	–	–	–	–	–	–	**(0.12)**
As at 31.03.2019	–	22.20	2,390.91	9,241.00	57.31	143.84	142.10	262.09	–	**12,259.45**
As at 01.04.2019	–	22.20	2,390.91	9,241.00	57.31	143.84	142.10	262.09	–	**12,259.45**
Charge for the year	–	2.14	288.09	966.94	5.82	21.41	40.33	48.77	16.82	**1,390.31**
Disposals	–	–	–	(7.07)	–	(0.06)	(0.85)	(71.75)	–	**(79.73)**
Adjustments	–	–	–	–	–	–	–	–	–	–
As at 31.03.2020	–	**24.34**	**2,678.99**	**10,200.87**	**63.13**	**165.19**	**181.58**	**239.11**	**16.82**	**13,570.03**
Net Block										
As at 31.03.2019	1,745.60	81.46	5,616.50	10,589.87	20.76	45.36	294.36	212.25	–	**18,606.16**
As at 31.03.2020	**1,745.60**	**135.86**	**5,344.33**	**9,904.70**	**17.12**	**31.62**	**253.90**	**164.64**	**29.44**	**17,627.21**

3 Capital Work in Progress

Particulars	Total
As at 31.03.2019	12.21
As at 31.03.2020	**47.24**

(₹ in Lakhs)

4 Investment Properties

Particulars	Land at Banera	Land at Bangalore (including Site development)	Land at Khurda	Land at Faridabad	Building at Faridabad	Total
Gross Block						
As at 01.04.2018	0.91	1,123.21	–	19,046.00	456.67	20,626.79
Additions	–	–	56.54	–	211.19	267.73
Other adjustments	–	–	–	–	2.12	2.12
As at 31.03.2019	**0.91**	**1,123.21**	**56.54**	**19,046.00**	**669.98**	**20,896.64**
As at 01.04.2019	0.91	1,123.21	56.54	19,046.00	669.98	20,896.64
Additions	–	–	–	–	93.02	93.02
Other adjustments	–	–	(56.54)	–	–	(56.54)
As at 31.03.2020	**0.91**	**1,123.21**	**–**	**19,046.00**	**763.00**	**20,933.12**
Depreciation						
As at 01.04.2018	–	–	–	–	301.04	301.04
Charge for the year	–	–	–	–	11.43	11.43
Other adjustments	–	–	–	–	0.12	0.12
As at 31.03.2019	**–**	**–**	**–**	**–**	**312.59**	**312.59**
As at 01.04.2019	–	–	–	–	312.59	312.59
Charge for the year	–	–	–	–	16.69	16.69
Other adjustments	–	–	–	–	–	–
As at 31.03.2020	**–**	**–**	**–**	**–**	**329.28**	**329.28**
Net Block						
As at 31.03.2019	0.91	1,123.21	56.54	19,046.00	357.39	20,584.05
As at 31.03.2020	**0.91**	**1,123.21**	**–**	**19,046.00**	**433.72**	**20,603.84**

	Year ended March 31, 2020	Year ended March 31, 2019
Rental income derived from investment properties	477.14	348.62
Direct operating expenses (including repairs and maintenance) generating rental income	49.22	95.59
Income arising from investment properties before depreciation	**427.92**	**253.03**
Depreciation	16.69	11.43
Income arising from investment properties (Net)	**411.23**	**241.60**

Premises given on operating lease:

The Company has given certain investment properties on operating lease. These lease arrangements range for a period between 2 and 5 years and include both cancellable and non-cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms.

The total future minimum lease rentals receivable at the Balance Sheet date are as under:

	As at March 31, 2020	As at March 31, 2019
For a period not later than one year	384.04	444.46
For a period later than one year and not later than five years	357.82	405.90
For a period later than five years	–	–
Total	**741.86**	**850.36**

(₹ in Lakhs)

5 Other Intangible Assets

Particulars	Computer softwares	Product Development	Total
Gross Block			
As at 01.04.2018	205.65	135.00	340.66
Additions	0.45	–	0.45
As at 31.03.2019	**206.10**	**135.00**	**341.11**
As at 01.04.2019	206.10	135.00	341.11
Additions	1.62	–	1.62
Disposals	–	–	–
As at 31.03.2020	**207.72**	**135.00**	**342.72**
Amortization			
As at 01.04.2018	77.15	31.98	109.13
Charge for the year	41.18	27.45	68.62
Disposals	–	–	–
As at 31.03.2019	**118.33**	**59.42**	**177.75**
As at 01.04.2019	118.33	59.42	177.75
Charge for the year	39.05	27.45	66.50
Disposals	–	–	–
As at 31.03.2020	**157.38**	**86.87**	**244.26**
Net Block			
As at 31.03.2019	87.77	75.58	163.35
As at 31.03.2020	**50.34**	**48.13**	**98.47**

6 Investments

Particulars	As at March 31, 2020		As at March 31, 2019	
Investments in Equity Shares	**Current**	**Non-Current**	**Current**	**Non-Current**
a) Unquoted Equity Shares (Measured at Cost)				
Subsidiary Companies				
Hindusthan Speciality Chemicals Ltd.	–	8,459.31	–	8,459.31
Total	**–**	**8,459.31**	**–**	**8,459.31**

Aggregate amount of unquoted investments	Face Value per unit	As at March 31, 2020		As at March 31, 2019	
		No. of Units	**Amount**	**No. of Units**	**Amount**
Investments in Equity Shares - Subsidiary Company					
Hindusthan Speciality Chemicals Ltd. (₹ 10 each)	10	84591382	8,459.31	84591382	8,459.31
			8,459.31		**8,459.31**
Aggregate amount of unquoted investments			**8,459.31**		**8,459.31**

(₹ in Lakhs)

7 Inventories

Particulars	As at March 31, 2020	As at March 31, 2019
(I) Raw materials - In hand	1,699.78	1,869.99
(II) Work-in-Progress	2,360.72	2,292.39
(III) Finished Goods	3,787.58	1,412.91
(IV) Stores & Spares and Packing	1,533.12	1,715.30
(V) Scrap	55.86	54.38
Total	**9,437.06**	**7,344.97**

(i) For method of valuation of inventories, refer note 1.8

(ii) The provision in respect of excess, slow-moving, damaged, or obsolete inventories lying in books is ₹ 1713.80 Lakhs (Prev year - ₹ 1750 Lakhs) for Work in Progress & ₹ 58.53 Lakhs (Prev year - ₹ 58.53 Lakhs) for Stores & Spares and Packing.

8 Trade Receivables

Particulars	Non-current		Current	
	As at Mar 31, 2020	As at Mar 31, 2019	As at Mar 31, 2020	As at Mar 31, 2019
Trade receivables considered good - Secured	–	–	431.56	1,353.88
Trade receivables considered good - Unsecured	–	–	10,837.74	19,981.53
Trade receivables which have significant increase in credit risk	–	–	–	–
Trade receivables - credit impaired	–	–	–	–
Total	–	–	**11,269.30**	**21,335.41**
Less: Loss allowance	–	–	(73.84)	(10.28)
Total	–	–	**11,195.46**	**21,325.13**

9 Cash & cash equivalents and Other Bank Balances

Particulars	Non-current		Current	
	As at Mar 31, 2020	As at Mar 31, 2019	As at Mar 31, 2020	As at Mar 31, 2019
Cash and Bank Balances				
(I) Cash & cash equivalents				
(i) Balance with Banks				
Current Accounts	–	–	51.50	30.45
(ii) Cash on Hand	–	–	4.86	4.67
(iii) Deposits with Banks held as Margin money/ Security (Maturity of less than three months)	–	–	728.65	263.76
	–	–	**785.01**	**298.88**
(II) Other Bank Balances				
Earmarked Balances with Banks - Unclaimed Dividend	–	–	1.80	3.96
Deposits with Banks held as Margin money/ Security (Maturity of more than 3 months and upto 12 months)	–	–	351.14	244.48
	–	–	**352.94**	**248.44**
Total	–	–	**1,137.95**	**547.32**

(₹ in Lakhs)

10 Loans

Particulars	Non-current		Current	
	As at Mar 31, 2020	As at Mar 31, 2019	As at Mar 31, 2020	As at Mar 31, 2019
Cash and Bank Balances				
Loans to related parties				
Hindusthan Speciality Chemicals Ltd.	–	–	4,385.66	1,701.00
Loans to employees	3.15	5.66	9.40	13.72
Total	**3.15**	**5.66**	**4,395.06**	**1,714.72**

Break-up of security details

Particulars	As at March 31, 2020	As at March 31, 2019
Loans considered good - Secured	–	–
Loans considered good - Unsecured	4,398.21	1,720.38
Loans which have significant increase in credit risk	–	–
Loans - credit impaired	–	–
Total	**4,398.21**	**1,720.38**

11 Financial Assets: Others

Particulars	Non-current		Current	
	As at Mar 31, 2020	As at Mar 31, 2019	As at Mar 31, 2020	As at Mar 31, 2019
Unsecured, considered good				
Interest accrued but not due	–	–	34.49	22.91
Interest receivable	–	–	440.39	49.33
Insurance Claim Receivable	–	–	90.77	–
Deposits with Banks held as Margin money/ Security (Maturity of more than twelve months)	369.61	24.07	–	–
Total	**369.61**	**24.07**	**565.65**	**72.25**

12 Current Tax Assets (Net)

Particulars	As at March 31, 2020	As at March 31, 2019
Advance Payment of Tax / TDS / TCS (Net of Provisions)	63.69	72.68
Total	**63.69**	**72.68**

(₹ in Lakhs)

13 Other Assets

Particulars	Non-current		Current	
	As at Mar 31, 2020	As at Mar 31, 2019	As at Mar 31, 2020	As at Mar 31, 2019
(I) Capital Advances				
Secured, considered good	–	–	–	–
Unsecured, considered good	–	–	79.91	47.83
(II) Security Deposits				
Secured, considered good	–	–	–	–
Unsecured, considered good				
(A) (i) Sales Tax (Under Litigation)	202.92	93.47	–	–
(ii) Municipal Corporation (Under Litigation)	5.15	5.15	–	–
(iii) Central Excise & Custom (Under Litigation)	5.14	41.38	–	–
(iv) Electricity Board (Under Litigation)	27.91	27.91	–	–
(B) Others -				
I) Tender	106.60	86.16	–	–
II) Electricity	330.78	350.83	–	–
III) Others	132.49	94.83	–	–
Less: Provision for doubtful deposits	(0.00)	(0.00)	–	–
(III) Earnest Money Deposit				
- Lien Fixed Deposit	–	–	–	–
- Others	88.01	122.61	–	–
(IV) Deposit/ Credit with Government Authorities				
GST, Custom, Excise & Service Tax	–	–	879.13	661.72
Sales tax	–	–	26.07	61.34
(V) Advances to Suppliers	8.12	–	202.12	230.80
Less: Provision for doubtful advances	–	–	(3.90)	(3.90)
(VI) Employees	–	–	37.67	8.82
Less: Provision for doubtful advances	–	–	–	–
VII) Other Advances				
Related Parties	–	–	25.15	–
Others	21.89	48.69	163.10	335.93
Total	**929.01**	**871.03**	**1,409.25**	**1,342.54**

14 i) Equity Share Capital

Particulars	As at March 31, 2020	As at March 31, 2019
Authorised		
25,00,000 (31 March 2019 : 25,00,000) Equity Shares of ₹ 10/-each.	250.00	250.00
Issued		
14,43,000 (31 March 2019 : 14,43,000) Equity Shares of ₹ 10/-each.	144.30	144.30
Subscribed & Fully Paid up		
14,42,885 (31 March 2019 : 14,42,885) Equity Shares of ₹ 10/-each.	144.29	144.29
Total	**144.29**	**144.29**

(₹ in Lakhs)

(a) Reconciliation of shares outstanding at the beginning and at end of the year:

Particulars	As at March 31, 2020		As at March 31, 2019	
	No of Shares	Amount	No of Shares	Amount
Opening Balance	14,42,885	144.29	14,42,885	144.29
Add:- Addition during the Year	–	–	–	–
Less:- Deletion during the Year	–	–	–	–
Closing Balance	**14,42,885**	**144.29**	**14,42,885**	**144.29**

(b) Terms/rights attached to equity shares

The Company has equity shares having par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share.

Shares in respect of each class in the company held by its holding company rights ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate : NIL

Shares reserved for issue under options and contracts/commitments for the sale of shares/disinvestment, including the terms and amounts : NIL

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts.The distribution will be in proportion to the number of equity shares held by the shareholders.

The company has not Issued equity share capital including shares allotted for consideration other than cash during the past five years.

(c) Details of Shareholders holding more than 5% equity shares in the company

Name of Shareholder	As at March 31, 2020		As at March 31, 2019	
	No. of Equity Shares	Percentage Holding	No. of Equity Shares	Percentage Holding
Hindusthan Consultancy & Services Ltd.	7,08,825	49.12%	7,08,825	49.12%
Carbo Industrial Holdings Ltd	1,32,820	9.21%	1,32,820	9.21%
Promain Ltd	1,17,900	8.17%	1,17,900	8.17%

15 Borrowings

Particulars	Non-current		Current	
	As at Mar 31, 2020	As at Mar 31, 2019	As at Mar 31, 2020	As at Mar 31, 2019
Secured Loans from Banks:				
a) *Term Loan (Rupee Loan)*	2,329.11	3,136.64	–	–
Less:- Current Maturities	(970.32)	(1,079.70)	–	–
Sub Total	**1,358.79**	**2,056.94**	–	–
b) *Term Loan (FCNR Loan)*	231.41	–	–	–
Less:- Current Maturities	(231.41)	–	–	–
Sub Total	–	–	–	–
c) *Vehicle Loan (Rupee Loan)*	–	3.08	–	–
Less:- Current Maturities	–	(3.08)	–	–
Sub Total	–	–	–	–

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at Mar 31, 2020	As at Mar 31, 2019	As at Mar 31, 2020	As at Mar 31, 2019
d) Unsecured Loans				
From Related parties	–	–	1,500.00	–
Sub Total	–	–	**1,500.00**	–
e) Liability Component of Redeemable Preference Shares	2,463.90	2,291.08	–	–
	2,463.90	**2,291.08**	–	–
f) Working Capital Facilities from Banks-Secured(Repayable on Demand)				
Rupee loan				
Cash Credit	–	–	7,126.70	7,281.79
Working Capital Demand Loan	–	–	1,000.61	–
Sub Total	–	–	**8,127.31**	**7,281.79**
Total	**3,822.69**	**4,348.02**	**9,627.31**	**7,281.79**

a) **Term Loan (Rupee Loan)**

(i) **Type of Loan :** 10.80% p.a.Term loan Canara Bank, New Delhi of ₹ 4500 Lakhs is sanctioned on 14.08.2015 by Canara Bank, New Delhi for our Khurda Projects against which ₹ 4064.34 Lakhs availed.

Nature of Security: The loan is secured by exclusive charge on land & building and other fixed/movable/immovable assets situated at Village-chmpajhara, Distt- Khurda, Bhubaneswer.

Terms of Repayment : The said loan is repayable in 32 quarterly structured instalments starting from quarter ending December' 2015 and ending on quarter ending September'2023.

(ii) **Type of Loan :** 13.85% p.a. Term loan from State Bank of India.

Nature of Security : Secured by Ist Charge over fixed assets situated at plot no 1-8, New Industrial area Mandideep, Tehsil-Goharganj,Distt-Raisen, M.P.

Terms of Repayment: The loan is repayable in 18 quarterly instalment of ₹ 60.93 Lakhs starting from Sep'2016.

(iii) **Type of Loan :** 7.75% p.a.Term loan of ₹ 400 Lakhs from State Bank of India as per Common COVID-19 Emergency Credit Line Scheme

Nature of Security : Secured by extension of charges on primary security/collateral security

Terms of Repayment: The loan is repayable in 18 equated monthly instalments after a moratorium period of 6 months from date of disbursement of the loan

b) **Type of Loan :** 12.65% p.a. FCNR Term loan of USD 3.30 Lakhs from State Bank of India disbursed on 26.04.2019

Nature of Security : Secured by Ist Charge over fixed assets situated at plot no 1-8, New Industrial area Mandideep, Tehsil-Goharganj,Distt-Raisen, M.P.

Terms of Repayment: The loan is repayable after 1 year as per forward contract arrangement made.

d) **Unsecured Loans -** Inter-corporate loans taken during the year from related parties

e) **Liability Component of Redeemable Preference Shares :** Redeemable Non-Cumulative Non-Convertible Preference Shares of ₹ 9518.97 Lakhs issued on 12.12.2018. Present Value of Principal amount of such shares at the end of 20 years considered as Liability Component as per Ind-AS 32 using discount rate @ 7.50% is ₹ 2240.89 Lakhs. Interest expense recognised during the year as per Ind-AS 32 is ₹ 172.82 lakhs (Previous year - 50.19 Lakhs)

f) **Working Capital Facilities for Banks :**

(i) **Type of Loan:** Working Capital Facilities from Canara Bank for the Conductor Division against which drawing is ₹ 3701.11 Lakhs. (Previous year - ₹ 2496.21 Lakhs)

(₹ in Lakhs)

Nature of Security : Secured against hypothecation of stocks, book debts and plant & machinery both present & future at Village-champajhara,Distt- Khurda, Bhubaneswar &12/1,Milestone, Delhi Mathura Road, Faridabad. & Plot No 1C, Industrial park, Sila Mouza, Kamrup, Guwahati,Assam and equitable mortgage of land and building at 12/1,Milestone, Delhi Mathura Road, Faridabad.

(ii) Type of Loan: Working capital facilities from State Bank of India, Bhopal Branch & IDBI Bank, Bhopal Branch for the Insulator division against which drawing is ₹ 4426.20 Lakhs (Previous year - ₹ 4785.57 Lakhs)

Nature of Security: Secured against hypothecation of all types of stocks and book debts and other receivable situated at plot no 1-8, New Industrial area Mandideep, Tehsil-Goharganj,Distt-Raisen, M.P. or such other place as approved by bank and secured collaterally by way of second charge on fixed assets of insulators division situated at plot no 1-8, New Industrial area Mandideep, Tehsil-Goharganj,Distt-Raisen, M.P.

Interest rate varies from 1% p.a. to 6% p.a. per annum on foreign currency denominated working capital facilities and it varies from 8% p.a. to 13% p.a. on rupee denominated working capital facilities.

16 Trade payables (including Acceptances)*

Particulars	As at March 31, 2020	As at March 31, 2019
Total outstanding dues of micro and small enterprises	191.62	525.53
Total outstanding dues of creditors other than micro and small enterprises	6509.77	14011.98
Total	**6701.39**	**14537.51**

*Acceptances include arrangements where operational suppliers of goods and services are initially paid by banks while the Company continues to recognise the liability till settlement with the banks which are normally effected within a period of 90 days.

17 Other financial liabilities

Particulars	Non-current		Current	
	As at Mar 31, 2020	As at Mar 31, 2019	As at Mar 31, 2020	As at Mar 31, 2019
Current Maturities of Long term Debt (Refer note 15)				
Term Loan from Canara Bank - Rupee Loan	–	–	506.25	835.98
Term Loan from ICICI Bank - Car Loan	–	–	–	3.08
Term Loan from SBI - Rupee Loan	–	–	464.07	243.72
Term Loan from SBI - FCNR Loan	–	–	231.41	–
Interest accrued but not due on borrowings	–	–	60.52	37.26
Interest payable			5.20	–
Unclaimed dividend	–	–	1.80	3.96
Other Payables	–	–	220.78	159.53
Creditors For Capital Goods	–	–	1.90	1.79
Other Deposits : Trade/Service deposits	54.91	79.65	192.19	105.19
Mark to Market Balance against outstanding forward contract	–	–	11.10	–
Lease Liabilities	13.82	–	16.89	–
Total	**68.73**	**79.65**	**1,712.11**	**1,390.51**

18 Provisions

Particulars	Non-current		Current	
	As at Mar 31, 2020	As at Mar 31, 2019	As at Mar 31, 2020	As at Mar 31, 2019
Provision for employee benefits	582.78	500.86	113.82	158.86
Contract Loss provision	1.24	1.24	–	–
Total	**584.02**	**502.10**	**113.82**	**158.86**

(₹ in Lakhs)

19 Deferred tax liabilities (net)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax liabilities on:		
- Fixed assets (PPE) U/s-32	7,423.37	7,385.26
- Equity Component of Preference Share Capital	2,465.32	2,429.71
	9,888.69	**9,814.97**
Deferred tax assets on:		
- Bonus, gratuity & leave salary U/s-43B	252.73	230.29
- Provision for doubtful debts U/s-36(1)(vii)	25.80	3.43
- Business loss / Un Absorbed Depreciation U/s-72	863.25	877.57
- Other Temporary Differences	647.89	647.89
- Other Comprehensive Income	14.34	5.97
	1,804.01	**1,765.15**
MAT Credit Entitlement	**739.34**	**898.01**
Net deferred tax Liabilities	**7,345.34**	**7,151.81**

20 Other Liabilities

Particulars	Non-current		Current	
	As at Mar 31, 2020	As at Mar 31, 2019	As at Mar 31, 2020	As at Mar 31, 2019
Advances from customers	–	–	305.58	224.18
Other Payables to Related Party	–	–	9.29	9.29
Interest on Sales tax Liability	–	–	128.28	128.28
Deferred Government Grants	57.27	71.90	14.63	14.63
Deferred Security Deposit (Rent)	1.03	7.31	6.76	8.72
Statutory Liabilities				
- Income Tax (TDS)	–	–	27.05	35.45
- Goods & Service Tax (GST)	–	–	167.91	84.94
- Others	–	–	18.68	20.27
Total	**58.30**	**79.21**	**678.18**	**525.75**

21 Revenue from operations

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Sale of products & services		
(I) Conductors & Cables	26,289.35	49,340.08
(II) Power Generation Sales	–	117.64
(III) Insulators	19,320.57	19,936.88
(IV) Real Estate (Rental Income)	477.14	348.62
	46,087.06	**69,743.22**
Other operating revenue		
(I) Scrap Sales	101.21	434.14
(II) Export Incentives	47.53	41.73
(III) GST Benefit/Subsidy Income	58.20	36.07
	206.94	**511.94**
Revenue from Operations (Gross)	**46,294.00**	**70,255.16**

(₹ in Lakhs)

22 Other income

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(A) INTEREST INCOME		
From FDR's	51.58	29.26
From Customers	32.38	70.33
From Related Parties	434.51	54.81
From Others	20.96	16.45
(B) DIVIDEND INCOME	–	3.00
(C) NET GAIN ON INVESTMENT		
Gain on Sale Of Investment measured at FVTPL	2.43	205.95
(D) OTHER NON- OPERATING INCOME		
Fluctuation in Exchange Rate (Net)	41.44	106.38
Claims Received (Net)	176.62	19.72
Profit on Sale of Property, Plant & Equipment	4.25	2.84
Liabilities No Longer Required & Sundry Credit Balance Written Back	90.97	609.60
Entry Tax Refund	97.55	111.67
Total	**952.70**	**1,230.02**
Total Revenue	**47,246.70**	**71,485.18**

23 Cost of Materials Consumed

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Raw Material Consumed	**31,498.19**	**51,394.91**

24 Changes in inventories of finished goods, stock-in-trade & work-in-progress

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Inventories at the beginning of the year		
Finished Goods	1,412.91	1,405.89
Work-In-Progress	4,042.39	3,912.30
Scrap	54.38	47.34
	5,509.68	**5,365.53**
Inventories at the end of the year		
Finished Goods	3,787.58	1,412.91
Work-In-Progress	4,074.52	4,042.39
Scrap	55.86	54.38
	7,917.96	**5,509.68**
Total	**(2,408.28)**	**(144.15)**

(₹ in Lakhs)

25 Employee benefits expense

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Salaries & wages	2,043.33	2,256.73
Contribution to provident & other funds	133.55	129.99
Staff & Workmen welfare expenses	32.71	45.68
Total	**2,209.59**	**2,432.40**

26 Finance costs

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(I) INTEREST		
On Term Loan	266.89	411.42
On Working Capital Borrowings	1,986.86	2,169.32
On Exchange difference to the extent considered as adjustment to borrowing cost	11.10	24.74
On Liability Component of Redeemable Preference Share Capital	172.82	50.19
On Lease Liability	3.92	–
On Others	26.66	173.81
	2,468.25	**2,829.48**
(2) OTHER BORROWING COST		
Bank Charges	285.66	392.90
Total	**2,753.91**	**3,222.38**

27 Depreciation and amortization expense

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation of property, plant & equipment	1,373.49	1,415.53
Depreciation of Investment Properties	16.69	11.43
Amortization of Intangible assets	66.50	68.62
Depreciation of Right of Use Asset	16.82	–
Total	**1,473.50**	**1,495.59**

(₹ in Lakhs)

28 Other expenses

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
MANUFACTURING EXPENSES		
i) Stores & Spares	1,154.44	1,353.58
ii) Packing & Forwarding Expenses (Net)	1,200.75	1,477.59
iii) Power & Fuel	4,605.35	5,327.41
iv) Repairs to Building	34.92	59.02
v) Repairs to Machinery	123.06	226.91
vi) Jobs on Contract	2,731.25	2,662.02
SELLING AND ADMINISTRATION		
i) Rent	9.08	31.19
ii) Insurance	36.75	30.59
iii) Rates & Taxes	42.56	50.74
iv) Repairs - Others	69.81	88.94
v) Directors Meeting Fees	5.20	7.60
vi) Payment to Auditors	6.17	5.17
vii) Brokerage & Commission	43.95	92.78
viii) Bad Debts Written off	–	15.86
ix) Allowance for Doubtful Debts	56.35	–
x) Miscellaneous Expenses	651.65	813.85
Total	**10,771.29**	**12,243.25**

29 Other Comprehensive Income

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Items that will not be reclassified to profit or loss		
Remeasurements of the defined benefit plans	(23.96)	7.22
	(23.96)	**7.22**
Items that will be reclassified to profit or loss		
	–	–
Total	**(23.96)**	**7.22**

30 Exceptional items

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Profit/(Loss) on Sale of Property, Plant & Equipments	–	(91.63)
Total	–	**(91.63)**

(₹ in Lakhs)

31 Contingent Liabilities & Commitments

Particulars	As at March 31, 2020	As at March 31, 2019
(1) Contingent liabilities (to the extent not provided for)		
(A) Guarantee		
(a) The Company has given following corporate guarantee on behalf of its subsidiaries or group companies to secure financial facilities :		
Hindusthan Speciality Chemicals Ltd (Partly Owned Subsidiary), for secured financial facilities	18,180.00	18,180.00
Hindusthan Engineering & Industries Ltd (Group company), under sales tax, excise, custom etc	572.24	572.24
(b) Outstanding guarantees furnished by banks on behalf of the company	11,088.79	13,612.57
(c) Outstanding letters of credit furnished by banks on behalf of the company	5,001.32	14,963.75
(B) Claims against Company, disputed by the Company, not acknowledged as debt:		
(a) Income Tax demand under appeal *	–	–
(b) Excise Duty/GST show cause notices/demands under appeal	105.04	125.81
(c) Claims against the Company for Sales/Purchase Tax/VAT	1,082.96	1,304.60
(d) Claims against the Company for Labour Cases/MCF & Other under litigation	206.62	239.82
* Apart from these liabilities, the company has received demand of ₹ 368.55 Lakhs from Income Tax department and also shown on CPC Portal related to various assessment years. These demand includes wrong calculation of Interest U/s 234B & 234C, wrong demand of DDT and ITAT Appeal order effect not given by the Income Tax department. The company has filed rectification application for the same demand.		
(2) Commitments as at year end: (to the extent not provided for)		
(A) Capital Commitments:		
Estimated amount of contracts remaining to be executed on capital account (Net of advances)	48.60	–
(B) Other Commitments:		
(i) Surety Bond given to Custom & Excise/JDGFT	–	315.00
(ii) Sales order to be executed against Government and Private Contracts	25,285.97	40,035.98
(iii) Liability in respect of sales bills discounted with banks/NBFC's	376.42	8,797.23

32 Disclosure requirement under MSMED Act, 2006

The Company has certain dues to suppliers (trade and capital) registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act').

There are no micro and small enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March 2020 . The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) has been determined to the extent such parties have been identified on the basis of information available with the Company.The disclosures pursuant to the said MSMED Act are as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Principal amount due and remaining unpaid to any supplier at the end of the each accounting year	191.62	525.53
The amount of interest paid by the buyer in term of section 16 of the Micro, Small & Medium Enterprises Development Act,2006 (27 of 2006), alongwith the amount of the payment made to the supplier beyond the appointed day during each accounting year.	–	–
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small & Medium Enterprises Development Act, 2006.	–	–
The amount of interest accrued and remaining unpaid at the end of the accounting year, and	–	–
The amount of further interest remaining due and payable in suceeding year, untill such interest when the interest dues above are actually paid to the small enterprises, for the purpose of disallowances on account of deductible expendiure under section 23 of the Micro, Small & Medium Enterprises Development Act,2006.	–	–

33 Employee Benefits

As per Ind-AS 19 on "Employee Benefits", the disclosures of Employee Benefits are given below:

a) Defined Contribution Scheme

Particulars	As at March 31, 2020	As at March 31, 2019
Contribution to Defined Contribution Plan, recognized for the year are as under:		
Employer's Contribution to Provident Fund	58.92	50.70
Employer's Contribution to Pension Fund	54.51	42.79
Employer's-ESI Contribution	20.12	36.50
Labour Welfare Fund	–	–
Total	**133.55**	**129.99**

b) Defined Benefit Scheme

Disclosure as required by Ind AS 19 on Employee Benefits in respect of gratuity and leave encashment are as follows:

Particulars	Leave Encashment (Non-Funded)		Gratuity (Non-Funded)	
	2019-20	2018-19	2019-20	2018-19
Net expenses recognised during the year 2019-20				
Current Service Cost	11.97	13.03	23.59	28.79
Interest Cost	5.45	5.33	40.75	41.87
Expected return on plan assets	–	–	–	–
Actuarial Losses / (Gains)	0.11	(2.27)	23.96	(7.22)
Past Service Cost	–	–	–	–
Net benefit expenses	**17.53**	**16.10**	**88.30**	**63.44**

(₹ in Lakhs)

Particulars	Leave Encashment (Non-Funded)		Gratuity (Non-Funded)	
	2019-20	2018-19	2019-20	2018-19
Net assets/(Liability) recognized in Balance Sheet as at 31st March, 2020				
Present Value of Defined Benefit Obligation	83.35	76.54	613.25	583.18
Fair Value of plan assets	–	–	–	–
Net Liabilities recognised in Balance Sheet	**(83.35)**	**(76.54)**	**(613.25)**	**(583.18)**
Change in the Present value of obligation over the year ended 31st March, 2020				
Present Value of Defined Benefit Obligation as on 1st April, 2019	76.54	76.08	583.18	576.62
Interest Cost	5.45	5.33	40.75	41.87
Past Service Cost	–	–	–	–
Current Service Cost	11.97	13.03	23.59	28.79
Benefits Paid	(10.72)	(15.64)	(58.23)	(56.23)
Actuarial (Gain) / loss on obligation	0.11	(2.27)	23.96	(7.88)
Present Value of Defined Benefit Obligation as on 31st March, 2020	**83.35**	**76.54**	**613.25**	**583.18**
Change in Fair value of Plan Assets				
Fair Value of plan assets as on 01.04.2019				
Actual return on plan assets	–	–	–	–
Contribution	–	–	–	–
Benefits paid	–	–	–	–
Fair Value of plan assets as on 31.03.2020	–	–	–	–

Other Comprehensive Income	Gratuity (Non-Funded)	
	2019-20	2018-19
Actuarial (gains) / losses		
change in demographic assumptions	(0.02)	–
change in financial assumptions	17.49	10.57
experience variance (i.e. Actual experience vs assumptions)	6.49	(17.79)
others	–	–
Return on plan assets, excluding amount recognised in net interest expense	–	–
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling	–	–
Components of defined benefit costs recognised in other comprehensive income	**23.96**	**(7.22)**

Major Actuarial Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

(₹ in Lakhs)

Particulars	Segment	Leave Encashment (Non-Funded)		Gratuity (Non-Funded)	
		2019-20	2018-19	2019-20	2018-19
Financial Assumptions					
Discount Rate	Conductor	6.25%	7.56%	6.25%	7.56%
(based upon the market yields available on Government bonds at the accounting date relevant to currency of benefit payments for a term that matches the liabilities)	Insulators	6.40%	7.10%	6.40%	7.10%
Salary increase	Conductor	5.00%	5.00%	5.00%	5.00%
(based on account of inflation, seniority, promotion, business plan, HR policy and other relevant factors on long term basis)	Insulators	5.00%	5.00%	5.00%	5.00%
Demographic Assumptions					
Mortality Rate (% of IALM 2012-14)	Conductor	100.00%	100.00%	100.00%	100.00%
(inclusive of provision for disability)	Insulators	100.00%	100.00%	100.00%	100.00%
Withdrawal rates, based on age:(per annum)					
Up to 30 years	Conductor	3.00%	3.00%	3.00%	3.00%
Insulators		0.50%	0.50%	0.50%	0.50%
31 - 44 years	Conductor	2.00%	2.00%	2.00%	2.00%
Insulators		0.20%	0.20%	0.20%	0.20%
Above 44 years	Conductor	1.00%	1.00%	1.00%	1.00%
Insulators		0.10%	0.10%	0.10%	0.10%

Sensitivity Analysis

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

	Leave Encashment (Non-Funded)	Gratuity (Non-Funded)
Impact of the change in discount rate	**2019-20**	**2019-20**
Present Value of Obligation at the end of the period	83.35	613.25
Impact due to increase of 0.50 %/1.00%	(4.25)	(21.27)
Impact due to decrease of 0.50 %/1.00%	4.86	23.11
Impact of the change in salary increase		
Present Value of Obligation at the end of the period	83.35	613.25
Impact due to increase of 0.50 %/1.00%	4.89	22.65
Impact due to decrease of 0.50 %/1.00%	(4.33)	(21.23)

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated

Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable.

The defined benefit obligations shall mature after the end of reporting period is as follows:

	Leave Encashment (Non-Funded)	Gratuity (Non-Funded)
	2019-20	2019-20
Expected cash flows over the next (valued on undiscounted basis):		
1 Year	13.76	101.09
1 to 6 years	28.38	132.26
More than 6 years	41.21	379.90

(₹ in Lakhs)

Risk Exposures

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow:

A) Salary Increases : Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

B) Investment Risk : If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

C) Discount Rate : Reduction in discount rate in subsequent valuations can increase the plan's liability.

D) Mortality & disability : Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

E) Withdrawals : Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

34. Related Party Disclosures

A. List of Related Parties and relatives with whom transactions have taken place

Enterprise which have significant influence over the company

Hindusthan Consultancy & Services Ltd.

Enterprises over which company having significant influence:

Hindusthan Speciality Chemicals Ltd. (Partly Owned Subsidiary Company)

Director(s)/ Key Managerial Personnel :

Mr Raghavendra Anant Mody, Chairman & Whole Time Director

Mr Shyam Sunder Bhuwania, Vice Chairman & Managing Director

Mr Deepak Kejriwal, Whole Time Director & CFO

Mr Murari Lal Birmiwala, Senior Vice President Finance & Company Secretary

Relatives of Director(s)/Key Managerial Personnel :

Mrs Sanchita Mody

Others

Hindusthan Vidyut Products Ltd Employee Provident Fund Trust

Hindusthan Engineering & Industries Ltd.

Promain Ltd.

Orient Bonds and Stock Limited

Pradyumna Steels Ltd

Paramount Enterprises Ltd

Intercontinental Trading and Investment Company Limited

Mody Education Foundation

(₹ in Lakhs)

B. Transactions with related parties

The following transactions were carried out with the related parties in the ordinary course of business.

i) With parties other than Directors / Key Managerial personnel

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Sale of capital goods		
Mody Education Foundation	–	0.12
Purchase of Capital goods		
Hindusthan Speciality Chemicals Ltd	22.78	–
Purchase of Stores & Spares		
Hindusthan Engineering & Industries Ltd	2.38	–
Rent paid /payable (including GST)		
Promain Limited	23.19	24.78
Hindusthan Engineering & Industries Ltd	0.14	0.14
Rent received/ receivable		
Hindusthan Speciality Chemicals Ltd	16.93	–
Dividend Paid :		
Hindusthan Consultancy & Services Ltd.	–	7.09
Reimbursement of Expenses Received /Receivable		
Hindusthan Speciality Chemicals Ltd	18.81	32.28
Reimbursement of Expenses Paid /Payable		
Hindusthan Engineering & Industries Ltd.	3.19	3.49
Brand Fee Paid		
Hindusthan Consultancy & Services Ltd.	7.49	5.00
Provident Fund Deposit (Paid/Payable)		
Hindusthan Vidyut Products Ltd Employee Provident Fund Trust	82.82	86.94
Interest Received/Receivable		
Hindusthan Speciality Chemicals Ltd	434.51	54.81
Interest Paid / Payable		
Hindusthan Engineering & Industries Ltd	2.23	2,466.71
Orient Bonds and Stock Limited	1.60	–
Pradyumna Steels Ltd	0.36	–
Paramount Enterprises Ltd	1.24	–
Intercontinental Trading and Investment Company Limited	0.36	–
Loan - Received		
Hindusthan Engineering & Industries Ltd	1,000.00	–
Orient Bonds and Stock Limited	450.00	–
Pradyumna Steels Ltd	100.00	–
Paramount Enterprises Ltd	350.00	–
Intercontinental Trading and Investment Company Limited	100.00	–
Loan - Repaid		
Hindusthan Engineering & Industries Ltd	500.00	7,068.80
Loan - Given		
Hindusthan Speciality Chemicals Ltd	6,161.84	2,264.00

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Loan - Received back		
Hindusthan Speciality Chemicals Ltd	3,477.17	563.00
Investment made during the year in Equity Shares of Subsidiary Company		
Hindusthan Speciality Chemicals Ltd.	–	600.00
Sale/Closure of Subsidiary Companies		
Hindusthan Vidyut Products Ltd.	–	27.94
Hindusthan Projects Ltd.	–	5.00
Issue of Preference Shares in Lieu of Loan Payable (including Interest)		
Hindusthan Engineering & Industries Ltd	–	9,518.97
Security Amount Received/Given for Appointment of Director		
Promain Ltd.	–	1.00
Hindusthan Speciality Chemicals Ltd	–	1.00
Security Amount Refund given/received for Appointment of Director		
Promain Ltd.	–	1.00
Hindusthan Speciality Chemicals Ltd	–	1.00
CSR Contribution		
Mody Education Foundation	2.72	–

ii) With Directors/Key Managerial Personnel

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Remuneration to Key Managerial Personnel:		
Mr Raghavendra Anant Mody	79.04	57.33
Mr Shyam Sunder Bhuwania	24.31	64.76
Mr Deepak Kejriwal	67.40	47.07
Mr Murari Lal Birmiwala	35.98	36.04
Sitting Fees		
Mr Vivek Dayaram Kohli	–	0.10
Salary paid to relative of Director(s)/ Key Managerial Personnel:		
Mrs Sanchita Mody	53.32	49.60

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Outstanding - Receivable		
Hindusthan Speciality Chemicals Ltd	32.24	–
Outstanding - Loan Given		
Hindusthan Speciality Chemicals Ltd (Loan Given)	4,385.66	1,701.00
Outstanding - Interest receivable on Loan Given		
Hindusthan Speciality Chemicals Ltd	440.39	49.33
Outstanding - Other Payable		
Hindusthan Engineering & Industries Ltd	9.29	9.29
Outstanding - Loan taken (including interest payable)		
Hindusthan Engineering & Industries Ltd	502.01	–
Orient Bonds and Stock Limited	451.44	–
Pradyumna Steels Ltd	100.32	–
Paramount Enterprises Ltd	351.12	–
Intercontinental Trading and Investment Company Limited	100.32	–
Investment in Equity Share Capital in wholly owned subsidiary co.		
Hindusthan Speciality Chemicals Ltd.	8,459.31	8,459.31
Guarantees and collaterals by the Company		
Hindusthan Engineering & Industries Ltd	572.24	572.24
Hindusthan Speciality Chemicals Ltd	18,180.00	18,180.00

35 Segment Reporting

I) Based on the guiding principles given in Ind AS-108 "Operating Segment", The Vice-Chairman and Managing Director of the Parent Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108 "Operating Segments". Operating Segments have been defined and presented based on the regular review by the CODM to assess the performance of each segment and to make decision about allocation of resources. Accordingly, the Company's business segments are organised around customers on industry and products lines as under:

a. Conductor: Conductor includes electrical conductor and related items.

b. Insulator: Insulator includes electrical insulator and related items.

c. Real-estate : Real-estate includes Property at Faridabad given for rent purpose.

d. Others : This segment is engaged in Investment activities (wind power business sold out w.e.f. 14th June, 2018)

The Company prepares its operating segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

No operating segments have been aggregated to form the above reportable operating segments.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and not allocable to segments on reasonable basis have been included under 'unallocated revenue / expenses / assets / liabilities'.

Finance costs are not allocated to individual segments as the underlying instruments are managed on a Company basis

Current taxes and Deferred taxes are not allocated to those segments as they are also managed on a Company basis

(₹ in Lakhs)

A Business Segment

Segment information for the year ended 31st March, 2020

Particulars	Conductor	Insulator	Real-estate	Others	Un-allocated	Total
Revenue from Operations (Gross)	**26,400.85**	**19,416.01**	**477.14**	**–**	**–**	**46,294.00**
	(49,464.18)	(20,324.72)	(348.62)	(117.64)	–	(70,255.16)
Results						
Segment result	**875.29**	**2,626.78**	**411.23**	–	–	**3,913.30**
	(1,793.84)	(2,644.54)	(241.60)	(68.72)	–	(4,748.70)
Interest Income	–	–	–	–	**539.43**	**539.43**
	–	–	–	–	(170.85)	(170.85)
Finance cost	–	–	–	–	**2,753.91**	**2,753.91**
	–	–	–	–	(3,222.38)	(3,222.38)
Unallocable Corporate Expenditure	–	–	–	–	**750.32**	**750.32**
	–	–	–	–	(856.37)	(856.37)
Profit /(Loss) before taxation & exceptional items	–	–	–	–	–	**948.50**
	–	–	–	–	–	(840.80)
Exceptional Items	–	–	–	–	–	–
	(91.63)	-		(-)	(-)	(91.63)
Net Profit/ (Loss) before tax	–	–	–	–	–	**948.50**
	–	–	–	–	–	(749.17)
Tax Expense	–	–	–	–	–	392.90
	–	–	–	–	–	(526.60)
Net Profit/ (Loss) after tax	–	–	–	–	–	**555.60**
	–	–	–	–	–	(222.57)

Particulars		Conductor	Insulator	Real-estate	Others	Un-allocated	Total
Other Information	**As at**						
Segment assets	**Mar 31, 2020**	**22,646.21**	**24,526.92**	**20,645.59**	**8,459.55**	**63.69**	**76,341.96**
	Mar 31, 2019	(28,589.85)	(23,409.83)	(20,613.53)	(8,459.55)	(72.68)	(81,145.45)
Segment liabilities	**Mar 31, 2020**	**13,086.21**	**10,135.92**	**144.42**	**–**	**7,345.34**	**30,711.90**
	Mar 31, 2019	(18,771.59)	(10,028.98)	(98.87)	0.00	(7,155.77)	(36,055.21)
Capital Employed	**Mar 31, 2020**	**9,560.00**	**14,391.01**	**20,501.17**	**8,459.55**	**(7,281.66)**	**45,630.06**
	Mar 31, 2019	(9,818.26)	(13,380.85)	(20,514.67)	(8,459.55)	7,083.09	(45,090.24)
Capital expenditure	**Mar 31, 2020**	**22.24**	**352.05**	**93.02**	**–**	**–**	**467.31**
	Mar 31, 2019	(144.81)	(151.08)	(267.73)	**–**	**–**	(563.62)
Depreciation	**Mar 31, 2020**	**833.78**	**623.03**	**16.69**	**–**	**–**	**1,473.50**
	Mar 31, 2019	(848.02)	(613.25)	(11.43)	(22.89)	**–**	(1,495.59)

Figures in brackets represents previous year.

(₹ in Lakhs)

B Additional Information by Geographies

For the year ended 31st March,2020

Particulars	March 31, 2020	March 31, 2019
a) Revenue from operations by geographical location of customers (Gross)		
Within India	45,638.51	69,220.10
Outside India	655.49	1,035.07
Total	**46,294.00**	**70,255.16**
b) Carrying amount of segment assets		
Within India	76,103.00	80,780.56
Outside India	238.96	364.89
Total	**76,341.96**	**81,145.45**
c) Capital expenditure		
Within India	399.53	563.62
Outside India	67.78	-
Total	**467.31**	**563.62**

1) Segments have been identified and reported taking into account the nature of products and services, the differing risk and returns, the organization structure and the internal financial reporting systems.

2) The segment revenues, results, assets and liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

3) All non-current assets of the company are located within India.

4) Information about major customers :

Two customers contributed more than 10% (₹ 22877.22 Lakhs) to the Company's revenue in 2019-20 and three customers contributed more than 10% (₹ 42753.61 Lakhs) to the Company's revenue in 2018-19.

36 Tax Expense

(a) Tax charge/(credit) recognised in the Statement of Profit & Loss

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Current Tax :		
Current tax for the Year	516.51	154.23
Tax adjustment of earlier years *	(166.85)	–
Total Current Tax (i)	**349.66**	**154.23**
* Tax adjustment of earlier year is to recognise MAT Credit entitlement for FY 2018-19		
Deferred Tax :		
Fixed Assets/Depreciation	38.11	187.03
Equity Component of Preference Share Capital	35.61	–
Provision for Gratuity / Leave Encashment	(22.44)	(17.05)
Provision for Doubtful Debts	(22.37)	
Un Absorbed Depreciation/ Brought forward Losses	14.33	202.39
Total Deferred Tax (ii)	**43.24**	**372.37**
Total Tax (i)+(ii)	**392.90**	**526.60**

(₹ in Lakhs)

(b) Tax on Other Comprehensive Income

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Deferred Tax :		
(Gain)/Loss on remasurement of defined benefit plans	8.37	(2.41)
Total Deferred Tax	**8.37**	**(2.41)**

(c) Reconciliation of tax expense and accounting profit multiplied by India's domestic rate

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Profit before tax	**948.50**	**749.18**
Tax using the domestic tax rate	34.944%	33.384%
Tax effect of :		
Non-deductible tax expenses	43.24	372.37
Deductible tax expenses	349.66	154.23
Total tax expenses in the statement of profit and loss	**392.90**	**526.60**

(d) Movement in Deferred tax assets/liabilities

Movement during the year ended 31st March, 2020	As at April 1, 2019	Charge/ (Credit) in stmt of profit & loss	Charge/ (Credit) in OCI	As at March 31, 2020
Property, Plant & Equipment	4,445.17	–	–	4,445.17
Depreciation	2,940.09	38.11	–	2,978.20
Equity Component of Preference Share Capital	2,429.71	35.61	–	2,465.32
Provision for Gratuity & Leave Encashment	(230.29)	(22.44)	–	(252.73)
Provision for Doubtful Debts	(3.43)	(22.37)	–	(25.80)
Un-absorbed Depreciation/ Brought forward Losses	(877.57)	14.33	–	(863.25)
Other temporary differences	(653.85)	–	(8.37)	(662.23)
MAT Credit Entitlement	(898.01)	158.67	–	(739.34)
Total	**7,151.81**	**201.91**	**(8.37)**	**7,345.34**

37 Earnings Per Share

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Profit/ (Loss) after Tax and exceptional items	555.60	222.57
Basic/weighted average number of equity shares outstanding during the year	14.43	14.43
Nominal value of Equity Share (₹)	10	10
Basic/Diluted EPS		
On Profit after Tax and exceptional items (₹)	**38.51**	**15.43**

(₹ in Lakhs)

38 The Company is entiltled to Scheme of budgetary support' under Goods and Service Tax Regime in respect of its eligible manufacturing unit located at Guwahati (Assam). Such grants are measured at amount receivable from the government and are recognised as other operating revenue as there is a reasonable assurance that the Company will comply all necessary conditions attached to that. GST Benefit accounted during the year is ₹ 1.92 Lakhs (Previous year : ₹ 21.44 Lakhs).

39 Disclosure pursuant to Securities & Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 and section 186(4) of the Companies Act, 2013 :

In respect of unsecured loans given to subsidiary company :

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
i) Hindusthan Speciality Chemicals Limited		
Outstanding as at the beginning of year	1,701.00	–
Loan given during the year	6,161.84	2,264.00
Repayment received during the year	3,477.17	563.00
Outstanding as at the end of year	4,385.66	1,701.00
Purpose	Business	Business
Interest Rate per annum	11.65%	11.50/11.65%

40 Other Disclosures to Statement of Profit and Loss:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(a) NET GAIN/(LOSS) ON FOREIGN EXCHANGE		
SUNDRY DEBTORS		
For Export/Deemed Export	43.31	126.47
SUNDRY CREDITORS		
For Import	(1.87)	(19.35)
For Foreign Currency Loan	(11.10)	(24.85)
For Machinery	–	–
OTHERS	–	(0.63)
	30.34	**81.64**
(b) PAYMENT TO AUDITORS		
- Audit fees	3.20	3.25
- Out of Pocket Expenses	0.45	0.37
- Tax Audit	0.50	0.50
- Other Services	2.02	1.05
	6.17	**5.17**
(c) AGGREGATE OF PROVISIONS, CONTINGENCIES OR COMMITMENT WRITTEN BACK AS NO LONGER REQUIRED		
Sundry Debtors Credit Balance Written off	0.15	6.62
Sundry Credit Balance Written off	57.81	554.62
Jobs on Contract	–	1.60
Commission	–	3.41
Provision for Bonus, Variable Pay etc.	18.51	40.66
Others	14.50	2.69
	90.97	**609.60**

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(d) VALUE OF IMPORTS CALCULATED ON C.I.F BASIS		
Raw Material	1,134.33	700.24
Components & Spare Parts	3.11	208.39
Capital Goods	67.78	–
	1,205.22	**908.63**
(e) EXPENDITURE IN FOREIGN CURRENCY		
Interest / Bank Charges	12.73	13.86
Commission	14.07	8.98
Others	21.51	75.49
	48.31	**98.33**

Particulars	Year ended March 31, 2020		Year ended March 31, 2019	
(f) VALUE OF IMPORTED/INDIGENOUS MATERIAL CONSUMED DURING THE YEAR ALONGWITH %				
Raw Materials	1,136.06	3.61%	744.86	1.45%
Stores and Spare Parts	47.10	4.08%	119.11	8.80%
INDIGENOUS				
Raw Materials	30,362.13	96.39%	50,650.04	98.55%
Stores and Spare Parts	1,107.34	95.92%	1,234.47	91.20%
	32,652.63		**52,748.48**	

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(g) EARNINGS IN FOREIGN EXCHANGE		
Exports (F.O.B.)	655.49	1,035.07
Freight & Insurance on Export	–	11.52
Domestic sales in foreign currency	–	7,271.64
	655.49	**8,318.23**

41. Financial Instruments : Fair Value Measurement

Financial Assets & Liabilities	Note	Level of hierarchy	31 March 2020			31 March 2019		
			Carrying Amount		Fair Value	Carrying Amount		Fair Value
			FVTPL	Amortised Cost		FVTPL	Amortised Cost	
Financial assets								
Investments in unquoted equity instruments	(b)		–	8,459.31	8,459.31	–	8,459.31	8,459.31
Trade receivables	(a)		–	11,195.46	11,195.46	–	21,325.13	21,325.13
Loans	(a, b)		–	4,398.21	4,398.21	–	1,720.38	1,720.38
Cash and cash equivalents	(a)		–	785.01	785.01	–	298.88	298.88
Other bank balances	(a, b)		–	352.93	352.93	–	248.44	248.44
Other financial assets	(a)		–	935.26	935.26	–	96.32	96.32
Total financial assets			–	**26,126.18**	**26,126.18**	–	**32,148.46**	**32,148.46**

(₹ in Lakhs)

Financial Assets & Liabilities	Note	Level of hierarchy	31 March 2020			31 March 2019		
			Carrying Amount		Fair Value	Carrying Amount		Fair Value
			FVTPL	Amortised Cost		FVTPL	Amortised Cost	
Financial liabilities								
Non-current borrowings (inluding other current maturities)	(b)		–	5,024.42	5,024.42	–	5,430.80	5,430.80
Current borrowings	(a)		–	9,627.31	9,627.31	–	7,281.79	7,281.79
Trade payables	(a)		–	6,701.39	6,701.39	–	14,537.51	14,537.51
Derivative financial liabilities	(d)	Level 2	11.10	-	11.10	–	–	–
Other financial liabilities	(a)		–	568.01	568.01	–	387.38	387.38
Total financial liabilities			**11.10**	**21,921.13**	**21,932.23**	–	**27,637.48**	**27,637.48**

Note:

(a) Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.

(b) Fair value of non-current financial assets and liabilities has not been disclosed as there is no significant differences between carrying value and fair value.

(c) The fair value is determined by using the valuation model/techniques with observable/non-observable inputs and assumptions.

(d) Derivatives are carried at fair value at each reporting date. The fair values of the dervatives financial instruments has been determined using valuation techniques with market observable inputs. The models incorporate various inputs including the credit quality of counter-parties and foreign exchange forward rates.

(e) There are no transfers between Level 1, Level 2 and Level 3 during the years ended 31 March 2020 and 31 March 2019.

Fair Value hierarchy

All financial assets and liabilities for which fair value is measured in the financial statements are categorised within the fair value hierarchy, described as follows: -

Level 1 - Quoted prices in active markets.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.

Level 3 - Inputs that are not based on observable market data.

42. Financial Risk management

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the company's risk management framework.

The Company through three layers of defence namely policies and procedures, review mechanism and assurance aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Audit committee of the Board with top management oversee the formulation and implementation of the risk management policies. The risk are identified at business unit level and mitigation plan are identified, deliberated and reviewed at appropriate forums.

The Company has exposure to the following risks arising from financial instruments:

- credit risk (see(i);
- liquidity risk (see(ii); and
- market risk (see(iii).

i. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and investments.

The carrying amount of financial assets represents the maximum credit exposure.

(₹ in Lakhs)

Trade receivables and other financial assets

The Company has established a credit policy under which new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annualy. Any sales exceeding those limits require approval from the appropriate authority as per policy.

In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are institutional, dealers or end-user customer, their geographic location, industry, trade history with the Company and existence of previous financial difficulties.

Expected credit loss for Trade receivables:

Based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Company estimates its allowance for trade receivable using lifetime expected credit loss. The balance past due for more than 6 months (net of expected credit loss allowance) is ₹ 4443.64 Lakhs (31 March 2019: 2938.56 Lakhs)

Movement in the expected credit loss allowance of trade receivables are as follows:

Particulars	March 31, 2020	March 31, 2019
Balance at the beginning of the year	10.28	1,134.19
Add: Provided during the year (net of reversal)	70.63	–
Less: Amount written off	(7.07)	(1,123.91)
Balance at the end of the year	**73.84**	**10.28**

Expected credit loss on financial assets other than trade receivables:

With regard to all financial assets with contractual cash flows, other than trade receiables, management belives these to be high quality assets with negligble credit risk. The management believes that the parties from which these financial assets are recoverable, have strong capacity to meet the obligations and where the risk of default is negligible and accordingly no provision for excepted loss has been provided on these financial assets. Break up of financial assets other than trade receivables have been disclosed on standalone Balance Sheet.

ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as fas 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.

The Company's treasury department is responsible for managing the short-term and long-term liquidity requirements. Short term liquidity situation is reviewed daily by the treasury department. Longer term liquidity position is reviewed on a regular basis by the Parent Company's Board of Directors and appropriate decisions are taken according to the situation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements.

As at 31 March 2020	Contractual cash flows			
	Carrying amount	Total	Within 1 year	More than 1 year
Financial liabilities				
Borrowings	14,651.73	14,651.73	10,829.03	3,822.70
Trade payables	6,701.39	6,701.39	6,701.39	–
Other financial liabilities	579.11	579.11	510.39	68.73

(₹ in Lakhs)

As at 31 March 2019	Contractual cash flows			
	Carrying amount	Total	Within 1 year	More than 1 year
Financial liabilities				
Borrowings	12,712.59	12,712.59	8,364.57	4,348.02
Trade payables	14,537.51	14,537.51	14,537.51	–
Other financial liabilities	387.38	387.38	307.73	79.65

iii. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the respective functional currencies of the Company. The functional currencies of the Company are primarily the INR, USD and EUR. The currencies in which these transactions are primarily denominated are USD and INR.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows:

	31 March 2020			31 March 2019		
	USD	GBP	EURO	USD	GBP	EURO
Cash and cash equivalents	2,330	–	–	2,336	–	–
Trade receivable	4,60,930	–	1,13,747	6,06,277	–	3,67,959
Trade payables	–	(1,40,672)	–	–	(1,28,243)	–
Borrowings	(3,31,686)	–	–	–	–	–
Net exposure	**1,31,574**	**(1,40,672)**	**1,13,747**	**6,08,613**	**(1,28,243)**	**3,67,959**

Sensitivity analysis

A reasonable possible strengthening/ weakening of the EUR, USD or INR against all other currencies at year end would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Profit or loss (before tax)	
	Strengthening	Weakening
31 March 2020		
USD (1% movement)	1,315.74	(1,315.74)
GBP (1% movement)	(1,406.72)	1,406.72
EUR (1% movement)	1,137.47	(1,137.47)
31 March 2019		
USD (1% movement)	6,086.13	(6,086.13)
GBP (1% movement)	(1,282.43)	1,282.43
EUR (1% movement)	3,679.59	(3,679.59)

(₹ in Lakhs)

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in INR and USD with a mix of fixed and floating rates of interest. The Company has exposure to interest rate risk, arising principally on changes in base lending rate and LIBOR rates. The risk is managed by the Company by maintaing an appropriate mix between fixed and floating rate borrowings.

Exposure to interest rate risk

The interest rate profile of the Company's interest bearing financial instruments as reported to the management of the Company is as follows:

The following table provides a break-up of the Company's fixed and floating rate borrowings:

Particulars	As at March 31, 2020	As at March 31, 2019
Fixed-rate borrowings	–	3.08
Floating rate borrowings	14,651.73	12,709.50
Total borrowings	**14,651.73**	**12,712.59**

The sensitivity analysis below have been determined based on the exposure to interest rates for floating rate liabilities assuming the amount of the liability oustanding at the year-end was outstanding for the whole year.

If interest rates had been 25 basis points higher/ lower and all other variables were held constant, the Company's profit for the year ended 31 March 2020 would decrease / increase by 36.63 Lakhs (31 March 2019: 31.77 Lakhs). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

43. Capital Management

Risk management

The Company's objectives when managing capital are to:

- safeguardng their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

'Net Debt' (total borrowings net of cash and cash equivalents and other bank balances) divided by 'Total Equity' (as shown in the Standalone Balance sheet)

Particulars	As at March 31, 2020	As at March 31, 2019
Net debt	13,513.78	12,165.26
Total equity	45,630.06	45,090.24
Net debt to equity ratio	**0.30**	**0.27**

Dividends

Particulars	As at March 31, 2020	As at March 31, 2019
(i) Equity Shares	14,42,885	14,42,885
Final dividend for the year ended 31 March 2019 of Nil per fully paid equity share (31 March 2018 of Re 1 per fully paid up equity share)	–	14.43
(ii) Preference Shares	9,51,89,700	9,51,89,700
The Board of Directors have recommended not to pay any Dividend on Preference Shares this year	–	–

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
(iii) Dividend not recognised at the end of the reporting period		
The directors have recommended not to pay any Dividend this year on equity shares as well as Preference Shares (31 March 2019: Nil per fully paid equity share). This is subject to the approval of shareholders in the ensuing annual general meeting.	–	–

44 Manufacturing facilities of the Company were closed on March 24, 2020 following country-wide lockdown due to COVID-19. The Company has since obtained required permissions and restarted its manufacturing facilities partially at all locations in the second fortnight of April 2020. Based on the immediate assessment of the impact of COVID- 19 on the operations of the Company and ongoing discussions with customers, vendors and service providers, the Company is positive of serving customer orders and obtaining regular supply of raw materials and logistics services after resumption of the operations. In assessing recoverability of trade receivables, the Company has considered subsequent recoveries, past trends, credit risks profile of the customers based on their industry, macro-economic forecasts and internal and external information available up to the date of issuance of these results. In assessing recoverability of inventories, the Company has considered the latest selling prices, customer orders on hand and margins. Based on the above assessment, the Company is of the view that carrying amounts of trade receivables and inventories are expected to be realisable. The impact of COVID- 19 may be different from that estimated as at the date of approval of these standalone & consolidated financial results, and the Company will continue to closely monitor the developments.

45 Previous year figures have been regrouped / reclassified wherever necessary to correspond with the current years classification disclosure.

46 The financials statements has been approved by the Board on 29th June, 2020.

As per our report of even date
For K. N. Gutgutia & Company
Chartered Accountants
FRN: 304153E

(B. R. Goyal)
Partner
Membership No: 12172

Place: New Delhi
Date : 29th June, 2020

For and on behalf of the Board of directors of
Hindusthan Urban Infrastructure Ltd

Raghavendra Anant Mody
(DIN : 03158072)
Chairman and Whole Time Director

S.S.Bhuwania
(DIN No.00107171)
Vice Chairman and Managing Director

Deepak Kejriwal
(DIN : 07442554)
Whole Time Director & CFO

M.L.Birmiwala
Sr.V.P.Finance &
Company Secretary

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HINDUSTHAN URBAN INFRASTRUCTURE LIMITED

I. Report on the Audit of Consolidated Financial Statements for the year ended 31st March, 2020

1. Opinion

A. We have audited the accompanying Consolidated Financial Statements of **HINDUSTHAN URBAN INFRASTRUCTURE LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"),which comprise the Consolidated Balance Sheet as at March 31, 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

B. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2020, of its consolidated Loss and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act 2013, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

3. 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 of the current period. 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. We have determined that there are no key audit matters to be communicated in our report.

4. Information Other than the Consolidated Financial Statements and Auditor's Report thereon

A. The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated Financial Statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

B. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially in consistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

5. Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

A. The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the consolidated financial position, Consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the other accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial

statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

B. In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the group and are also responsible for overseeing the financial reporting process of the Group.

6. Auditor's Responsibilities for the Audit of the Consolidated Financial statements

A. 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.

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

i) 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.

ii) Obtain an understanding of internal financial controls 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 system in place and the operating effectiveness of such controls.

iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

iv) 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 Group'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 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 to cease to continue as a going concern.

v) 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.

vi) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group 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.

C. 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.

D. 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.

E. 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 of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that 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.

II. Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit we report to the extent applicable 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 of the aforesaid consolidated financial statements.

B. In our opinion, proper books of account as required by law have been kept so far as it appears from our examination of those books;

C. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant 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 Ind AS specified under Section 133 of the Act.

E. On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary incorporated in India, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;

F. With respect to the adequacy of the internal financial controls over financial reporting of and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A**", which is based on the auditors' reports of the Holding and subsidiary incorporated in India;

G. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer note 31 to the consolidated financial statements

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the group incorporated in India.

H. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, its holding company covered under the Act paid remuneration to its directors during the year is in accordance with the provisions of section 197 of the Act read with Schedule V to the Act.

For **K.N. Gutgutia & Co.**
Chartered Accountants
(Firm's Registration No. 304153E)

(B.R. GOYAL)
Partner
(Membership No.12172)
(UDIN : 20012172AAAAOJ6754**)**

Place: New Delhi
Date: 29th June, 2020

ANNEXURE "A" TO THE INDEPNDEDNT AUDITOR'S REPORT

(Referred to in point F of paragraph II under "Report on Other Legal and Regulatory Requirements" section of our report to the members of HINDUSTHAN URBAN INFRASTRUCTURE LIMITED of even date)

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

Opinion

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of **HINDUSTHAN URBAN INFRASTRUCTURE LIMITED** (hereinafter referred to as "Holding") and its subsidiary company, which are incorporated in India as of that date.

In our opinion to the best of our information and according to the explanations given to us , the Holding and its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding and its subsidiary company, 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 respective Companies 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) (the "Guidance Note"). 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 internal financial controls over financial reporting of the Holding and its subsidiary company, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or

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

For **K.N. Gutgutia & Co.**
Chartered Accountants
(Firm's Registration No. 304153E)

(B.R. GOYAL)
Partner
(Membership No.12172)
(UDIN : 20012172AAAAOJ6754**)**

Place: New Delhi
Date: 29th June, 2020

CONSOLIDATED BALANCE SHEET AS AT MARCH 31 , 2020

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
ASSETS			
(1) **Non - current assets**			
(a) Property, Plant and Equipment	2	38,779.36	40,515.69
(b) Capital work - in - progress	3	106.80	12.21
(c) Investment Properties	4	20,603.84	20,584.05
(d) Other Intangible Assets	5	1,585.61	1,819.47
(e) Financial assets			
(i) Investment	6	30.00	30.00
(ii) Loans	10	3.15	5.66
(iii) Other Financial Assets	11	369.61	96.40
(f) Other non - current assets	13	1,231.21	1,093.73
Total non - current assets		**62,709.58**	**64,157.21**
(2) **Current assets**			
(a) Inventories	7	11,200.58	8,621.11
(b) Financial assets			
(i) Trade receivables	8	13,644.04	22,227.15
(ii) Cash and cash equivalents	9 (I)	1,021.95	458.00
(iii) Other bank balances	9 (II)	394.74	248.44
(iv) Loans	10	9.40	1,714.72
(v) Other Financial Assets	11	132.93	76.87
(c) Current Tax Assets (Net)	12	66.95	74.36
(d) Other Current Assets	13	3,959.25	3,799.76
Total current assets		**30,429.84**	**37,220.41**
Total Assets		**93,139.42**	**1,01,377.62**
EQUITY AND LIABILITIES			
(1) **EQUITY**			
(a) Equity share capital	14	144.29	144.29
(b) Other equity		42,346.77	43,941.89
(c) Non-controlling interests		4,384.23	5,897.50
Total equity		**46,875.29**	**49,983.68**
(2) **LIABILITIES**			
A **Non - current liabilities**			
(a) Financial liabilities			
(i) Borrowings	15	15,090.35	15,665.43
(ii) Other financial liabilities	17	68.73	79.65
(b) Provisions	18	608.72	526.37
(c) Deferred tax liabilities (net)	19	5,968.35	7,055.97
(d) Other Non-current liabilities	20	58.30	79.21
Total non - current liabilities		**21,794.45**	**23,406.63**
B **Current liabilities**			
(a) Financial liabilities			
(i) Borrowings	15	12,845.48	9,371.14
(ii) Trade payables			
(a) total outstanding dues of micro and small enterprises	16	253.74	526.13
(b) total outstanding dues of creditors other than (ii) (a) above	16	7,850.97	14,495.46
(iii) Other financial liabilities	17	2,659.39	2,869.75
(b) Other current liabilities	20	741.90	563.00
(c) Provisions	18	118.20	161.83
Total current liabilities		**24,469.68**	**27,987.31**
Total Equity & Liabilities		**93,139.42**	**1,01,377.62**
Significant accounting policies	**1**		
Notes to the financial statements	**2-47**		

The accompanying notes referred to above form an integral part of these consolidated financial statements.

As per our report of even date
For K. N. Gutgutia & Company
Chartered Accountants
FRN: 304153E

(B. R. Goyal)
Partner
Membership No: 12172

Place: New Delhi
Date : 29th June, 2020

For and on behalf of the Board of directors of
Hindusthan Urban Infrastructure Ltd

Raghavendra Anant Mody
(DIN : 03158072)
Chairman and Whole Time Director

S.S.Bhuwania
(DIN No.00107171)
Vice Chairman and Managing Director

Deepak Kejriwal
(DIN : 07442554)
Whole Time Director & CFO

M.L.Birmiwala
Sr.V.P.Finance &
Company Secretary

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

(₹ in Lakhs except per share data)

	Particulars	Note No.	Year ended March 31, 2020	Year ended March 31, 2019
I	Revenue from operations	21	55,032.85	71,138.13
II	Other income	22	568.45	1,183.55
III	**Total income (I + II)**		**55,601.30**	**72,321.68**
IV	**Expenses**			
	Cost of Materials Consumed	23	39,093.38	52,572.76
	Purchase of Stock-In-Trade	23	–	11.04
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	24	(2,696.56)	(587.59)
	Employee benefits expense	25	3,131.08	2,590.33
	Finance costs	26	4,517.62	3,298.83
	Depreciation and amortization expense	27	2,824.41	1,633.95
	Other expenses	28	12,716.42	12,482.83
	Total expenses		**59,586.35**	**72,002.15**
V	**Profit /(Loss) before exceptional items and tax (III - IV)**		**(3,985.05)**	**319.53**
VI	Exceptional items	30	–	120.60
VII	**Profit/(Loss) before tax (V - VI)**		**(3,985.05)**	**198.93**
VIII	**Tax expense/(benefit)**			
	(1) Current tax		516.51	154.23
	(2) Deferred tax		(1,239.01)	428.89
	(3) Tax adjustment of earlier years		(166.85)	-
			(889.35)	583.12
IX	**Profit / (Loss) for the year (VII - VIII)**		**(3,095.70)**	**(384.19)**
X	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to profit or loss	29	(19.79)	8.27
	(ii) Income tax relating to items that will not be reclassified to profit or loss		7.29	(2.68)
	Total Other Comprehensive Income for the year		(12.50)	5.59
XI	**Total Comprehensive Income for the year (IX + X)**		**(3,108.20)**	**(378.60)**
XII	**Profit attributable to:**			
	Owners of the Company		**(1,581.15)**	(281.72)
	Non-controlling interests		**(1,514.55)**	(102.47)
XIII	**Other Comprehensive income attributable to:**			
	Owners of the Company		**(13.78)**	5.45
	Non-controlling interests		**1.28**	0.14
XIV	**Total Comprehensive income attributable to:**			
	Owners of the Company		**(1,594.93)**	(276.27)
	Non-controlling interests		**(1,513.27)**	(102.33)
XV	**Earnings per equity share:**			
	(1) Basic (₹)		**109.58**	19.52
	(2) Diluted (₹)		**(109.58)**	(19.52)
	Significant accounting policies	**1**		
	Notes to the financial statements	**2-47**		

The accompanying notes referred to above form an integral part of these consolidated financial statements.

As per our report of even date
For K. N. Gutgutia & Company
Chartered Accountants
FRN: 304153E

(B. R. Goyal)
Partner
Membership No: 12172

Place: New Delhi
Date : 29th June, 2020

For and on behalf of the Board of directors of
Hindusthan Urban Infrastructure Ltd

Raghavendra Anant Mody
(DIN : 03158072)
Chairman and Whole Time Director

S.S.Bhuwania
(DIN No.00107171)
Vice Chairman and Managing Director

Deepak Kejriwal
(DIN : 07442554)
Whole Time Director & CFO

M.L.Birmiwala
Sr.V.P.Finance &
Company Secretary

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

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
CASH FLOW FROM OPERATING ACTIVITIES		
Profit /(Loss) Before Tax	**(3,985.05)**	**198.93**
Adjustments for :		
Depreciation & amortisation expense	2,824.41	1,633.96
Unrealised Foreign Exchange Fluctuation Loss/(Gain)	93.08	(1.63)
Finance Cost	4,517.62	3,298.83
Provision for Liquidated Damages/ Bad Debts W/off	56.35	15.86
Liability/Sundry Balance Written back	(95.82)	(610.27)
Provision for Employee Benefits	36.88	(200.34)
Re-measurement of defined benefit plans transferred to OCI	(19.79)	8.27
Rental Income	(460.20)	(348.62)
Exceptional Items	–	91.63
Interest Income	(126.00)	(116.24)
Dividend Income	–	(3.00)
Profit on Sale of Property, Plant & Equipment	(4.25)	26.44
Profit on Sale of Investment	(2.43)	(211.24)
Deferred Government Grant transferred	(14.63)	(14.63)
Operating Profit Before Working Capital Changes	**2,820.17**	**3,767.94**
Adjustments for:		
(Increase)/Decrease in Trade Receivables	8,452.93	(1,477.80)
(Increase)/Decrease in Loans and Other Assets	(279.54)	1,255.76
(Increase)/Decrease in Inventories	(2,579.48)	(1,477.16)
Increase/(Decrease) in Trade Payable, Provisions & Other liabilities	(7,094.27)	(326.17)
Cash Generated from Operations	**1,319.81**	**1,742.56**
Direct Tax Paid (net of refund)	(76.59)	(38.67)
Net Cash Inflow /(Outflow) from Operating Activities	**1,243.22**	**1,703.88**
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition / Purchase of PPE & Other Intangible Assets	(946.01)	(12,454.07)
Sale Proceeds of Property, Plant & Equipment (PPE)	56.10	1,646.90
Purchase of Investment Property	(93.02)	(267.73)
Purchase of Investment	(1,825.00)	(11,050.00)
Investment in Equity Share Capital in Subsidiary company	–	–
Sale of Investments in shares / mutual funds	1,827.43	12,059.49
Interest Income Received	(276.63)	59.88
(Investment)/Redemption in Term Deposit with bank as margin money (including unclaimed dividend)	(491.84)	227.33
Dividend Income Received	–	3.00
Rental Income	477.14	348.62
Net Cash Inflow /(Outflow) from Investing Activities	**(1,271.83)**	**(9,426.56)**
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds From / (Repayment) of Short Term Borrowings (net)	2,690.62	2,208.43
Issue of Preference Share Capital	–	9,518.97
Issue of Equity Share Capital	–	6,000.00
Loan taken from /(repaid to) Related parties	3,361.84	(9,370.12)
Proceeds from /(Repayment) of Long term Borrowings	(688.47)	657.48
Finance Cost Paid	(4,749.61)	(3,261.57)
Repayment of Lease Liability	(19.65)	–
Dividend Paid (including DDT)	(2.17)	(17.59)
Net Cash Inflow /(Outflow) from Financing Activities	**592.56**	**5,735.59**
Net Increase/ (Decrease) in cash & cash equivalents	**563.95**	**(1,987.09)**
Cash & cash equivalents at Beginning of the Year	458.00	2,445.09
Cash & cash equivalents at End of the Year	**1,021.95**	**458.00**
Components of cash & cash equivalents:		
- Balance with Banks : On current accounts	119.31	37.35
- Cash on hand	5.81	4.79
- Term Deposits with Banks (with maturity of less than 3 months)	896.83	415.86
	1,021.95	**458.00**

1) The above cash flow has been prepared under the "Indirect Method" as set out in Ind AS-7 : Statement of Cash Flows
2) Acquisition/Purchase of Property, Plant & Equipment includes movement of capital work in progress, Intangible assets under development and capital advances & capital payable, paid during the year.

Significant accounting policies	**1**
Notes to the financial statements	**2-47**

The accompanying notes referred to above form an integral part of the financial statements.

As per our report of even date
For K. N. Gutgutia & Company
Chartered Accountants
FRN: 304153E

(B. R. Goyal)
Partner
Membership No: 12172

Place: New Delhi
Date : 29th June, 2020

For and on behalf of the Board of directors of
Hindusthan Urban Infrastructure Ltd

Raghavendra Anant Mody
(DIN : 03158072)
Chairman and Whole Time Director

S.S.Bhuwania
(DIN No.00107171)
Vice Chairman and Managing Director

Deepak Kejriwal
(DIN : 07442554)
Whole Time Director & CFO

M.L.Birmiwala
Sr.V.P.Finance &
Company Secretary

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

(₹ in Lakhs)

A Equity Share Capital

Particulars	Issued		Subscribed & fully paid up	
Equity shares of Rs 10 each	**No of Shares**	**Amount**	**No of Shares**	**Amount**
As at March 31, 2019	1443000	144.30	1442885	144.29
As at March 31, 2020	1443000	144.30	1442885	144.29

B Other Equity

Particulars	Reserves and Surplus				Items of Other Comprehensive Income	Equity Component of	Grand Total		
	Capital Redemption Reserve	Lease Rent Equilisation Reserve	General Reserve	Surplus/ (Deficit)	Remeasurement of Defined Benefit Plans	Redeemable Preference Share Capital (Net of Taxes)	Total Attributable to Owners of the Company	Non-Controlling Interests	Total
Balance as at 01.04.2018 (A)	**26.44**	**(0.02)**	**39,545.72**	**298.73**	**(12.27)**	**–**	**–**	**–**	**39,858.60**
Non-Controlling Interest in Subsidiary	–	–	–	–	–	–	**33,858.77**	**5,999.83**	–
Profit for the year	–	–	–	(384.19)	–		**(281.72)**	**(102.47)**	**(384.19)**
Items of OCI for the year ended, net of tax-	–	–	–	—	–	–	–	–	–
Remeasurement benefit of defined benefit plans	–	–	–	–	5.59		**5.45**	**0.14**	**5.58**
Total Comprehensive Income for the year 2018-19 (B)	**–**	**–**	**–**	**(384.19)**	**5.59**	**—**	**(276.27)**	**(102.33)**	**(378.60)**
Increase / Reductions during the year	–	–		28.70	–	4,848.37	**4,877.07**	–	**4,877.07**
Proposed Dividend on Equity	–	–	–	(14.43)	–	–	**(14.43)**	–	**(14.43)**
Tax on Dividend	–	–	–	(2.94)	–	–	**(2.94)**	–	**(2.94)**
Deferred Tax on IndAS Provisions adjusted	–			(500.14)	–	–	**(500.14)**	–	**(500.14)**
Non-Controlling Interest in Subsidiary				0.00	–	–	**5,999.83**	–	**5,999.82**
Transferred to / (from) - Surplus / (Deficit)	–	0.02	–	(0.02)	–	–	–	–	–
Total (C)	**–**	**0.02**	**–**	**(488.82)**	**–**	**4,848.37**	**10,359.39**	**–**	**10,359.39**
Balance as at 31.03.2019 (A)+(B)+(C) (D)	**26.44**	**–**	**39,545.72**	**(574.29)**	**(6.68)**	**4,848.37**	**43,941.89**	**5,897.50**	**49,839.39**
Non-Controlling Interest in Subsidiary									
Profit for the year	–	–	–	(3,095.70)	–	–	**(1,581.15)**	**(1,514.55)**	**(3,095.70)**
Items of OCI for the year ended, net of tax-	–	–	–	–	–	–	–	–	–
Remeasurement benefit of defined benefit plans	–	–	–	–	(12.50)	–	**(13.78)**	**1.28**	**(12.50)**
Total Comprehensive Income for the year 2019-20 (E)	**–**	–	–	**(3,095.70)**	**(12.50)**	–	**(1,594.93)**	**(1,513.27)**	**(3,108.20)**
Leases: Ind-AS 116 transition effect	–	–	–	(0.18)	–	–	**(0.18)**	–	**(0.18)**
Total (F)	**–**	**–**	**–**	**(0.18)**	**–**	**–**	**(0.18)**	**–**	**(0.18)**
Balance as at 31.03.2020 (D)+(E)+(F) (G)	**26.44**	**–**	**39,545.72**	**(3,670.17)**	**(19.18)**	**4,848.37**	**42,346.77**	**4,384.23**	**46,731.00**

Significant accounting policies **1**

Notes to the financial statements **2-47**

The accompanying notes referred to above form an integral part of these consolidated financial statements.

As per our report of even date
For K. N. Gutgutia & Company
Chartered Accountants
FRN: 304153E

(B. R. Goyal)
Partner
Membership No: 12172

Place: New Delhi
Date : 29th June, 2020

For and on behalf of the Board of directors of
Hindusthan Urban Infrastructure Ltd

Raghavendra Anant Mody
(DIN : 03158072)
Chairman and Whole Time Director

S.S.Bhuwania
(DIN No.00107171)
Vice Chairman and Managing Director

Deepak Kejriwal
(DIN : 07442554)
Whole Time Director & CFO

M.L.Birmiwala
Sr.V.P.Finance &
Company Secretary

GROUP INFORMATION

Hindusthan Urban Infrastructure Limited (the 'Company') is a public limited Company domiciled and incorporated in India under the Indian Companies Act, 1956. The registered office of the Company is located at 'Kanchenjunga' (7th Floor),18, Barakhamba Road, New Delhi, India. The Company is listed on the Bombay Stock Exchange (BSE).

The Group is engaged mainly in the business of manufacturing & selling electrical conductors, insulator products & chemical products and also engaged in real-estate activity of renting out property.

These Consolidated financial statements were approved and adopted by board of directors of the Company in their meeting held on 29th June, 2020.

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

(a) Statement of compliance

These financial statements are the consolidated financial statements of the Group prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

(b) Historical cost convention

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

(c) Rounding of Amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

1.2 The consolidated financial statements have been prepared on the following basis:

i. The financial statements of the Company and its Subsidiary Companies have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, incomes and expenses, after eliminating intra-group balances, intra-group transactions and unrealized profits.

ii. The Consolidated Financial Statements have been prepared in accordance with the Indian Accounting Standard (Ind-AS 110), "Consolidated Financial Statements" and using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.

The subsidiary companies considered in the consolidated financial statements are as under:

Name	Country of Incorporation	Percentage of Ownership
Hindusthan Speciality Chemicals Ltd.	India	58.50%

iii. The parent company's portion of equity in the subsidiary is determined on the basis of the book value of assets and liabilities as per the financial statements of the subsidiary on the date of investment.

iv. 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. Non-controlling interest in the results and the equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Consolidated Balance Sheet.

1.3 Current & non-current classification:

The assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

a) it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle;

b) it is held primarily for the purpose of being traded;

c) it is expected to be realised within 12 months after the reporting date; or

d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the portion of non current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

a) it is expected to be settled in the Group's normal operating cycle;

b) it is held primarily for the purpose of being traded;

c) it is due to be settled within 12 months after reporting date; or

d) the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

1.4 Property, Plant and Equipment and Intangible Assets

(i) Property, Plant and Equipment

Property, plant and equipment are stated at cost net of recoverable taxes and includes amounts added on revaluation, less accumulated depreciation and impairment loss, if any.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non refundable purchase taxes or levies, and any directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenditure incurred on start-up and commissioning of the project and/or substantial expansion, including the expenditure up to the date of commencement of commercial production are capitalised. Subsequent expenditures related to an item of fixed asset are capitalised to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

(ii) Capital work in progress and Capital advances:

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances paid towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

(iii) Intangible Assets

- **Acquired Intangible Assets**

  Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation / impairment loss, if any.

  Subsequent expenditure is capitalized only when it increases the future economic benefits from the specific asset to which it relates.

- **Internally generated intangible assets**

  Internally generated intangibles including research cost are not capitalized and the related expenditure is recognized in the Consolidated Statement of Profit and Loss in the period in which the expenditure is incurred.

(iv) Derecognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the Consolidated Statement of Profit and Loss when the asset is derecognized.

(v) Depreciation and Amortisation

- **Depreciation**

  Depreciation on each part of an item of property, plant and equipment is provided using the Straight Line

Method as per the useful lives and in the manner prescribed under Part C of Schedule II of the Companies Act, 2013.

Freehold land is not depreciated. Leasehold land and Leasehold improvements are amortized over the period of the lease.

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

On increase in value due to revaluation on the basis of remaining useful life as estimated by the valuer, the corresponding amount is directly transferred to General Reserve from Revaluation Reserve.

- **Amortisation**

  Intangible Assets with finite lives are amortized on a Straight Line basis over the estimated useful economic life. The amortization expense on intangible assets with finite lives is recognized in the Consolidated Statement of Profit and Loss.

  The estimated useful life of intangible assets like Product development, Software systems etc. has been estimated as five years.

  The amortization period and the amortization method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

1.5 Impairment

The Group assesses at each Balance Sheet date whether there is any indication that an asset/cash generating unit may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset/cash generating unit. If such recoverable amount of the asset or the recoverable amount of the cash generating unit is less than the carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in Consolidated the Statement of Profit and Loss.

An assessment is also done at each balance sheet date whether there is any indication that an impairment loss recognized for an asset/cash generating unit in prior accounting periods may no longer exist or may have decreased. If any such indications exists, the assets/ cash generating unit's recoverable amount is estimated. The carrying amount of the fixed asset/ cash generating unit is increased to the revised estimate of its recoverable amount but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in previous periods. A reversal of impairment loss is recognized in the Consolidated Statement of Profit and Loss.

1.6 Revenue Recognition

Revenue from sale of products & services is recognized when the significant risks and rewards of ownership of the products are transferred to the buyer, recovery of the consideration is reasonably assured and the amount of revenue can be measured reliably. Revenues are shown net of Goods & Service Tax (GST) and discounts, if any.

Income from subsidy, disbursed/disbursable by the Governments is included in other operating income. The subsidy amount is recognized only to the extent that the realization is reasonably assured.

Dividend income is recognized when the right to receive the income is established.

Income from interest on deposits and loans is recognized on time proportionate basis.

Export incentives/ benefits are accounted for on accrual basis in the year in which exports are made and are included in other operating income.

1.7 Government grants and subsidies

The Group is entitled to subsidies from government in respect of manufacturing unit located in specified regions.

Such subsidies are measured at amounts receivable from the government which are non-refundable and are recognized as income when there is a reasonable assurance that the Group will comply with all necessary conditions attached to them.

Government subsidy relating to purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to Consolidated Statement of Profit and Loss on a straight line basis over the expected life of the related assets and presented within other operating revenue.

1.8 Inventory

Inventories are stated at lower of cost or net realisable value except scrap which is valued at net estimated realizable value.

The cost for the purpose of valuation is computed on the basis of weighted average price in case of Conductors and chemical business where as in case of Insulators Division on the basis of First-in-First out (FIFO).

Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

The cost of work-in-progress and finished goods comprises of raw materials, packing materials, direct labour, other direct costs, and appropriate portion of variable and fixed production overheads and such other costs incurred as to bring the inventory to its present location and condition. Fixed production overheads are allocated on the basis of normal capacity of production facilities.

Net realisable value is the estimate of the selling price in the ordinary course of business, less the estimated costs of completion/ reprocessing and the estimated cost necessary to make the sale.

1.9 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A) Financial Assets

The Group recognizes a financial asset in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis.

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

a) Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premium or discounts) through the expected life of the debt instrument, or where appropriate, a shorter period to the net carrying amount on initial recognition.

Income is recognized on effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in the statement of profit and loss and is included in the" Other income" line item.

b) Investment in Equity Instruments at fair value through profit & loss

These investments are initially measured at fair value plus transaction costs Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in profit & loss

c) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss.

B) Financial Liabilities

The Group recognizes a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. Financial liabilities are subsequently carried at amortized cost using the effective interest method.For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

1.10 Derivative financial instrument and Hedge accounting

Derivative financial instruments such as forward contracts, option contracts and cross currency swaps, to hedge its foreign currency risks are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value with changes in fair value recognised in the Consolidated Statement of Profit and Loss in the period when they arise.

1.11 Measurement of Fair Values

The Group measures financial instruments at fair value in accordance with the accounting policies mentioned above.

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.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 — inputs that are unobservable for the asset or liability

1.12 Investment in Subsidiary Companies

The Group has elected to recognize its investments in subsidiary companies at cost in accordance with the option available in Ind AS 27, 'Separate Financial Statements'.The details of such investments are given in Note 6.

1.13 Foreign Currency Translation

Initial Recognition:

On initial recognition, transactions in foreign currencies entered into by the Group are recorded in the functional currency(i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Consolidated Statement of Profit and Loss.

Measurement of foreign currency items at reporting date:

Foreign currency monetary items of the Group are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction.

Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the datewhen the fair value is measured.

Exchange differences arising out of these translations are recognized in the Other Comprehensive Income.

1.14 Income Taxes

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current tax:

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961.

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected tobe recovered from or paid to the taxation authorities.

Deferred tax:

Deferred tax is recognized 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 under Income Tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized.

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 the benefits of part or all of such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the

Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Presentation of current and deferred tax:

Current and deferred tax are recognized as income or an expense in the Consolidated Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income.

The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized 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.

1.15 Provisions and Contingencies

The Group recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation can not be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

1.16 Cash and Cash Equivalents

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances,demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments.

1.17 Employee Benefits

Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Group recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability(accrued expense) after deducting any amount already paid.

Post-Employment Benefits:

I. Defined Contribution plans:

Recognition and measurement of defined contribution plans:

The Group recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Group during the reporting period.

II. Defined Benefit plans:

Recognition and measurement of Defined Benefit plans:

The cost of providing defined benefits is determined using the actuarial valuation techniques with actuarial valuations being carried out at each reporting date. Re-measurements of the net defined benefit liability / (asset) comprising actuarial gains and losses, are recognized in Other Comprehensive Income. The Group presents the above liability/ (asset) as current and non-current in the Balance Sheet as per actuarial valuation by the independent actuary.

Other Long Term Employee Benefits:

Entitlements to annual leave and sick leave are recognized when they accrue to employees. Sick leave can only be availed while annual leave can either be availed or encashed subject to a restriction on the maximum number of accumulation of leave. The Group determines the liability for such accumulated leaves using the actuarial valuation techniques.

1.18 Research & Development

Expenditure on research is recognized as an expense when it is incurred. Expenditure on development which does not

meet the criteria for recognition as an intangible asset is recognized as an expense when it is incurred.

1.19 Borrowing Cost

Borrowing cost includes interest, 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, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

1.20 Operating Segment

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Group. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Group.

1.21 Events after Reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

1.22 Earnings Per Share

a) *Basic earnings per share*

Basic Earnings per share is calculated by dividing the net profit for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period.

b) Diluted earnings per share

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to the equity shareholders after taking income tax effect of interest and other finance cost associated with dilutive potential equity shares and the weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

1.23 Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property.

Investment property is measured at its cost, including related transaction costs and where applicable borrowing costs less depreciation and impairment if any.

Depreciation on building is provided over its useful life using the Straight-Line Method

1.24 Exceptional items

When items of income and expense within statement of profit and loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items

1.25 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.

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

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 measurement 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 lease term.

Lease Liability

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 less any lease incentives receivable. 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 or a change in the assessment of an option to purchase the underlying asset.

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 of office equipment 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.

1.26 Key Accounting estimates and judgements

The preparation of the Group's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year,are described below:

a. Property, Plant and Equipment

Property, Plant and Equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

b. Defined benefit obligation

The costs of providing post-employment benefits are charged to the Consolidated Statement of Profit and Loss in accordance with Ind AS 19' Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in Note 33, 'Employee benefits'.

c. Fair value measurement of Financial Instruments

When the fair values of financials assets and financial liabilities recorded in the Consolidated Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using prudent valuation techniques, which involve various judgements and assumptions.

d. Income taxes

The Group's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/ recovered for uncertain tax positions/deferred tax liability/assets.

(₹ in Lakhs)

2 Property, Plant & Equipment

Particulars	Freehold Land	Leasehold Land	Buildings	Plant & equipment	QC Laboratory Instruments	R&D Laboratory Instruments	Computers & IT equipment	Office equipment	Furniture & fixtures	Motor Vehicle	ROU Asset	Total
Gross Block												
As at 01.04.2018	1,745.60	907.04	8,170.19	23,516.23	–	–	95.13	186.74	461.17	478.21	–	**35,560.32**
Additions	–	–	7,857.88	13,158.66	141.24	148.71	18.04	17.17	114.54	80.59	–	**21,536.82**
Disposals	–	(50.47)	(160.02)	(3,800.84)	–	–	(1.24)	(1.24)	(10.17)	(59.93)	–	**(4,083.91)**
Other adjustments	–	–	(2.12)	–	–	–	–	–	(5.55)	–	–	**(7.67)**
As at 31.03.2019	1,745.60	856.57	15,865.93	32,874.05	141.24	148.71	111.93	202.66	559.99	498.88	–	**53,005.56**
As at 01.04.2019	1,745.60	856.57	15,865.93	32,874.05	141.24	148.71	111.93	202.66	559.99	498.88	–	**53,005.56**
Additions	–	–	224.11	497.29	–	–	9.49	10.30	32.31	9.61	46.26	**829.36**
Disposals	–	–	–	(64.41)	–	–	(0.66)	(0.38)	(0.97)	(79.46)	–	**(145.88)**
Other adjustments	–	56.54	–	–	–	–	–	–	–	–	–	**56.54**
As at 31.03.2020	**1,745.60**	**913.12**	**16,090.04**	**33,306.93**	**141.24**	**148.71**	**120.76**	**212.58**	**591.33**	**429.02**	**46.26**	**53,745.58**
Depreciation												
As at 01.04.2018	–	62.77	2,205.03	10,425.09	–	–	61.10	123.75	112.30	263.09	–	**13,253.14**
Charge for the year	–	10.66	335.36	1,078.82	0.62	0.66	13.05	25.37	44.98	46.91	–	**1,556.42**
Disposals	–	(21.11)	(135.74)	(2,112.06)	–	–	(0.64)	(1.00)	(3.48)	(45.55)	–	**(2,319.58)**
Adjustments	–	–	(0.12)	–	–	–	–	–	–	–	–	**(0.12)**
As at 31.03.2019	–	52.32	2,404.54	9,391.84	0.62	0.66	73.51	148.12	153.79	264.45	–	**12,489.87**
As at 01.04.2019	–	52.32	2,404.54	9,391.84	0.62	0.66	73.51	148.12	153.79	264.45	–	**12,489.87**
Charge for the year	–	9.75	540.88	1,831.70	13.42	14.13	14.04	24.10	53.99	52.14	16.82	**2,570.96**
Disposals	–	–	–	(21.65)	–	–	(0.20)	(0.16)	(0.85)	(71.75)	–	**(94.61)**
Adjustments	–	–	–	–	–	–	–	–	–	–	–	–
As at 31.03.2020	–	**62.07**	**2,945.42**	**11,201.88**	**14.04**	**14.79**	**87.35**	**172.06**	**206.94**	**244.85**	**16.82**	**14,966.22**
Net Block												
As at 31.03.2019	1,745.60	804.25	13,461.39	23,482.21	140.62	148.06	38.42	54.54	406.19	234.42	–	**40,515.69**
As at 31.03.2020	**1,745.60**	**851.05**	**13,144.62**	**22,105.05**	**127.20**	**133.93**	**33.41**	**40.51**	**384.39**	**184.18**	**29.44**	**38,779.36**

3 Capital Work in Progress

Particulars	Total
As at 31.03.2019	12.21
As at 31.03.2020	**106.80**

(₹ in Lakhs)

4 Investment Properties

Particulars	Land at Banera	Land at Bangalore (including Site development)	Land at Khurda	Land at Faridabad	Building at Faridabad	Total
Gross Block						
As at 01.04.2018	0.91	1,123.21	–	19,046.00	456.68	20,626.79
Additions	–	–	56.54	–	211.19	267.73
Other adjustments	–	–	–	–	2.12	2.12
As at 31.03.2019	**0.91**	**1,123.21**	**56.54**	**19,046.00**	**669.98**	**20,896.64**
As at 01.04.2019	0.91	1,123.21	56.54	19,046.00	669.98	20,896.64
Additions	–	–	–	–	93.02	93.02
Other adjustments	–	–	(56.54)	–	–	(56.54)
As at 31.03.2020	**0.91**	**1,123.21**	**–**	**19,046.00**	**763.00**	**20,933.12**
Depreciation	–	–	–	–	–	–
As at 01.04.2018	–	–	–	–	301.04	301.04
Charge for the year	–	–	–	–	11.43	11.43
Other adjustments	–	–	–	–	0.12	0.12
As at 31.03.2019	**–**	**–**	**–**	**–**	**312.59**	**312.59**
As at 01.04.2019	–	–	–	–	312.59	312.59
Charge for the year	–	–	–	–	16.69	16.69
Other adjustments	–	–	–	–	–	–
As at 31.03.2020	**–**	**–**	**–**	**–**	**329.28**	**329.28**
Net Block						
As at 31.03.2019	0.91	1,123.21	56.54	19,046.00	357.39	20,584.05
As at 31.03.2020	**0.91**	**1,123.21**	**–**	**19,046.00**	**433.72**	**20,603.84**

	Year ended March 31, 2020	Year ended March 31, 2019
Rental income derived from investment properties	460.20	348.62
Direct operating expenses (including repairs and maintenance) generating rental income	32.28	95.59
Income arising from investment properties before depreciation	**427.92**	**253.03**
Depreciation	16.69	11.43
Income arising from investment properties (Net)	**411.23**	**241.60**

Premises given on operating lease:

The Company has given certain investment properties on operating lease. These lease arrangements range for a period between 2 and 5 years and include both cancellable and non-cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms.

The total future minimum lease rentals receivable at the Balance Sheet date are as under:

Particulars	As at March 31, 2020	As at March 31, 2019
For a period not later than one year	384.04	444.46
For a period later than one year and not later than five years	357.82	405.90
For a period later than five years	–	–
Total	**741.86**	**850.36**

(₹ in Lakhs)

5 Other Intangible Assets

Particulars	Computer softwares	Product Development	Computer softwares	Total
Gross Block				
As at 01.04.2018	205.65	135.00	35.01	375.67
Additions	0.45	–	1,643.12	1,643.57
Disposals	–	–	(0.52)	(0.52)
As at 31.03.2019	**206.10**	**135.00**	**1,677.61**	**2,018.72**
As at 01.04.2019	206.10	135.00	1,677.61	2,018.72
Additions	1.62	–	1.86	3.48
Disposals	–	–	(1.38)	(1.38)
Other adjustments	–	–	–	–
As at 31.03.2020	**207.72**	**135.00**	**1,678.10**	**2,020.82**
Amortization				
As at 01.04.2018	77.15	31.98	8.42	117.55
Charge for the year	41.18	27.45	13.26	81.88
Disposals	–	–	(0.18)	(0.18)
Adjustments	–	–	–	–
As at 31.03.2019	**118.33**	**59.42**	**21.50**	**199.25**
As at 01.04.2019	118.33	59.42	21.50	199.25
Charge for the year	39.05	27.45	170.25	236.75
Disposals	–	–	(0.80)	(0.80)
Adjustments	–	–	–	–
As at 31.03.2020	**157.38**	**86.87**	**190.95**	**435.21**
Net Block				
As at 31.03.2019	87.77	75.58	1,656.12	1,819.47
As at 31.03.2020	**50.34**	**48.13**	**1,487.15**	**1,585.61**

6 Investments

Particulars	As at March 31, 2020		As at March 31, 2019	
Investments in Equity Shares	**Current**	**Non-Current**	**Current**	**Non-Current**
b) Unquoted Equity Shares (Measured at Cost)				
Narmada Clean Tech Limited (NCTL)	–	30.00	–	30.00
Total	**–**	**30.00**	**–**	**30.00**

Aggregate amount of unquoted investments	Face Value per unit	As at March 31, 2020		As at March 31, 2019	
		No. of Units	**Amount**	**No. of Units**	**Amount**
Investments in Equity Shares					
Narmada Clean Tech Limited (NCTL)	₹ 10 each	**3,00,000**	**30.00**	**3,00,000**	**30.00**
		3,00,000	**30.00**	**3,00,000**	**30.00**

(₹ in Lakhs)

7 Inventories

Particulars	As at March 31, 2020	As at March 31, 2019
(I) Raw materials - In hand	2,385.23	2,436.59
(II) Work-in-Progress	2,790.19	2,631.95
(III) Finished Goods	4,298.61	1,721.93
(IV) Stores & Spares and Packing	1,668.38	1,770.30
(V) Stock in Trade	2.31	5.96
(VI) Scrap	55.86	54.38
Total	**11,200.58**	**8,621.11**

(i) For method of valuation of inventories, refer note 1.8

(ii) The provision in respect of excess, slow-moving, damaged, or obsolete inventories lying in books is ₹ 1713.80 Lakhs (Prev year-₹ 1750 Lakhs) for Work in Progress & ₹ 58.53 Lakhs (Prev year - ₹ 58.53 Lakhs) for Stores & Spares and Packing.

8 Trade Receivables

Particulars	Non-current		Current	
	As at Mar 31, 2020	As at Mar 31, 2019	As at Mar 31, 2020	As at Mar 31, 2019
Trade receivables considered good - Secured	–	–	431.56	1,353.88
Trade receivables considered good - Unsecured	–	–	13,286.32	20,883.55
Trade receivables which have significant increase in credit risk	–	–	–	–
Trade receivables - credit impaired	–	–	–	–
Total	**–**	**–**	**13,717.88**	**22,237.43**
Less: Loss allowance	–	–	(73.84)	(10.28)
Total	**–**	**–**	**13,644.04**	**22,227.15**

9 Cash & cash equivalents and Other Bank Balances

Particulars	Non-current		Current	
	As at Mar 31, 2020	As at Mar 31, 2019	As at Mar 31, 2020	As at Mar 31, 2019
Cash and Bank Balances				
(I) Cash & cash equivalents				
(i) Balance with Banks				
Current Accounts	–	–	119.31	37.35
(ii) Cash on Hand	–	–	5.81	4.79
(iii) Deposits with Banks held as Margin money/ Security (Maturity of less than three months)	–	–	896.83	415.86
	–	**–**	**1,021.95**	**458.00**
(II) Other Bank Balances				
Earmarked Balances with Banks - Unclaimed Dividend	–	–	1.80	3.96
Deposits with Banks held as Margin money/ Security (Maturity of more than 3 months and upto 12 months)	–	–	392.95	244.48
	–	**–**	**394.75**	**248.44**
Total	**–**	**–**	**1,416.70**	**706.44**

(₹ in Lakhs)

10 Loans

Particulars	Non-current		Current	
	As at Mar 31, 2020	As at Mar 31, 2019	As at Mar 31, 2020	As at Mar 31, 2019
Unsecured, considered good				
Loans to related parties	–	–	–	1,701.00
Loans to employees	3.15	5.66	9.40	13.72
Total	**3.15**	**5.66**	**9.40**	**1,714.72**

Break-up of security details

Particulars	As at March 31, 2020	As at March 31, 2019
Loans considered good - Secured	–	–
Loans considered good - Unsecured	12.55	1,720.38
Loans which have significant increase in credit risk	–	–
Loans - credit impaired	–	–
Total	**12.55**	**1,720.38**

11 Financial Assets: Others

Particulars	Non-current		Current	
	As at Mar 31, 2020	As at Mar 31, 2019	As at Mar 31, 2020	As at Mar 31, 2019
Unsecured, considered good				
Interest accrued but not due	–	–	42.16	27.54
Interest receivable	–	–	–	49.33
Insurance Claim Receivable	–	–	90.77	–
Deposits with Banks held as Margin money/ Security (Maturity of more than twelve months)	369.61	96.40	–	–
Total	**369.61**	**96.40**	**132.93**	**76.87**

12 Current Tax Assets (Net)

Particulars	As at March 31, 2020	As at March 31, 2019
Advance Payment of Tax / TDS / TCS (Net of Provision for Income Tax)	66.95	74.36
Total	**66.95**	**74.36**

(₹ in Lakhs)

13 Other Assets

Particulars	Non-current		Current	
	As at Mar 31, 2020	As at Mar 31, 2019	As at Mar 31, 2020	As at Mar 31, 2019
(I) Capital Advances				
Secured, considered good	–	–	–	–
Unsecured, considered good	–	–	80.84	125.35
(II) Security Deposits				
Secured, considered good				
Unsecured, considered good				
(A) (i) Sales Tax (Under Litigation)	202.92	93.47	–	–
(ii) Municipal Corporation (Under Litigation)	5.15	5.15	–	–
(iii) Central Excise & Custom (Under Litigation)	5.14	41.38	–	–
(iv) Electricity Board (Under Litigation)	27.91	27.91	–	–
(B) Others -				
I) Tender	106.60	86.16	–	–
II) Electricity	330.78	350.83	–	–
III) Others	432.19	317.53	–	–
Less: Provision for doubtful deposits	–	–	–	–
(III) Earnest Money Deposit - Lien Fixed Deposit				
– Others	88.01	122.61	–	–
(IV) Deposit/ Credit with Government Authorities				
Custom, Excise & Service Tax, GST	–	–	3,329.60	3,013.03
Sales tax	1.86	–	26.07	63.20
Electricity Duty	–	–	60.19	–
(V) Advances to Suppliers	8.12	–	225.37	232.00
Less: Provision for doubtful advances	–	–	(3.90)	(3.90)
(VI) Employees	–	–	42.91	11.57
Less: Provision for doubtful advances	–	–	–	–
VII) Others				
Inter Unit Balances	–	–	–	–
Related Parties	–	–	6.33	–
Others	22.53	48.68	191.84	358.51
Total	**1,231.21**	**1,093.73**	**3,959.25**	**3,799.76**

14 Equity Share Capital

Particulars	As at March 31, 2020	As at March 31, 2019
Authorised		
25,00,000 (31 March 2019 : 25,00,000) Equity Shares of ₹ 10/- each.	250.00	250.00
Issued		
14,43,000 (31 March 2019 : 14,43,000) Equity Shares of ₹ 10/- each.	144.30	144.30
Subscribed & Fully Paid up		
14,42,885 (31 March 2019 : 14,42,885) Equity Shares of ₹ 10/- each.	144.29	144.29
Total	**144.29**	**144.29**

(₹ in Lakhs)

(a) Reconciliation of shares outstanding at the beginning and at end of the year:

Particulars	As at March 31, 2020		As at March 31, 2019	
	No of Shares	Amount	No of Shares	Amount
Opening Balance	14,42,885	144.29	14,42,885	144.29
Add:- Addition during the Year	–	–	–	–
Less:- Deletion during the Year	–	–	–	–
Closing Balance	**14,42,885**	**144.29**	**14,42,885**	**144.29**

(b) Terms/rights attached to equity shares

The Company has only one class of shares referred to as equity shares having par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share.

Shares in respect of each class in the company held by its holding company rights ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate : NIL

Shares reserved for issue under options and contracts/commitments for the sale of shares/disinvestment, including the terms and amounts : NIL

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

The company has not Issued equity share capital including shares allotted for consideration other than cash during the last five years.

(c) Details of Shareholders holding more than 5% equity shares in the company

Name of Shareholder	As at March 31, 2020		As at March 31, 2019	
	No. of Equity Shares	Percentage Holding	No. of Equity Shares	Percentage Holding
Hindusthan Consultancy & Services Ltd.	7,08,825	49.12%	7,08,825	49.12%
Carbo Industrial Holdings Ltd	1,32,820	9.21%	1,32,820	9.21%
Promain Ltd	1,17,900	8.17%	1,17,900	8.17%

15 Borrowings

Particulars	Non-current		Current	
	As at Mar 31, 2020	As at Mar 31, 2019	As at Mar 31, 2020	As at Mar 31, 2019
Secured Loans from Banks:				
a) *- Term Loan (Rupee Loan)*	8,829.13	14,454.04	–	–
Less:- Current Maturities	(1,072.20)	(1,079.70)	–	–
Sub Total	**7,756.93**	**13,374.34**	**–**	**–**
b) *- Term Loan (FCNR Loan)*	5,107.57	–	–	–
Less:- Current Maturities	(238.05)	–	–	–
Sub Total	**4,869.52**	**–**	**–**	**–**
c) *- Vehicle Loan (Rupee Loan)*	–	3.08	–	–
Less:- Current Maturities	–	(3.08)	–	–
Sub Total	**–**	**–**	**–**	**–**

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at Mar 31, 2020	As at Mar 31, 2019	As at Mar 31, 2020	As at Mar 31, 2019
d) Unsecured Loans				
From Related parties (Unsecured)	–	–	2,536.26	1,750.33
Sub Total	–	–	**2,536.26**	**1,750.33**
e) Liability Component of Redeemable Preference Shares	2,463.90	2,291.08	–	–
	2,463.90	**2,291.08**	**–**	**–**
f) Working Capital Facilities from Banks-Secured (Repayable on Demand)				
Rupee loan				
Cash Credit	–	–	9,308.61	7,620.81
Working Capital Demand Loan	–	–	1,000.61	–
Sub Total	**–**	**–**	**10,309.21**	**7,620.81**
Total	**15,090.35**	**15,665.43**	**12,845.48**	**9,371.14**

a) Term Loan (Rupee Loan)

(i) Type of Loan : 10.80% p.a.Term loan Canara Bank, New Delhi of ₹ 4500 Lakhs is sanctioned on 14.08.2015 by Canara Bank, New Delhi for our Khurda Projects against which ₹ 4064.34 Lakhs availed.

Nature of Security: The loan is secured by exclusive charge on land & building and other fixed/movable/immovable assets situated at Village-Champajhara, Distt- Khurda, Bhubaneswer.

Terms of Repayment : The said loan is repayable in 32 quarterly structured instalments starting from quarter ending December' 2015 and ending on quarter ending September' 2023.

(ii) Type of Loan : 13.85% p.a. Term loan from State Bank of India.

Nature of Security : Secured by Ist Charge over fixed assets situated at plot no 1-8, New Industrial area Mandideep, Tehsil-Goharganj,Distt-Raisen, M.P.

Terms of Repayment: The loan is repayable in 18 quarterly instalment of ₹ 60.93 Lakhs starting from Sep'2016.

(iii) Type of Loan : 7.75% p.a.Term loan of ₹ 400 Lakhs from State Bank of India as per Common COVID-19 Emergency Credit Line Scheme

Nature of Security : Secured by extension of charges on primary security/collateral security

Terms of Repayment: The loan is repayable in 18 equated monthly instalments after a moratorium period of 6 months from date of disbursement of the loan

(iv) Type of Loan : Term Loan sanctioned by State Bank of Bikaner & Jaipur (now merged with State Bank of India) @ 11.50% p.a.₹ 5000 Lakhs (Outstanding amount of ₹ 3274.74 Lakhs including interest amount of ₹ 26.74 Lakhs (Previous Year ₹ 3280.04 Lakhs including Interest Amount of ₹ 31.15 Lakhs)), State Bank of Hyderabad (now merged with State Bank of India) @ 11.50 % p.a. ₹ 2500 Lakhs (Outstanding amount of ₹ 1574.85 Lakhs including interest amount of ₹ 12.86 Lakhs (Previous Year ₹ 1577.23 Lakhs including Interest Amount of ₹ 15.86 Lakhs)), by Andhra Bank (now merged with Union Bank of India) @ 12.25% p.a. ₹ 3280 Lakhs (Outstanding amount of ₹ 2150.58 Lakhs including interest amount of ₹ 22.13 Lakhs (Previous Year ₹ 2148.92 Lakhs including Interest Amount of ₹ 20.43 Lakhs)) and by Corporation Bank (now merged with Union Bank of India) @ 11.55% p.a. ₹ 6500 Lakhs (Outstanding amount of ₹4309.85 Lakhs including interest amount of ₹ 40.15 Lakhs (Previous Year ₹ 4311.22 Lakhs including Interest Amount of ₹ 41.52 Lakhs))

Nature of Security : Secured by first pari-pasu charge by way of mortgage of all the immovable properties and assets at Chemical Division including project land (including leasehold right), first pari-pasu charge by way of hypothecation on all of tangible movable fixed assets both present & future, interest, title, benefits, claims and demands in the material project documents, project clearances, letter of credit, guarantees, liquidated damages, performance bond and under insurance contracts, first pari-pasu charge by overall bank account & profit after tax of the subsidiary company i.e. Hindusthan Speciality Chemicals Ltd. & second pari-pasu charge on the entire current assets of the same and Corporate Guarantee of holding company namely, Hindusthan Urban Infrastructure Ltd.

Terms of Repayment : The same is repayable in 25 quarterly instalments commencing from September 2021.

(₹ in Lakhs)

b) Term Loan (FCNR Loan)

(i) Type of Loan : 12.65% p.a. FCNR Term loan of USD 3.30 Lakhs from State Bank of India disbursed on 26.04.2019

Nature of Security : Secured by Ist Charge over fixed assets situated at plot no 1-8, New Industrial area Mandideep, Tehsil-Goharganj,Distt-Raisen, M.P.

Terms of Repayment: The loan is repayable after 1 year as per forward contract arrangement made.

(ii) Type of Loan : Out of above Term Loan sanctioned by State Bank of India @ 11.50% p.a. ₹ 7500 Lakhs which was outstanding as on 23.03.2020 as mentioned in paragraph no. a(iv), loan amounting to ₹ 4810.00 Lakhs converted into FCNR Loan Amount of USD 64,35,631.31 @ ₹ 74.74 per USD equivalent to ₹ 4810.00 Lakhs

Nature of Security & Terms of Repayment : Same as mentioned in paragraph a(iv)

d) Unsecured Loans - Inter-corporate loans taken during the year from related parties

e) Liability Component of Redeemable Preference Shares : Redeemable Non-Cumulative Non-Convertible Preference Shares of ₹ 9518.97 Lakhs issued on 12.12.2018. Present Value of Principal amount of such shares at the end of 20 years considered as Liability Component as per Ind-AS 32 using discount rate @ 7.50% is ₹ 2240.89 Lakhs. Interest expense recognised during the year as per Ind-AS 32 is ₹ 172.82 lakhs (Previous year - 50.19 Lakhs)

f) Working Capital Facilities for Banks :

(i) Type of Loan: Working Capital Facilities from Canara Bank for the Conductor Division against which drawing is ₹ 3701.11 Lakhs. (Previous year - ₹ 2496.21 Lakhs)

Nature of Security : Secured against hypothecation of stocks, book debts and plant & machinery both present & future at Village-champajhara,Distt- Khurda, Bhubaneswar &12/1,Milestone, Delhi Mathura Road, Faridabad. & Plot No 1C, Industrial park, Sila Mouza, Kamrup, Guwahati, Assam and equitable mortgage of land and building at 12/1, Milestone, Delhi Mathura Road, Faridabad.

(ii) Type of Loan: Working capital facilities from State Bank of India, Bhopal Branch & IDBI Bank, Bhopal Branch for the Insulator division against which drawing is ₹ 4426.20 Lakhs (Previous year - ₹ 4785.57 Lakhs)

Nature of Security: Secured against hypothecation of all types of stocks and book debts and other receivable situated at plot no 1-8, New Industrial area Mandideep, Tehsil-Goharganj,Distt-Raisen, M.P. or such other place as approved by bank and secured collaterally by way of second charge on fixed assets of insulators division situated at plot no 1-8, New Industrial area Mandideep, Tehsil-Goharganj,Distt-Raisen, M.P.

(iii) Type of Loan: Working Capital Facilities from Andhra Bank & Corporation Bank (both banks now merged with Union Bank of India) as well as State Bank of India for Chemical Divison against which drawing is ₹ 2181.91 Lakhs/- (Previous year - ₹ 339.02 Lakhs).

Nature of Security : Secured against hypothecation of first charge on stocks, book debts and second charge on plant & machinery and land & building.

Interest rate varies from 1% p.a. to 6% p.a. per annum on foreign currency denominated working capital facilities and it varies from 8% p.a. to 13% p.a. on rupee denominated working capital facilities.

16 Trade payables (including Acceptances)*

Particulars	As at March 31, 2020	As at March 31, 2019
Total outstanding dues of micro and small enterprises	253.74	526.13
Total outstanding dues of creditors other than micro and small enterprises	7,850.97	14,495.46
Total	**8,104.71**	**15,021.59**

*Acceptances include arrangements where operational suppliers of goods and services are initially paid by banks while the Company continues to recognise the liability till settlement with the banks which are normally effected within a period of 90 days.

(₹ in Lakhs)

17 Other financial liabilities

Particulars	Non-current		Current	
	As at Mar 31, 2020	As at Mar 31, 2019	As at Mar 31, 2020	As at Mar 31, 2019
Current Maturities of Long term Debt (Refer note 15)				
Term Loan from Canara Bank - Rupee Loan	–	–	608.13	835.98
Term Loan from ICICI Bank - Car Loan	–	–	–	3.08
Term Loan from SBI - Rupee Loan	–	–	464.07	243.72
Term Loan from SBI - FCNR Loan	–	–	238.05	–
Interest accrued but not due on borrowings	–	–	60.52	37.26
Interest payable			5.20	–
Unclaimed dividend	–	–	1.80	3.96
Other Payables			403.59	642.14
Due to Micro and Small Enterprises (Capital Goods)			168.94	339.28
Creditors For Capital Goods	–	–	452.53	659.13
Other Deposits : Trade/Service deposits	54.91	79.65	199.83	105.20
Mark to Market Balance against outstanding forward contract	–	–	39.84	–
Lease Liabilities	13.82	–	16.89	–
Total	**68.73**	**79.65**	**2,659.39**	**2,869.75**

18 Provisions

Particulars	Non-current		Current	
	As at Mar 31, 2020	As at Mar 31, 2019	As at Mar 31, 2020	As at Mar 31, 2019
Provision for employee benefits	607.48	525.13	118.20	161.83
Contract Loss provision	1.24	1.24	–	–
Total	**608.72**	**526.37**	**118.20**	**161.83**

19 Deferred tax liabilities (net)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax liabilities on:		
- Fixed assets U/s-32	9,076.39	8,315.51
- Equity Component of Preference Share Capital	2,465.32	2,429.71
	11,541.71	**10,745.22**
Deferred tax assets on:		
- Bonus, gratuity & leave salary U/s-43B	260.40	237.38
- Provision for doubtful debts U/s-36(1)(vii)	25.80	3.43
- Business loss / Un Absorbed Depreciation U/s-72	3,885.59	1,896.55
- Other Temporary Differences	647.89	647.89
- Other Comprehensive Income	14.34	5.99
	4,834.02	**2,791.24**
MAT Credit Entitlement	739.34	898.01
Net Deferred Tax Liabilities	**5,968.35**	**7,055.97**

(₹ in Lakhs)

20 Other Liabilities

Particulars	Non-current		Current	
	As at Mar 31, 2020	As at Mar 31, 2019	As at Mar 31, 2020	As at Mar 31, 2019
Advances from customers	–	–	305.58	224.18
Other Payable to related party (HEIL)	–	–	9.29	9.29
Interest on Sales tax Liability	–	–	128.28	128.28
Deferred Government Grants	57.27	71.90	14.63	14.63
Deferred Security Deposit (Rent)	1.03	7.31	6.77	8.72
Statutory Liabilities				
- Income Tax (TDS)	–	–	82.66	66.24
- Goods & Service Tax (GST)	–	–	168.54	85.99
- Others	–	–	26.15	25.67
Total	**58.30**	**79.21**	**741.90**	**563.00**

21 Revenue from operations

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Sale of products & services		
(I) Conductors & Cables	26,289.36	49,340.07
(II) Power Generation Sales	–	117.64
(III) Insulators	19,320.57	19,936.89
(IV) Real Estate (Rental Income)	460.20	348.62
(V) Epoxy Resin & Allied Products	8,726.42	878.96
	54,796.55	**70,622.18**
Other operating revenue		
(I) Scrap Sales	130.57	438.15
(II) Export Incentives	47.53	41.73
(III) GST Benefit/Subsidy Income	58.20	36.07
	236.30	**515.95**
Revenue from Operations (Gross)	**55,032.85**	**71,138.13**

(₹ in Lakhs)

22 Other income

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(A) INTEREST INCOME		
From FDR's	72.67	29.46
From Customers	32.38	70.33
From Others	33.02	16.45
(B) DIVIDEND INCOME	–	3.00
(C) NET GAIN ON INVESTMENT		
Gain on Sale Of Investment measured at FVTPL	2.43	211.24
(D) OTHER NON- OPERATING INCOME		
Fluctuation in Exchange Rate (Net)	41.44	108.89
Claims Received (Net)	176.80	19.72
Profit on Sale of Fixed Assets	4.25	2.53
Liabilities No Longer Required & Sundry Credit Balance Written Back	95.82	610.27
Entry Tax Refund	97.55	111.67
Miscellaneous Income	12.10	–
Total	**568.45**	**1,183.55**
Total Revenue	**55,601.30**	**72,321.68**

23 Cost of Materials Consumed

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
A) Raw Material	**39,093.38**	**52,572.76**
B) Purchase of Stock-In-Trade	**–**	**11.04**

24 Changes in inventories of finished goods, stock-in-trade & work-in-progress

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Inventories at the beginning of the year		
Finished Goods	1,721.93	1,449.06
Work-In-Progress	2,631.95	2,200.39
Stock-in-trade	5.96	129.84
Scrap	54.38	47.34
	4,414.22	**3,826.63**
Inventories at the end of the year		
Finished Goods	4,298.61	1,721.93
Work-In-Progress	2,753.99	2,631.95
Stock-in-trade	2.31	5.96
Scrap	55.87	54.38
	7,110.78	**4,414.22**
Total	**(2,696.56)**	**(587.59)**

(₹ in Lakhs)

25 Employee benefits expense

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Salaries & wages	2,882.86	2,408.01
Contribution to provident & other funds	165.76	134.30
Staff & Workmen welfare expenses	82.46	48.02
Total	**3,131.08**	**2,590.33**

26 Finance costs

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(I) INTEREST		
On Term Loan	1,599.23	467.19
On Working Capital Borrowings	2,233.24	2,186.31
On Exchange difference to the extent considered as as adjustment to borrowing cost	11.10	24.74
On Liability Component of Redeemable Preference Share Capital	172.82	50.19
On Lease Liability	3.92	–
On Others	92.87	173.80
	4,113.18	**2,902.23**
(2) OTHER BORROWING COST		
Bank Charges	404.44	396.60
Total	**4,517.62**	**3,298.83**

27 Depreciation and amortization expense

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation of Property, plant & equipment	2,554.14	1,541.41
Depreciation of Investment Properties	16.69	11.43
Amortization of Intangible assets	236.75	81.11
Depreciation of Right of Use Asset	16.82	–
Total	**2,824.41**	**1,633.95**

(₹ in Lakhs)

28 Other expenses

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
MANUFACTURING EXPENSES		
(i) Stores & Spares	1,273.75	1,360.24
(ii) Packing & Forwarding Expenses (Net)	1,424.30	1,498.80
(iii) Power & Fuel	5,492.25	5,361.48
(iv) Repairs to Building	34.92	59.02
(v) Repairs to Machinery	145.30	226.97
(vi) Jobs on Contract	2,846.18	2,674.70
SELLING AND ADMINISTRATION		
(i) Rent	27.18	56.14
(ii) Insurance	59.43	34.38
(iii) Rates & Taxes	92.36	113.74
(iv) Repairs - Others	83.31	91.36
(v) Directors Meeting Fees	7.45	9.50
(vi) Payment to Auditors	7.48	6.82
(vii) Brokerage & Commission	43.95	92.78
(viii) Bad Debts Written off	–	15.86
(ix) Allowance for Doubtful Debts	56.35	–
(x) Miscellaneous Expenses	1,122.19	881.05
Total	**12,716.42**	**12,482.83**

29 Other Comprehensive Income

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Items that will not be reclassified to profit or loss		
Remeasurements of the defined benefit plans	(19.79)	8.27
	(19.79)	**8.27**
Items that will be reclassified to profit or loss		
	–	**–**
Total	**(19.79)**	**8.27**

30 Exceptional items

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Profit/(Loss) on Sale of Property, Plant & Equipments	–	(120.60)
Total	**–**	**(120.60)**

(₹ in Lakhs)

31 Contingent Liabilities & Commitments

Particulars	As at March 31, 2020	As at March 31, 2019
(1) Contingent liabilities (to the extent not provided for)		
(A) Guarantee		
(a) The Parent Company has given following corporate guarantees on behalf of group companies under salex tax, excise, custom etc.:		
Hindusthan Speciality Chemicals Ltd (Partly Owned Subsidiary), for secured financial facilities	–	–
Hindusthan Engineering & Industries Ltd (Group company), under sales tax, excise, custom etc	572.24	572.24
(b) Outstanding guarantees furnished by banks on behalf of the company	11,088.79	13,612.57
(c) Outstanding letters of credit furnished by banks on behalf of the company	6,920.31	15,391.63
(B) Claims against Company, disputed by the Company, not acknowledged as debt:		
(a) Income Tax demand under appeal *	–	–
(b) Excise Duty show cause notices/demands under appeal	105.04	125.81
(c) Claims against the Company for Sales/Purchase Tax/VAT	1,082.96	1,304.60
(d) Claims against the Company for Labour Cases/MCF & Other under litigation	206.62	239.82
* Apart from these liabilities, the parent company has received demand of ₹ 368.55 Lakhs from Income Tax department and also shown on CPC Portal related to various assessment years. These demand includes wrong calculation of Interest U/s 234B & 234C, wrong demand of DDT and ITAT Appeal order effect not given by the Income Tax department. The company has filed rectification application for the same demand.		
(2) Commitments as at year end: (to the extent not provided for)		
(A) Capital Commitments:		
Estimated amount of contracts remaining to be executed on capital account (Net of advances)	51.86	4.68
(B) Other Commitments:		
(i) Surety Bond given to Custom & Excise/JDGFT	–	315.00
(ii) Sales order to be executed against Government and Private Contracts	25,285.97	40,035.98
(iii) Liability in respect of sales bills discounted with banks/NBFC's	376.42	8,797.23

32 Disclosure requirement under MSMED Act, 2006

The Group has certain dues to suppliers (trade and capital) registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act').

There are no micro and small enterprises, to whom the group owes dues, which are outstanding for more than 45 days as at 31 March 2020 . The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) has been determined to the extent such parties have been identified on the basis of information available with the Group.The disclosures pursuant to the said MSMED Act are as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Principal amount due and remaining unpaid to any supplier at the end of the each accounting year	422.69	865.41
The amount of interest paid by the buyer in term of section 16 of the Micro, Small & Medium Enterprises Development Act,2006 (27 of 2006), alongwith the amount of the payment made to the supplier beyond the appointed day during each accounting year.	–	–
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small & Medium Enterprises Development Act, 2006.	–	–
The amount of interest accrued and remaining unpaid at the end of the accounting year, and	–	–
The amount of further interest remaining due and payable in suceeding year, untill such interest when the interest dues above are actually paid to the small enterprises, for the purpose of disallowances on account of deductible expendiure under section 23 of the Micro, Small & Medium Enterprises Development Act, 2006.	–	–

33 Employee Benefits

As per Ind-AS 19 on "Employee Benefits", the disclosures of Employee Benefits are given below:

a) Defined Contribution Scheme

Particulars	As at March 31, 2020	As at March 31, 2019
Contribution to Defined Contribution Plan, recognized for the year are as under:		
Employer's Contribution to Provident Fund	75.86	54.05
Employer's Contribution to Pension Fund	69.78	43.75
Employer's-ESI Contribution	20.12	36.50
Labour Welfare Fund	–	–
Total	**165.76**	**134.30**

b) Defined Benefit Scheme

Disclosure as required by Ind AS 19 on Employee Benefits in respect of gratuity and leave encashment are as follows:

Particulars	Leave Encashment (Non-Funded)		Gratuity (Non-Funded)	
	2019-20	2018-19	2019-20	2018-19
Net expenses recognised during the year 2019-20				
Current Service Cost	18.70	20.43	30.08	35.24
Interest Cost	6.55	6.05	41.71	42.50
Expected return on plan assets	–	–	–	–
Actuarial Losses / (Gains)	2.88	(1.86)	19.79	(8.27)
Past Service Cost	–	–	–	–
Net benefit expenses	**28.12**	**24.63**	**91.58**	**69.48**

(₹ in Lakhs)

Particulars	Leave Encashment (Non-Funded)		Gratuity (Non-Funded)	
	2019-20	2018-19	2019-20	2018-19
Net assets/(Liability) recognized in Balance Sheet as at 31st March, 2019				
Present Value of Defined Benefit Obligation	98.56	91.05	627.53	595.91
Fair Value of plan assets	–	–	–	–
Net Liabilities recognised in Balance Sheet	**(98.56)**	**(91.05)**	**(627.53)**	**(595.91)**
Change in the Present value of obligation over the year ended 31st March, 2019				
Present Value of Defined Benefit Obligation as on 1st April, 2019	91.05	85.39	595.91	584.77
Interest Cost	6.55	6.05	41.71	42.50
Past Service Cost	–	–	–	–
Current Service Cost	18.70	20.43	30.08	35.24
Benefits Paid	(20.60)	(18.97)	(59.96)	(57.68)
Actuarial (Gain) / loss on obligation	2.88	(1.86)	19.79	(8.92)
Present Value of Defined Benefit Obligation as on 31st March, 2020	**98.56**	**91.05**	**627.53**	**595.91**
Change in Fair value of Plan Assets				
Fair Value of plan assets as on 01.04.2019				
Actual return on plan assets	–	–	–	–
Contribution	–	–	–	–
Benefits paid	–	–	–	–
Fair Value of plan assets as on 31.03.2020	**–**	**–**	**–**	**–**

Other Comprehensive Income	Gratuity (Non-Funded)	
	2019-20	2018-19
Actuarial (gains) / losses		
change in demographic assumptions	(0.02)	–
change in financial assumptions	19.17	10.70
experience variance (i.e. Actual experience vs assumptions)	0.65	(18.96)
others		–
Return on plan assets, excluding amount recognised in net interest expense	–	–
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling	–	–
Components of defined benefit costs recognised in other comprehensive income	**19.80**	**(8.27)**

Major Actuarial Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

(₹ in Lakhs)

Particulars	Segment	Leave Encashment (Non-Funded)		Gratuity (Non-Funded)	
		2019-20	2018-19	2019-20	2018-19
Financial Assumptions					
Discount Rate	Conductor	6.25%	7.56%	6.25%	7.56%
(based upon the market yields available on	Insulators	6.40%	7.10%	6.40%	7.10%
Government bonds at the accounting date	Chemical	6.25%	7.56%	6.25%	7.56%
relevant to currency of benefit payments for a term that matches the liabilities)					
Salary increase	Conductor	5.00%	5.00%	5.00%	5.00%
(based on account of inflation, seniority,	Insulators	5.00%	5.00%	5.00%	5.00%
promotion, business plan, HR policy and	Chemical	5.00%	5.00%	5.00%	5.00%
other relevant factors on long term basis)					
Demographic Assumptions					
Mortality Rate (% of IALM 2012-14)	Conductor	100.00%	100.00%	100.00%	100.00%
(inclusive of provision for disability)	Insulators	100.00%	100.00%	100.00%	100.00%
	Chemical	100.00%	100.00%	100.00%	100.00%
Withdrawal rates, based on age:(per annum)					
Up to 30 years	Conductor	3.00%	3.00%	3.00%	3.00%
	Insulators	0.50%	0.50%	0.50%	0.50%
	Chemical	3.00%	3.00%	3.00%	3.00%
31 - 44 years	Conductor	2.00%	2.00%	2.00%	2.00%
	Insulators	0.20%	0.20%	0.20%	0.20%
	Chemical	2.00%	2.00%	2.00%	2.00%
Above 44 years	Conductor	1.00%	1.00%	1.00%	1.00%
	Insulators	0.10%	0.10%	0.10%	0.10%
	Chemical	1.00%	1.00%	1.00%	1.00%

Sensitivity Analysis

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

	Leave Encashment (Non-Funded)	Gratuity (Non-Funded)
Impact of the change in discount rate	**2019-20**	**2019-20**
Present Value of Obligation at the end of the period	98.56	627.53
Impact due to increase of 0.50 %/1.00%	(4.96)	(22.03)
Impact due to decrease of 0.50 %/1.00%	5.65	23.95
Impact of the change in salary increase		
Present Value of Obligation at the end of the period	98.56	627.53
Impact due to increase of 0.50 %/1.00%	5.68	23.49
Impact due to decrease of 0.50 %/1.00%	(5.06)	(22.00)

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated

Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable.

(₹ in Lakhs)

The defined benefit obligations shall mature after the end of reporting period is as follows:

	Leave Encashment (Non-Funded)	Gratuity (Non-Funded)
	2019-20	2019-20
Expected cash flows over the next (valued on undiscounted basis):		
1 Year	18.17	101.13
1 to 6 years	30.48	137.16
More than 6 years	49.91	389.24

Risk Exposures

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow -

A) Salary Increases : Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

B) Investment Risk : If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

C) Discount Rate : Reduction in discount rate in subsequent valuations can increase the plan's liability.

D) Mortality & disability : Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

E) Withdrawals : Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

34. Related Party Disclosures

A. List of Related Parties and relatives with whom transactions have taken place

Enterprise which have significant influence over the group

Hindusthan Consultancy & Services Ltd.

Director(s)/ Key Managerial Personnel :

Mr Raghavendra Anant Mody, Chairman & Whole Time Director
Mr Shyam Sunder Bhuwania, Vice Chairman & Managing Director
Mr Deepak Kejriwal, Whole Time Director & CFO
Mr Murari Lal Birmiwala, Senior Vice President Finance & Company Secretary
Mr Parag Dadeech, Executive Director & CEO at Hindusthan Speciality Chemicals Ltd (upto 18.09.2019)
Mr.Rahul Sahni, Chief Financial Officer (CFO) at Hindusthan Speciality Chemicals Ltd.
Mr Neeraj Jain, Company Secretary at Hindusthan Speciality Chemicals Ltd.
Mr.Dilip Chandrakant Anjikar, Manager at Hindusthan Speciality Chemicals Ltd. (Appointed as on 06.02.2020)

Relatives of Director(s)/Key Managerial Personnel :

Mrs Sanchita Mody

Others

Hindusthan Vidyut Products Ltd Employee Provident Fund Trust
Hindusthan Engineering & Industries Ltd.
Promain Ltd.
Orient Bonds and Stock Limited
Pradyumna Steels Ltd
Paramount Enterprises Ltd
Intercontinental Trading and Investment Company Limited
Mody Education Foundation

(₹ in Lakhs)

B. Transactions with related parties

The following transactions were carried out with the related parties in the ordinary course of business.

i) With parties other than Directors / Key Managerial personnel

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Sale of capital goods		
Mody Education Foundation	–	0.12
Purchase of Stores & Spares		
Hindusthan Engineering & Industries Ltd	2.38	–
Rent paid /payable (including GST)		
Promain Limited	24.78	24.78
Hindusthan Engineering & Industries Ltd	0.14	0.14
Dividend Paid :		
Hindusthan Consultancy & Services Ltd.	–	7.09
Reimbursement of Expenses Paid /Payable		
Hindusthan Engineering & Industries Ltd.	3.19	3.49
Brand Fee Paid		
Hindusthan Consultancy & Services Ltd.	9.99	7.50
Provident Fund Deposit (Paid/Payable)		
Hindusthan Vidyut Products Ltd Employee Provident Fund Trust	105.14	131.78
Interest Paid / Payable		
Hindusthan Engineering & Industries Ltd	42.52	2,466.71
Orient Bonds and Stock Limited	1.60	–
Pradyumna Steels Ltd	0.36	–
Paramount Enterprises Ltd	1.24	–
Intercontinental Trading and Investment Company Limited	0.36	–
Hindusthan Consultancy & Services Ltd.	24.01	–
Loan - Received		
Hindusthan Engineering & Industries Ltd	2,000.00	–
Orient Bonds and Stock Limited	450.00	–
Pradyumna Steels Ltd	100.00	–
Paramount Enterprises Ltd	350.00	–
Intercontinental Trading and Investment Company Limited	100.00	–
Hindusthan Consultancy & Services Ltd.	1,000.00	–
Loan - Repaid		
Hindusthan Engineering & Industries Ltd	500.00	7,068.80
Hindusthan Consultancy & Services Ltd.	1,000.00	–
Issue of Preference Shares in Lieu of Loan Payable (including Interest)		
Hindusthan Engineering & Industries Ltd	–	9,518.97
Issue of Equity Shares of Hindusthan Speciality Chemicals Ltd		
Hindusthan Consultancy & Services Ltd.	–	3,000.00
Intercontinental Trading and Investment Company Limited	–	250.00
Orient Bonds and Stock Limited	–	1,450.00
Paramount Enterprises Limited	–	1,300.00

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Security Amount Received/Given for Appointment of Director		
Promain Ltd.	–	1.00
Security Amount Refund given/received for Appointment of Director		
Promain Ltd.	–	1.00
CSR Contribution		
Mody Education Foundation	2.72	–

ii) With Directors/Key Managerial Personnel

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Remuneration to Key Managerial Personnel:		
Mr Raghavendra Anant Mody	79.04	57.33
Mr Shyam Sunder Bhuwania	24.31	64.76
Mr Deepak Kejriwal	67.40	47.07
Mr Murari Lal Birmiwala	35.98	36.04
Mr Parag Dadeech	59.49	117.66
Mr Deepak Kumar Ajmera	–	13.36
Mr Rahul Sahni	21.09	2.78
Mr Neeraj Jain	7.95	8.22
Mr.Dilip Chandrakant Anjikar	7.80	–
Sitting Fees :		
Mr Raghavendra Anant Mody	0.15	0.10
Mr Shyam Sunder Bhuwania	0.50	0.60
Mr Vivek Dayaram Kohli	–	0.10
Salary paid to relative of Director(s)/ Key Managerial Personnel:		
Mrs Sanchita Mody	53.32	49.60

Particulars	As at March 31, 2020	As at March 31, 2019
Outstanding - Other Payable		
Hindusthan Engineering & Industries Ltd	9.29	9.29
Outstanding - Loan taken (including interest payable)		
Hindusthan Engineering & Industries Ltd	1,538.27	–
Orient Bonds and Stock Limited	451.44	–
Pradyumna Steels Ltd	100.32	–
Paramount Enterprises Ltd	351.12	–
Intercontinental Trading and Investment Company Limited	100.32	–
Guarantees and collaterals by the Group		
Hindusthan Engineering & Industries Ltd	572.24	572.24

(₹ in Lakhs)

35 Segment Reporting

I) Based on the guiding principles given in Ind AS-108 "Operating Segment", The Vice-Chairman and Managing Director of the Group has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108 "Operating Segments". Operating Segments have been defined and presented based on the regular review by the CODM to assess the performance of each segment and to make decision about allocation of resources. Accordingly, the Group's business segments are organised around customers on industry and products lines as under:

a. **Conductor**: Conductor includes electrical conductor and related items.

b. Insulator: Insulator includes electrical insulator and related items.

c. Real-estate : Real-estate includes Property at Faridabad given for rent purpose.

d. Speciality Chemicals: Speciality Chemicals includes business of Subsidiary Company "Hindusthan Speciality Chemicals Ltd."

e. Others : This segment is engaged in investment activities (wind power business sold out w.e.f. 14th June, 2018)

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group.

No operating segments have been aggregated to form the above reportable operating segments.

Revenue, expenses, assets and liabilities which relate to Group and not allocable to segments on reasonable basis have been included under 'unallocated revenue / expenses / assets / liabilities'.

Finance costs are not allocated to individual segments as the underlying instruments are managed on a Group basis

Current taxes and deferred taxes are not allocated to those segments as they are also managed on a Group basis

A Business Segment

Segment information for the year ended 31st March, 2020

Particulars	Conductor	Insulators	Real-estate	Speciality Chemicals	Others	Un-Allocated	Total
Revenue from Operations (Gross)	**26,400.85**	**19,416.01**	**460.20**	**8,755.78**	–	–	**55,032.85**
	(49,464.18)	(20,324.72)	(348.62)	(882.97)	(117.64)	–	(71,138.13)
Results							
Segment result	**875.29**	**2,626.78**	**411.23**	**(2,732.72)**	–	–	**1,180.58**
	(1,793.84)	(2,644.54)	(241.60)	389.70	(68.72)	–	(4,359.01)
Interest Income	–	–	–	–	–	**102.32**	**102.32**
	(–)	(–)	(–)	(–)	(–)	(115.73)	(115.73)
Finance cost	–	–	–	–	–	**4,517.62**	**4,517.62**
	(–)	(–)	(–)	(–)	(–)	(3,298.83)	(3,298.83)
Unallocable Corporate Expenditure	–	–	–	–	–	**750.32**	**750.32**
	(–)	(–)	(–)	(–)	(–)	(856.37)	(856.37)
Profit /(Loss) before taxation & exceptional items	–	–	–	–	–	–	**(3,985.05)**
	(–)	(–)	(–)	(–)	(–)	(–)	(319.54)
Exceptional Items	–	–	–	–	–	–	–
	(91.63)	–	–	(28.97)	(–)	(–)	(120.60)
Net Profit/ (Loss) before tax	–	–	–	–	–	–	**(3,985.05)**
	(–)	(–)	(–)	(–)	(–)	(–)	(198.94)
Tax Expense	–	–	–	–	–	–	(889.35)
	(–)	(–)	(–)	(–)	(–)	(–)	(583.12)
Net Profit/ (Loss) after tax	–	–	–	–	–	–	**(3,095.70)**
	(–)	(–)	(–)	(–)	(–)	(–)	384.19

(₹ in Lakhs)

Particulars		Conductor	Insulators	Real-estate	Speciality Chemicals	Others	Un-Allocated	Total
Other Information	**As at**							
Segment assets	**Mar 31, 2020**	**17,788.15**	**24,526.92**	**20,645.59**	**30,111.80**	**–**	**66.95**	**93,139.42**
	Mar 31, 2019	(28,504.01)	(23,409.83)	(20,613.53)	(28,775.89)	–	(74.36)	(101,377.62)
Segment liabilities	**Mar 31, 2020**	**13,086.21**	**10,135.92**	**144.42**	**16,929.23**	**–**	**5,968.35**	**46,264.12**
	Mar 31, 2019	(18,771.59)	(10,028.98)	(98.87)	(15,434.57)	–	(7,059.94)	(51,393.95)
Capital Employed	**Mar 31, 2020**	**4,701.94**	**14,391.01**	**20,501.17**	**13,182.57**	**–**	**(5,901.39)**	**46,875.29**
	Mar 31, 2019	(9,732.41)	(13,380.85)	(20,514.67)	(13,341.32)	–	6,985.58	(49,983.68)
Capital expenditure	**Mar 31, 2020**	**22.24**	**352.05**	**93.02**	**506.88**	**–**		**974.20**
	Mar 31, 2019	(144.81)	(151.08)	(267.73)	(12,255.03)	–		(12,818.65)
Depreciation	**Mar 31, 2020**	**833.78**	**623.03**	**16.69**	**1,350.91**	**–**		**2,824.41**
	Mar 31, 2019	(848.02)	(613.25)	(11.43)	(138.36)	(22.89)		(1,633.95)

Figures in brackets represents previous year(s).

B Additional Information by Geographies

For the year ended 31st March,2020

Particulars	March 31, 2020	March 31, 2019
a) Revenue from operations by geographical location of customers (Gross)		
Within India	54,373.11	70,103.06
Outside India	659.74	1,035.07
Total	**55,032.85**	**71,138.13**
b) Carrying amount of segment assets		
Within India	92,900.46	1,00,464.15
Outside India	238.96	913.47
Total	**93,139.42**	**1,01,377.62**
c) Capital expenditure		
Within India	906.42	12,377.50
Outside India	67.78	441.15
Total	**974.20**	**12,818.64**

1) Segments have been identified and reported taking into account the nature of products and services, the differing risk and returns, the organization structure and the internal financial reporting systems.

2) The segment revenues, results, assets and liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

3) All non-current assets of the group are located within India.

4) Information about major customers :

Two customers contributed more than 10% (₹ 22877.22 Lakhs) to the Group's revenue in 2019-20 and three customers contributed more than 10% (₹ 42753.61 Lakhs) to the Group's revenue in 2018-19.

(₹ in Lakhs)

36 Tax Expense

(a) Tax charge/(credit) recognised in the Statement of Profit & Loss

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Current Tax :		
Current tax for the Year	516.51	154.23
Tax adjustment of earlier years*	(166.85)	–
Total Current Tax(i)	**349.66**	**154.23**
* Tax adjustment of earlier year is to recognise MAT Credit entitlement for FY 2018-19		
Deferred Tax :		
Fixed Assets/Depreciation	760.88	1,093.19
Equity Component of Preference Share Capital	35.61	–
Provision for Gratuity / Leave Encashment	(24.08)	(22.78)
Provision for Doubtful Debts	(22.37)	–
Un absorbed Depreciation/ Brought forward Losses	(1,989.05)	(641.51)
Total Deferred Tax (ii)	**(1,239.01)**	**428.89**
Total Tax (i)+(ii)	**(889.35)**	**583.12**

(b) Tax on Other Comprehensive Income

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Deferred Tax :		
(Gain)/Loss on remeasurement of defined benefit plans	7.29	(2.68)
Total Deferred Tax	**7.29**	**(2.68)**

(c) Reconciliation of tax expense and accounting profit multiplied by India's domestic rate

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Profit before tax	**(3,985.05)**	**198.93**
Tax using the domestic tax rate	**–**	–
Tax effect of :		
Non-deductible tax expenses	(1,239.01)	428.89
Deductible tax expenses	349.66	154.23
Total tax expenses/(benefit) in the statement of profit and loss	**(889.35)**	**583.12**

(₹ in Lakhs)

(d) Movement in Deferred tax assets/liabilities

Movement during the year ended 31st March, 2020	As at April 1, 2019	Charge/ (Credit) in stmt of profit & loss	Charge/ (Credit) in OCI	Charge/ (Credit) in Other Equity	As at March 31, 2020
Property, Plant & Equipment	4,445.17	–	–	–	4,445.17
Depreciation	3,870.34	760.88	–	–	4,631.22
Equity Component of Preference Share Capital	2,429.71	35.61	–	–	2,465.32
Provision for Gratuity & Leave Encashment	(237.40)	(24.08)	1.08	–	(260.40)
Provision for Doubtful Debts	(3.43)	(22.37)	–	–	(25.80)
Un-absorbed Depreciation/ Brought forward Losses	(1,896.55)	(1,989.05)	–	–	(3,885.60)
Other temporary differences	(653.85)	–	(8.37)	–	(662.23)
MAT Credit Entitlement	(898.01)	158.67	–	–	(739.34)
Total	**7,055.98**	**(1,080.34)**	**(7.29)**	**–**	**5,968.35**

37 Earnings Per Share

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Profit/ (Loss) after Tax and exceptional items	(3,095.70)	(384.19)
Profit attributable to:		
Owners of the Company	(1,581.15)	(281.72)
Non-controlling interests	(1,514.55)	(102.47)
Basic/weighted average number of equity shares outstanding during the year	14,42,885	14,42,885
Nominal value of Equity Share (₹)	10.00	10.00
Basic/Diluted EPS		
On Profit after Tax and exceptional items (₹)	**(109.58)**	**(19.52)**

38 Pre-operative expenditure which has been capitalised and that carried forward under capital work in progress is as under :

Particulars	As at March 31, 2020	As at March 31, 2019
Finance costs	–	1,304.36
Other Expenses	–	1,488.21
	–	**2,792.56**
Add : Brought forward from Previous year	–	2,964.62
	–	**5,757.18**
Less : Capitalised as part of		
Plant & Machinery	–	3,574.14
Buildings	–	2,163.13
Others	–	19.91
Carried forward under Capital work in progress	**–**	**–**

(₹ in Lakhs)

39 Other Disclosures to Statement of Profit and Loss:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(a) NET GAIN/(LOSS) ON FOREIGN EXCHANGE		
SUNDRY DEBTORS		
For Export	43.31	126.47
SUNDRY CREDITORS		
For Import	(50.60)	(16.85)
For Foreign Currency Loan	(97.45)	(24.85)
Others	0.00	(0.63)
	(104.75)	**84.14**
(b) PAYMENT TO AUDITORS		
- Audit fees	4.00	3.85
- Out of Pocket Expenses	0.72	0.37
- Tax Audit	0.75	0.65
- For Certification	2.01	1.94
	7.48	**6.82**
(c) AGGREGATE OF PROVISIONS, CONTINGENCIES OR COMMITMENT WRITTEN BACK AS NO LONGER REQUIRED		
Sundry Debtors Credit Balance Written off	0.15	6.62
Sundry Credit Balance Written off	62.66	554.62
Jobs on Contract	–	1.60
Liquidated Damages	–	3.41
Provision for Bonus, Variable Pay etc.	18.51	40.66
Others	14.50	3.36
	95.82	**610.27**
(d) VALUE OF IMPORTS CALCULATED ON C.I.F BASIS		
Raw Material	5,852.83	2,248.92
Components & Spare Parts	3.11	208.39
Capital Goods	67.78	441.15
	5,923.72	**2,898.46**
(e) EXPENDITURE IN FOREIGN CURRENCY		
Interest / Bank Charges	12.73	13.86
Commission	14.07	8.98
Others	22.45	88.04
	49.25	**110.88**

(₹ in Lakhs)

Particulars	Year ended March 31, 2020		Year ended March 31, 2019	
(f) VALUE OF IMPORTED/INDIGENOUS MATERIAL CONSUMED DURING THE YEAR ALONGWITH %				
IMPORTED				
Raw Materials	6,042.96	15.46%	1,380.34	2.63%
Stores and Spare Parts	47.10	3.70%	119.11	8.76%
INDIGENOUS				
Raw Materials	33,050.43	84.54%	51,192.42	97.37%
Stores and Spare Parts	1,226.65	96.30%	1,241.13	91.24%
	40,367.14		**53,933.00**	

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(g) EARNINGS IN FOREIGN EXCHANGE		
Exports (F.O.B.)	655.49	1,035.07
Freight & Insurance on Export	–	11.52
Domestic sales in foreign currency	–	7,271.64
	655.49	**8,318.23**

40. Financial Instruments : Fair Value Measurement

Financial Assets & Liabilities	Note	Level of hierarchy	31 March 2020			31 March 2019		
			Carrying Amount		Fair Value	Carrying Amount		Fair Value
			FVTPL	Amortised Cost		FVTPL	Amortised Cost	
Financial assets								
Investments in unquoted equity instruments	(b)		–	30.00	30.00	–	30.00	30.00
Trade receivables	(a)		–	13,644.04	13,644.04	–	22,227.15	22,227.15
Loans	(a, b)		–	12.54	12.54	–	1,720.37	1,720.37
Cash and cash equivalents	(a)		–	1,021.94	1,021.94	–	458.00	458.00
Other bank balances	(a, b)		–	394.74	394.74	–	248.44	248.44
Other financial assets	(a)		–	502.53	502.53	–	173.27	173.27
Total financial assets			**–**	**15,605.80**	**15,605.80**	**–**	**24,857.24**	**24,857.24**
Financial liabilities								
Non-current borrowings (inluding other current maturities)	(b)		–	16,400.60	16,400.60	–	16,748.21	16,748.21
Current borrowings	(a)		–	12,845.48	12,845.48	–	9,371.14	9,371.14
Trade payables	(a)		–	8,104.72	8,104.72	–	15,021.59	15,021.59
Derivative financial liabilities	(d)	**Level 2**	39.84		39.84	–	–	–
Other financial liabilities	(a)		–	1,378.03	1,378.03		1,866.62	1,866.62
Total financial liabilities			**39.84**	**38,728.83**	**38,768.67**	**–**	**43,007.56**	**43,007.56**

Note:

(a) Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.

(b) Fair value of non-current financial assets and liabilities has not been disclosed as there is no significant differences between carrying value and fair value.

(₹ in Lakhs)

(c) The fair value is determined by using the valuation model/techniques with observable/non-observable inputs and assumptions.

(d) Derivatives are carried at fair value at each reporting date. The fair values of the dervatives financial instruments has been determined using valuation techniques with market observable inputs. The models incorporate various inputs including the credit quality of counter-parties and foreign exchange forward rates.

(e) There are no transfers between Level 1, Level 2 and Level 3 during the years ended 31 March 2020 and 31 March 2019.

Fair Value hierarchy

All financial assets and liabilities for which fair value is measured in the financial statements are categorised within the fair value hierarchy, described as follows: -

Level 1 - Quoted prices in active markets.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.

Level 3 - Inputs that are not based on observable market data.

41. Financial Risk management

Risk management framework

The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group through three layers of defence namely policies and procedures, review mechanism and assurance aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Audit committee of the Board with top management oversee the formulation and implementation of the risk management policies. The risk are identified at business unit level and mitigation plan are identified, deliberated and reviewed at appropriate forums.

The Group has exposure to the following risks arising from financial instruments:

- credit risk (see(i);
- liquidity risk (see(ii); and
- market risk (see(iii).

i. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers, loans and investments.

The carrying amount of financial assets represents the maximum credit exposure.

Trade receivables and other financial assets

The Group has established a credit policy under which new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the appropraite authority as per policy.

In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are institutional, dealers or end-user customer, their geographic location, industry, trade history with the Group and existence of previous financial difficulties.

Expected credit loss for Trade receivables:

Based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Group estimates its allowance for trade receivable using lifetime expected credit loss. The balance past due for more than 6 months (net of expected credit loss allowance) is 4446.19 Lakhs (31 March 2019: 2938.56 Lakhs).

(₹ in Lakhs)

Movement in the expected credit loss allowance of trade receivables are as follows:

Particulars	March 31, 2020	March 31, 2019
Balance at the beginning of the year	10.28	1,134.19
Add: Provided during the year (net of reversal)	70.63	–
Less: Amount written off	(7.07)	(1,123.91)
Balance at the end of the year	**73.84**	**10.28**

Expected credit loss on financial assets other than trade receivables:

With regard to all financial assets with contractual cash flows, other than trade receiables, management belives these to be high quality assets with negligble credit risk. The management believes that the parties from which these financial assets are recoverable, have strong capacity to meet the obligations and where the risk of default is negligible and accordingly no provision for excepted loss has been provided on these financial assets. Break up of financial assets other than trade receivables have been disclosed on Consolidated Balance Sheet.

ii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. 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.

The Group's treasury department is responsible for managing the short-term and long-term liquidity requirements. Short term liquidity situation is reviewed daily by the treasury department. Longer term liquidity position is reviewed on a regular basis by the Parent Group's Board of Directors and appropriate decisions are taken according to the situation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements.

As at 31 March 2020	Contractual cash flows			
	Carrying amount	Total	Within 1 year	More than 1 year
Financial liabilities				
Borrowings	29,246.08	29,246.08	14,155.73	15,090.35
Trade payables	8,104.72	8,104.72	8,104.72	–
Other financial liabilities	1,417.87	1,417.87	1,349.14	68.73

As at 31 March 2019	Contractual cash flows			
	Carrying amount	Total	Within 1 year	More than 1 year
Financial liabilities				
Borrowings	26,119.35	26,119.35	10,453.92	15,665.43
Trade payables	15,021.59	15,021.59	15,021.59	–
Other financial liabilities	1,866.62	1,866.62	1,786.97	79.65

iii. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the respective functional currencies of the Group companies. The functional currencies of the Group companies are primarily the INR, USD and EUR. The currencies in which these transactions are primarily denominated are USD and INR.

(₹ in Lakhs)

Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as reported to the management of the Group is as follows:

	31 March 2020			31 March 2019		
	USD	**GBP**	**EURO**	**USD**	**GBP**	**EURO**
Cash and cash equivalents	2,330	–	–	2,336	–	–
Trade receivable	4,60,930	–	1,13,747	6,06,277	–	3,67,959
Loans	–	–	–	–	–	–
Other financial assets	–	–	–	–	–	–
Trade payables	(9,62,936)	(1,40,672)	(9,700)	(4,58,813)	(1,28,243)	
Borrowings	(67,67,317)	–	–	–	–	–
Other financial liabilities	–	–	–	–	–	–
Net exposure	**(72,66,994)**	**(1,40,672)**	**1,04,047**	**1,49,801**	**(1,28,243)**	**3,67,959**

Sensitivity analysis

A reasonable possible strengthening/ weakening of the EUR, USD or INR against all other currencies at year end would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Profit or loss (before tax)	
	Strengthening	**Weakening**
31 March 2020		
USD (1% movement)	(72,669.94)	72,669.94
GBP (1% movement)	(1,406.72)	1,406.72
EUR (1% movement)	1,040.47	(1,040.47)
31 March 2019		
USD (1% movement)	1,498.01	(1,498.01)
GBP (1% movement)	(1,282.43)	1,282.43
EUR (1% movement)	3,679.59	(3,679.59)

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Group are principally denominated in INR and USD with a mix of fixed and floating rates of interest. The Group has exposure to interest rate risk, arising principally on changes in base lending rate and LIBOR rates. The risk is managed by the Group by maintaing an appropriate mix between fixed and floating rate borrowings.

Exposure to interest rate risk

The interest rate profile of the Group's interest bearing financial instruments as reported to the management of the Group is as follows:

The following table provides a break-up of the Group's fixed and floating rate borrowings:

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Fixed-rate borrowings	–	3.08
Floating rate borrowings	29,246.08	26,116.27
Total borrowings	**29,246.08**	**26,119.35**

(₹ in Lakhs)

The sensitivity analysis below have been determined based on the exposure to interest rates for floating rate liabilities assuming the amount of the liability oustanding at the year-end was outstanding for the whole year.

If interest rates had been 25 basIs points higher/ lower and all other variables were held constant, the Group's profit for the year ended 31 March 2020 would decrease / increase by 73.12 lakhs (31 March 2019: 65.29 lakhs). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

42. Capital Management

Risk management

The Group's objectives when managing capital are to:

- safeguardng their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the following gearing ratio:

'Net Debt' (total borrowings net of cash and cash equivalents and other bank balances) divided by 'Total Equity' (as shown in the Consolidated Balance sheet, inluding non-controlling interest).

The gearing ratios were as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Net debt	27,829.40	25,412.91
Total equity	46,875.29	49,983.68
Net debt to equity ratio	**0.59**	**0.51**

Dividends

Particulars	As at March 31, 2020	As at March 31, 2019
(i) Equity Shares	14,42,885	14,42,885
Final dividend for the year ended 31 March 2019 of Nil per fully paid equity share (31 March 2018 of Re 1 per fully paid up equity share)	–	14.43
(ii) Preference Shares	9,51,89,700	9,51,89,700
The Board of Directors have recommended not to pay any Dividend on Preference Shares this year	–	–
(iii) Dividend not recognised at the end of the reporting period		
The Directors have recommended not to pay any Dividend this year on equity shares as well as Preference Shares (31 March 2019: Nil per fully paid equity share). This is subject to the approval of shareholders in the ensuing annual general meeting.	–	–

43 The Group is entiltled to Scheme of budgetary support' under Goods and Service Tax Regime in respect of its eligible manufacturing unit located at Guwahati (Assam). Such grants are measured at amount receivable from the government and are recognised as other operating revenue as there is a reasonable assurance that the Group will comply all necessary conditions attached to that. GST Benefit accounted during the year is ₹ 1.92 Lakhs (Previous year : ₹ 21.44 Lakhs).

(₹ in Lakhs)

44 Manufacturing facilities of the Group were closed on March 24, 2020 following country-wide lockdown due to COVID-19. The Group has since obtained required permissions and restarted its manufacturing facilities partially at all locations in the second fortnight of April 2020 . Based on the immediate assessment of the impact of COVID- 19 on the operations of the Group and ongoing discussions with customers, vendors and service providers, the Group is positive of serving customer orders and obtaining regular supply of raw materials and logistics services after resumption of the operations. In assessing recoverability of trade receivables, the Group has considered subsequent recoveries, past trends, credit risks profile of the customers based on their industry, macro-economic forecasts and internal and external information available up to the date of issuance of these results. In assessing recoverability of inventories, the Group has considered the latest selling prices, customer orders on hand and margins. Based on the above assessment, the Group is of the view that carrying amounts of trade receivables and inventories are expected to be realisable. The impact of COVID- 19 may be different from that estimated as at the date of approval of these standalone & consolidated financial results, and the Group will continue to closely monitor the developments.

45 Previous year figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification disclosure.

46 The financials statements has been approved by the Board on 29th June, 2020.

47 Financial Information of Subsidiary Company

Additional Information as required under Schedule III to the Companies Act, 2013 of the enterprises consolidated as Subsidiary Company.

Name of entity	Net Assets, i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive Income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Hindusthan Urban Infrastructure Limited *	69.76%	32,698.66	-66.81%	2,068.37	134.94%	-16.87	-66.00%	2,051.50
Subsidiary								
Hindusthan Speciality Chemicals Limited	20.89%	9,792.40	117.89%	(3,649.52)	-24.69%	3.09	117.32%	(3,646.43)
Minority Interest in subsidiary	9.35%	4,384.23	48.92%	(1,514.55)	-10.25%	1.28	48.69%	(1,513.27)
Total :	**100.00%**	**46,875.29**	**100.00%**	**(3,095.70)**	**100.00%**	**(12.50)**	**100.00%**	**(3,108.20)**

* Inter unit transaction profit elimination done for ₹ 1.78 lakhs (Previous year - ₹ 46.81 Lakhs) between holding and subsidiary companies.

As per our report of even date
For K. N. Gutgutia & Company
Chartered Accountants
FRN: 304153E

(B. R. Goyal)
Partner
Membership No: 12172

Place: New Delhi
Date : 29th June, 2020

For and on behalf of the Board of directors of
Hindusthan Urban Infrastructure Ltd

Raghavendra Anant Mody
(DIN : 03158072)
Chairman and Whole Time Director

S.S.Bhuwania
(DIN No.00107171)
Vice Chairman and Managing Director

Deepak Kejriwal
(DIN : 07442554)
Whole Time Director & CFO

M.L.Birmiwala
Sr.V.P.Finance &
Company Secretary

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ASSOCIATE COMPANIES/JOINT VENTURES:

Form AOC-1

(Persuant to first proviso to sub section (3) of section 129 read with rule 5 of Companies (Accounts) Rules,2014)

Part "A" : Subsidiaries **(₹ in Lakhs)**

Sl No.	**1**
Name of subsidiary	**Hindusthan Speciality Chemicals Limited**
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N/A
Reporting currency and exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N/A
Share Capital	14,459.14
Reserves & Surplus	(4,666.74)
Total Assets	31,598.47
Total Liabilities	31,598.47
Investment	30.00
Turnover	8,755.78
Profit before taxation	(4,931.76)
Provision for taxation	(1,282.25)
Profit after taxation	(3,649.52)
Proposed Dividend	–
% of Shareholding	58.50%

NOTES

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