

ASTRAL POLY TECHNIK LIMITED

CIN : L25200GJ1996PLC029134

Registered & Corporate Office : 207/1, Astral House, B/h. Rajpath Club, Off. S.G. Highway, Ahmedabad - 380 059, Gujarat, India.

Phone : +91 79 6621 2000 **Fax :** +91 79 6621 2121 **E-mail :** info@astralpipes.com **Website :** www.astralpipes.com

9th July, 2019

To,
Corporate Relationship Department
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No. C-1, G Block,
Bandra Kurla Complex, Bandra (East)
Mumbai 400 051

To,
Corporate Relationship Department
BSE Ltd.
Phirozee Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001

NSE Scrip Symbol "ASTRAL"

BSE Scrip Code "532830"

Dear Sir / Madam,

Sub: Annual Report for FY 2018-19 and AGM Notice.

Pursuant to applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, please find enclosed herewith Annual Report of the Company for the year 2018-19 and Notice of 23rd Annual General Meeting of the Company to be held on Friday, 2nd August, 2019 at 10:00 a.m. at H T Parekh Hall, Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Ahmedabad - 380015, Gujarat.

Please take the same on records

Thanking you,

Yours Faithfully,
For Astral Poly Technik Limited


Krunal Bhatt
Company Secretary

BRANCHES :-

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Mumbai - Phone : 022 2838 9744 E-mail : mumbai@astralpipes.com
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PASSION MEETS OPPORTUNITIES



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CORPORATE INFORMATION

Board of Directors

Mr. K. R. Shenoy Chairman (Independent Director)
Mr. Sandeep P. Engineer Managing Director
Mrs. Jagruti S. Engineer Whole Time Director
Mr. Kyle A. Thompson Non-Executive Director
Mr. Anil Kumar Jani Non-Executive Director
Mr. Pradip N. Desai Independent Director
Mr. Narasinh K. Balgi Independent Director
Mrs. Kaushal Nakrani Independent Director

Chief Financial Officer

Mr. Hiranand A. Savlani

Company Secretary

Mr. Krunal D. Bhatt

Statutory Auditors

S R B C & CO LLP

(Chartered Accountants)
2nd floor, Shivalik Ishaan,
Near C N Vidyalaya,
Ambawadi, Ahmedabad - 380 015,
Gujarat, India.

Registered & Corporate Office

'Astral House'
207/1, B/h. Rajpath Club,
Off S. G. Highway,
Ahmedabad-380 059, Gujarat, India

Registrar & Share Transfer Agent

Bigshare Services Private Limited
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri (East), Mumbai 400 059
Phone No. : +91 22 62638200
Fax No. : +91 22 62638299

Bankers

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

Factory Location

Santej (Gujarat)
Dholka (Gujarat)
Hosur (Tamilnadu)
Ghilothe (Rajasthan)
Sangli (Maharashtra)
Sitarganj (Uttarakhand)

Branch Offices

Bengaluru (Karnataka)
Chennai (Tamilnadu)
Hyderabad (Telangana)
Jaipur (Rajasthan)
Kochi (Kerala)
Kolkata (West bengal)
Lucknow (Uttar Pradesh)
Mumbai (Maharashtra)
New Delhi
Pune (Maharashtra)

WITHOUT A CHANCE, THERE'S LITTLE PASSION CAN DO.

Without the drive to succeed, opportunities often lay wasted. It's when the passion to achieve meets the right opportunities that success becomes inevitable. And this succinctly describes the year we've had at Astral.

Challenges were effectively resolved, expansions and innovations were made, excellent results were achieved, and our position in the industry was strengthened. All because, our inherent driven philosophy and passion for our work met the opportunities that helped bring in the performances we can be proud of. And thereby led us to create maximum value for each and everyone invested in Astral!

ASTRAL GROUP AT A GLANCE

Astral Poly Technik Limited (hereinafter known as Astral) is among the country's leading manufacturers of plastic pipes used across the industries and is now making strong inroads into the adhesives segment and infrastructure products.

Established in 1996 with the aim to manufacture best-in-globe plastic piping systems, Astral fulfils emerging piping and adhesives needs of millions of houses and adds extra mileage to India's developing real estate fraternity with the hallmark of unbeaten quality and innovative piping solutions. Keeping itself ahead of technology curve, Astral has always been a front runner by bringing innovation and getting rid of old, primitive and ineffective methods. Bringing CPVC in India, and pioneering in this technology have set Astral apart and enabled it to obtain NSF approval for its CPVC pipes and fittings. Astral went beyond category codes by launching many industry firsts and innovative products, like launching India's first lead-free uPVC pipes for plumbing as well as for stream water

and Resiquick Instant Adhesive as an innovative product, just to name a few. Astral offers comprehensive product range across piping and adhesives categories when it comes to product applications.

With our modern production facilities spread across India as well as overseas, we work towards fulfilling the requirements of various geographies and markets. We operate through our 12 State-of-the-art production facilities across the globe and offer cutting edge solutions in Piping, Adhesives and Infrastructure segments.

Rex Polyextrusion Private Limited (REPL), one of the major acquisitions of Astral under infrastructure division during the year, has opened up new horizons of growth and we have received positive

response from market. Through this acquisition, we have further expanded our offerings in providing piping solutions for Sewerage and Stormwater, Cable Protection, Sub-surface Drainage and Urban Infrastructure. This has made Astral an all-in-one solution provider for diverse piping requirements.

Our adhesives business has started to gain momentum with launch of new and improved products fuelled by our strong branding initiatives. Within a short span of time, we have been able to expand our presence across automobile-engineering-hardware & sanitary adhesives, construction chemicals, electrical insulators and sealant segments with our adhesive manufacturing units situated in Gujarat, U.P., UK and US.


4

Countries we operate in


12

Manufacturing locations across India, UK, USA and Kenya


4000+

Workforce as on March 31, 2019


First

To introduce CPVC piping in India

Zero Compromise

On quality and service


800+

Distributors in Piping Segment across India


30,000+

Dealers in Piping Segment across India


1800+

Distributors in Adhesives Segment across India


4 lac+

Dealers in Adhesives Segment across India

Widest

Piping product range available in the industry

Our vision & values



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

Astral Values:



Safety

Strive to prevent accidents, injuries, and illness at work.

Provide products that meet the highest safety standards.



Excellence

Be trendsetters in the industry by delivering exceptional performance.

Deliver quality products and services to our customers.



Integrity

Be honest, fair and do the right thing in the right way.

Operate in letter and spirit of the highest standards of corporate ethics.



Teamwork

Be unbiased and respect individual contributions that stem from their diverse backgrounds.



Equitability

Unleash hidden potential of employees by promoting a culture of teamwork across the organization.

Provide products that meet the highest safety standards.

GEOGRAPHIC FOCUS

Piping units

India

- 1 Santej (Guj.)
75,426 M.T.
- 2 Dholka (Guj.)
53,276 M.T.
- 3 Hosur (T.N.)
24,261 M.T.
- 4 Sangli (Mah.)
26,561 M.T.
- 5 Ghiloth (Raj.)
23,678 M.T.
- 6 Sitarganj (U.K.)
2,088 M.T.

Overseas

- 7 Kenya
5,100 M.T.

Adhesives units

India

- 1 Santej (Guj.)
25,821 M.T.
- 2 Rania (U.P.)
23,397 M.T.
- 3 Unnao (U.P.)
12,773 M.T.

Overseas

- 4 U.S. & U.K.
23,760 M.T.



Piping

- Plants
- ▲ Depots
- ◆ Corporate Office
- Branch Offices

Adhesives

- Plants
- ▲ Depots
- ◆ Corporate Office
- Branch Offices

11

Piping Depots

7

Adhesive Depots

10

Piping Branches

2

Adhesive Branches

GROUP MILESTONES



2 0 1 4

- First **BIS certification** for Automatic Fire Sprinkler Piping System
- Acquired **Bond It Ltd, UK**
- Acquired **Resinova Chemie Limited**
- **Wire Guard** launch

2 0 1 6

- Launched **CPVC Pro**
- **India's Most Trusted Pipe Brand Award**
- **ET Inspiring Business Leaders of India Award**
- **India's Most Attractive Pipe Brand Award**
- **Billion \$ Market cap**
- **Fortune India 500 Company**
- **Santej - Resinova Plant Commissioned**

2 0 1 8

- **USA Plant of Seal It Ltd.** commissioned
- **Rescue Tape Launch**
- **Ghiloht Plant Commissioned**
- Launched **Pex-a Pro** - Next Gen Hot and Cold Plumbing System
- Acquired **Rex Polyextrusion Pvt. Ltd.**
- Received '**CFO 100**' award

2 0 1 5

- Launched **Astral Silencio**
- **Most Influential CFOs of India**

2 0 1 7

- Launched **Hauraton Surface Drainage System**
- **Resiquick Launch**
- Consumer validated **Superbrand**

2 0 1 9

- Consumer validated **Superbrands**
- **Most Trusted Piping Brand - TRA**
- Received '**CFO 100**' award

MANAGING DIRECTOR'S MESSAGE



I HAVE CONFIDENCE THAT ASTRAL WILL CONTINUE ITS JOURNEY TOWARDS SUCCESS, CREATING FURTHER SHAREHOLDER VALUE THROUGH PROFITABLE AND RESPONSIBLE GROWTH.

Dear Shareholders,

Astral delivered another strong topline and bottom line growth during the current fiscal validating our position as one of the most reputed players in the piping industry. The performance reflects our ability to overcome the macroeconomic challenges prevalent in the industry with a strategic and sustainable business model in place. A diversified portfolio, state-of-the-art technologies and strong distribution presence across the country are some of the key components of our business model that add to our competitiveness.

Looking back at the year, there were some headwinds that we faced, particularly in our piping segment. One, the logistics strike nationwide for about 10-15 days did impact our business in terms of sales and volumes. Two, the fall in prices of PVC pipes hampered the sales and overall margin growth of the segment. In addition to this, price

revision in CPVC on account of currency volatility also further impacted the overall margins. However, we managed to mitigate these volatile and temporary factors with new product launches, and additional production capacities in North India, transcending into a healthy financial performance.

Our consolidated revenue during the year increased by 21% reaching ₹25,073 mn in FY19 from ₹20,729 mn in FY18. The piping segment recorded a revenue growth of 21.1 % with sales volume growing by 18.27% YoY. The consolidated EBITDA Margin stood at 15.83% & PAT Margin stood at 7.87% during the year under review.

During the year, we also undertook several initiatives, such as introduction of Pex-a Pro, an advanced, next generation plumbing product for hot and cold water plumbing, which was

launched in H2 FY19. While the product was well accepted in the market, we completed five major projects for our new product line (Pex-a Pro) during the year. In the pipe segment, we commenced the production at newly constructed plant at Ghiloth, Rajasthan while the additional capacity at Hosur, Tamil Nadu is on the verge of completion. These capacities complete our presence in West, South and North India - one of the very few companies in our industry to do so. Further, we are on track to begin construction of another greenfield facility in Odisha, where we have already acquired land of 100K Sq. yards. This will help us save on logistic costs and strengthen our market share in Eastern India.

In our Adhesive & Sealant business, we have delivered a robust consolidated growth of 20.6% in revenue and EBITDA margin of 13.50%. While the margin

was little lower than previous year on account of aggressive spends on branding of new products, we are very optimistic about this segment going forward and expect it to deliver healthy returns in the coming years.

We are happy to inform that the acquisition of infrastructure product company (Rex Polyextrusion Pvt. Ltd.) was successfully completed and subsequently it was merged with Astral and now forms an integral part of the our business. The acquisition not only diversifies our product profile but integrates well into our future growth strategy to create value for stakeholders.

As I look forward, I have confidence that Astral will continue its journey towards success, creating further shareholder value through profitable and responsible growth. Drawing inspiration from our legacy and heritage, we will continue to demonstrate our passion and effectiveness to outperform industry growth and turn challenges into opportunities. We have always remained committed to growth with new product launches and capacity additions that help us sustain growth and deliver returns. We have also made significant progress with the implementation of our strategic priorities and expanded our

mid- to long-term financial ambitions for our company.

Finally, I would like to express my gratitude to our shareholders, customers, bankers and vendors for their trust and continued support in our company. I would like to thank our Board, management team and the employees for their hard work and support.

Regards,

Sandeep Engineer
Managing Director

MESSAGE FROM CFO



Dear Shareholders,

Last year was full of challenges & activities in the company. Market was highly volatile in terms of demand on month-on-month basis, the currency heavily depreciated & then again appreciated. In addition, the polymer prices were too highly fluctuating. In spite of all these challenges ASTRAL stood up to the expectation of Investors.

We successfully implemented SAP in our newly acquired business - REX POLYEXTRUSION PVT. LTD. This newly acquired entity is now merged with ASTRAL and all MIS reports are under

control of ASTRAL management team. We are expecting reasonable improvement post this implementation & EBIDTA margin will expand rapidly in coming quarters.

As communicated in our earlier investor communications, we are committed to focus on our working capital cycle. As a part of that journey we have already started correction in receivable days which you can see in the numbers that we have reduced the days from 51 to 43 days on standalone basis & from 54 to 49 days in consolidation. We have taken this difficult task at a time when a lot of challenges of liquidity are present in the market. Not only that, the position of PSU banks are not good but yet, keeping in mind our long term goal, we have taken up this task and we are quite confident that we will see good days going forward with these corrections.

Going forward, we will focus more on our capacity utilisation which is very low at present. We have done large-scale

capex in last three years with a goal to create capacity at regional level. We expanded capacity in Southern and Northern India last year and plan to do the same in Eastern India this year. Once that is done, capacity utilisation will improve significantly and will give sizeable improvement into ROC. Also the company will be able to gain market share in respective regions where we have recently added the capacity by saving considerably on logistic costs.

Last but not least, the path to growth would be full of challenges, but we at ASTRAL are committed to face them and to remain on growth trajectory with reasonable pace on a sustainable basis for the best interest of the stake holders, keeping focus on the most effective way of capital utilisation in mind.

Regards,

Hiranand Savlani
Chief Financial Officer

FINANCIAL PERFORMANCE

STANDALONE

(₹ in lacs , except as stated otherwise)

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Capacity (In M.T.)	1,02,371	1,27,762	1,37,708	1,52,101	205,290
Utilisation (In M.T.)	69,925	77,909	87,694	1,05,753	120,821
Sales	1,36,795	1,46,751	1,64,734	1,60,257	1,91,210
Less : Excise Duty	11,584	15,015	17,143	2,266	-
Net Sales	1,25,211	1,31,736	1,47,591	1,57,991	1,91,210
Other Income	187	272	904	1,310	1,507
Total Income	1,25,398	1,32,008	1,48,495	1,59,301	1,92,717
PBIDT	15,184	16,784	21,525	24,767	31,536
Interest	1,294	1,218	1,371	1,315	2,183
Profit Before Depreciation, Tax & Exceptional Items	13,890	15,566	20,154	23,452	29,353
Depreciation	3,301	3,544	4,173	4,666	6,713
Profit Before Tax & Exceptional Items	10,589	12,022	15,981	18,786	22,640
Exceptional Items # (Exchange Gain/(Loss))	(928)	(1,629)	(58)	(721)	(821)
Profit Before Tax	9,661	10,393	15,923	18,065	21,819
Tax	2,841	3,293	5,270	6,141	7,625
Profit After Tax	6,820	7,100	10,653	11,924	14,194
Prior Year Adjustments	(65)	(184)	(10)	22	49
Net Profit	6,885	7,284	10,663	11,902	14,145
Other Comprehensive Income (Net of tax)	-	(50)	(16)	(2)	(11)
Total Comprehensive Income	6,885	7,234	10,647	11,900	14,134
Paid Up Equity Capital	1,184	1,198	1,198	1,198	1,198
Reserve and Surplus ¹	59,653	71,900	82,304	93,561	1,14,078
Shareholders' Funds	60,837	73,098	83,502	94,759	1,15,276
Loans (Long term)	11,176	12,159	9,851	7,335	12,128
Deferred Tax Liability (Net)	1,793	2,149	2,616	2,880	4,656
Capital Employed ²	72,031	86,630	94,285	98,556	1,24,458
Gross Fixed Assets ³	28461	39644	48576	57127	80973
Capital Work In Progress	2,142	807	1,725	6,467	7,756
Net Fixed Assets ⁴	28,340	35,994	40,792	44,743	62,537
Net Current Assets	14,780	13,956	17,217	16,677	15,469
Book Value (in ₹)	53.57	61.45	69.72	79.10	95.81
Earning Per Equity Share (in ₹)	6.03	6.12	8.90	9.94	11.76
Cash Earning Per Equity Share (in ₹) ⁶	9.40	9.40	12.78	14.30	18.26
Dividend (in %) ⁵	37.50%	40.00%	50.00%	60.00%	70.00%
Debt : Equity (Long Term Debt/Total Net Worth)	0.26	0.23	0.18	0.12	0.15

1. Excluding Revaluation Reserves and reducing miscellaneous expenditure

2. Excluding Revaluation Reserves, Miscellaneous Expenditure and Capital Work in Progress

3. Excluding goodwill, brand and capital work in progress.

4. Excluding Revaluation Reserves, Goodwill, Brand and Capital Work in Progress.

5. Dividend for the year 2018-19 and 2017-18 includes final dividend declared at 40% and 35% respectively by Board of Directors in their meeting held, subject to approval of shareholders in AGM.

6. Cash profit considered for cash earning per share is Net Profit + Depreciation + Deferred tax + Exceptional item.

Exceptional items for the year 2015-16 includes ₹83.11 lacs paid by company towards full and final settlement of employees dues in respect of Baddi Plant.

Exceptional items for the year 2018-19 and 2017-18 includes ₹199.28 and ₹296.25 lacs respectively for provision made by company for diminution on its investment in Joint Venture viz : Astral Pipes Ltd.

Note : Data from the year 2015-16 onwards are in compliance with Ind AS.

CONSOLIDATED

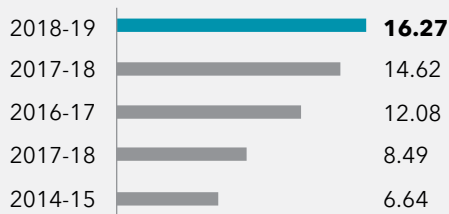
Revenue from Operations

(₹ in Mn)



EPS

(₹)



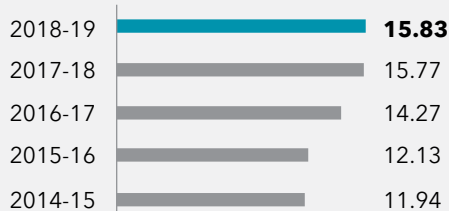
EBITDA

(₹ in Mn)



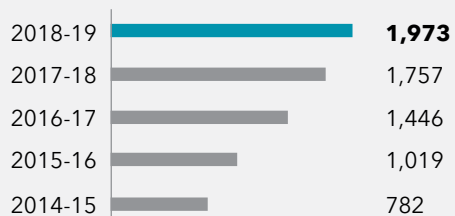
EBITDA Margin

(%)



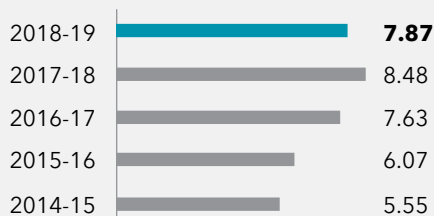
PAT

(₹ in Mn)



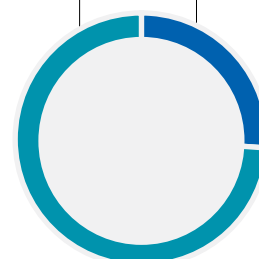
PAT Margin

(%)



Revenue Mix

74% 26%



● Piping Business
● Adhesive Business

Piping Production and Capacity Utilisation (Standalone)

Capacity (M.T.)



Production (M.T.)



EMERGING INDUSTRY OPPORTUNITIES

The Indian plastic pipes market is growing at a robust rate on account of tremendous government spending on commercial, agricultural, residential and sanitation, potable water, municipal applications, industrial applications like transportation of chemicals, oil and gas distribution, heavy electric wires, solar power.

Piping Segment

~70%

Share of pipes sector in the plastic product industry¹

~₹ 280 BN

Size of plastic piping industry by the end of FY 2018¹

₹ 460 BN

Expected value of Piping Industry by FY 2022¹

₹ 36 BN

Size of CPVC Piping market by the end of FY 2018²

24%-25%

CAGR of CPVC Piping market during FY 18-22²

Adhesive Segment

~13-15%

CAGR of adhesive, sealants and building chemicals industry during FY 18-22²

~₹130-150 BN

Size of adhesive, sealants and building chemicals industry by the end of FY19²

India is now one of the fastest growing adhesives market

on account of robust growth witnessed in industries like auto, packaging, housing etc.²

Infrastructure Segment

67 lac urban toilets

Targeted to be built under Swachh Bharat Mission by October 2019³

₹258.53 BN

Allocated for housing sector development under Pradhan Mantri Awas Yojana⁴

482 Cities

With population > 1 lac assured availability of tap with water supply and sewerage connection in every house.⁵

¹ Anand Rathi Industry research report

² Edelweiss Professional Investor Research

³ <https://qz.com/india/1550401/is-india-cleaner-after-modis-swachh-bharat/>

⁴ Interim Budget 2019-20

⁵ <http://www.smartcitiesindia.com/>

Growth drivers

Government's increasing focus on irrigation projects

for large-scale as well as micro-irrigation provides significant growth opportunity to the organised PVC piping players in the market²

35%

Demand from replacement market in the piping industry on account of shift from GI pipes to plastic alternatives like CPVC/PVC²

Auto, packaging and housing industries

Are growing at a fast pace, thereby boosting the adhesive market growth²

Surge in construction and infrastructure development

In metros as well as tier-II and tier-III cities because Government and Municipal Corporation initiatives will boost piping and adhesive industry demand²

Astral's positioning to capitalize industry opportunities

Seamless Backward integration

Of CPVC resins in its own CPVC compounding facility at Santej (Guj.), Hosur (T.N.) and Ghiloth (Raj.)

Robust brand equity

Developed by the company through consistent product innovation, aggressive ad campaigns and well-entrenched distribution reach

Wide and deep

Distribution reach across India

World-class

Manufacturing capabilities & technical tie-ups

Prominent player

In the CPVC pipes market

Wide range

Of products to offer in Infrastructure segment

Fast growing category

Present in Adhesives where the market is concentrated

THE MOST PREFERRED BRAND

Brand Astral stands for innovation and for setting new trends in the piping and adhesives industry.

Bringing newer technologies and continuous innovation in existing as well as new products has been the focal point at Astral. This special emphasis helps the brand set the bar higher and lead amongst others by example. Astral is also known for its compromise-free quality and exceeds consumer's expectations. Right from introducing many category firsts to innovative brand communications in the category,

Astral's brand mission has been to maintain and grow a commanding presence in the minds of customers and to deliver promised values consistently.

In the piping segment, effective brand communication strategies helped us touch a chord with our consumers and our brand voice helped keep our growth game strong!

Astral Pipes did a successful film-co-promotion with **Bollywood Film Simmba starring Ranveer Singh**.

Not only that, Astral Pipes sponsored IPL teams like **Kolkata Knight Riders and Rajasthan Royals** in IPL 2018. Astral Pipes has also been announced as **Consumer Validated Superbrand - in the 2019 edition**. Our focused brand communications on digital and social media platform helped the brand to be in consumer's consideration set almost all the times.

Furthermore, the adhesives segment saw fresh branding initiatives anchored to Astral, the mother brand. Astral Adhesives launched its famous **ResiQuick Instant Adhesive with series of commercial ads starring Varun Dhawan**, the Bollywood heartthrob. The association of **Astral Adhesives** with **Sun Risers Hyderabad** helped gain traction as the team performed well in IPL 2018. In addition, many brands got aggressively promoted like **Resiwood, Trubuild, BondTite, Resibond and Bondset**. The product line also underwent modernizing of packaging which not only drew synergy across but also provided significant fillip in product acceptance.





CORPORATE SOCIAL RESPONSIBILITY

Being a responsible corporate citizen, we are committed to making a positive contribution to the society we operate in. In addition, we also extended our efforts towards wild-life conservation during the year.

Astral Charitable Trust

Through Astral Charitable Trust, founded by Astral Group, we undertake a range of activities that enable us to create a positive impact in the society in which we operate. We have constructed a 7 storey building in line with our commitment to improve the health and well-being of the community. During the year under review, we even contributed towards BHARAT KE VEER Corpus Fund. A contribution of ₹ 11 lacs was made to honor the supreme sacrifice of Bravehearts of The Central Armed Police Forces (CAPF).

₹ 10 crore

Spent towards Corporate Social Responsibility upto 31st March 2019



Alternative therapies including Yoga classes and workshops



Blood donation camp



Free health check-up camps



Dental and Eye check-up camps



Healthcare awareness seminar



During the year, we also undertook following initiatives:

- Supporting - 'No Drugs' campaign by NGO

As a part of our initiative towards improvement of quality of life of the people around us, we, at Astral supported an NGO in putting up the campaign across the city of Ahmedabad. The campaign was aimed at creating awareness among youth about ill effects of the drugs.

- Wild-life conservation

During the year, we funded purchase and installation of solar pumps in order to provide drinking water to wild animals in Bandipur Tiger Reserve, Karnataka and Pench National Park, Madhya Pradesh. Additionally, we donated Maruti Gypsy Vehicle to the Wildlife Institute of India to carry out field work and conduct research on Tiger, Leopards, wolves etc. Besides this, we also completed electrification process in Sanctuary Guards' Quarters.



Maruti Gypsy Vehicle donated to the Wildlife Institute of India

We funded purchase and installation of solar pumps in order to provide drinking water to wild animals in Bandipur Tiger Reserve, Karnataka and Pench National Park, Madhya Pradesh.



Installation of solar pumps in wildlife sanctuaries

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 23rd Annual Report of your Company together with the Audited Statements of Accounts for the year ended 31st March, 2019.

1. Financial Highlights:

The Standalone and Consolidated Financial Results for the year ended 31st March, 2019 are as follows:

(₹ in lacs)

Particulars	Standalone		Consolidated	
	FY 18-19	FY 17-18	FY 18-19	FY 17-18
Income from Operations (Net)	1,91,571	1,60,461	2,50,729	2,10,578
Other Income	1,147	1,105	1,544	1,268
Total Expenditure	1,61,182	1,36,799	2,12,236	1,78,898
Profit Before Depreciation, Interest and Tax	31,536	24,767	40,037	32,948
Finance Cost	2,805	1,740	3,196	2,158
Depreciation and amortization expense	6,713	4,666	8,143	5,713
Profit Before Exceptional Items & Tax	22,018	18,361	28,698	25,077
Exceptional Items	(199)	(296)	-	-
Share of profit/(loss) of joint venture	-	-	(356)	(266)
Profit Before Tax	21,819	18,065	28,342	24,811
Tax expense	7,674	6,163	8,608	7,245
Profit for the year	14,145	11,902	19,734	17,566
Other Comprehensive Income (net of tax)	(11)	(2)	(22)	340
Total Comprehensive Income	14,134	11,900	19,712	17,906
Attributable to:				
Shareholders of the Company	14,134	11,900	19,560	17,782
Non-Controlling Interest	-	-	152	124
Surplus in Statement of Profit & Loss	57,404	46,297	64,509	47,786
Amount Available For Appropriation	71,538	58,197	84,069	65,570
Payment of Dividends (Including tax on dividend)	939	793	939	793
Adjustment to Other Reserves	-	-	8	(268)
Balance carried to Balance Sheet	70,599	57,404	83,138	64,509

2. Dividend:

Your Directors have recommended a Final Dividend of ₹ 0.40 (i.e. 40%) per equity share for the financial year ended 31st March, 2019 subject to approval of members in the ensuing Annual General Meeting. During the year under review, Interim Dividend of ₹ 0.30 per equity share was declared and paid. The final dividend and interim dividend will absorb ₹ 841 Lacs during the year under review compared to ₹ 719 Lacs absorbed in the previous year.

3. Consolidated Financial and Operational Review:

- Consolidated Net Sales has increased by 19% from ₹ 2,10,578 Lacs to ₹ 2,50,729 Lacs.
- Consolidated EBITDA has increased by 21% from ₹ 32,682 Lacs to ₹ 39,680 Lacs.
- Consolidated Profit Before tax has increased by 14% from ₹ 24,810 Lacs to ₹ 28,342 Lacs.
- Consolidated Total Comprehensive Income has increased by 10% from ₹ 17,906 Lacs to ₹ 19,712 Lacs.

4. Project Implementation and Performance Review:

- During the year under review, your Company has increased its installed capacity by 34.97% from 1,52,101 MT to 2,05,290 MT. Your Company has utilized its capacity to the tune of 1,20,821 MT. as against last year's figure of 1,05,753 MT which shows a utilization growth of 14.25%.
- During the year under review, your Company has incurred capital expenditure to the tune of ₹ 16,457.12 Lacs towards plant & machineries, factory building and other capital expenditure.
- Your company has successfully commenced the commercial production at Ghiloth (Rajasthan) in June, 2018.

5. Subsidiary/Associate Companies:

During the year under review, your Company acquired 51% shares of Rex Polyextrusion Private Limited on 10th July, 2018. In order to expand the existing product lines and enhance the scale of operations. The Board

of Directors also approved the amalgamation of Rex Polyextrusion Private Limited with your Company with an appointed date 10th July, 2018. The respective Companies complied with requisite formalities with different statutory authorities; Hon'ble National Company Law Tribunal (NCLT) Ahmedabad vide order dated 2nd May, 2019, finally approved the Scheme of Amalgamation.

As at 31st March, 2019, your Company had 4 direct subsidiaries, 1 step down subsidiary and 1 associate company. However, Rex Polyextrusion Pvt. Ltd. was subsequently amalgamated with the Company vide NCLT order dated 2nd May, 2019.

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

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

6. Consolidated Financial Statements:

The Consolidated Financial Statements of your Company prepared in accordance with the provisions of the Companies Act, 2013, Listing (Obligations and Disclosure Requirement) Regulations 2015 and applicable Accounting Standards issued by the Institute of Chartered Accountants of India form part of this Annual Report.

7. Management Discussion and Analysis Report:

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

8. Corporate Governance:

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

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

9. Business Responsibility Report:

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

10. Insurance:

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

11. Fixed Deposits:

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

12. Particulars of Loans, Guarantees or Investment:

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

13. Corporate Social Responsibility:

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

Annual Report on CSR activities carried out by the Company during FY 2018-19 is enclosed as **Annexure - A** to this report.

14. Directors' Responsibility Statement:

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

- a) In the preparation of the annual accounts for the financial year ended 31st March, 2019, the applicable accounting standards have been followed;
- b) The directors have selected such accounting policies and applied consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c) The directors have taken proper and sufficient care towards the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The directors have prepared the annual accounts on a going concern basis;
- e) The directors have laid down internal financial controls, which are adequate and operating effectively;
- f) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

15. Auditors:

Statutory Auditor:

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

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

Cost Auditors:

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, (including any statutory modifications and re-enactments thereof) the cost audit records maintained by the Company in respect of its plastic & polymers activity is required to be audited. Your Directors have, on the recommendation of the Audit Committee, appointed M/s V. H Savaliya & Associates, Cost Accountants to audit the cost accounts of the Company for the financial year 2019-20 at a remuneration of ₹ 1.50 Lacs. As required under the Companies Act, 2013, the remuneration payable to the cost auditor is required to be placed before the members in a general meeting for their ratification. Accordingly, a resolution seeking members' ratification for the remuneration payable to M/s V. H Savaliya & Associates is included in the Notice convening the ensuing Annual General Meeting.

Cost Audit Report for the year 2018-19 will be submitted to the Central Government in due course.

Secretarial Audit:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors appointed Ms. Monica Kanuga, Practising Company Secretary, to undertake the Secretarial Audit of the Company for FY 2018-19. Secretarial Audit Report for FY 2018-19 is enclosed as **Annexure - B** to this report.

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

16. Risk Management and Internal Financial Control:

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

17. Significant and Material Orders:

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

18. Board Evaluation:

In compliance of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, the performance evaluation of the Board / Committees was carried out. The evaluation process has been explained in the Corporate Governance Report.

19. Related Party Transactions:

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

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

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website and the same can be accessed at https://www.astralpipes.com/uploads/investor_broucher/1538992703_108_1.pdf. The details of the transactions with Related Party are provided in the accompanying financial statements.

20. Numbers of Board Meetings:

The Board of Directors met 9 (nine) times during the year under review. The details of Board Meetings and the attendance of the Directors are provided in the Corporate Governance Report.

21. Directors:

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

Mrs. Kaushal Nakrani was, on recommendation of Nomination and Remuneration Committee, appointed by the Board of Directors as an additional director (Independent) under section 161 of the Companies Act, 2013 w.e.f. 29th March, 2019 who shall hold office upto the date of ensuing Annual General Meeting. The Company

has received a notice as per the provisions of Section 160 of the Companies Act, 2013 from a member proposing her appointment as Director. She is proposed to be appointed as an Independent Director for a period of five years i.e. to hold office upto 28th March, 2024. The Board of Directors proposes to regularise her appointment by way of passing resolution.

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

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

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

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

22. Changes in Key Managerial Personnel:

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

23. Extract of Annual Return:

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

24. Employees Stock Option Scheme:

Your Company approved formulation of Employee Stock Option Scheme ('ESOS') viz. Astral Poly Technik Limited Employee Stock Option Scheme 2015 (Astral ESOS 2015) in October, 2015. The said scheme is administered by the Nomination and Remuneration Committee for the benefit of the employees of the Company. During the year under review, 2,800 stock options lapsed, 40,000 stock options had vested and exercised by eligible employees out of which 20,400 equity shares were allotted by your Company on 7th April, 2018 and 19,600 on 23rd November, 2018. Consequently the paidup share capital of the Company Stands increased from 119766565 to 119806565. There is no material change in Astral ESOS 2015 during the year under review and the Scheme is in compliance with Securities and Exchange Board of India (Share Based

Employee Benefits) Regulations 2014. The disclosures as required under Regulation 14 of the said regulations have been placed on the investor relation page of the website of the Company at <http://astralpipes.com/investor-relation.aspx>.

25. Particulars of Employees:

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

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

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

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

27. Acknowledgments:

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

On behalf of the Board of Directors

Sandeep P. Engineer
Managing Director

Date : 20th May, 2019
Place : Ahmedabad

Jagruiti S. Engineer
Whole Time Director

ANNEXURES TO DIRECTORS' REPORT

ANNEXURE-A

REPORT ON CORPORATE SOCIAL RESPONSIBILITY

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

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

The Company's CSR policy is available on web link: https://www.astralpipes.com/uploads/investor_broucher/1538992639_106_1.pdf

2. The Composition of CSR Committee:

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

Mr. K R Shenoy - Chairman

Mr. Pradip Desai - Member

Mrs. Jagruti Engineer - Member

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

₹ 14832.94 Lacs

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

₹ 296.66 Lacs

5. Details of CSR spent during financial year:

(a) Total amount to be spent for Financial Year: ₹ 296.66 Lacs. (The Company has spent ₹ 220.00 Lacs)

(b) Amount unspent, if any: ₹ 76.66 Lacs

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

Sr. No	CSR project or activity identified	Sector in which the project is covered (As per Schedule VII of Companies Act 2013)	Projects or programs 1) Local area or other 2) Specify the states and district where the project was undertaken	Amount outlay (budget) - project or program wise (₹ in Lacs)	Amount spent on the projects or programs Sub heads: (1) Direct expenditure on project or program (2) overhead (₹ in Lacs)	Cumulative expenditure upto the reporting period (₹ in Lacs)	Amount spent - Direct or through implementing agency
1	Infrastructure development for carrying out activities like yoga, day care for senior citizens and other related activities	Promoting health care including preventive health care; setting up old age homes, day care centres and such other facilities for senior Citizens and public at large.	Ahmedabad - Gujarat	1100	195.58	981.58	Through a registered trust viz. Astral Charitable Trust

Sr. No	CSR project or activity identified	Sector in which the project is covered (As per Schedule VII of Companies Act 2013)	Projects or programs 1) Local area or other 2) Specify the states and district where the project was undertaken	Amount outlay (budget) - project or program wise (₹ in Lacs)	Amount spent on the projects or programs Sub heads: (1) Direct expenditure on project or program (2) overhead (₹ in Lacs)	Cumulative expenditure upto the reporting period (₹ in Lacs)	Amount spent - Direct or through implementing agency
2	Contribution to BHARAT KE VEER Corpus Fund for honoring the supreme sacrifice of Braveheart's of The Central Armed Police Forces (CAPF)	Measures for the benefit of armed forces veterans, war widows and their dependents;	New Delhi	-	11.00	11.00	Through a registered trust viz. Astral Charitable Trust
3	Contribution to Earth Brigade Foundation NGO / Earth Works Conservation Foundation for installation of solar pumps for providing drinking water for wild animals	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water	Madhya Pradesh/ Karnataka	-	5.83	5.83	Through a registered trust viz. Astral Charitable Trust/Directly
4	Wildlife Institute of India	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water	Maharashtra	-	7.58	7.58	Directly

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.

The Company had undertaken a project of construction and development of a building in Ahmedabad for carrying out various CSR activities including yoga, healthcare for senior citizens and local community development programs the said project is now completed and the building is fully operational and running during FY 2018-19. Till 31st March, 2019, the Company has spent ₹ 981.58 Lacs under the said project and other CSR activities. Since the project was completed during the year, the Company was left with surplus CSR funds of ₹ 76.66 Lacs to be spent. The Company is in process of identifying the new long term project for CSR.

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

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

Sandeep P. Engineer
Managing Director

K R Shenoy
Chairman of CSR Committee

Date: 20th May, 2019
Place: Ahmedabad

ANNEXURE-B**FORM No. MR - 3****SECRETARIAL AUDIT REPORT****For the financial year ended 31st March, 2019**

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

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

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has generally, during the audit period covering the financial year ended on 31st March, 2019, 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, 2019 according to the provisions of:

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

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India.
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

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

- (i) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (ii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (iii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors, if any, that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meetings and for meaningful participation at the meeting.

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

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

I further report that during the audit period the Company has:

- (i) Acquired 51% Equity stake of Rex Polyextrusion Private Limited.
- (ii) Approved the amalgamation of Rex Polyextrusion Private Limited with the company.

Place: Ahmedabad
Date: 20th May, 2019

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

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

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

1. Management's Responsibility

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

2. Secretarial Auditor's Responsibility

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

3. Conduct of Company's Affairs

The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Ahmedabad
Date: 20th May, 2019

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

ANNEXURE-C

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended 31st March, 2019

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

I. Registration and Other Details:

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

II. Principal Business Activities of The Company:

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

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

III. Particulars of Holding, Subsidiary and Associate Companies:

Sr. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Astral Biochem Pvt. Ltd. "Astral House", 207/1, B/h. Rajpath Club, Off S.G.Highway, Ahmedabad Gujarat 380059.	U01407GJ2008PTC054506	Wholly owned Subsidiary	100.00	2(87)
2	Rex Polyextrusion Pvt. Ltd. "Astral House", 207/1, B/h. Rajpath Club, Off S.G.Highway, Ahmedabad Gujarat 380059.	U25209GJ2006PTC105346	Subsidiary	51.00	2(87)
3	Resinova Chemie Ltd. "Astral House", 207/1, B/h. Rajpath Club, Off S.G.Highway, Ahmedabad Gujarat 380059.	U24295GJ2009PLC058120	Subsidiary	97.45	2(87)
4	Seal IT Services Ltd., UK. Unit G16, River Bank Way Lowfield Business Park, West Yorkshire, HX5 9DN. United Kingdom	N.A	Subsidiary	80.00	2(87)
5	Seal It Services Inc., USA. 3301, Industrial Drive, Sanford, NC 27332	N.A	Step down Subsidiary	80.00 (wholly owned Subsidiary of Seal IT services Limited)	2(87)
6	Astral Pipes Ltd. L.R. No. 209/14571 Masai Road, Industrial Area, P.O. Box 18141-00500. Nairobi.	N.A	Associate	50.00	2(6)

IV. Share Holding Pattern (Equity Share Capital Breakup as Percentage of Total Equity) as on 31st March, 2019:

(i) Category-wise Share Holding:

	Category of Shareholders	No. of Shares held at the beginning of the year (As on 1 st April, 2018)				No. of Shares held at the end of the year (As on 31 st March, 2019)				% Change during the year
		Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A	Promoter									
1	Indian									
a)	Individuals/HUF	46991660	0	46991660	39.24	46991660	0	46991660	39.22	(0.02)
b)	Central Government	0	0	0	0	0	0	0	0	0
c)	State Government (s)	0	0	0	0	0	0	0	0	0
d)	Bodies Corporate	17118430	0	17118430	14.29	17118430	0	17118430	14.29	0
e)	Banks/FI	0	0	0	0	0	0	0	0	0
f)	Any Others	0	0	0	0	0	0	0	0	0
	Sub Total(A)(1)	64110090	0	64110090	53.53	64110090	0	64110090	53.51	(0.02)
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 Corporate	5955770	0	5955770	4.97	5955770	0	5955770	4.97	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)	5955770	0	5955770	4.97	5955770	0	5955770	4.97	0
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	70065860	0	70065860	58.50	70065860	0	70065860	58.48	(0.02)
B.	Public shareholding									
1	Institutions									
a)	Mutual Funds/ UTI	7669500	0	7669500	6.40	6861108	0	6861108	5.73	(0.68)
b)	Banks/FI	12404	0	12404	0.01	14232	0	14232	0.01	0
c)	Central Govt.	0	0	0	0	0	0	0	0	0
d)	State Govt.	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)	FII	4646574	0	4646574	3.88	3047578	0	3047578	2.54	(1.34)
h)	Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i)	Any Other	0	0	0	0	0	0	0	0	0
	Foreign Portfolio Investor (Corporate)	19176448	0	19176448	16.01	23232918	0	23232918	19.39	3.38
	Alternate Investment Funds	183297	0	183297	0.15	0	0	0	0	(0.15)
	Sub-Total (B)(1)	31688223	0	31688223	26.46	33155836	0	33155836	27.67	1.22
2	Non-institutions									
a)	Bodies Corporate	3249353		3249353	2.71	2864623	0	2864623	2.39	(0.32)
b)	Individuals									
	i) Individuals shareholders holding nominal share capital up to ₹1 Lac.	9498466	12600	9511066	7.94	8964953	7600	8972553	7.49	(0.45)
	ii) Individual shareholders holding nominal share capital in excess of ₹ 1 Lac.	4458839	0	4458839	3.72	3990404	0	3990404	3.33	(0.39)
c)	Other (specify)									
	IEPF	1680	0	1680	0	2084	0	2084	0.00	0
	NBFC Registered with RBI	100	0	100	0	1000	0	1000	0.00	0
	Clearing Member	67347	0	67347	0.06	31571	0	31571	0.03	(0.03)
	Non-Resident Indian	723602	0	723602	0.60	722454	0	722454	0.60	0
	Escrow Account	0	0	0	0	0	0	0	0	0
	Trusts	495	0	495	0.00	180	0	180	0	0.00
	Foreign Portfolio Investor	0	0	0	0	0	0	0	0	0.00
	Sub-Total (B)(2)	17999882	12600	18012482	15.04	16577269	7600	16584869	13.84	(1.20)
	Total Public Shareholding (B)= (B)(1)+(B)(2)	49688105	12600	49700705	41.50	49733105	7600	49740705	41.52	0.02
C	Shares held by Custodians for GDRs & ADRs	0	0	0	0	0	0	0	0	0
	GRAND TOTAL (A)+(B)+(C)	119753965	12600	119766565	100	119798965	7600	119806565	100	0

(ii) Shareholding of Promoters:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 1 st April, 2018)			Shareholding at the end of the year (As on 31 st March, 2019)			% Change during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Mr. Sandeep P. Engineer	3,78,42,460	31.60	0	3,78,42,460	31.59	0	0.01
2	Saumya Polymers LLP	1,47,58,170	12.32	0	1,47,58,170	12.31	0	0.01
3	Mrs. Jagruti S. Engineer	91,43,410	7.63	0	91,43,410	7.63	0	0.00
4	Specialty Process LLC	59,55,770	4.97	0	59,55,770	4.97	0	0.00
5	Kairav Chemicals Limited	23,60,260	1.97	0	23,60,260	1.97	0	0.00
6	Mrs. Hansaben P. Engineer	5,790	0.00	0	5,790	0.00	0	0.00
Total		7,00,65,860	58.50	0.00	7,00,65,860	58.48	0	0.02

Note: Except the change mentioned above in the number of shares held by the Promoters of the Company, the percentage of shareholding has changed during the year due to allotment of equity shares made under Employee Stock Option Scheme on 7th April, 2018 and 23rd November, 2018.

(iii) Change in Promoters' Shareholding during FY 2018-19

	Shareholding		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
There was no change in promoter shareholding during financial year 2018-19				

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

For each of the Top 10 Shareholder	Shareholding		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1. STEADVIEW CAPITAL MAURITIUS LIMITED				
Shares as at the beginning of the year	66,50,837	5.55	66,50,837	5.55
Bought during the year	43,21,288	3.60	1,09,72,125	9.16
Sold during the year	-	-	-	-
Shares at the end of the year	1,09,72,125	9.16	1,09,72,125	9.16
2. AXIS MUTUAL FUND TRUSTEE LIMITED A/C AXIS MUTUAL FUND A/C AXIS GROWTH OPPORTUNITIES FUND				
Shares as at the beginning of the year	29,82,006	2.49	29,82,006	2.49
Bought during the year	11,73,010	0.98	41,55,016	3.47
Sold during the year	7,27,878	0.61	34,27,138	2.86
Shares at the end of the year	34,27,138	2.86	34,27,138	2.86
3. DF INTERNATIONAL PARTNERS				
Shares as at the beginning of the year	27,45,800	2.29	27,45,800	2.29
Bought during the year	-	-	-	-
Sold during the year	-	-	-	-
Shares at the end of the year	27,45,800	2.29	27,45,800	2.29
4. TREE LINE ASIA MASTER FUND (SINGAPORE) PTE LTD				
Shares as at the beginning of the year	36,30,000	3.03	36,30,000	3.03
Bought during the year	-	-	-	-
Sold during the year	10,30,000	0.86	26,00,000	2.17
Shares at the end of the year	26,00,000	2.17	26,00,000	2.17
5. UTI-UNIT SCHEME FOR CHARITABLE AND RELIGIOUS TRUSTS AND REGISTERED SOCIETIES				
Shares as at the beginning of the year	25,12,405	2.10	25,12,405	2.10
Bought during the year	8,18,024	0.68	33,30,429	2.78
Sold during the year	7,57,024	0.63	25,73,405	2.15
Shares at the end of the year	25,73,405	2.15	25,73,405	2.15

For each of the Top 10 Shareholder	Shareholding		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
6. ABG CAPITAL				
Shares as at the beginning of the year	25,78,823	2.15	25,78,823	2.15
Bought during the year	2,50,818	0.21	28,29,641	2.36
Sold during the year	8,44,966	0.71	19,84,675	1.66
Shares at the end of the year	19,84,675	1.66	19,84,675	1.66
7. VIJAY SURESH PARIKH				
Shares as at the beginning of the year	14,00,433	1.17	14,00,433	1.17
Bought during the year	-	-	-	-
Sold during the year	-	-	-	-
Shares at the end of the year	14,00,433	1.17	14,00,433	1.17
8. MITEN MEHTA				
Shares as at the beginning of the year	12,00,000	1.00	12,00,000	1.00
Bought during the year	-	-	-	-
Sold during the year	-	-	-	-
Shares at the end of the year	12,00,000	1.00	12,00,000	1.00
9. THE WELLINGTON TRUST COMPANY NATIONAL ASSOCIATION MULTIPLE COMMON TRUST FUNDS TRUST EMERGING				
Shares as at the beginning of the year	-	-	-	-
Bought during the year	6,18,108	0.52	6,18,108	0.52
Sold during the year	-	-	-	-
Shares at the end of the year	6,18,108	0.52	6,18,108	0.52
10. LTR FOCUS FUND				
Shares as at the beginning of the year	19,99,796	1.67	19,99,796	1.67
Bought during the year	-	-	-	-
Sold during the year	13,85,262	1.16	6,14,534	0.51
Shares at the end of the year	6,14,534	0.51	6,14,534	0.51

Note:

- Except the change mentioned above in the number of shares held by the Top 10 shareholders of the Company, the percentage of shareholding has changed during the year due to allotment of equity shares made under Employee Stock Option Scheme on 7th April, 2018 and 23rd November, 2018.
- Shareholding of above top ten shareholders have been consolidated based on PAN.

(v) Shareholding of Directors and Key Managerial Personnel

Name	Shareholding at the beginning of the year		Purchase / (Sale) during the year	Shareholding at the end of the year	
	No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
Directors					
Mr. Sandeep P Engineer	3,78,42,460	31.60	-	3,78,42,460	31.59
Mrs. Jagruti S. Engineer	91,43,410	7.63	-	91,43,410	7.63
Mr. K. R. Shenoy	-	-	-	-	-
Mr. Pradip N. Desai	3,00,000	0.25	-	3,00,000	0.25
Mr. Kyle A. Thompson	-	-	-	-	-
Mr. Anil Kumar Jani	1,120	0.00	-	1,120	0.00
Mr. Narasinh K. Balgi	2,530	0.00	-	2,530	0.00
Mrs. Kaushal Nakrani	-	0.00	-	-	0.00
Key Managerial Personnel					
Mr. Hiranand A. Savlani (Including HUF)	86,929	0.07	20,000* (8,340)#	98,589	0.08
Mr. Krunal Bhatt	-	-	-	-	-

* Mr. Hiranand Savlani was allotted 10,000 shares on 7th April, 2018 and 10,000 shares on 23rd November, 2018 pursuant Employee Stock Option Scheme.

Mr. Hiranand Savlani Sold 8340 shares on 6th and 7th December, 2018.

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

(₹ in lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	11,073.38	483.90	-	11557.27
(ii) Interest due but not paid	17.18	-	-	17.18
(iii) Interest accrued but not due	9.21	-	-	9.21
Total (i+ii+iii)	11,099.77	483.90	-	11,583.66
Change in Indebtedness during the financial year				
Addition	13,305.61	739.33	-	14,044.94
Reduction	5480.94	483.90	-	5964.84
Net Change	7824.67	255.43	-	8080.10
Indebtedness at the end of the financial year				
(i) Principal Amount	18,898.05	739.33	-	19,637.38
(ii) Interest due but not paid	64.26	-	-	64.26
(iii) Interest accrued but not due	3.76	-	-	3.76
Total (i+ii+iii)	18,966.07	739.33	-	19,705.40

VI. Remuneration of Directors and Key Managerial Personnel :
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ in lacs)

Sr. No.	Particulars of Remuneration	Mr. Sandeep P. Engineer Managing Director	Mrs. Jagruti S. Engineer Whole time Director	Total Amount
1	Gross salary			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	288.00	77.50	365.50
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.29	0.29	0.58
	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	217.00	-	217.00
	- others, specify	-	-	-
5	Others	-	-	-
	Total (A)	505.29	77.79	583.08
	Ceiling as per the Act (10% of profit calculated u/s 198 of the Act)			2228.06

B. Remuneration to other Directors:

(₹ in lacs)

Sr. No.	Particulars of Remuneration	Fee for attending board / committee meetings	Commission	Others, please specify (Remuneration)	Total Amount
1	Independent Directors				
	Mr. K.R. Shenoy	3.50	-	-	3.50
	Mr. Pradip Desai	1.75	-	-	1.75
	Mr. Narasinh K. Balgi	2.50	-	-	2.50
	Mrs. Kaushal Nakrani	0.25	-	-	0.25
	Total (1)	8.00	-	-	8.00
2	Other Non-Executive Directors				
	Mr. Kyle Thompson	-	-	-	-
	Mr. Anil Kumar Jani	2.50	-	-	2.50
	Total (2)	2.50	-	-	2.50
	Total B =(1+2)	10.50	-	-	10.5
	Ceiling as per the Act (1% of profit calculated u/s 198 of the Act)				222.81
	Total Managerial Remuneration (A+B)				593.58
	Overall Ceiling as per the Act (11% of profit calculated u/s 198 of the Act)				2450.87

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

Sr. No.	Name of KMPs Particulars of Remuneration	Mr. Hiranand Savlani Chief Financial Officer	Mr. Krunal Bhatt Company Secretary	Total
1	Gross salary			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	367.46	20.63	388.09
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	178.02	-	178.02
	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	-	-	-
	Total (A)	545.48	20.63	566.11

VII. Penalties / Punishment/ Compounding of Offences:

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

ANNEXURE-D

PARTICULARS OF EMPLOYEES

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

1. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2018-19, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2018-19.

Sr. No.	Name of Directors/KMP	% increase in remuneration in FY 2018-19	Ratio of remuneration of each Director to median of remuneration of employees
1	Mr. K R Shenoy Independent Chairman	N.A.	N.A.
2	Mr. Sandeep P. Engineer Managing Director	18	143
3	Mrs. Jagruti S. Engineer Whole Time Director	10	22
4	Mr. Kyle Thompson Non- Executive Director	N.A.	N.A.
5	Mr. Anil Kumar Jani Non- Executive Director	N.A.	N.A.
6	Mr. Pradip N. Desai Independent Director	N.A.	N.A.
7	Mr. Narasinh K Balgi Independent Director	N.A.	N.A.
8	Mrs. Kaushal Nakrani Independent Director	N.A.	N.A.
9	Mr. Hiranand A. Savlani Chief Financial Officer*	623	154
10	Mr. Krunal D. Bhatt Company Secretary	20	6

* Extraordinary increase in remuneration is due to exercise of stock options granted in FY 2016-17 and FY 2017-18 and one time incentive.

2. In the Financial Year, there was an increase of 7% in the median remuneration of employees.
3. There were 1211 permanent employees on the rolls of Company as on 31st March, 2019.
4. Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2018-19 was 24% whereas the increase in the managerial remuneration for the same financial year was 17%. The criteria for remuneration of managerial personnel is based on the remuneration policy as recommended by the Nomination & Remuneration Committee and approved by the board of directors and as per industry benchmarks.
5. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

ANNEXURE-E

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

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

A. CONSERVATION OF ENERGY:

(i) Steps taken for conservation of energy:

Energy conservation continues to be the key focus area of your Company. The Company is making continuous effort for energy conservation. Effective measures have been taken to monitor consumption of energy during the process of manufacture. Continuous monitoring and awareness amongst employees has helped to avoid wastage of energy. The Company has continued taking following steps for conservation of energy during FY 2018-19:

- Installation of programmable timer based circuit in all streets light and is also shifting to LED lights in production area to reduce heat release to the atmosphere.
- Insulation on most of the building for efficiently running of HVAC.
- Continuously we take necessary activities to educate and encourage employees to establish energy efficient practices.

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

Project work on installation of 1 MW of solar power roof top panels is under process in Santej and Dholka plant of the company which reduces the energy consumption. Your company has also installed 250 kW of solar power roof top panels in Hosur, Tamilnadu plant. Your company is in the process of installing solar power roof top panels of 8 MW in remaining plant areas. Energy from the sun is captured through a solar panel. A solar panel is typically made up of silicon and silicon is the substance which absorbs sunlight and then changes it into electrical energy and the energy you get costs nothing and are renewable.

(iii) The capital investment on energy conservation equipment:

Your Company has invested ₹ 16.74 Lacs towards energy conservation equipment.

B. Technology Absorption:

(i) Efforts made towards technology absorption:

Your Company lays considerable emphasis on quality maintenance and product enhancement. The Company is continuously trying to develop more and more products in its R & D Center. During the year under review, your

Company has spent ₹ 163.84 Lacs for its ultramodern R & D center at its Plants and the Company now is in a position to carry out a lot of R & D activities in-house.

Following initiatives have been made towards technology, absorption, adaptation and innovation:

- Your Company has done backward integration by making its own compound for manufacturing of CPVC pipes and fitting.
- Establishment of 66 KV sub-station at two manufacturing units of the Company i.e. at Santej and Dholka (Gujarat), which will ensure continuous flow of power supply and thereby production activity. Further, the Company has established 33 KV sub-station at manufacturing unit of the Company located at Hosur (Tamilnadu) and Ghiloth (Rajasthan).

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

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

(iii) Information regarding imported technology:

Nil

(iv) Expenditure on R & D:

Your Company is regularly incurring R & D expenses. During the year under review, your Company has spent ₹ 163.84 Lacs on R & D expenses and the cost of equipment purchased for R & D is shown under the head of Plant & Machineries and Laboratory Equipment. The said expenditures are tabled below:

	(₹ in Lacs)
Expenditure on R&D	2018-19
(a) Capital Expenses	96.62
(b) Revenue Expenses	67.22
Total (a)+(b)	163.84
(c) Total R&D expenditure as percentage of turnover	0.09

C. Foreign Exchange Earnings and Outgo:

		(₹ in Lacs)
Particulars	2018-19	2017-18
(a) Total Foreign Exchange used	42,961.85	50,282.59
(b) Total Foreign Exchange Earned	1,618.96	664.50

MANAGEMENT DISCUSSION AND ANALYSIS

Indian Economic Review

India has emerged as the fastest growing major economy in the world and is expected to be one of the top three economic powers of the world over the next 10-15 years backed by its strong democracy and partnership.

Indian economy registered a growth rate of 6.8% in 2018-19. India has retained its position as the 3rd largest start up base in the world with over 4,750 technology start up. India's Foreign Exchange reserve has crossed US\$ 400 billion mark which is the mark of stability for the country.

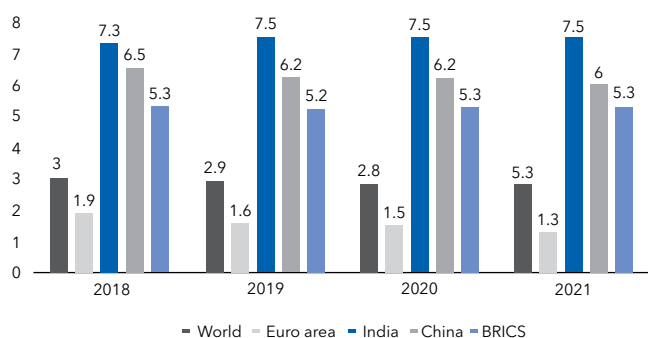
The M & A activity reached a record of US\$ 129.4 billion in 2018 while private equity and venture capital investments reached US\$ 20.5 billion.

- Merchandise export of India increased by 8.85% (US\$ 298.47 billion).
- Service export has grown up by 8.5% (US\$ 185.51 billion).
- Proceed through IPO reached US\$ 5.5 billion 2018.
- India foreign Investment (FDI) equity inflow reached US\$ 409.15 billion between 2002 to 2018.
- Consumer price index (CPI) inflation stood up at 2.57% in Feb. 2019.

Strengthened by the benefits derived from the structural reforms such as the Goods and Services Tax (GST) harmonization and bank recapitalization, uptick in domestic demand gained momentum in 2018. Further impetus was provided by the sustained investment growth, which has firmed as the effects of temporary factors wane.

Going into the next fiscal year, recovery in agricultural activity supported by robust domestic demand is estimated to uptick the GDP to 7.2% in 2019-20 and 7.3% in 2020-21. The growth will be further supported by continuous recovery of investment and robust consumption amid a more expansionary stance of monetary policy and some expected impetus from fiscal policy.

India's GDP growth vis-à-vis other nations



Note: The above year represents Calendar year.

(Source: <https://economictimes.indiatimes.com/news/economy/indicators/indias-gdp-expected-to-grow-at-7-3-in-2018-19/articleshow/67451511.cms>)

Indian Industry Overview

The pipe industry in India had witnessed a robust growth and has reached at an estimated value of ₹ 280 billion by the end of FY 2018. This growth resulted due to high growth in the building and construction sector, automobile industry and growing medical hospitals. The CVPC pipe in India had been growing at a faster rate than the existing plastic pipe system. In order to encourage the sector, the Government of India (GOI) has been placing orders for sewage, water supplies and plumbing pipes. Continuous increase in allocation of irrigation and housing by Government of India is going to give momentum to the piping industry. With rapid growth in population, there has been an increase in demand of residential applications of pipes also.

In recent time, there has been a drastic shift of demand from metal to polymer based pipes, especially in plumbing and piping application in the construction industry. This has led to increase in usage of plastic pipes and emergence of CPVC pipes for hot and cold water plumbing, firefighting. The production of CPVC piping industry requires huge investment in technology and expertise making it difficult for players to enter into this segment. As a result, this provides huge opportunities to the existing players to increase their market share and revenue in replacement as well as new construction.

Going forward, the industry is expected to grow at a CAGR of 14% between FY 2018-2022. The growth will be on account of various government initiatives and growth in downstream industries including Infrastructure, plumbing, irrigation and telecom.

Government Initiatives

Various government initiatives in the downstream industries which are helping and contributing towards growth of piping industry are illustrated below:

Pradhan Mantri Awas Yojana- Housing for All (Urban)

This scheme is an initiative by GOI with an aim to provide affordable housing to urban poor people. It aims to build 20 million affordable housing by 31st march 2020. This scheme is implemented across 4,041 statutory towns with the initial focus on 500 Class I cities in India.

Smart Cities Mission

An urban renewal and retrofitting program by GOI with an aim of building 100 smart cities across the country. The core infrastructural requirement to develop Smart cities can be achieved with Smart solutions like E-Governance and Citizen Services, Energy Management, Waste Management, Urban Mobility, Water Management etc. The strategic components of area-based development in the Smart Cities Mission are city improvement (Retrofitting), city renewal (Redevelopment) and city extension (Greenfield development) plus a Pan-city initiative in which Smart Solutions are applied covering larger parts of the city.

Atal Mission for Rejuvenation and Urban Transformation (AMRUT)

The purpose of this scheme is to ensure that every household has access to a tap with a proper supply of water connections, construction of buildings etc. The essential components associated with this scheme are water supply, sewerage and storm water drainage etc.

National Rural Drinking Water Programme

The main objective of this scheme is to provide rural people adequate safe water for drinking, cooking and ensure that all the sections of the communities have access to safe drinking water. This scheme seeks to prevent the contamination of water.

Pradhan Mantri Krishi Sinchayee Yojana (PMKSY)

Through this scheme the GoI aims to increase cultivation area with assured irrigation, reduce wastage of water and improve water use efficiency. The initiative not only on creating sources for assured irrigation, but also creating protective irrigation by harnessing rain water.

Growth Drivers

- **Features:** The growth in demand of plastic pipes, especially CPVC, have been growing due to their distinct features such as quality, high durability and affordability.
- **Real-estate:** With increase in demand for housing fuelled by various government initiatives and rise in per capita income has led to increase in demand for quality pipes.
- **Infrastructure:** The Government of India is focusing on rural and sanitation infrastructure, which will increase the demand for plastic pipes. With the development of 'smart cities' in India, CPVC consumption will increase due to a huge requirement of urban infrastructure in these cities.
- **Housing:** The demand for housing in the middle income group is massive in India. With a view to bridge the gap of supply, the government has been initiating measures by bringing in the concept of green building. With the given nature of CPVC pipes, their demand is expected to grow for the housing segment.
- **Irrigation:** Government has been undertaken various initiative, such as Pradhan Mantri Krishi Sinchayee Yojana (PMKSY), to insure proper irrigation facility. As a result, this is expected to augment the demand of PVC pipes as they are most suitable for irrigation purpose.

Company Overview

Astral Poly Technik Limited (APTL) is one of the leading manufacturers of Chlorinated Poly Vinyl Chloride (CPVC) and Poly Vinyl Chloride (PVC) plumbing systems, for both residential and industrial applications. The company enjoys a dominant market share in the domestic CPVC and PVC pipe industry.

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

The Company is also planning to commence its new manufacturing facility at Bhubaneswar (Odisha).

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

Strengths

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

Business segment overview

Piping Business Overview

The fiscal 2019 was marked by many challenges including truck strike for at least 10 to 15 days and drop in price of PVC which hampered the sales and growth of the business. In spite of these challenges, the company had achieved growth of revenue by 21.1% to ₹ 19,157 mn along with a volume growth of 18.27% in the FY 2019. Apart from growth, the company had also achieved the highest EBDITA of ₹ 3,154 mn and PAT of ₹ 1,415 mn registering a growth of 27.3% and 18.9% respectively. The company has continuously invested its money on research and development activities, as a result the company had been able to add new products like **PEX-A PRO** and range of products in the **Infrastructure segment**.

Company has successfully commenced its Ghiloth (Rajasthan) manufacturing facility having capacity of 23,678 M.T.

Acquisition of Infrastructure Products Company:

During the year under review, the Company has acquired 100% stake in Rex Polyextrusion Private Limited ("Rex") situated at Sangli, Maharashtra having a vast product range such as DWC (Double Wall Corrugated), Telorex, Georex, Acqurex, Multirex, Plus Stirex etc. These product range has a very bright business opportunity in India and abroad.

13.3%

CAGR Growth in Piping Business between FY 16 - 19

23.6%

CAGR EBDITA in Piping Business between FY 16 - 19

Adhesives Business Developments

The piping business in the company was traditionally considered to be a growth driver but now the adhesives business has shown a stable momentum. **Resinova** had evolved as the **leading brand in adhesives and sealants**, with an increasing market share in the adhesives segment. The UK and USA operations in Seal IT services had grown by 33.7% in terms of value and showed robust improvement in EBDITA margin which stood at 9.2% in FY 2019 as compared to 5.7% in the previous year. The recent launch of **RESCUETAPE, RESIWOOD and RESIQUICK** has been successful in capturing a considerable adhesive market share.

17.2%

CAGR Growth in Adhesives Business between FY 16 -19

26.8%

CAGR EDBITA in Adhesives Business between FY 16 -19

₹ 3.11 crore

Capex invested in R&D activities in the segment in FY 2019

Brand

The Company believes in brand building and creating awareness of its product quality. The application of its products across multiple sectors like construction, irrigation and real estates among others is successfully done through effective branding. The company has stepped up the branding through **shop- branding, exhibitions, spots branding and distributors meet**. The Company's recent sponsorship of **Kolkata Knight Riders, Rajasthan Royals, and Sunrises Hyderabad** in the Indian Premier League (IPL) has further helped in marketing the brand to a larger audience.

Distribution Network

The company has been consistently adding new distributors to widen its market presence. At present it has more than **800+ distributors** and **30,000+ dealers** in piping segment and **1,800+ distributors** and approx. **4,00,000+ dealers** in Adhesive segment across the country. Further to support this distribution network the company has 9 manufacturing facilities and 18 Depots across the country. With the addition of East plant, Company will be able to cover all the four zones of country for manufacturing facilities, which will help company in logistic cost saving and capturing the market share of respective zone.

Key Financial Ratio

(₹ in million , except otherwise stated)

Particulars	Standalone			Consolidated		
	FY 18-19	FY 17-18	YOY Growth	FY 18-19	FY 17-18	YOY Growth
Revenue from operations	19,157	15,819	21.10%	25,073	20,729	20.96%
EBIDTA	3,154	2,477	27.33%	3,968	3,268	21.42%
PAT	1,415	1,190	18.91%	1,973	1,757	12.29%
EPS (₹ per share)	11.76	9.94	18.31%	16.27	14.62	11.29%
Ratios						
Debt Equity Ratio	0.12	0.08	0.04	0.14	0.14	-
Current Ratio	1.33	1.44	(0.11)	1.48	1.51	(0.03)
Debtors turnover (in days)	51 days	43 days	8 days	54 days	49 days	8 days
Inventory turnover (in days)	61 days	57 days	4 days	63 days	58 days	4 days
EBIDTA Margin	16.46%	15.66%	0.81%	15.83%	15.77%	0.06%
PAT Margin	7.39%	7.52%	(0.14)%	7.87%	8.48%	(0.61)%
Return on Net worth	13.47%	13.35%	0.12%	17.06%	19.09%	(2.04)%
Interest Coverage Ratio	1.44	1.88	(0.44)	1.54	1.97	(0.43)

Risk Management, Internal control and their adequacy

The Company has an elaborate Risk Management procedure in place, which covers Business Risk and Operational Risks, duly supported by policy framework. Major business and operational risks identified, are addressed through mitigating, controls and action plans. The company is addressing all key business risks on an ongoing basis.

It has adequate Internal Control Systems and Procedures commensurate with the size of the company and its nature of business. The independent Internal Auditors continuously review the adequacy and effectiveness of the internal control systems vis-a-vis ongoing operations of the company, which provides reasonable assurance of adequacy and effectiveness of control, governance and risk management procedures to the Audit Committee. The recommendations of Internal Auditors and the Audit Committee are followed up effectively for implementation

Human resources

The company continues to maintain a strong relationship with its employees, in order to improve their efficiency level at the workplace. The company places great value to its employees through their commitment, competence and effort that is shown in different aspects of the business. It also confirms its commitment towards the development of HR policies,

which will help the company to full fill its business needs. The main focus has been on providing fulfilment, stretch and opportunity for the development to its employees at all levels of the business. Apart from such development, the employees have also shown considerable skill and motivation in their work, due to which the company is able to deliver highest level of performance in the year under review.

4,000+

Workforce as on 31st March 2019

Cautionary Statement

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

For, **Astral Poly Technik Limited**

Sandeep P. Engineer

Managing Director

Date : 20th May, 2019

Place : Ahmedabad

For, **Astral Poly Technik Limited**

Jagruti S. Engineer

Whole Time Director

CORPORATE GOVERNANCE REPORT

1. CORPORATE GOVERNANCE PHILOSOPHY:

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

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

Keeping the above in mind, your Company is fully committed to conduct its affairs in a fair and transparent manner and to enhance shareholders value while complying with the applicable Rules and Regulations. We are in compliance with all the requirements of

the Corporate Governance enshrined in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "SEBI Listing Regulations").

2. BOARD OF DIRECTORS :

Compositions

The Board of your Company consists of 8 (Eight) Directors as on 31st March, 2019, out of which 2 (Two) are Executive Directors and 6 (Six) are Non-Executive Directors. Out of 6 (Six) Non- Executive Directors, 4 (Four) are Independent Directors. The Chairman of the Board is an Independent Director. The Composition of the Board is in compliance with the requirements of SEBI Listing Regulations. No director is related to each other except Mrs. Jagruti S. Engineer who is spouse of Mr. Sandeep P. Engineer. All the Directors have certified that they are not members of more than 10 (Ten) Committees and do not act as Chairman of more than 5 (Five) Committees across all the Companies in which they are Directors.

The composition of the Board of Directors as on 31st March, 2019 is as follows:

Name of Director	Category	Total No. of Other Directorship*	Details of Committees [#]	
			Chairman	Member
Mr. K. R. Shenoy	Independent Chairman	-	-	-
Mr. Sandeep P. Engineer	Managing Director	3	1	-
Mrs. Jagruti S. Engineer	Whole Time Director	-	-	-
Mr. Kyle A. Thompson	Non- Executive Director	-	-	-
Mr. Anil Kumar Jani	Non- Executive Director	-	-	-
Mr. Pradip N. Desai	Independent Director	2	-	1
Mr. Narasinh K. Balgi	Independent Director	2	-	1
Mrs. Kaushal D. Nakrani [§]	Independent Director	-	-	-

*Excludes Private Limited Companies, Foreign Companies, Section 8 Companies and Alternate Directorships.

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

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

[§]Appointed w.e.f. 29th March, 2019

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

During the Financial Year 2018-19, the Board of Directors of your Company met 9 (Nine) times on 03.05.2018, 23.05.2018, 08.06.2018, 09.07.2018, 31.07.2018, 14.09.2018, 14.11.2018, 11.02.2019 and 29.03.2019. The details of attendance of each Director at Board Meetings held in the Financial Year and the last Annual General Meeting are as under:

Name of Director	Dates of Board Meetings and Attendance of each director at Board Meeting										Attendance at the last AGM held on 25 th August, 2018
	03.05.2018	23.05.2018	08.06.2018	09.07.2018	31.07.2018	14.09.2018	14.11.2018	11.02.2019	29.03.2019	Total No. of Board Meetings attended	
Mr. K. R. Shenoy	No	Yes	No	Yes	Yes	No	Yes	Yes	No	5	Yes
Mr. Sandeep P. Engineer	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	9	Yes
Mrs. Jagruti S. Engineer	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	9	No
Mr. Kyle A. Thompson	Yes	No	Yes	No	No	Yes	No	No	No	3	No
Mr. Anil Kumar Jani	No	Yes	No	Yes	Yes	No	Yes	Yes	Yes	6	Yes
Mr. Pradip N. Desai	No	Yes	No	No	No	No	Yes	Yes	Yes	4	Yes
Mr. Narasinh K. Balgi	No	Yes	No	Yes	Yes	No	Yes	Yes	No	5	Yes
Mrs. Kaushal Nakrani*	No	No	No	No	No	No	No	No	Yes	1	No

* Appointed w.e.f 29th March, 2019

Code of Conduct for Board & Senior Management Personnel

Your Company has adopted a Code of Conduct for Board Members & Senior Management Personnel and the declaration from the Managing Director, stating that all the Directors and the Senior Management Personnel of your Company have affirmed compliance with the Code of Conduct has been included in this Report. The Code has been posted on your Company's website at https://www.astralpipes.com/uploads/investor_broucher/1538992610_105_1.pdf

Profile of Directors seeking appointment / re-appointment:

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

3. COMMITTEES OF THE BOARD

(i) AUDIT COMMITTEE

Composition, meetings and attendance

The Audit Committee of your Company has been constituted as per the requirements of Section 177 of the Companies Act 2013, and SEBI Listing Regulations. The Chairman of the Audit Committee is an Independent Director and two-thirds of the members of the Audit Committee are Independent Directors. During the Financial Year 2018-19, the Committee met 5 (Five) times on 23/05/2018, 09/07/2018, 31/07/2018, 14/11/2018 and 11/02/2019.

The composition of the Audit Committee as on 31st March, 2019 and the attendance of the members in the meetings held during the Financial Year 2018-19 are as follows:

Name of Member	Designation	No. of meetings attended
Mr. K. R. Shenoy	Chairman	5
Mr. Sandeep P. Engineer	Member	5
Mr. Pradip N. Desai	Member	3
Mr. Narasinh K. Balgi	Member	5

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

Terms of Reference:

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

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditors and the fixation of audit fees.
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- Appointment, removal and terms of remuneration of Internal Auditors.
- Reviewing, with the Management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub section 3 of section 134 of the Companies Act, 2013;
 - Changes, if any, in Accounting Policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by the Management;
 - Significant adjustments made in the financial statements arising out of Audit findings;
 - Compliance with Listing and other Legal requirements relating to the financial statements;
 - Disclosure of any related party transactions;
 - Qualifications in the draft Audit Report;
- Reviewing with the Management, the quarterly financial statements before submission to the Board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;

- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the Management, performance of Statutory and Internal Auditors, and adequacy of the internal control systems;
- Reviewing the adequacy of Internal Audit function, if any, including the structure of the Internal Audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of Internal Audit;
- Discussions with Internal Auditors on any significant findings and follow up thereon;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management ;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses;
- The appointment, removal and terms of remuneration of the Chief Internal Auditor.
- Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision

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

(ii) **STAKEHOLDERS' RELATIONSHIP COMMITTEE**

Composition, meetings and attendance

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

During the Financial Year 2018-19, the Committee met 4 (Four) times on 23/05/2018, 31/07/2018, 14/11/2018 and 11/02/2019.

The composition of the Stakeholder's Relationship Committee as on 31st March, 2019 and the attendance of the members in the meetings held during the Financial Year 2018-19 are as follows:

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

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

Terms of Reference:

- Efficient transfer of shares, including review of cases for refusal of transfer/ transmission of Shares and Debentures, demat/ remat of shares.
- Redressal of Shareholder and Investor complaints like transfer of shares, non-receipt of Balance Sheet, non-receipt of declared dividends etc.;
- Issue of new / duplicate / split / consolidated Share Certificates;
- Allotment of Shares;
- Review of cases for refusal of transfer / transmission of Shares and Debentures;
- Reference to Statutory and Regulatory authorities regarding Investor Grievances; and
- To otherwise ensure proper and timely attendance and redressal of Investor's queries and grievances
- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.

- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company

Status of investors' complaints:

The status of investor's complaints as on 31st March, 2019 is as follows:

Number of complaints as on 1 st April, 2018	Nil
Number of complaints received during the year ended on 31 st March, 2019	1
Number of complaints resolved up to 31 st March, 2019	1
Number of complaints pending as on 31 st March, 2019	Nil

The complaint received was in the nature of non-receipt of Dividend. There were no pending requests for transfer of shares of the Company as on 31st March, 2019.

Name and Designation of Compliance Officer:

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

(iii) **NOMINATION AND REMUNERATION COMMITTEE**

Composition, meetings and attendance

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

During the Financial Year 2018-19, the Committee met 5 (Five) times on 07/04/2018, 23/05/2018, 31/07/2018, 23/11/2018 and 29/03/2019.

The composition of the Nomination and Remuneration Committee as on 31st March, 2019 and the attendance of the members in the meetings held during the Financial Year 2018-19 are as follows:

Name of Member	Designation	No. of meetings attended
Mr. Pradip N. Desai	Chairman	4
Mr. K. R. Shenoy	Member	2
Mr. Anil Kumar Jani	Member	5

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

Terms of Reference:

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

Remuneration Policy:

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

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

• Executive Directors :

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

• Non - Executive Directors:

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

Details of remuneration and pecuniary benefits to the Directors during FY 2018-19:
(₹ in lacs)

Name of the Director	Salary/ Allowances	Sitting Fees	Incentive/ Commission
Mr. K. R. Shenoy	-	3.50	-
Mr. Sandeep P. Engineer	288.00	-	217.00
Mrs. Jagruti S. Engineer	77.50	-	-
Mr. Kyle A. Thompson	-	-	-
Mr. Anil Kumar Jani	-	2.50	-
Mr. Pradip N. Desai	-	1.75	-
Mr. Narasinh K. Balgi	-	2.50	-
Mrs. Kaushal Nakrani*	-	0.25	-

* Appointed w.e.f 29th March, 2019

Notes:

- There were no pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis Company other than payment of sitting fees and reimbursement of expenses incurred by them for the purpose of attending meetings of the Company.
- The Managing Director is entitled to an incentive payment at the rate of 1% (One percent) of Profit Before Tax of the Company in addition to the salary, increment and reimbursement of expenses.

None of the Directors except the Managing Director is entitled to such an Incentive.
- None of the Directors of the Company has been granted any Stock Options during the year. Moreover, there is no separate provision for payment of severance fees to the Directors.

The shareholding of Directors as on the 31st March, 2019 is as under:

Sr. No.	Name of Director	Shareholding	%
1	Mr. K. R. Shenoy	-	-
2	Mr. Sandeep P. Engineer	3,78,42,460	31.59
3	Mrs. Jagruti S. Engineer	91,43,410	7.63
4	Mr. Kyle A. Thompson	-	-
5	Mr. Anil Kumar Jani	1,120	0.00
6	Mr. Pradip N. Desai	3,00,000	0.25
7	Mr. Narasinh K. Balgi	2,530	0.00
8	Mrs. Kaushal Nakrani	-	-

The Company has not issued any convertible instruments.

Performance Evaluation:

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

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

4. GENERAL BODY MEETING

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

Financial Year	Date-Time-Venue
2017-18	25 th August, 2018 at 10:00 a.m. at H T Parekh Hall, Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Ahmedabad - 380015.
2016-17	8 th August, 2017 at 2:30 p.m. at H T Parekh Hall, Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Ahmedabad - 380015.
2015-16	8 th September, 2016 at 10.00 a.m. at H T Parekh Hall, Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Ahmedabad - 380015.

Details of special resolutions passed in Previous Three AGMs.

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

Financial Year	Particulars of Special Resolutions passed
2017-18	Ratification of appointment of Mr. Narasinh K. Balgi (DIN: 00163468) as an Independent Director for present tenure. Ratification of appointment of Mr. K.R. Shenoy (DIN: 00801985) as an Independent Director for present tenure.
2016-17	To approve offer or invitation to subscribe to Non-Convertible Debentures on private placement basis.
2015-16	Nil

No Extra Ordinary General Meeting was held during the Financial Year 2018-19.

NCLT Convened Meetings

Pursuant to the Order dated 21st January, 2019, by the Hon'ble National Company Law Tribunal ,Ahmedabad, ("Tribunal") the meeting of equity shareholders, Secured Creditors and Unsecured Creditors of the Company was held as per below details:

Location	Date	Time	Special Resolution passed
H T Parekh Hall, Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Ahmedabad - 380015, Gujarat	6 th March, 2019	Secured Creditors- 10.30 a.m.	Approval of the Scheme of Amalgamation of Rex Polyextrusion Private Limited with Astral Poly Technik Limited and their respective Shareholders and Creditors.
		Equity Shareholders- 11:30 a.m.	
		Unsecured Creditors- 12: 30 p.m.	

Ms. Monica Kanuga, Practicing Company Secretary (FCS : 3868; CP No. 2125) was appointed as a Scrutinizer by the Tribunal for conducting the poll at the Tribunal Convened Meetings.

Details of the voting result conducted through Postal ballot, Evoting and Poll conducted at the Tribunal Convened meeting for Approval of the Scheme of Amalgamation of Rex Polyextrusion Private Limited with Astral Poly Technik Limited and their respective Shareholders and Creditors are as follows.

Manner of Voting	No. of valid votes	Votes cast in favour of the resolution (no. & %)	Votes cast against the resolution (no. & %)
Postal Ballot	408	408 (100%)	0 (0%)
Evoting	8,38,56,273	8,38,52,269 (99.99%)	4,004 (0.01%)
Poll	153	153 (100%)	0 (0%)

Special Resolutions passed through Postal Ballot:

No other resolution was passed through Postal ballot during the Financial Year 2018-19.

1. DISCLOSURES

(a) Disclosure on materially significant related party transactions.

There were some related party transactions during the Financial Year 2018-19 and the same do not have potential conflict with the interest of the Company at large. The details of related party transactions as per Indian Accounting Standard - 24 are included in the notes to the accounts.

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

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

(c) Disclosure of accounting treatment

There is no deviation in following the treatments prescribed in any Accounting Standard in preparation of financial statements for the year 2018-19.

(d) Board disclosures - Risk Management

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

(e) Familiarization Program of Independent Directors

The Board familiarization program comprises of the following:-

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

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

the present structure and an overview of the businesses and functions.

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

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

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

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

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

(g) Whistle Blower Policy

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

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, your Company has constituted Internal Complaints Committee (ICC) which is responsible for redressal of complaints related to sexual harassment. During

the year under review, there were no complaints filed pertaining to sexual harassment.

(h) Policy on “Material” Subsidiary

The Company has Board approved policy on determining Material Subsidiary which can be accessed at https://www.astralpipes.com/uploads/investor_broucher/1561803986_material_subsidary_policy_astral_2019.pdf

(i) Certification from CEO and CFO

The requisite certificate from the Managing Director and Chief Financial Officer of the Company required to be given under Regulation 33 was placed before the Board of Directors of the Company at its Meeting held on 20th May, 2019 and Mr. Sandeep P. Engineer, Managing Director and Mr. Hiranand A. Savlani, Chief Financial Officer of the Company, have certified to the Board that:

- (a) They have reviewed the Financial Statement and the Cash Flow Statement for the year 2018-19 and that to the best of their knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable Laws and Regulations.
- (b) There are, to the best of their knowledge and belief, no transactions entered into by the Company during the year which are

fraudulent, illegal or violative of Company's Code of Conduct.

- (c) They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. They have not come across any reportable deficiencies in the design or operation of such internal controls.
- (d) They have indicated to the Auditors and the Audit Committee:
 - (i) That there are no significant changes in the internal control over financial reporting during the year;
 - (ii) There are no significant changes in the Accounting Policies during the year, and
 - (iii) There are no instances of significant fraud of which they have become aware.

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

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

(K) Certification from Company Secretary in Practice:

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

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

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

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

Business Strategies	Experience of crafting Successful Business Strategies and understanding the changing regulatory requirements.
Financial & Accounting Expertise	Proficiency in financial accounting and reporting, corporate finance and internal controls, corporate funding and associated risks
Governance , Risk and Compliance	Knowledge and experience of best practices in governance structures, policies and processes including establishing risk and legal compliance frameworks, identifying and monitoring key risks.
Mergers & Acquisition	Capable to make wise decisions in Corporate mergers, acquisitions and joint ventures
Innovative	A strong understanding of innovation and technology, and the development and implementation of initiatives to enhance production.
Diversity	Representation of gender, cultural or other such diversity that expand the Board's understanding and perspective

2. MEANS OF COMMUNICATION TO SHAREHOLDERS

(a) Quarterly/Annual Results

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

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

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

7. GENERAL SHAREHOLDERS' INFORMATION:

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

Day and date	Friday, 2 nd August, 2019
Time	10.00 a.m.
Venue	H T Parekh Hall, Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Ahmedabad - 380015.

(b) Financial Year 2018-19:

Financial Year	April 1 to March 31
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(c) Board Meetings for approval of Quarterly Results

Quarter	Tentative Date of Announcement of Board Meeting [F.Y.2019-2020]
1 st Quarter Results	On or before 14 th August, 2019
2 nd Quarter Results	On or before 14 th November, 2019
3 rd Quarter Results	On or before 14 th February, 2020
4 th Quarter and Annual Results	Within 60 days of the close of Financial Year ending on 31 st March, 2020

(d) Book Closure Date:

The Share Transfer Book and Register of Members will remain closed from 27th July, 2019 to 2nd August, 2019 (Both days inclusive).

(e) Dividend :

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

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

(f) Listing on Stock Exchanges:

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

The BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001	National Stock Exchange of India Limited (NSE) "Exchange Plaza", Bandra Kurla Complex, Bandra (E), Mumbai - 400 051
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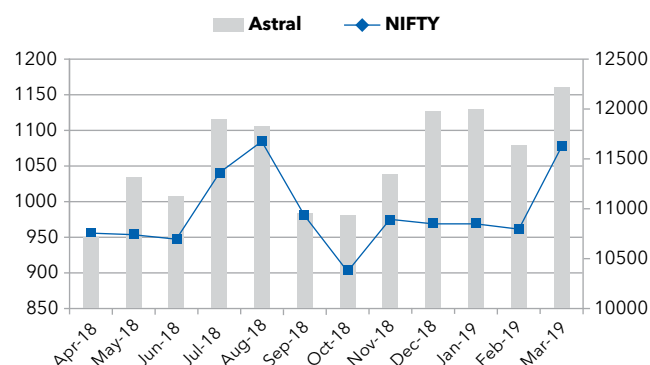
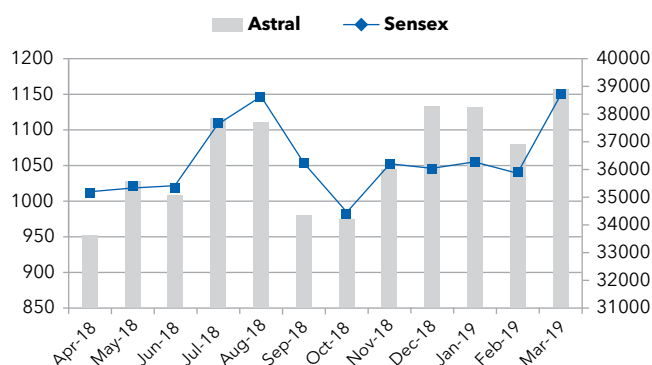
The Company has paid Annual Listing fees to the above Stock Exchanges for the Financial Year 2018-19 & 2019-20.

(g) Stock Code :

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

(h) Stock Market Data:

Month	BSE		NSE	
	High	Low	High	Low
April, 2018	967.2	885	969	883.2
May, 2018	1045.9	887.75	1049	885.15
June, 2018	1059.85	948	1064.75	955
July, 2018	1171.9	962.65	1169	960.10
August, 2018	1188.75	1045.05	1194.80	1044.10
September, 2018	1180	915.6	1154.85	910.10
October, 2018	1050	814.6	999	816
November, 2018	1110.9	941.3	1111.95	941.15
December, 2018	1168.8	1020	1173	1019
January, 2019	1210	1022.4	1210	1020.20
February, 2019	1191	1060	1194	1057.05
March, 2019	1291.2	1068.05	1295	1066.95

**(i) Registrar and Share Transfer Agents :**

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

The detailed address is as under:

BIGSHARE SERVICES PRIVATE LIMITED

1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri (East),
Mumbai 400059.

Phone No: +91 022-62638200,

Fax No. + 91 022-62638299,

E-mail: investor@bigshareonline.com

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

In terms of the Section 124 of the Companies Act, 2013, the amount that remained unclaimed for a period of seven years and Shares in respect of which

dividend entitlements remained unclaimed for seven consecutive years or more have been transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government.

During the year under review, the unclaimed dividend amount for the year 2010-11(Final) & 2011-12 (Interim) was transferred to the IEPF established by the Central Government under applicable provisions of the Companies Act.

(k) Share Transfer System :

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

(l) Distribution of Shareholding:

The distribution of Shareholding of the Company as on 31st March, 2019 is as follows:

No. of Equity Shares Held	No. of shareholders	% of Total shareholders	No. of Shares	% of Total Capital
Upto 5,000	23104	98.25	6050691	5.05
5,001-10,000	167	0.71	1203871	1.00
10,001-20,000	91	0.39	1306295	1.09
20,001-30,000	25	0.11	615121	0.51
30,001-40,000	22	0.09	773998	0.65
40,001-50,000	12	0.05	540805	0.45
50,001-1,00,000	31	0.13	2098908	1.75
1,00,001 and above	63	0.27	107216876	89.49
Total	23515	100.00	119806565	100.00

(m) Shareholding Pattern:

The Shareholding Pattern of the Company as on 31st March, 2019 is as follows:

Category	No of Shares	% of Total Capital
Promoters (including persons acting in concert)	70065860	58.48
Foreign Institutional/Portfolio Investors	26280496	21.94
Mutual Funds, other Financial Institutions and Banks	6876340	5.74
Non-resident Indians	722454	0.60
Bodies Corporate	2864623	2.39
Resident Indians	12962957	10.82
Clearing members	31571	0.03
Trust/Others	2264	0.00
Total	119806565	100.00

(n) Dematerialization of Shares and liquidity:

As on 31st March, 2019, 99.99 % of the total Equity Shares were held in dematerialized form with National Securities Depository Ltd. [NSDL] and Central Depository Services Limited [CDSL].

The details of which are as under:

Sr. No.	Mode of Holding	No. of Shares	% of Total Capital
1	NSDL	118078912	98.56
2	CDSL	1720053	1.43
3	Physical	7600	0.01
Total		119806565	100.00

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

Gujarat Unit		Tamilnadu Unit	Rajasthan
Santej	Dholka		
Village: Santej, Taluka: Kalol, Dist: Gandhinagar, Gujarat, India	Dholka-Kheda Road, Rampur, Dholka, Dist: Ahmedabad Gujarat, India	Perandaplli Post, Village-Alur, Dist: Krishnagiri, Hosur, Tamilnadu, India	Industrial Area, Ghiloth, Dist: Alwar, Rajasthan, India

(q) Address for correspondence:

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

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

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

(r) Credit Rating

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

Sr. No.	Particulars	CRISIL Rating	Previous Rating	Remark	CARE Rating	Previous Rating	Remark
1	Long Term Bank Facilities	CRISIL AA-/Stable	CRISIL AA-/stable	Reaffirmed	CARE AA; Stable	N.A.	Assigned
2	Short Term Bank Facilities	CRISIL A1+	CRISIL A1+	Reaffirmed	CARE A1+	N.A.	Assigned

For, **Astral Poly Technik Limited**

Sandeep P. Engineer
 Managing Director

Date : 20th May, 2019
 Place : Ahmedabad

For, **Astral Poly Technik Limited**

Jagruti S. Engineer
 Whole Time Director

DECLARATION

To,
 The Members
 Astral Poly Technik Limited

I, Sandeep P. Engineer, Managing Director of Astral Poly Technik Limited hereby declare that as of 31st March, 2019, all the Board Members and Senior Management have affirmed compliance with the Code of Conduct laid down by the Company.

For, **Astral Poly Technik Limited**

Date: 20th May, 2019
 Place: Ahmedabad

Sandeep P. Engineer
 Managing Director

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

The Members of **Astral Poly Technik Limited**

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

1. The Corporate Governance Report prepared by Astral Poly Technik Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) of sub - regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") with respect to Corporate Governance for the year ended March 31, 2019. This report is required by the Company for annual submission to the Stock exchange.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether the Company has complied with the specific requirements of the Listing Regulations referred to in paragraph 3 above.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of key procedures performed include:
 - i. Reading and understanding of the information prepared by the Company and included in its Corporate Governance Report;
 - ii. Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;
 - iii. Obtained and read the Directors Register as on March 31, 2019 and verified that at least one women director was on the Board during the year;
 - iv. Obtained and read the minutes and attendance register of the following committee meetings/other meetings held April 01, 2018 to March 31, 2019 :
 - (a) Board of Directors;
 - (b) Audit committee;
 - (c) Annual General meeting;
 - (d) Nomination and remuneration committee;
 - (e) Stakeholders Relationship Committee;
 - v. Obtained necessary representations and declarations from directors of the Company including the independent directors; and
 - vi. Obtained and read policy adopted by company for related party transactions,

- vii. Obtained the schedule of related party transactions during the year and balances at the year-end. Obtained and read minutes of audit committee meeting where in such related party transactions have been pre-approved prior by the audit committee.
 - viii. Performed necessary inquiries with the management and also obtained necessary specific representations from management.
8. The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

9. Based on the procedures performed by us as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2019, referred to in paragraph 4 above.

Other matters and Restriction on Use

10. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
11. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

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

Place of Signature - Ahmedabad
Date - 20th May, 2019

Partner
Membership Number - 110759
UDIN - 19110759AAAAAP2410

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

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

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

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1.	K. R. Shenoy	00801985	23.9.2006
2.	Sandeep Engineer	00067112	25.3.1996
3.	Jagruti Engineer	00067276	25.3.1996
4.	Kyle A. Thompson	00254002	1.12.1997
5.	Anil Kumar Jani	07078868	28.1.2015
6.	Pradip N. Desai	00336937	23.9.2006
7.	Narasingh K. Balgi	00163468	28.1.2015
8.	Kaushal D. Nakrani	08405226	29.3.2019

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

Place: Ahmedabad
Date: 20th May, 2019

Name : Monica Kanuga
Membership No. : F 3868
CP No. : 2125

BUSINESS RESPONSIBILITY REPORT

Section A: General Information about The Company

1	Corporate Identity Number (CIN) of the Company	L25200GJ1996PLC029134
2	Name of the Company	Astral Poly Technik Limited
3	Registered address	"Astral House", 207/1, B/h Rajpath Club, Off. S. G. Highway, Ahmedabad - 380059, Gujarat, India.
4	Website	www.astralpipes.com
5	E-mail	info@astralpipes.com
6	Financial year reported	2018-19
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Plastic Products, NIC Code-222.
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	1. CPVC pipes. 2. PVC pipes. 3. CPVC/PVC fittings
9	Total number of locations where business activity is undertaken by the Company (as on 31 st March, 2019)	No. of national locations: 28 (which includes 4 manufacturing units, 13 offices and 11 depots) No. of international locations : 1 Joint venture company in Kenya
10	Markets served by the Company	Local, State, National & International

Section B: Financial Details of The Company

1	Paid up Capital (INR)	₹ 11,98,06,565/-
2	Total Turnover (INR)	₹ 1,91,570 Lacs
3	Total profit after taxes (INR)	₹ 14,145 Lacs
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	₹ 220 Lacs during FY 2018-19 (1.55% of PAT)
5	List of activities in which expenditure in 4 above has been incurred:	Promoting healthcare through yoga, other healthcare activities for senior citizens and allied activities for public at large and contribution Bharat Ke Veer Corpus fund

Section C: Other Details

- Does the Company have any Subsidiary Company/Companies?
The Company has 5 subsidiary companies (including 1 step down subsidiary) as on 31st March, 2019. However, Rex Polyextrusion Pvt. Ltd. was subsequently amalgamated with the Company vide NCLT order dated 2nd May, 2019.
- Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s).
Subsidiaries of the Company follow major business responsibility initiatives of parent company to the extent practicable.
- Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%].
No other entity / entities participate in the BR initiatives of the Company.

Section D: BR Information

1. Details of Director/Directors responsible for BR:

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

- DIN: 00067112
- Name: Mr. Sandeep Engineer
- Designation: Managing Director

(b) Details of the BR head:

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

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

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

3. Governance related to BR

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

The Company's Business Responsibility performance is assessed annually.

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

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

Section E : Principle-Wise Performance

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

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

The Company is committed to conduct its affairs in a fair, transparent and professional manner and maintaining good ethical standards, transparency and accountability

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

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

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

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

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

The Company is committed to conduct its business in an Eco-Friendly manner. The company ventures to maintain sustainability into the various stages of product

lifecycle. This includes acquiring correct raw material, manufacturing of products, damage free transportation of goods and proper disposals by consumers. The company's new product is PEX-a PRO. The Company introduced its new PEX- a PRO system based on the expansion ring technology (Shrink-Fit) which is meant for distribution of hot and cold water plumbing applications. This product is more eco-friendly due to use of PE material and also completely recyclable even after end of service life. PEX is the plastic with the best long term performance. Loss of properties with time is very slower than for the rest of other conventional materials. At the time of installation, no flammable solvent or electricity being used for joining.

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

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

The Company is determined to set up facilities to provide goods in most efficient and fast way. All the production processes acquired by the company are energy efficient and Eco-friendly. For saving energy the company has started many operations in all plants to optimize the use of resources. To make sure that energy is being saved consistently, Company conducts Energy audits regularly at all plants by approved government agencies. Apart from this suggestions are also considered related to improvements and mandatory requirements. Most of the processes in plants are controlled with drive / PLC / VFD which are very efficient.

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

The Company gives periodic training to plumbers for installation of pipes and fittings which deals with various measures regarding Energy/Water consumption.

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

Astral believes in both Long term / Short term contracts for acquiring Raw materials and other services. The company always seeks to establish long term relationship with its vendors and makes sure to include them in Company's growth. Substantial amount of our major raw material procurement within a range of 250 kms from factory premises. Astral, believes in acquiring components from local vendors without compromising on quality.

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

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

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

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

The Company is determined to procure all its packing material used to pack Pipes and Fitting material from local source within a range of 50 kms from the factory premises. Such suppliers are timely inspected by a team of company officials to work on their various compliances and to increase their capacity. Majority of our manpower is sourced from nearby places.

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

All the products Manufactured by the company are 100% recyclable. The waste we get during manufacturing process can be grounded easily and that product is blended with the Raw material. Thus there is no or very little waste which can not be reused and recycled.

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

1. Please indicate the Total number of employees.

The Company has 1211 employees as on 31st March, 2019

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

The Company has 2030 employees hired on temporary/ contractual/casual basis.

3. Please indicate the Number of permanent women employees

The Company has 56 women employees as on 31st March, 2019

4. Please indicate the Number of permanent employees with disabilities

The Company has 8 employees with disabilities as on 31st March, 2019

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

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

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

Not applicable

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

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

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

- (a) Permanent Employees
- (b) Permanent Women Employees
- (c) Casual/Temporary/Contractual Employees
- (d) Employees with Disabilities

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

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

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

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

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders

Yes

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

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

Beyond manufacturing, the Company trains more than 85,000 plumbers every year in India. The Company believes this training equips them in making their future sustainable and at the same time, overall quality of plumbing improves in our country

Principle 5: Businesses should respect and promote human rights.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

As a part of promoting renewable energy, the Company installed 250 kva of solar power rooftop panels at Hosur (Tamil Nadu) plant of the Company. Project work on installation of 1 MW of solar power roof top panels is under process in Santej and Dholka plant of the company which reduces the energy consumption. Your Company is in the process of installing solar power roof top panels of 8 MW in remaining plant areas. For the purpose of animal welfare the CSR wing of the Company viz. Astral Charitable Trust and the company has donated to Earth Brigade Foundation/ Earthworks Conservation Foundation NGO registered u/s 8 of the Companies Act 2013 the amount of ₹ 5.83 Lacs for purchase and installation of one solar pump at Pench Tiger Reserve, Madhya Pradesh and two solar pump at Anechowkur and Kaimara, Karnataka for providing drinking water for wild animals in the forests.

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

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

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

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

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

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

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

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

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

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

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

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

The Company is carrying out project for yoga, various healthcare activities for senior citizens and allied social service activities for public at large at Ahmedabad, Gujarat, India. The Company is undertaking the said project through Astral Charitable Trust and which has constructed multi-storied building in Ahmedabad for aforesaid purposes. Yoga activities for all age group of people, health care activities and awareness programs, blood donation camps and other allied activities are conducted by the said trust on an ongoing basis.

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

The program is undertaken through a Charitable Trust viz. Astral Charitable Trust / Directly.

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

No impact assessment is made at this stage.

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

The Company's monetary contribution to community development projects/ CSR in FY 2018-19 was ₹ 220 Lacs. Till date, the Company has contributed ₹ 1006 Lacs. Details of CSR initiatives undertaken by the Company are set out in the corporate social responsibility section of this Annual Report.

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

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

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

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

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

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

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

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

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

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

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

INDEPENDENT AUDITOR'S REPORT

To the Members of **Astral Poly Technik Limited**

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Astral Poly Technik Limited ("the Company"), which comprise the Balance sheet as at March 31, 2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information in which are included the financial information for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("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, 2019, its profit including other comprehensive income its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the standalone Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our

audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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

Key audit matters	How our audit addressed the key audit matter
Impairment assessment of investments in subsidiaries (Refer note no. 2(u)(ii) of Standalone Ind AS Financial Statements)	
The Company's investment in subsidiaries is amounting to ₹33,346.81 lacs as at 31 March 2019, which is 19% of total assets as at 31 March 2019. The determination of recoverable amounts of the Company's investments in subsidiaries is dependent on management's estimates with respect to such entity's performance, future cash flows and making judgment with respect to assumptions used in computing the recoverable amount of investments in subsidiaries ("Recoverable amount"). Considering the uncertainty involved in forecasting of cash flows and the judgement involved in respect of assumptions used in computing the Recoverable amount this audit area is considered a key audit matter.	We performed following procedures, among others: • We evaluated the forecast of future cash flows used by the management in the model to compute the Recoverable amount. • We compared the forecast of future cash flows to business plan and previous forecasts to the actual results. • We focused our analysis on management assumptions in respect of future sales growth rate and discount rate used to compute the Recoverable amount. • We recalculated estimates using the management model. • We involved valuation specialists to assist in evaluating the key assumptions and methodologies used by the Company in computing the Recoverable amount. • We assessed the disclosures made in the Standalone Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Business Combination (Refer note no. 38 of the standalone Ind AS Financial Statements)	
During the year, the Company has acquired 51% of equity shares of Rex Polyextrusion Private Limited Ltd. ("Amalgamating Company") against cash consideration and subsequently merged Amalgamating Company with the Company by buying out minority shareholders by issuing Company's own equity shares against the balance 49% of equity shares held by minority shareholders. The fair value of the consideration transferred amounted to ₹14,750.00 lacs in total. The allocation of the purchase price to identifiable assets and liabilities acquired was performed by the Company with support from external advisors and lead to the recognition of Goodwill of ₹1,921.98 lacs. The individual assets acquired, especially brands have no observable market values are available. To determine the corresponding fair values, valuation models based on assumptions are used. This measurement is dependent on estimates of future cash flows as well as the discount rate applied and subject to uncertainty. Accounting for acquisitions requires the application of complex accounting policies, mainly Ind AS 103 Business Combinations, and involves significant judgments and assumptions and hence considered a key audit matter.	With respect to the accounting for the acquisition: • We have read the relevant parts of the purchase agreements, scheme of amalgamation for the merger of Amalgamating Company with the Company, obtained an understanding of the deal structure and evaluated the accounting treatment in accordance with Ind AS 103. This included the evaluation of the interpretation of specific sections of the agreements and the application of accounting policies to thereon. • We evaluated the qualifications and objectivity of the experts engaged by the Company to perform the purchase price allocation. • We have recalculated the model using the management inputs and assumptions for ascertaining mathematical accuracy. • We compared the inputs in the model to internal and external data. • We focused our analysis on management assumptions in respect of future sales growth rate and discount rate used in valuation. • We involved valuation specialists to assist in evaluating the key assumptions and methodologies. • We assessed the disclosures made in the Standalone Ind AS Financial Statements.

Other Information

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

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

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

Responsibilities of Management for the standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash

flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with [the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the standalone Ind AS Financial Statements

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

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

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

disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the financial statements and other financial information of Amalgamating Company, which was merged into the Company with effect from July 10, 2018, included in the accompanying standalone Ind AS financial statements of the Company whose financial statements and other financial information reflect total assets of ₹14,424.31 lacs as at March 31, 2019, total revenues of ₹13,863.43 lacs and net cash inflows of ₹367.50 lacs for the period July 10, 2018 to March 31, 2019. The financial statements of Amalgamating Company as at March 31, 2019 and for the period then ended has been audited by another auditor whose unmodified opinion dated April 20, 2019 has been furnished to us by the management. Our opinion on standalone Ind AS financial statement, in so far as it relates to the amounts and disclosures included in respect of Amalgamating Company, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the Amalgamating Company, is based solely on the report of such other auditors. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

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

2. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid / provided

by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements - Refer Note 33 to the standalone Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Anil Jobanputra**

Partner

Membership Number: 110759

Place of Signature: Ahmedabad

Date: 20th May 2019

Annexure 1 referred to in Paragraph 1 of Report on Other Legal and Regulatory Requirements of our report of even date of Astral Poly Technik Limited for the year ended March 31, 2019

- (i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.
- (b) The Property, plant and equipment are physically verified by the management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, plant and equipment has been physically verified by the management during the year and no material discrepancies have been noticed on such verification.
- (c) According to the information and explanations given by the management, the title deeds of immovable properties held as in property, plant and equipment are in the name of the company except the following:

Particulars of Land and Building	Gross Block as at March 31, 2019 (₹ in lacs)	Net Block as at March 31, 2019 (₹ in lacs)	Remarks
Two office buildings located at Ahmedabad.	127.11	100.48	The title deeds of the same buildings are under process of being transferred in the name of the Company.
Land and building located at Uttarakhand, Karnataka and multiple locations in Maharashtra	4,302.60	4,258.78	Land and building are in the name of Amalgamating Company. Pursuant to the scheme of amalgamation, as stated in note 38 to Ind AS Standalone financial statements. The title deeds of the same are under process of being transferred in name of the Company.

- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- (iii) (a) The Company has granted loans to one Company covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the company's interest.
- (b) The Company has granted aforesaid loans that are re-payable on demand. We are informed that the company has not demanded repayment of any such loan during the year, and thus, there has been no default on the part of the parties to whom the money has been lent. The payment of interest has been regular.
- (c) There are no amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue for more than ninety days.
- (iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees and securities given have been complied with by the Company.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of goods, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) a) According to the information and explanation given to us and examination of records of the Company, undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities.
- b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

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

Name of the statute	Nature of the dues	Amount (₹ in lacs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act 1961	Income Tax	1.37	FY 2013-14	ITAT
Income Tax Act 1961	Income Tax	181.54	FY 2014-15 to FY 2016-17	CIT(A)
Income Tax Act 1961	Income Tax	109.74	FY 2010-11 to FY 2015-16	Assistant Commissioner of Income Tax
Income Tax Act 1961	Income Tax	9.24	FY 2016-17	Assessing Officer
The Central Sales Tax Act, 1956	Central Sales Tax	12.44	FY 2013-14	VAT Officer
The Central Sales Tax Act, 1956	Central Sales Tax	23.28	FY 2013-14 & FY 2014-15	Office of commercial Tax
GST Act, 2017	Goods and Service Tax	1.77	FY 2017-18	Appellate Authority
Custom Act, 1962	Custom duty	18.01	December 31, 2014 to June 30, 2016	Assistant Commissioner of Custom
Custom Act, 1962	Custom duty	39.86	December 17, 2013 to December 31, 2014	Additional DGFT
Custom Act, 1962	Custom duty	62.69	February 23, 2011 to February 23, 2014	Additional DGFT
Central Excise Act, 1944	Excise Duty	139.64	January 01, 2015 to June 30, 2017	Commissioner of Income Tax
The Maharashtra Value Added Tax Act, 2002	Value added tax	28.55	FY 2013-14	Dy. Comm. Appeals
The Maharashtra Value Added Tax Act, 2002	Value added tax	21.56	FY 2002-03 to FY 2006-07	Tribunal

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

(ix) In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loans for the purposes for which they were raised.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud on the company by the

officers and employees of the Company has been noticed or reported during the year.

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

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with sections 177 and 188 of the Companies

Act, 2013 where applicable and the details have been disclosed in the Standalone Ind AS financial statements, as required by the applicable accounting standards.

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

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

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

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Anil Jobanputra**

Partner

Membership Number: 110759

Place of Signature: Ahmedabad

Date: 20th May 2019

Annexure 2 to the Independent Auditor's Report of Even Date on the Ind AS Financial Statements of Astral Poly Technik Limited

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

We have audited the internal financial controls over financial reporting of Astral Poly Technik Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these Standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting

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

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

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Ind AS Financial Statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Ind AS Financial Statements

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

financial reporting with reference to these Standalone Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting with reference to these Standalone Ind AS financial statements and such internal financial controls over financial reporting with reference to these Standalone Ind AS financial statements were operating effectively as at March 31, 2019, 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.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Company, insofar as it relates to Amalgamating Company, which is Company incorporated in India, is based on the corresponding report of the auditors of Amalgamating Company.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Anil Jobanputra**

Partner

Membership Number: 110759

Place of Signature: Ahmedabad

Date: 20th May 2019

STANDALONE BALANCE SHEET

AS AT MARCH 31, 2019

(₹ in lacs)

Particulars	Notes	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3(A)	62,523.70	44,718.98
(b) Capital work-in-progress		7,755.82	6,467.37
(c) Goodwill		1,921.98	-
(d) Other Intangible assets	3(B)	4,146.37	145.56
(e) Financial assets			
(i) Investments	4	33,988.94	33,759.34
(ii) Loans	5	3,285.01	2,430.75
(iii) Other financial assets	6	588.51	416.00
(f) Non-current tax assets	7	71.15	-
(g) Other non-current assets	8	2,584.64	529.10
Total non-current assets		1,16,866.12	88,467.10
Current assets			
(a) Inventories	9	29,956.14	26,513.14
(b) Financial assets			
(i) Trade receivables	10	22,334.62	22,118.29
(ii) Cash and cash equivalents	11	5,313.18	3,820.18
(iii) Bank balances other than (ii) above	12	879.56	3.24
(iv) Loans	5	125.43	115.35
(v) Other financial assets	6	596.62	431.66
(c) Current tax assets (net)	7	99.13	99.13
(d) Other current assets	8	2,328.07	1,560.42
Total assets		61,632.75	54,661.41
EQUITY AND LIABILITIES		1,78,498.87	1,43,128.51
Equity			
(a) Equity share capital	13	1,198.07	1,197.67
(b) Other equity	14	1,14,198.86	93,681.92
Total equity		1,15,396.93	94,879.59
Liabilities			
Non-current liabilities			
(a) Financial liabilities-Borrowings	15	12,128.20	7,334.97
(b) Provisions	16	154.56	49.62
(c) Deferred tax liabilities (Net)	17	4,655.65	2,880.21
Total non-current liabilities		16,938.41	10,264.80
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	2,500.00	-
(ii) Trade payables	18		
a total outstanding dues of micro enterprises and small enterprises		-	-
b total outstanding dues of creditors other than micro enterprises and small enterprises		32,205.63	28,319.39
(iii) Other financial liabilities	19	8,245.36	6,385.14
(b) Other current liabilities	20	2,654.61	2,528.88
(c) Provisions	16	174.47	86.89
(d) Current tax liabilities (Net)	21	383.46	663.82
Total current liabilities		46,163.53	37,984.12
Total liabilities		63,101.94	48,248.92
Total equity and liabilities		1,78,498.87	1,43,128.51

See accompanying notes to the standalone financial statements

As per report of even date

For S R B C & CO LLP

ICAI Firm Registration No : 324982E/E300003

Chartered Accountants

Per Anil Jobanputra

Partner

Membership No : 110759

Place : Ahmedabad

Date : May 20, 2019

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

CIN : L25200GJ1996PLC029134

Sandeep P. Engineer

Managing Director

DIN : 00067112

Hiranand A. Savlani

Chief Financial Officer

Place : Ahmedabad

Date : May 20, 2019

Jagruti S. Engineer

Whole Time Director

DIN : 00067276

Krunal D. Bhatt

Company Secretary

STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in lacs, except as stated otherwise)

Particulars	Notes	Year ended March 31, 2019	Year ended March 31, 2018
Income			
Revenue from operations	22	1,91,570.59	1,60,461.41
Other income	23	1,147.08	1,105.34
Total		1,92,717.67	1,61,566.75
Expenses			
Cost of materials consumed	24	1,23,109.01	1,02,619.78
Purchase of stock-in-trade	25	7,913.72	7,724.60
Changes in inventories of finished goods, stock-in-trade and work-in-progress	26	(2,838.69)	(1,850.01)
Excise duty on sale of goods		-	2,265.79
Employee benefits expense	27	7,540.68	5,310.75
Finance costs	28	2,805.18	1,740.36
Depreciation and amortization expense	29	6,713.26	4,666.63
Other expenses	30	25,456.85	20,727.94
Total		1,70,700.01	1,43,205.84
Profit before exceptional items and tax		22,017.66	18,360.91
Exceptional Items	41	199.28	296.25
Profit before tax		21,818.38	18,064.66
Tax expense	31		
Current tax		6,763.78	5,898.46
Deferred tax		909.83	264.45
Total tax expense		7,673.61	6,162.91
Profit for the year		14,144.77	11,901.75
Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Remeasurements gain/(loss) on defined benefit plans		(15.28)	(3.22)
Income Tax relating to items that will not be reclassified to profit or loss		4.70	1.10
Total other comprehensive income		(10.58)	(2.12)
Total comprehensive income for the year		14,134.19	11,899.63
Earnings per equity share (Face value of ₹ 1/- each)	32		
- Basic (in ₹)		11.76	9.94
- Diluted (in ₹)		11.76	9.94

See accompanying notes to the standalone financial statements

As per report of even date

For S R B C & CO LLP

ICAI Firm Registration No : 324982E/E300003

Chartered Accountants

Per Anil Jobanputra

Partner

Membership No : 110759

Place : Ahmedabad

Date : May 20, 2019

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

CIN : L25200GJ1996PLC029134

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Hiranand A. Savlani

Chief Financial Officer

Place : Ahmedabad

Date : May 20, 2019

Jagruiti S. Engineer

Whole Time Director

DIN : 00067276

Krunal D. Bhatt

Company Secretary

STANDALONE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ In Lacs)

Sr No.	Particulars	Year ended March 31, 2019	Year ended March 31, 2018
A	Cash flows from operating activities		
	Profit before tax	21,818.38	18,064.66
	Adjustments for :		
	Depreciation and amortisation expense	6,713.26	4,666.63
	Finance costs	2,805.18	1,740.36
	Interest income	(659.06)	(164.67)
	Proceeds from Investments	-	(89.44)
	Credit balances written back	(74.25)	(11.96)
	Gain on Sale of Current Investments	(49.17)	(78.17)
	(Profit)/Loss on sale of Property, Plant & Equipment (Net)	22.56	(51.82)
	Impairment of Investment in JV (Note 41)	199.28	296.25
	Share based payment expense	74.31	150.21
	Allowance for expected credit loss	303.76	150.00
	Net Unrealised foreign exchange loss/(gain)	(626.86)	147.40
	Operating profit before Working Capital Changes	30,527.39	24,819.45
	Changes in working capital :		
	(Increase)/Decrease in Inventories	(674.99)	(6,870.23)
	(Increase)/Decrease in Trade receivables, financial assets and other assets	4,520.47	6,367.08
	Increase/(Decrease) in Trade Payables, financial liabilities, other liabilities and provisions	1,717.70	4,695.05
	Cash generated from operations	36,090.57	29,011.35
	Income taxes paid	(7,226.12)	(5,879.83)
	Net cash generated by operating activities [A]	28,864.45	23,131.52
B	Cash flows from investing activities		
	Capital Expenditure on property, plant and equipment and intangible assets	(18,767.76)	(12,585.15)
	Proceeds from Sale of property, plant and equipment	509.11	478.97
	Loan repaid by subsidiary (Note 5 & 37)	-	621.40
	Loan given to subsidiary (Note 5 & 37)	(842.38)	(793.52)
	Interest Received	191.95	71.32
	Gain on Sale of Current Investments	49.17	78.17
	Increase/(Decrease) in other balances with banks	(70.80)	0.14
	Proceeds from Mutual fund/NSC	0.43	-
	Purchase of Long term investments in Joint Venture/Subsidiary	(396.90)	(385.64)
	Consideration paid to owners of amalgamating company (Note 38)	(7,522.50)	-
	Proceeds from Investment	-	89.44
	Net Cash flow used in Investing Activities [B]	(26,849.68)	(12,424.87)
C	Cash flow from Financing Activities		
	Dividend paid (including tax on dividend)	(938.54)	(793.01)
	Proceeds from issue of Equity Shares	20.00	-
	Finance Cost	(2,740.33)	(1,695.56)
	Proceeds from Long Term Borrowings	11,453.00	2,075.86
	Repayment of Long Term Borrowings	(7,402.60)	(5,456.54)
	Proceeds/(repayment) from Short Term Borrowings	(1,122.30)	(2,500.00)
	Net Cash flow used in Financing Activities [C]	(730.77)	(8,369.25)
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS [A+B+C]	1,284.00	2,337.40
	Cash and cash equivalents at the beginning of the year (Note 11)	3,820.18	1,482.88
	Cash and cash equivalents acquired from amalgamating company (Note 38)	208.91	-
	Effect of exchange differences on restatement of foreign currency cash and cash equivalents	(0.09)	0.10
	Cash and Cash Equivalents at the end of the year (Note 11)	5,313.18	3,820.18

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

STANDALONE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2019

Changes in liabilities arising from financing activities

(₹ In Lacs)

Particulars	Non-current borrowings	Current borrowings	Total
Balance as at March 31, 2018	11,557.28	-	11,557.28
Acquisition on account of amalgamation	1,549.93	3,622.30	5,172.23
Cash flows	4,050.40	(1,122.30)	2,928.10
Foreign exchange adjustments	(20.24)	-	(20.24)
Balance as at March 31, 2019	17,137.37	2,500.00	19,637.37

See accompanying notes to the standalone financial statements

As per report of even date

For S R B C & CO LLP

ICAI Firm Registration No : 324982E/E300003

Chartered Accountants

Per Anil Jobanputra

Partner

Membership No : 110759

Place : Ahmedabad

Date : May 20, 2019

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

CIN : L25200GJ1996PLC029134

Sandeep P. Engineer

Managing Director

DIN : 00067112

Hiranand A. Savlani

Chief Financial Officer

Place : Ahmedabad

Date : May 20, 2019

Jagruti S. Engineer

Whole Time Director

DIN : 00067276

Krunal D. Bhatt

Company Secretary

STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2019

a Equity share capital (Note 13)

(₹ in lacs)

Particulars	Amount
Balance as at April 1, 2017	1,197.67
Add: movement during the year	-
Balance as at March 31, 2018	1,197.67
Add: movement during the year (Note 13(e))	0.40
Balance as at March 31, 2019	1,198.07

b Other Equity (Note 14)

(₹ in lacs)

Particulars	Other equity							Total other equity
	Securities premium	General reserve	Capital reserve	Revaluation reserve	Retained earnings	Stock options outstanding account	Shares pending allotment (Note 38)	
Balance as at April 1, 2017	33,371.10	2,595.00	40.00	121.14	46,297.12	0.54	-	82,424.90
Profit for the year	-	-	-	-	11,901.75	-	-	11,901.75
Other comprehensive income for the year, net of tax	-	-	-	-	(2.12)	-	-	(2.12)
Total comprehensive income for the year	33,371.10	2,595.00	40.00	121.14	58,196.75	0.54	-	94,324.53
Recognition of share-based payments	-	-	-	-	-	150.21	-	150.21
Payment of dividends (Including tax on dividend)	-	-	-	-	(792.82)	-	-	(792.82)
Balance as at March 31, 2018	33,371.10	2,595.00	40.00	121.14	57,403.93	150.75	-	93,681.92
Profit for the year	-	-	-	-	14,144.77	-	-	14,144.77
Other comprehensive income for the year, net of tax	-	-	-	-	(10.58)	-	-	(10.58)
Total comprehensive income for the year	33,371.10	2,595.00	40.00	121.14	71,538.12	150.75	-	1,07,816.11
Consequent to business combination (Note 38)	-	-	-	-	-	-	7,227.50	7,227.50
Issue of equity shares under employee share option plan (Note 13(e))	244.66	-	-	-	-	-	-	244.66
Recognition of share-based payments	-	-	-	-	-	74.31	-	74.31
Exercise of stock options	-	-	-	-	-	(225.06)	-	(225.06)
Payment of dividends (Including tax on dividend)	-	-	-	-	(938.66)	-	-	(938.66)
Balance as at March 31, 2019	33,615.76	2,595.00	40.00	121.14	70,599.46	-	7,227.50	1,14,198.86

See accompanying notes to the standalone financial statements

As per report of even date

For S R B C & CO LLP

ICAI Firm Registration No : 324982E/E300003

Chartered Accountants

Per Anil Jobanputra

Partner

Membership No : 110759

Place : Ahmedabad

Date : May 20, 2019

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

CIN : L25200GJ1996PLC029134

Sandeep P. Engineer

Managing Director

DIN : 00067112

Hiranand A. Savlani

Chief Financial Officer

Place : Ahmedabad

Date : May 20, 2019

Jagruti S. Engineer

Whole Time Director

DIN : 00067276

Krunal D. Bhatt

Company Secretary

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

1. COMPANY OVERVIEW

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

The financial statements were approved for issue by the resolution of board of directors on May 20, 2019.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation of Financial Statements

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

The Company has adopted Ind AS 115 'Revenue from Contracts with Customers' effective April 1, 2017. Application of Ind AS 115 does not have any significant impact on retained earnings as at April 1, 2017 and financial results of the Company.

The financial statements have been prepared on the going concern basis using historical cost convention except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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

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

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

In estimating the fair value of an asset or liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristic into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share based payment transaction that are within the scope of Ind AS 102 Share-based Payment, leasing transactions that are within the scope of Ind AS 17 Leases, and measurements that have some similarities to fair value but are not fair valued such as net realizable value in Ind AS 2 or value in use in Ind AS 36 Impairment of assets.

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

- 1) Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or Liabilities.
- 2) Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- 3) Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

b) Use of Estimates

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

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

c) Inventories

Inventories are stated at lower of cost on weighted average basis and net realizable value after providing for obsolescence and other losses, where considered necessary. Cost includes cost of purchase and other expenses incurred in bringing the inventories to their present location and condition. Cost includes all charges

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

in bringing the goods to the point of sale, including receiving charges, octroi and other levies and transit insurance. Work-in-progress and finished goods include appropriate proportion of overheads. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

d) Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

e) Revenue from contract with customer

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

Sale of goods

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

Variable consideration

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

Contract balances

Trade receivables

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

Interest Income

Interest income from financial assets is recognized when it is probable that the economic benefit will flow to the

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

f) Property, plant and equipment

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

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

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

Depreciation

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

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

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

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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g) Intangible assets

Intangible assets acquired separately

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

Derecognition of intangible assets

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

Useful lives of intangible assets

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

h) Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Company as a lessee

Assets held under finance leases are initially recognised as an asset of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as the finance lease obligation.

Lease payments are apportioned between the finance expenses and reduction of the lease obligation so as to achieve the constant rate of return on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on borrowing costs.

Rental expense from operating lease is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely

to increase in line with expected general inflation to compensate for the lessors expected inflationary cost increase, such increases are recognised in the year in which such benefits accrue.

Company as a lessor

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct cost incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

i) Foreign Currencies

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

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

j) Employee Benefits

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

Defined Contribution Plan:

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

Defined benefit plans:

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the return on plan assets

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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(excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to in the statement of profit and loss. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

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

- 1) Service costs comprising past and current service costs, gains and losses on curtailments and settlements; and
- 2) Net interest expense or income

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

Short-term employee benefits:

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

Long-term employee benefits:

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

Share based payment:

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

k) Borrowing costs

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

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

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

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

l) Earnings per share

Basic earnings per share is computed by dividing the profit/(loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/(loss) for the year attributable to equity shareholders by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

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

m) Taxation

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

Current Tax

The tax currently payable is based on taxable profit for the year. Current tax is measured at the amount expected to be paid to the tax authorities, based on estimated tax

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liability computed after taking credit for allowances and exemption in accordance with the local tax laws. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

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

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

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

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

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

Current and deferred tax for the year

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

n) Provisions, Contingent Liabilities and Contingent Assets and Commitments

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

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

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

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

o) Investments in subsidiaries and joint venture

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

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

p) Non-derivative Financial Instruments

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

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit and loss.

Financial assets at amortised cost

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

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

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

Financial liabilities

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

Equity instruments

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

Offsetting of financial instruments

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

q) Derivative financial instruments

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

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

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

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

r) Impairment

Financial assets (other than at fair value)

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

Non-financial assets

Property, plant and Equipment and intangible assets

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

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

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

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

s) Business combinations

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

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

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

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

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase,

the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

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

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

t) Operating Cycle

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

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All other liabilities are classified as non-current.

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

u) Critical accounting judgements and key sources of estimation uncertainty

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

Key sources of estimation uncertainty

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

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

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

ii. Impairment of Investment in Subsidiaries and Joint Venture

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

Basis the above determination of recoverable amount, the management has concluded that there is no impairment in investments of subsidiaries and joint venture.

iii. Impairment of goodwill

With respect to the Goodwill of ₹1,921.98 Lacs, the recoverable amount of cash generating units (CGU) has been determined based on value in use calculations. Recoverable amounts for these CGUs has been determined based on value in use for which cash flow forecasts of the related CGU and discount rate ranging from 12.5% to 15% has been applied. The values assigned to the assumption reflect past experience and are consistent with the management's plans for focusing operations in these markets. The management believes that the planned market share growth is reasonably achievable.

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

iv. Fair valuation of Intangible assets on acquisition (refer note 38)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

3 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

Sr No	Assets	GROSS CARRYING AMOUNT					ACCUMULATED DEPRECIATION AND AMORTIZATION				NET CARRYING AMOUNT		(₹ in lacs)
		As at April 1, 2018	Acquisition on account of amalgamation (Note 38)	Additions	Disposals	As at March 31, 2019	As at April 1, 2018	For the Year	Disposals	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018	
A. TANGIBLE ASSETS													
a	Land	9,736.24 (9,328.22)	1,929.87	57.67 (408.02)	-	11,723.78 (9,736.24)	-	-	-	-	11,723.78 (9,736.24)	9,736.24 (9,328.22)	
b	Buildings	12,600.13 (11,968.39)	1,821.47	5,075.67 (631.74)	-	19,497.27 (12,600.13)	1,382.55 (862.15)	674.26 (520.40)	-	2,056.81 (1,382.55)	17,440.46 (11,217.58)	11,217.58 (11,106.24)	
c	Plant and Equipments	31,214.98 (24,394.49)	4,085.04	9,325.51 (6,891.66)	556.80 (71.17)	44,068.73 (31,214.98)	9,649.10 (6,005.79)	4,960.74 (3,674.79)	99.14 (31.48)	14,510.70 (9,649.10)	29,558.03 (21,565.88)	21,565.88 (18,388.70)	
d	Furniture and Fixtures	1,489.36 (1,262.09)	38.05	1,283.49 (251.35)	11.55 (24.08)	2,799.35 (1,489.36)	445.52 (288.65)	213.65 (168.37)	3.46 (11.50)	655.71 (445.52)	2,143.64 (1,043.84)	1,043.84 (973.44)	
e	Vehicles	1,002.75 (751.84)	194.40	455.55 (300.92)	140.84 (50.01)	1,511.86 (1,002.75)	238.80 (142.35)	174.69 (114.82)	81.57 (18.37)	331.92 (238.80)	1,179.94 (763.95)	763.95 (609.49)	
f	Computers and Office Equipments	764.99 (561.66)	48.12	203.99 (210.13)	19.60 (6.80)	997.50 (764.99)	373.50 (254.15)	159.08 (124.47)	12.93 (5.12)	519.65 (373.50)	477.85 (391.49)	391.49 (307.51)	
Total A		56,808.45 (48,266.69)	8,116.95	16,401.88 (8,693.82)	728.79 (152.06)	80,598.49 (56,808.45)	12,089.47 (7,553.09)	6,182.42 (4,602.85)	197.10 (66.47)	18,074.79 (12,089.47)	62,523.70 (44,718.98)	44,718.98	
B. INTANGIBLE ASSETS													
a	Computer software	319.01 (309.45)	-	55.24 (9.56)	-	374.25 (319.01)	173.45 (109.67)	66.55 (63.78)	-	240.00 (173.45)	134.25 (145.56)	145.56 (199.78)	
b	Brands	-	4,476.41	-	-	4,476.41	-	464.29	-	464.29	4,012.12	-	
Total B		319.01 (309.45)	4,476.41	55.24 (9.56)	-	4,850.66 (319.01)	173.45 (109.67)	530.84 (63.78)	-	704.29 (173.45)	4,146.37 (145.56)	145.56	

a. Building Includes ₹ 750/- being face value of 15 number of shares of ₹ 50/- each held in Kant Apartment Co- Operative Housing Society Limited. Also includes ₹ 127.11 Lacs (Previous Year ₹ 127.11 Lacs) for which the procedure for transfer of title in the name of the company is in process.

b. Figures in brackets represents previous year figures.

c. Brand include trademarks and technical know-how.

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4 INVESTMENTS

		(₹ In Lacs)	
Particulars	As at March 31, 2019	As at March 31, 2018	
Non-Current Investments			
Investment in Equity Instruments of Subsidiaries at deemed cost			
Unquoted			
i) 50,000 (as at March 31, 2018 : 50,000) Shares of ₹ 10/- each fully paid up in wholly owned subsidiary, Astral Biochem Private Limited, India.	48.39	48.39	
ii) 2,86,395 (97.45% holding) (as at March 31, 2018 : 2,86,395) Shares of ₹ 10/- each fully paid up in Resinova Chemie Limited, India.	28,793.40	28,793.40	
iii) 80 (80% holding) (as at March 31, 2018 : 80) Shares of GBP 1/- each fully paid up in Seal It Services Limited, UK.	4,505.02	4,505.02	
Investment in Subsidiaries	33,346.81	33,346.81	
Investment in Equity Instruments of Joint Venture at deemed cost			
Unquoted			
i) 10,00,000 (as at March 31, 2018 : 10,00,000) Shares of Kenyan Shilling 50/- each fully paid up in Astral Pipes Limited, Kenya.	286.58	286.58	
Less: Effect of diminution in value of investment (Note 41)	(286.58)	(286.58)	
Total	-	-	
Investment in Preference Shares of Joint Venture at deemed cost			
Unquoted			
i) 68,00,000 (as at March 31, 2018 : 56,00,000) Non-Cumulative Redeemable Preference Shares of Kenyan Shilling 50/- each fully paid up in Astral Pipes Limited, Kenya.	2,032.79	1,618.91	
Less: Effect of diminution in value of investment (Note 41)	(885.78)	(686.50)	
Less: Loan component of compound financial instrument (Note 5)	(519.88)	(519.88)	
Equity component of compound financial instrument	627.13	412.53	
Investments in Joint venture	627.13	412.53	
Total	33,973.94	33,759.34	
Quoted			
Investment in Mutual funds			
Mutual Fund	15.00	-	
Investments in Mutual funds	15.00	-	
Total	33,988.94	33,759.34	

Notes :

- (a) Aggregate carrying value of unquoted investments is ₹ 33,973.94 Lacs as at March 31, 2019 (as at March 31, 2018 : ₹ 33,759.34 Lacs).
- (b) Aggregate carrying value of quoted investments is ₹ 15 Lacs as at March 31, 2019 (as at March 31, 2018 : Nil).
- (c) Aggregate amount of diminution in value of investments is ₹ 1,172.36 Lacs as at March 31, 2019 (as at March 31, 2018 : ₹ 973.08 Lacs).

5 LOANS

		(₹ In Lacs)	
Particulars	As at March 31, 2019	As at March 31, 2018	
Non-current			
(Unsecured, considered good)			
Loans to related parties (Note 37) *	3,285.01	2,430.75	
Total	3,285.01	2,430.75	
Current			
(Unsecured, considered good)			
Loans to related parties (Note 37)	106.60	106.60	
Loans and Advances to Employees	18.83	8.75	
Total	125.43	115.35	

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

*Includes portion of compound financial instrument and fair valuation of loan of ₹667.90 Lacs as at March 31, 2019 (as at March 31, 2018 : ₹610.68 Lacs) (Note 4).

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

6 OTHER FINANCIAL ASSETS

(₹ In Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Non-current		
(Unsecured, considered good)		
Security deposits	316.79	231.10
Earmarked deposit accounts (with maturity more than 12 months from the balance sheet date)	133.38	-
Advance for purchase of non current investment (Note 37)	138.34	155.33
Fair Value of derivative contracts	-	29.57
Total	588.51	416.00
Current		
(Unsecured, considered good)		
Security deposits	123.63	111.92
Interest accrued on loans and deposits from related parties (Note 37)	46.80	52.43
Interest accrued on loans and deposits from others	18.56	0.13
Discount receivables	259.87	187.24
Fair Value of derivative contracts	49.97	65.66
Others	97.79	14.28
Total	596.62	431.66

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

7 TAX ASSETS

(₹ In Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Non-current		
Taxes receivable (Net of Provision)	71.15	-
Total	71.15	-
Current		
Taxes receivable (Net of Provision)	99.13	99.13
Total	99.13	99.13

8 OTHER ASSETS

(₹ In Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Non-current		
Capital Advances	2,562.76	524.69
Prepaid Expenses	21.88	4.41
Total	2,584.64	529.10
Current		
Prepaid Expenses	279.26	325.62
Balances with Government authorities	1,594.50	1,065.07
Advances to Suppliers	454.31	169.73
Total	2,328.07	1,560.42

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

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

	(₹ In Lacs)	
	As at March 31, 2019	As at March 31, 2018
Particulars		
Raw Materials	8,154.89	9,768.71
Work-in-Progress	1,256.65	808.89
Stock In Trade	3,436.36	3,276.02
Finished Goods	15,868.96	11,736.04
Stores, Spares and Packing Materials	1,239.28	923.48
Total	29,956.14	26,513.14

10 TRADE RECEIVABLES

	(₹ In Lacs)	
	As at March 31, 2019	As at March 31, 2018
Particulars		
Current		
Unsecured, considered good	22,334.62	22,118.29
Unsecured, credit impaired	629.99	477.99
Less : Allowance for expected credit loss	(629.99)	(477.99)
Total	22,334.62	22,118.29

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

Break-up of trade receivables

	(₹ In Lacs)	
	As at March 31, 2019	As at March 31, 2018
Particulars		
Trade receivables from other than related parties	22,334.62	21,962.81
Receivables from related parties (Note 37)	-	155.48
Total	22,334.62	22,118.29

Notes :

- The credit period ranges from 30 days to 180 days.
- Before accepting any new customer, the Company assesses the potential customer's credit quality and defines credit limits by customer. Limits attributed to customers are reviewed annually. There are no customers who represent more than 5% of the total balance of trade receivable as at March 31, 2019 and as at March 31, 2018.
- In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.
- Movement in Expected Credit Loss Allowance

	(₹ In Lacs)	
	As at March 31, 2019	As at March 31, 2018
Particulars		
Balance at the beginning of the year	477.99	341.71
Less : Reversal / utilisation out from earlier year	45.16	13.72
Add : Provision during the year	197.16	150.00
Balance at the end of the year	629.99	477.99

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

11 CASH AND CASH EQUIVALENTS

(₹ In Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Cash on Hand	21.59	25.03
Balances with Banks in current accounts	5,291.59	3,795.15
Total	5,313.18	3,820.18

12 OTHER BALANCES WITH BANKS

(₹ In Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
In deposit accounts	877.38	1.18
Unclaimed dividend accounts (Note 19)	2.18	2.06
Total	879.56	3.24

Note Unclaimed dividend account balance can only be used for payment of unclaimed dividend.

13 EQUITY SHARE CAPITAL

(₹ In Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Authorised Share Capital		
15,00,00,000 (as at March 31, 2018 : 15,00,00,000) Equity Shares of ₹ 1/- each	1,500.00	1,500.00
Issued, Subscribed & Fully Paid Share Capital		
11,98,06,565 (as at March 31, 2018 : 11,97,66,565) Equity Shares of ₹ 1/- each fully paid up	1,198.07	1,197.67
Total	1,198.07	1,197.67

a) Rights, preferences and restrictions attached to shares :

The Company has issued only one class of equity shares having value of ₹ 1 per Share. Each holder of equity shares is entitled to one vote per share and are entitled to dividend as and when declared. All shares rank equally with regard to the Company's residual assets after distribution of all preferential amounts.

b) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	No. of Shares	₹ in Lacs
Balance as at April 1, 2017	11,97,66,565	1,197.67
Shares issued:	-	-
Balance as at March 31, 2018	11,97,66,565	1,197.67
Add: Shares issued - under Employee Stock option scheme 'ESOP 2015'	40,000	0.40
Balance as at March 31, 2019	11,98,06,565	1,198.07

c) Number of Shares reserved for issue under options

Particulars	As at March 31, 2019	As at March 31, 2018
Outstanding at the end of the year	93,718	1,33,718

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

13 EQUITY SHARE CAPITAL (CONTD..)

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

Name of Shareholders		As at March 31, 2019	As at March 31, 2018
Sandeep Pravinbhai Engineer	No. of Shares	3,78,42,460	3,78,42,460
	% of Shares Held	31.59	31.60
Saumya Polymers LLP	No. of Shares	1,47,58,170	1,47,58,170
	% of Shares Held	12.32	12.32
Steadview Capital Mauritius Limited	No. of Shares	1,09,72,125	66,50,837
	% of Shares Held	9.16	5.55
Jagruti Sandeep Engineer	No. of Shares	91,43,410	91,43,410
	% of Shares Held	7.63	7.63

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

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

Astral Poly Technik Limited (the Company) formulated Employees Stock Option Scheme viz. Astral Employee Stock Option Scheme 2015 ("the Scheme") for the benefit of employees of the Company. Shareholders of the Company approved the Scheme by passing special resolution through postal ballot dated October 21, 2015. Under the said Scheme as approved by the Shareholders, Nomination and Remuneration Committee is empowered to grant stock options to eligible employees of the Company, up to 1,50,000 over a period of five years from the date of passing of resolution by shareholders. Minimum vesting period of stock option is one year and exercise period of stock option is one year from the date of vesting.

The Committee granted 16,282 stock options on November 14, 2015, 21,600 stock options on March 30, 2017, 22,400 stock options on November 13, 2017 totalling 60,282 stock options till date. Exercise price of all stock options were ₹ 50/- share. Each stock option is exercisable into one equity share of face value of ₹ 1/- each.

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

Option Series	13-11-2017	30-03-2017	14-11-2015
Grant date	13/11/17	30/03/17	14/11/15
Number of shares	22,400	21,600	16,282
Expiry date	12/11/19	29/03/19	13/11/17
Exercise price	₹ 50.00	₹ 50.00	₹ 50.00
Fair value at grant date	₹ 722.15	₹ 507.43	₹ 415.30

2 Movement in stock options during the year :

The following is the reconciliation of the stock option outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2019	As at March 31, 2018
Options Outstanding, beginning of the year	42,800	21,600
Options granted during the year	-	22,400
Options exercised during the year	40,000	-
Option Lapsed/surrendered/forfeited	2,800	1,200
Options Outstanding, end of the year	-	42,800
Of which:		
Not Vested	-	42,800
Options available for grant	93,718	90,918

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

13 EQUITY SHARE CAPITAL (CONTD..)

3 Fair value of share options granted :

The company has not granted any share options during the financial year. Fair value of the share options granted during the previous financial year is ₹ 722.15. The following assumptions were used for calculation of fair value of grants in accordance with Black Scholes model;

Option Series	13-11-2017	30-03-2017	14-11-2015
Option grant date	13/11/17	30/03/17	14/11/15
Fair value at Grant date	₹ 722.15	₹ 507.43	₹ 415.30
Exercise Price	₹ 50	₹ 50	₹ 50
Expected Volatility	104%	49%	51%
Expected life of Option	2 years	2 years	2 years
Dividend Yield	0.60%	0.70%	0.70%
Risk Free Interest Rate	6.00%	6.00%	6.00%

4 Stock options exercised during the year :

The following stock options were exercised during the year

Particulars	Number exercised	Exercise date	Avg Share price at exercise date
Granted on November 13, 2017	19,600	23/11/18	1,045.95
Granted on March 30, 2017	20,400	07/04/18	919.13
Granted on November 14, 2015	16,282	15/11/16	401.15

5 Stock options outstanding at the end of the year

No stock options outstanding at the end of the current year. The stock option outstanding at the end of the previous year had a weighted average exercise price of as ₹50 , and weighted average remaining contractual life of 481 days.

14 OTHER EQUITY

Particulars	(₹ In Lacs)	
	As at March 31, 2019	As at March 31, 2018
Capital Reserve		
Balance at the beginning of the year	40.00	40.00
Balance at the end of the year	40.00	40.00
Securities Premium		
Balance at the beginning of the year	33,371.10	33,371.10
Add : Premium on shares issued during the year	244.66	-
Balance at the end of the year	33,615.76	33,371.10
General Reserve		
Balance at the beginning of the year	2,595.00	2,595.00
Balance at the end of the year	2,595.00	2,595.00
Revaluation Reserve		
Balance at the beginning of the year	121.14	121.14
Balance at the end of the year	121.14	121.14
Shares pending allotment (Note 38)	7,227.50	-
	7,227.50	-

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

14 OTHER EQUITY (CONTD..)

Particulars	(₹ In Lacs)	
	As at March 31, 2019	As at March 31, 2018
Stock Options Outstanding Account		
Balance at the beginning of the year	249.36	98.80
Add : On account of options granted during the year	-	150.56
	249.36	249.36
Less : Option Lapsed/surrendered/forfeited	24.30	5.49
Less : Exercise of employee stock options	225.06	-
	-	243.87
Less : Deferred employee Compensation expenses	-	93.12
Balance at the end of the year	-	150.75
Retained earnings		
Balance at the beginning of the year	57,403.93	46,297.12
Add : Profit For the Year	14,144.77	11,901.75
Add : Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	(10.58)	(2.12)
Less : Payment of dividend on equity shares (including tax on dividend)	938.66	792.82
Balance at the end of the year	70,599.46	57,403.93
Total	1,14,198.86	93,681.92

Notes

- a** In August 2018 and November 2018, the dividend of ₹ 0.35 per share (total dividend ₹ 505.43 Lacs) and ₹ 0.30 per share (total dividend ₹ 433.23 Lacs) was paid to holders of fully paid equity shares. The total dividend includes dividend distribution tax at applicable rates.

b Nature and Purpose of reserve

Capital reserve

The company has created capital reserve out of capital subsidies received from state Governments.

Securities premium

The amount received in excess of face value of the equity shares is recognised in Securities Premium. This reserve is available for utilization in accordance with the provisions of the Companies Act, 2013. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium.

General reserve

General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

Revaluation Reserve

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

Stock Options Outstanding Account

The fair value of the equity-settled share based payment transactions with employees is recognised in Statement of Profit and Loss with corresponding credit to Stock Options Outstanding Account.

Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

Shares pending allotment

Shares pending allotment represents equity shares to be issued pursuant to business combination. (Note 38)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

15 BORROWINGS

(₹ In Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Non-current		
Secured - at amortised cost		
Term Loans From Banks	15,492.09	9,745.91
Less : Current maturity of long term loans (Note 19)	4,765.54	4,108.45
	10,726.55	5,637.46
Buyers Credit	557.61	1,099.03
	557.61	1,099.03
Vehicle Loans	348.34	228.44
Less : Current maturity of vehicle loans (Note 19)	135.84	113.86
	212.50	114.58
Unsecured - at amortised cost		
Buyers Credit	739.33	483.90
Less : Current maturity of long term buyers credit (Note 19)	107.79	-
	631.54	483.90
Total	12,128.20	7,334.97
Current		
Unsecured - at amortised cost		
Working capital loan	2,500.00	-
Total	2,500.00	-

Note

- Refer Note 39 for information about liquidity risk.
- Amount stated in Current maturity is disclosed under the head of "Other Financial Liabilities (Current)" (Note 19).
- Term Loans are Secured by way of first charge, in respect of Fixed assets, both present and future, and second charge on entire current assets of the Company both present and future. (Note 3,9,10). Rate of interest for Rupee Term Loan ranges from 7 to 10%. Rate of interest for ECB and Foreign currency Term Loan ranges from 3 to 4%.
 - HSBC Bank Term Loan of ₹13,842.11 Lacs (as at March 31, 2018 : ₹5,368.42 Lacs) repayable within 66 months (i.e. by February 2024) including initial moratorium period of Nine months from the date of first disbursement in Nineteen quarterly instalments.
 - Corporation Bank Term Loan of ₹917.71 Lacs (as at March 31, 2018 : ₹ 2,144.11 Lacs) repayable within 72 months (i.e. by July 2020) including initial moratorium period of twelve months from the date of first disbursement in twenty quarterly equal instalments.
 - IndusInd Bank Term Loan of ₹ Nil (as at March 31, 2018 : ₹ 162.95 Lacs) repaid.
 - HSBC ECB Loan of US \$ 10.59 Lacs equivalent ₹ 732.27 Lacs (as at March 31, 2018: US \$ 31.76 Lacs equivalent ₹ 2,070.43 Lacs) repayable within 60 months (i.e. by August 2019) including initial moratorium period of twelve months from the date of first disbursement in sixteen quarterly instalments.
- Buyers Credit : Rate of interest for Buyer's Credit ranges from 0.50% to 1.5%.
 - HSBC Buyers Credit of ₹557.61 Lacs (as at March 31, 2018: ₹ Nil) repayable by October 2021. Secured by way of first charge, in respect of entire current assets of the Company both present and future.
 - RBL Bank Buyers Credit of ₹ Nil (as at March 31, 2018: ₹ 483.90 Lacs) Repaid.
 - Kotak Buyers Credit of ₹107.79 (as at March 31, 2018: ₹ Nil) repayable by April 2019.
 - Federal Buyers Credit of ₹631.54 (as at March 31, 2018: ₹ Nil) repayable by January 2022.
 - Indusind Bank Buyers Credit of ₹ Nil (as at March 31, 2018 ₹ 1,099.03 Lacs) ,repaid by October 2018. Secured by way of first charge, in respect of entire current assets of the Company both present and future.
- Vehicle Loans are Secured by way of hypothecation of respective motor vehicles purchased. Rate of interest for Vehicle loan ranges from 8 to 11%.
 - ICICI Bank Limited Vehicle Loan of ₹114.60 Lacs (as at March 31, 2018 : ₹ 226.44 Lacs) repayable on monthly basis. Repayable by November 2020.
 - Corporation Bank Vehicle Loan of ₹ Nil (as at March 31, 2018 : ₹ 2.00 Lacs) repayable on monthly basis. Repaid by February 2019.
 - Axis Bank Limited Vehicle Loan of ₹ 206.76 Lacs (as at March 31, 2018 : ₹ Nil) repayable on monthly basis. Repayable by January 2024.
 - Daimler Financial Services India Pvt. Ltd. Vehicle Loan of ₹ 26.98 Lacs (as at March 31, 2018 : ₹ Nil) repayable on monthly basis. Repayable by June 2021.
- Working capital loan are secured by way of first charge on entire current assets of the Company both present and future and second charge on movable and immovable fixed assets of the company.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

16 PROVISIONS

		(₹ In Lacs)	
Particulars		As at March 31, 2019	As at March 31, 2018
Non-current			
Provision for Employee Benefits (Note 34)		154.56	49.62
	Total	154.56	49.62
Current			
Provision for Employee Benefits (Note 34)		174.47	86.89
	Total	174.47	86.89

17 DEFERRED TAX LIABILITIES (NET)

		(₹ In Lacs)	
Particulars		As at March 31, 2019	As at March 31, 2018
Deferred Tax Liabilities		5,120.73	3,166.13
Deferred Tax Assets		(465.08)	(285.92)
	Total	4,655.65	2,880.21

Deferred tax liabilities/(assets) in relation to :

		(₹ In Lacs)	
Particulars	As at April 1, 2017	Recognised in profit and Loss	As at March 31, 2018
Property, plant and equipment	2,754.90	411.23	3,166.13
Provision for doubtful trade receivables	(118.26)	(47.16)	(165.42)
Compensated absences	(20.88)	2.92	(17.96)
Impairment of Investment in JV	-	(102.54)	(102.54)
	Total	2,615.76	2,880.21

		(₹ In Lacs)		
Particulars	As at April 1, 2018	On account of amalgamation (Note 38)	Recognised in profit and Loss	As at March 31, 2019
Tangible and Intangible assets	3,166.13	912.90	1,041.70	5,120.73
Provision for doubtful trade receivables	(165.42)	-	(53.62)	(219.04)
Compensated absences and Gratuity	(17.96)	(27.11)	(16.56)	(61.63)
Others	-	(20.18)	8.95	(11.23)
Impairment of Investment in JV	(102.54)	-	(70.64)	(173.18)
	Total	2,880.21	909.83	4,655.65

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

18 TRADE PAYABLES

(₹ In Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Current		
a total outstanding dues of micro enterprises and small enterprises	-	-
Total	-	-
b total outstanding dues of creditors other than micro enterprises and small enterprises		
Operational Buyers credit	12,615.16	17,528.61
Due to others	19,590.47	10,790.78
Total	32,205.63	28,319.39
Total	32,205.63	28,319.39

Note

- a Information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditor.
- b Refer Note 39 for information about credit risk, market risk and liquidity risk of Trade payables.

19 OTHER FINANCIAL LIABILITIES

(₹ In Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Current		
Current maturities of long term borrowings (Note 15)	5,009.17	4,222.31
Interest accrued and due on borrowings	64.26	17.18
Interest accrued but not due on borrowings	136.96	106.06
Payable for capital goods	2,196.37	1,460.30
Unclaimed dividends* (Note 12)	2.18	2.06
Others	836.42	577.23
Total	8,245.36	6,385.14

* All the amounts required to be transferred to the Investor Education and Protection Fund by the Company have been transferred within the time frame prescribed for the same.

20 OTHER CURRENT LIABILITIES

(₹ In Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Statutory dues	2,148.59	2,255.52
Advance received from customers	506.02	273.36
Total	2,654.61	2,528.88

21 CURRENT TAX LIABILITIES (NET)

(₹ In Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Income tax payable (net of advance tax)	383.46	663.82
Total	383.46	663.82

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

22 REVENUE FROM OPERATIONS

(₹ In Lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Revenue from contract with customers	1,91,210.26	1,60,257.08
Other operating revenues	360.33	204.33
Total	1,91,570.59	1,60,461.41

Note : The revenue from operations is inclusive of excise duty and exclusive of GST, as applicable, in above disclosure. If the same had been shown as inclusive of both or net of excise and net of GST, the Revenue from Operations would appear as under:

(₹ In Lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Revenue from Operations (Gross of Excise and GST)	2,27,493.30	1,84,541.56
Less: Excise Duty/GST	35,922.71	26,345.94
Revenue from Operations (Net of Excise and GST)	1,91,570.59	1,58,195.62

The Company mainly deals into plastic products, mainly, Pipe & Fittings and hence, no disaggregation of revenue is provided. Other information relating to contract balances, i.e. Trade Receivables, is stated in note 10.

23 OTHER INCOME

(₹ In Lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest Income comprises		
From Banks	41.77	0.09
From Related party (Note 37) *	142.63	112.93
From Others	474.66	51.66
Profit on Sale of Current Investments (Net)	49.17	78.17
Foreign exchange gains (Net)	260.56	690.48
Profit on Sale of Property, Plant and Equipment (Net)	-	51.82
Miscellaneous Income (Note 37)	178.29	120.19
Total	1,147.08	1,105.34

*Includes impact of financial instruments.

24 COST OF MATERIALS CONSUMED

(₹ In Lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Inventories at the beginning of the year	9,768.71	4,935.83
Add : Inventories acquired on account of amalgamation (Note 38)	865.68	-
Add : Purchases	1,20,629.51	1,07,452.66
Less : Inventories at the end of the year	8,154.89	9,768.71
Total	1,23,109.01	1,02,619.78

25 PURCHASE OF STOCK-IN-TRADE

(₹ In Lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Pipes, fittings and solution	7,913.72	7,724.60
Total	7,913.72	7,724.60

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

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

	(₹ In Lacs)	
Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Inventories at the end of the year		
Finished Goods	15,868.96	11,736.04
Work-in-progress	1,256.65	808.89
Stock In Trade	3,436.36	3,276.02
	20,561.97	15,820.95
Inventories at the beginning of the year		
Finished Goods	11,736.04	8,504.36
Work-in-progress	808.89	2,415.56
Stock In Trade	3,276.02	3,051.02
	15,820.95	13,970.94
Inventories acquired on account of amalgamation (Note 38)		
Finished Goods	1,721.62	-
Stock In Trade	180.71	-
	1,902.33	-
Total	17,723.28	13,970.94
Net (Increase) / Decrease	(2,838.69)	(1,850.01)

27 EMPLOYEE BENEFITS EXPENSE

	(₹ In Lacs)	
Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Salaries and wages	6,769.32	4,677.52
Share based payments to employees (Note 13(e))	74.31	150.21
Contribution to Provident and Other Funds (Note 34)	310.10	224.15
Staff Welfare Expenses	386.95	258.87
Total	7,540.68	5,310.75

28 FINANCE COSTS

	(₹ In Lacs)	
Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest expense		
Working capital and term loans	1,980.03	1,215.29
Others	97.95	25.22
Other borrowing costs	105.04	74.49
Exchange differences regarded as an adjustments to borrowing costs	622.16	425.36
Total	2,805.18	1,740.36

29 DEPRECIATION AND AMORTISATION EXPENSE

	(₹ In Lacs)	
Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Depreciation on Property, Plant and Equipment (Note 3)	6,182.42	4,602.85
Amortization on Intangible assets (Note 3)	530.84	63.78
Total	6,713.26	4,666.63

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

30 OTHER EXPENSES

	(₹ In Lacs)	
Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Consumption of Stores, Spares and Packing Materials	3,905.75	3,381.22
Power and Fuel	5,833.13	4,728.17
Rent * (Note 37)	485.57	361.14
Repairs expenses	727.47	428.55
Insurance expenses	231.38	202.78
Rates and Taxes	120.50	69.49
Communication expenses	214.66	171.40
Travelling expenses	1,229.76	897.26
Factory and Other expenses	217.45	155.06
Printing and stationery expenses	38.66	28.32
Freight and Forwarding	3,598.03	2,969.14
Commission	183.88	156.44
Sales Promotions	6,397.34	5,707.65
Directors Sitting Fees (Note 37)	10.50	9.26
Donations and Contributions	3.95	2.18
Expenditure on Corporate Social Responsibility (Note 35 & 37)	220.00	241.81
Security Service Charges	305.30	251.19
Legal and Professional	829.83	421.18
Payments to Auditors **	16.72	15.40
Bad Debts Written Off	68.39	-
Provision for Doubtful Trade Receivables and advances	197.16	150.00
Loss on Sale of Property, plant and equipment (Net)	22.56	-
Other Expenses	598.86	380.30
Total	25,456.85	20,727.94

* The Company is lessee under various operating leases under which rental expenses for the year was ₹ 485.57 Lacs (Previous year: ₹ 361.14 Lacs). The Company has not executed any non-cancellable lease agreement.

PAYMENT TO AUDITORS (EXCLUDING SERVICE TAX AND GST)

PAID TO AUDITORS (EXCLUDING SERVICE TAX AND GST)

(₹ In Lacs)

Sr No	Particulars	Year ended March 31, 2019	Year ended March 31, 2018
a	To Statutory Auditors **		
	For statutory audit	10.00	10.00
	For other services	6.25	5.25
	For reimbursement of expenses	0.47	0.15
	Total	16.72	15.40

31 TAX EXPENSES

	(₹ In Lacs)	
Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Current tax		
In respect of the current year	6,715.06	5,876.11
In respect of earlier years	48.72	22.35
	6,763.78	5,898.46
Deferred tax		
In respect of the current year	909.83	264.45
	909.83	264.45

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

31 TAX EXPENSES (CONTD..)

Reconciliation of the income tax expenses to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarised below :

(₹ In Lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Profit before tax	21,818.38	18,064.66
Income tax expense @34.944% (FY 2017-18 : 34.608%)	7,624.21	6,251.82
Tax effect of the amounts which are not deductible / (taxable) in calculating taxable income :		
Exempt income not taxable	(20.01)	(46.95)
Effect of allowances	31.69	(60.29)
Others	(11.01)	(4.02)
Total	7,624.89	6,140.56
Adjustments in respect of current income tax of previous year	48.72	22.35
Tax expense as per statement of Profit and loss	7,673.61	6,162.91

The Company's weighted average tax rates for the year ended March 31, 2019 and March 31, 2018 were 35.17% and 34.12% respectively.

32 EARNINGS PER SHARE:

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Profit for the year attributable to owners of the company (₹ In Lacs)	14,144.77	11,901.75
Weighted average number of equity shares for Basic EPS(*)	12,03,18,620	11,97,66,565
Add : Effects of dilutive shares options outstanding	-	26,938
Weighted average number of equity shares for Diluted EPS	12,03,18,620	11,97,93,503
Nominal Value per shares (₹)	1	1
Basic Earnings Per Share (In ₹)	11.76	9.94
Diluted Earnings Per Share (In ₹)	11.76	9.94

* Includes 7,23,200 equity shares to be issued on amalgamation of Rex (Note 38)

33 CONTINGENT LIABILITIES AND COMMITMENTS NOT PROVIDED FOR:

(₹ In Lacs)

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
Contingent Liabilities			
1	Letters of Credits for Purchases	6,123.35	2,244.79
2	Disputed Income Tax/Central Excise/Sales Tax and PF demands *	669.72	117.60
3	Guarantee given by Company on behalf of Joint Venture and Subsidiary company for availing borrowing from local Bank (Note 37)	7,631.03	7,044.61
Commitments			
1	Capital Contracts remaining to be executed (Net of Advances)	7,916.05	5,507.17

There are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF dated February 28, 2019. The company believes that the impact will not be material. The company will make necessary adjustments on receiving further clarity on the subject.

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

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

34 EMPLOYEE BENEFITS:

Post-employment Benefit

Defined Contribution Plan:

Amount towards Defined Contribution Plan have been recognised under "Contribution to Provident and Other funds" in Note 27 ₹ 209.09 Lacs (Previous Year: ₹ 147.99 Lacs).

Defined Benefit Plan:

The Company has defined benefit plans for gratuity to eligible employees, contributions for which are made to Life Insurance Corporation of India, who invests the funds as per IRDA guidelines. The details of these defined benefit plans recognised in the financial statements are as under:

General Description of the Plan:

The Company operates a defined benefit plan (the Gratuity Plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employees salary and the tenure of employment.

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

Particulars	(₹ In Lacs)	
	Gratuity	
	As at March 31, 2019	As at March 31, 2018
Obligations at the beginning of the year	344.11	285.30
Obligations Acquired from the amalgamating company	101.80	-
Current service cost	75.44	46.27
Past service cost	-	21.78
Interest cost	28.98	21.45
Liability Transferred Out/ Divestments	(0.90)	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	0.20	-
Actuarial (gain) / loss - due to change in financial assumptions	3.20	(3.74)
Actuarial (gain) / loss- due to experience adjustments	5.60	2.52
Benefits paid	(19.52)	(29.47)
Benefits paid directly by employer	(8.33)	-
Present value of benefit obligation at the end of the year	530.58	344.11

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

Particulars	(₹ In Lacs)	
	Gratuity	
	As at March 31, 2019	As at March 31, 2018
Plan assets at the beginning of the year, at fair value	259.50	269.79
Interest Income	20.40	20.29
Return on plant assets excluding interest income	(6.28)	(4.45)
Contributions from the employer	5.07	3.34
Benefits paid	(19.52)	(29.47)
Fair value of plan assets at the end of the year	259.17	259.50

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

34 EMPLOYEE BENEFITS: (CONTD..)

- c) The amount included in the balance sheet arising from the entities obligation in respect of defined benefit plan is as follows :

Particulars	(₹ In Lacs)	
	Gratuity	
	As at March 31, 2019	As at March 31, 2018
Present value of benefit obligation at the end of the year	530.58	344.11
Fair value of plan assets at the end of the year	(259.17)	(259.50)
Net liability arising from defined benefit obligation	271.41	84.61

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

Particulars	(₹ In Lacs)	
	Gratuity	
	2018-19	2017-18
Current service cost	75.44	46.27
Net Interest expense	8.59	1.17
Past service cost	-	21.78
Components of defined benefit costs recognised in the Statement of Profit and Loss	84.03	69.22
Remeasurement on the net defined benefit liability:		
Actuarial (gains) / losses on obligation for the period	9.00	(1.23)
Return on plant assets, excluding interest income	6.28	4.45
Components of defined benefit costs recognised in Other Comprehensive Income	15.28	3.22
Total	99.31	72.44

The current service cost and the net interest expenses for the year are included in the Employee benefits expense line item in the Statement of Profit and Loss. The remeasurement of the net defined benefit liability/ asset is included in Other Comprehensive Income.

- e) Investment details of plan assets:

To fund the obligations under the gratuity plan, Contributions are made to Life Insurance Corporation of India, who invests the funds as per IRDA guidelines.

- f) The defined benefit obligations shall mature after year ended March 31, 2019 as follows:

Particulars	(₹ In Lacs)	
	As at	
	March 31, 2019	March 31, 2018
As at March 31		
2019	-	15.27
2020	50.26	28.43
2021	19.61	10.29
2022	28.30	16.13
2023	49.02	19.25
2024	45.62	-
Thereafter	964.02	1,009.41

- g) Sensitivity analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

34 EMPLOYEE BENEFITS: (CONTD..)

(₹ In Lacs)

Particulars	Gratuity	
	As at March 31, 2019	As at March 31, 2018
Delta effect of +1% change in the rate of Discounting	(47.18)	(36.21)
Delta effect of -1% change in the rate of Discounting	55.54	43.35
Delta effect of +1% change in the rate of salary Increase	51.53	43.28
Delta effect of -1% change in the rate of salary increase	(45.72)	(36.79)
Delta effect of +1% change in the rate of employee turnover	1.31	1.99
Delta effect of -1% change in the rate of employee turnover	(1.66)	(2.46)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using "Projected Unit Credit" method at the end of the reporting period which is the same as that applied in calculating the defined benefit obligation liability recognised in Balance Sheet.

There were no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

The Company expects to make a contribution of ₹ 271.41 Lacs (as at March 31, 2018 : ₹ 84.61 Lacs) to the defined benefit plans during the next financial year.

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

Particulars	Gratuity	
	Year ended March 31, 2019	Year ended March 31, 2018
Discount Rate	7.60% to 7.76%	7.86%
Expected return on plan assets	7.76%	7.86%
Annual Increase in Salary Costs	7.00%	7.00%
Rate of Employee turnover *	For service 4 years and below 7.00% p.a. For service 5 years and above 4.00% p.a.	2.00%
Mortality Tables	Indian Assured Lives Mortality (2006-08)	

* For amalgamating company : 2% at all ages

Future Salary increases are based on long term average salary rise expected taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employee market. Future Separation & mortality rates are obtained from relevant data of Life Insurance Corporation of India.

35 CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE:

The gross amount required to be spent by the Company on Corporate Social Responsibility (CSR) activities during the year as per the provision of section 135 of the Companies Act, 2013 amounts to ₹ 296.66 Lacs (Previous year : ₹ 236.47 Lacs). The revenue expenditure charged to the Statement of Profit and Loss in respect of Corporate Social Responsibility (CSR) activities undertaken during the year is ₹ 220.00 Lacs (Previous year : ₹ 241.81 Lacs) and has been paid.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

36 DISCLOSURES PURSUANT TO SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECTION 186 OF THE COMPANIES ACT, 2013

(₹ In Lacs)

Name of the party	Relationship	Maximum amount outstanding during the year		Amount outstanding	
		As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Loans (Unsecured)					
Astral Biochem Private Limited	Wholly owned subsidiary	106.60	710.35	106.60	106.60
Seal IT Services Limited	Subsidiary	2,663.91	1,872.49	2,663.91	1,872.49
Advance for purchase of Non-current Investment					
Astral Pipes Limited	Joint Venture	-	-	138.34	155.33
Guarantee					
Astral Pipes Limited	Joint Venture	-	-	4,944.74	4,746.73
Seal IT Services Limited	Subsidiary	-	-	2,686.29	2,297.88

Notes :

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

37 RELATED PARTY DISCLOSURES:

1. Name of the related parties and their relationships

Sr. No.	Description of Relationship	Name of Related Parties
a.	Subsidiaries	Astral Biochem Private Limited Resinova Chemie Limited Seal IT Services Limited, UK Seal IT Services Inc, USA (Step-down subsidiary)
b.	Enterprises over which Key Managerial Personnel are able to exercise significant influence	Kairav Chemicals Limited Saumya Polymers LLP Astral Charitable Trust Kairamya Journeys LLP
c.	Joint Venture	Astral Pipes Limited
d.	Key Managerial Personnel	Sandeep Engineer (Managing Director) Jagruiti Engineer (Whole Time Director) K.R. Shenoy (Independent Director) Pradip N. Desai (Independent Director) Narasinh K. Balgi (Independent Director) Kaushal Nakrani (Independent Director) Anil Kumar Jani (Non-Executive Director) Kyle Thompson (Non-Executive Director) Hiranand Savlani (Chief Financial Officer) Krunal Bhatt (Company Secretary)
e.	Relatives of Key Managerial Personnel	Sandeep Engineer HUF Kairav Engineer Saumya Engineer

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

37 RELATED PARTY DISCLOSURES: (CONTD..)

2. DISCLOSURE OF TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES AND THE STATUS OF OUTSTANDING BALANCES AS ON MARCH 31, 2019

		(₹ In Lacs)											
Sr No	Row Labels	Subsidiaries		Enterprises over which Key Managerial Personal are able to exercise significant influence		Joint Venture		Key Managerial Personnel		Relatives of Key Managerial Personnel		Total	
		2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Part 1 : Transactions during the year													
1	Advance for Purchase of non-current investment	-	-	-	-	138.34	155.29	-	-	-	-	138.34	155.29
2	Expenditure on Corporate Social Responsibility	-	-	209.81	241.81	-	-	-	-	-	-	209.81	241.81
3	Guarantee Given	2,686.29	497.29	-	-	-	-	-	-	-	-	2,686.29	497.29
4	Guarantee Withdrawn	2,297.88	-	-	-	-	-	-	-	-	-	2,297.88	-
5	Interest Income	85.42	66.73	-	-	-	-	-	-	-	-	85.42	66.73
6	Investment in Subsidiaries/Others	-	-	-	-	413.88	403.39	-	-	-	-	413.88	403.39
7	Loans / Advances Given	831.17	775.88	-	-	-	-	-	-	-	-	831.17	775.88
8	Purchase of Assets	-	22.06	-	-	-	-	-	-	-	-	-	22.06
9	Purchase of Goods/ Services/Expenses	4,712.51	4,045.68	62.65	120.57	-	-	-	-	-	-	4,775.16	4,166.25
10	Receipt towards Loans and Advances given	-	621.40	-	-	-	-	-	-	-	-	-	621.40
11	Amount claimed for reimbursement of expenses	13.93	84.15	-	-	-	-	-	-	-	-	13.93	84.15
12	Remuneration	-	-	-	-	-	-	970.59	586.94	53.91	46.06	1,024.50	633.00
13	Rent Paid	-	-	-	-	-	-	-	-	10.20	9.60	10.20	9.60
14	Sale of Goods/assets	1,385.43	667.38	-	-	139.87	184.52	-	-	-	-	1,525.30	851.90
15	Sitting fees	-	-	-	-	-	-	10.50	9.26	-	-	10.50	9.26
16	Rent Received	0.71	-	-	-	-	-	-	-	-	-	0.71	-
Part 2 : Balance at the end of the year													
1	Advance for Purchase of non-current investment	-	-	-	-	138.34	155.33	-	-	-	-	138.34	155.33
2	Receivables	-	-	-	-	-	155.48	-	-	-	-	-	155.48
3	Advance received for goods purchase	-	-	-	-	35.37	-	-	-	-	-	35.37	-
4	Guarantee Given	2,686.29	2,297.88	-	-	4,944.74	4,746.73	-	-	-	-	7,631.03	7,044.61
5	Interest accrued on loans and deposits	46.80	52.43	-	-	-	-	-	-	-	-	46.80	52.43
6	Loans Given	2,723.71	1,926.66	-	-	-	-	-	-	-	-	2,723.71	1,926.66
7	Payables	-	849.75	2.37	-	-	-	160.64	139.33	3.23	2.90	166.24	991.98

Notes :

a. Compensation of key management personnel :

The remuneration of key management personnel during the year was as follows:

		(₹ In Lacs)	
Particulars		Year ended March 31, 2019	Year ended March 31, 2018
		970.59	586.94

The remuneration of key management personnel is determined by the remuneration committee. The same excludes gratuity as it is not determinable.

- The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions.
- The amounts outstanding are unsecured and will be settled in cash. No expense has been recognised in the current or prior years for bad or doubtful debts in respect of amounts owned by related parties.
- Transactions/balances during and end of the year/previous year are stated without considering impact of fair valuation carried out as per Ind AS.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

38 ACQUISITION AND MERGER OF REX POLYEXTRUSION PRIVATE LIMITED

On July 9, 2018, the company acquired 51% of equity share of Rex Polyextrusion Private Limited ("Rex"), engaged in the business of Manufacturing and supply of corrugated and other plastic piping solutions, against a consideration of ₹ 7,522.50 lacs paid in cash. Further, the Board has also approved the scheme of amalgamation of Rex with the Company for which the Company have issued 7,23,200 equity shares of ₹ 1 each fully paid up in exchange for the balance 49% of equity share of Rex. Such scheme was approved by NCLT, Ahmedabad Bench on May 2, 2019 and filed with the Registrar of Companies on May 9, 2019. The management has determined this as a subsequent adjusting event and hence, Rex has been amalgamated with effect from appointed date of July 10, 2018.

Assets acquired and Liabilities assumed on acquisition date

The fair values of the identifiable assets and liabilities of Rex Polyextrusion Private Limited as at the date of acquisition were:

(₹ In Lacs)

Particulars	As at July 9, 2018
Property, plant and equipment	8,116.95
Intangible assets (*)	4,476.41
Capital work-in-progress	250.35
Non-current assets	
Investments	15.43
Loans	44.69
Other financial assets	159.62
Other non-current assets	261.88
Current assets	
Inventories	2,768.01
Trade receivables	4,227.05
Cash and cash equivalents	208.91
Other balances with banks	805.52
Loans	7.26
Other assets	1,205.00
Total Assets	22,547.08
Deferred tax liabilities (Net)	865.61
Non-current liabilities	101.80
Current liabilities	
Borrowings	3,622.30
Trade payables & Other financial liabilities	4,535.66
Other Payables	423.14
Current Tax Liabilities	170.55
Total Liabilities	9,719.06
Net Asset Acquired	12,828.02

(₹ In Lacs)

Particulars	As at July 9, 2018
Cash Consideration Paid	7,522.50
Consideration to be paid by allocation of equity shares at its fair value	7,227.50
Total Consideration paid	14,750.00
Less : Fair value of identified net asset acquired	12,828.02
Goodwill arising on acquisition of Rex Poly Extrusion Pvt Ltd	1,921.98

* Intangible assets, which represents Brands (including trademarks and technical know-how) on the date of acquisition, has been initially recognised at its fair value, which has been determined considering the expected growth rate, discount rate and royalty rate. The values assigned to such assumptions, which involves significant judgements, are consistent with the management's plans for focusing operations relating to the acquired Brands.

The deferred tax liability mainly comprises the tax effect of the accelerated depreciation for tax purposes of tangible and intangible assets. The goodwill of ₹ 1,921.98 lacs comprises the value of expected synergies arising from the acquisition.

Transaction costs of ₹ 195.08 lacs have been expensed and are included in other expenses.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

39 FINANCIAL INSTRUMENTS

1 Capital management

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return to stakeholders through optimisation of debt and equity balance.

The capital structure of the Company consists of net debt (borrowings as detailed in notes 15 and 19 off set by cash and bank balances) and total equity of the Company.

The company's risk management committee reviews the risk capital structure of the company on semi annual basis. As part of this review the company considers the cost of capital and the risk associated with each class of capital.

Gearing ratio

	(₹ In Lacs)	
Particulars	As at March 31, 2019	As at March 31, 2018
Debt (note i)	19,637.37	11,557.28
Less : Cash and cash equivalents	5,313.18	3,820.18
Net debt	14,324.19	7,737.10
Equity share capital	1,198.07	1,197.67
Other equity	1,14,198.86	93,681.92
Less : Revaluation reserve	121.14	121.14
Total equity excluding revaluation reserve	1,15,275.79	94,758.45
Net debt to equity ratio	12.43%	8.17%

i Debt is defined as long-term borrowings, short-term borrowings and current maturities of long term borrowings (excluding financial guarantee contracts and contingent consideration), as described in notes 15 and 19.

2 Category-wise classification of financial instruments

	(₹ In Lacs)	
Particulars	As at March 31, 2019	As at March 31, 2018
Financial assets		
Measured at amortised cost		
a Cash and cash equivalents and other bank balances(Note 11,12)	6,192.74	3,823.42
b Financial assets (Note 5,6 & 10)	26,880.22	25,416.82
Measured at fair value through Profit and loss		
a Fair Value of derivative contracts (Note 6)	49.97	95.23
b Investment in Mutual funds (Note 4)	15.00	-
Total	33,137.92	29,335.47
Financial liabilities		
Measured at amortised cost		
a Borrowings (Note 15,19)	19,637.37	11,557.28
b Financial liabilities (Note 18,19,20)	35,441.83	30,482.21
Total	55,079.20	42,039.49

The above excludes investments in subsidiaries and joint venture.

In respect of financial instruments, measured at amortised cost, the fair value approximates the amortised cost.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

39 Financial instruments (CONTD..)

(₹ In Lacs)

	Fair value	Quoted price in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets/Financial liabilities				
(Note 2(b))				
As at March 31, 2019				
Financial assets measured at fair value through Profit and loss				
a Fair Value of derivative contracts (Note 6)	49.97	-	49.97	-
Financial assets measured at fair value through Profit and loss				
a Investment in Mutual funds (Note 4)	15.00	15.00	-	-
As at March 31, 2018				
Financial assets measured at fair value through Profit and loss				
a Fair Value of derivative contracts (Note 6)	95.23	-	95.23	-

There have been no transfers amount in Level 1, Level 2 and Level 3 during the years ended March 31, 2019, March 31, 2018.

3 Financial risk management objectives

The Company's financial liabilities comprise mainly of borrowings, trade payables and other financial liabilities. The Company's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other financial assets.

The Company's business activities are exposed to a variety of financial risks, namely market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

The Company's senior management has the overall responsibility for establishing and governing the Company's risk management framework who are responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Audit Committee of the Company. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

A MANAGEMENT OF MARKET RISK

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

- currency risk;
- interest rate risk

i Currency risk

The Company's activities expose it primarily to the financial risk of changes in foreign currency exchange rates. The Company enters into a variety of derivative financial instruments to manage its exposure to foreign currency risk.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

39 FINANCIAL INSTRUMENTS (CONTD..)

The carrying amounts of the Company's foreign currency dominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

(₹ In Lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018
Liabilities (Foreign currency)		
In US Dollars (USD)	245.95	326.06
In Euro (EUR)	3.63	19.51
Assets (Foreign currency)		
In US Dollars (USD)	4.14	5.10
In Euro (EUR)	0.14	-
In Dirham (AED)	0.02	-
In Great Britain Pound (GBP)	28.91	20.33

(₹ In Lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018
Liabilities (INR)		
In US Dollars (USD)	17,009.85	21,252.33
In Euro (EUR)	282.22	1,576.84
Assets (INR)		
In US Dollars (USD)	286.34	332.07
In Euro (EUR)	11.19	-
In Dirham (AED)	0.46	-
In Great Britain Pound (GBP)	2,617.10	1,875.56

Derivative instruments:

The Company uses foreign currency forward contracts and currency options to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. The use of foreign currency forward contracts is governed by the Company's strategy approved by the Board of Directors, which provide principles on the use of such forward contracts consistent with the Company's Risk Management Policy. The Company does not use forward contracts and Currency Options for speculative purposes.

Outstanding Forward/option Exchange Contracts entered into by the Company :

Particulars	As at March 31, 2019	As at March 31, 2018
Payable		
Outstanding Forward Exchange Contracts		
In USD		
No. of Contracts	7	-
In US Dollars - (In lacs)	25.11	-
In INR - (In lacs)	1,736.48	-
Outstanding Option Contracts		
In USD		
No. of Contracts	1	1
In US Dollars - (In lacs)	5.29	15.88
In INR - (In lacs)	345.07	1,035.21

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

39 FINANCIAL INSTRUMENTS (CONTD..)

Interest rate swaps to hedge against fluctuations in interest rate changes: As at March 31, 2019 : No. of contracts - 1 (as at March 31, 2018 : No. of contracts - 1).

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

Foreign currency sensitivity analysis

The Company is mainly exposed to the currency : USD, EUR and GBP.

The following table details, Company's sensitivity to a 5% increase and decrease in the rupee against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. This is mainly attributable to the exposure outstanding not hedged on receivables and payables in the Company at the end of the reporting period. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rate. A positive number below indicates an increase in the profit and equity where the rupee strengthens 5% against the relevant currency. For a 5% weakening of the rupee against the relevant currency, there would be a comparable impact on the profit and equity, and the balances below would be negative.

Impact on profit or loss and total equity

Particulars	(₹ In Lacs)	
	As at March 31, 2019	As at March 31, 2018
Increase in exchange rate by 5%	(613.72)	(979.32)
Decrease in exchange rate by 5%	613.72	979.32

The Company, in accordance with its risk management policies and procedures, enters into foreign currency forward contracts to manage its exposure in foreign exchange rate variations. The counter party is generally a bank. These contracts are for a period between one day and five years. The above sensitivity does not include the impact of foreign currency forward contracts and option contracts which largely mitigate the risk.

ii Interest rate risk

Interest rate risk is the risk that the future cash flow with respect to interest payments on borrowing will fluctuate because of change in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligation with floating interest rates.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	(₹ In Lacs)	
	Increase/ decrease in basis points	Effect on profit before tax
As at March 31, 2019	100 bps	196.37
As at March 31, 2018	100 bps	115.57

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

39 FINANCIAL INSTRUMENTS (CONTD..)

B MANAGEMENT OF CREDIT RISK

Credit risk refers to the risk that a counter party will default on its contractual obligation resulting in financial loss to the Company. The Company uses its own trading records to evaluate the credit worthiness of its customers. The Company's exposure are continuously monitored and the aggregate value of transactions concluded, are spread amongst approved counter parties (refer note 10 - Trade receivable).

The company is exposed to credit risk in relation to financial guarantees given to banks in respect of borrowings obtained by the subsidiary company and joint venture. In case of joint Venture, the Company's share is 50% and the guarantee has been given jointly and severally by all the partners of Joint Venture.

The Company's maximum exposure in this respect is of ₹7,631.03 lacs as at March 31, 2019, ₹7,044.61 lacs as at March 31, 2018 as disclosed in contingent liabilities (Note 33).

C MANAGEMENT OF LIQUIDITY RISK

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

(₹ In Lacs)				
Particulars	Carrying amount	Less than 1 year	1-5 years	Total
As at March 31, 2019				
Non-derivative financial liabilities				
Borrowings	19,637.37	7,509.17	12,128.20	19,637.37
Financial Liabilities	35,441.83	35,441.83	-	35,441.83
Total	55,079.20	42,951.00	12,128.20	55,079.20
As at March 31, 2018				
Non-derivative financial liabilities				
Borrowings	11,557.28	4,222.31	7,334.97	11,557.28
Financial Liabilities	30,482.22	30,482.22	-	30,482.22
Total	42,039.50	34,704.53	7,334.97	42,039.50

40 SEGMENT REPORTING:

The company has presented segment information in the Consolidated Financial Statement which is presented in the same financial report. Accordingly in terms of paragraph 4 of Ind AS 108 - Operating Segments, no disclosure related to segments are presented in this standalone financial statement.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

41 INFORMATION RELATING TO JOINT VENTURE:

The company has 50% ownership interest in joint venture company Astral Pipes Limited, incorporated in Kenya. Its proportionate share in the assets, liabilities, income and expenses etc. In the said joint venture company is given below :

Particulars	(₹ In Lacs)	
	As at December 31, 2018	As at December 31, 2017 (Restated)
Assets	3,223	3,072
Liabilities	2,292	2,081
Income	1,420	1,473
Expenses (including depreciation and taxation)	1,772	1,850
Contingent Liabilities	8	8
Capital commitments remaining to be executed	-	-

During the year ended March 31, 2019, the company has made provision for diminution on its investment in Joint Venture viz : Astral Pipes Ltd, Kenya amounting to ₹199.28 Lacs (Previous year : ₹296.25 Lacs), which has been disclosed as exceptional item.

42 RECENT ACCOUNTING PRONOUNCEMENT

The below amendments have also become effective for the company from financial year beginning April 1, 2018. However, the management has evaluated and determined that the adoption of these amendments will not have any material impact on the standalone financial statements since there are no such transactions or the company's existing policies are aligned to these amendments:

1. Amendment to Ind AS 12 Income Taxes - regarding recognition of deferred tax assets on unrealised losses
2. Applying Appendix B of Ind AS 21 The Effects of Changes in Foreign Exchange Rates
3. Amendment to Ind AS 28 Investments in Associates and Joint Ventures
4. Amendment to Ind AS 40 Investment Property - regarding transfer of investment property
5. Amendment to Ind AS 112 Disclosure of Interests in Other Entities - regarding disclosure requirements

Standards issued but not yet effective**Ind AS 116 - Leases**

Ind AS 116 Leases was notified by MCA on 30 March 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

The company intends to adopt these standards from 1 April 2019. As the company does not have any material leases, therefore the adoption of this standard is not likely to have a material impact in its Standalone Financial Statements.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

43 EVENTS AFTER THE REPORTING PERIOD

The Board of Directors, in its meeting held on May 20, 2019, has proposed a final dividend of ₹ 0.40 per equity share for the financial year ended March 31, 2019. The proposal is subject to the approval of shareholders at the Annual General Meeting and if approved would result in a cash outflow of approximately ₹581.22 Lacs, including dividend distribution tax.

44 The figures for the previous year have been regrouped/ reclassified wherever necessary to confirm with the current year's classification. Moreover, due to merger, figures for the current year is not comparable with the previous year to that extent.

For S R B C & CO LLP

ICAI Firm Registration No : 324982E/E300003
Chartered Accountants

Per Anil Jobanputra

Partner
Membership No : 110759

Place : Ahmedabad
Date : May 20, 2019

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

CIN : L25200GJ1996PLC029134

Sandeep P. Engineer

Managing Director
DIN : 00067112

Hiranand A. Savlani

Chief Financial Officer

Place : Ahmedabad
Date : May 20, 2019

Jagruti S. Engineer

Whole Time Director
DIN : 00067276

Krunal D. Bhatt

Company Secretary

INDEPENDENT AUDITOR'S REPORT

To the Members of **Astral Poly Technik Limited**

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying Consolidated Ind AS financial statements of Astra Poly Technik Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its joint venture comprising of the consolidated Balance sheet as at March 31, 2019, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the Consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and joint venture, the aforesaid Consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its joint venture as at March 31, 2019, their Consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated

Ind AS 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the Consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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

Key audit matters	How our audit addressed the key audit matter
Impairment of Goodwill (as described in note 2 (v)(iii) of the Consolidated Ind AS financial statements)	
The Group's balance sheet includes ₹ 25,378.06 lacs of goodwill, representing 12% of total Group assets. In accordance with Ind AS 36, these balances are allocated to Cash Generating Units (CGUs) which are tested annually for impairment using discounted cash-flow models of each CGU's recoverable value compared to the carrying value of the assets. A deficit between the recoverable value and the CGU's net assets would result in impairment.	We performed following procedures, among others: - We assessed whether the Group's definition of the CGUs is compliant with the applicable accounting standards - We evaluated the forecast of future cash flows used by the management in the model to compute the recoverable value of CGUs. - We compared the forecast of future cash flows to business plan and previous forecasts to the actual results
The inputs to the impairment testing model which have the most significant impact on CGU recoverable value include:	

Key audit matters	How our audit addressed the key audit matter
- Projected revenue growth, operating margins and operating cash-flows; and - Business specific discount rates The annual impairment testing is considered a significant accounting judgement and estimate [Note 2(v)(iii)] and a key audit matter because the assumptions on which the tests are based are highly judgmental and are affected by future market and economic conditions which are inherently uncertain, and because of the materiality of the balances to the Consolidated Ind AS financial statements.	- We focused our analysis on management assumptions in respect of future sales growth rate and discount rate used to compute the recoverable value of CGUs. - We recalculated estimates using the management model. - We involved valuation specialists to assist in evaluating the key assumptions and methodologies used by the Holding Company in computing the recoverable value of CGUs. - We assessed the disclosures made in the Consolidated Ind AS financial statements.
Business Combination (Refer note no. 42 of the Consolidated Ind AS Financial Statements)	
During the year, the Group has acquired 51% of equity shares of Rex Polyextrusion Private Limited ("Amalgamating Company") against cash consideration and subsequently merged Amalgamating Company with the Holding Company by buying out minority shareholders by issuing Company's own equity shares against the balance 49% of equity shares held by minority shareholders. The fair value of the consideration transferred amounted to ₹ 14,750.00 lacs in total. The allocation of the purchase price to identifiable assets and liabilities acquired was performed by the Group with support from external advisors and lead to the recognition of Goodwill of ₹ 1,921.98 lacs. The individual assets acquired, especially Brands, have no observable market values are available. To determine the corresponding fair values, valuation models based on assumptions are used. This measurement is dependent on estimates of future cash flows as well as the discount rate applied and, subject to considerable uncertainty. Accounting for acquisitions requires the application of complex accounting policies, mainly Ind AS 103 Business Combinations, and involves significant judgments and assumptions and hence considered a key audit matter.	With respect to the accounting for the acquisition: - We have read the relevant parts of the purchase agreements, scheme of amalgamation for the merger of Amalgamating Company with the Holding Company, obtained an understanding of the deal structure and evaluated the accounting treatment in accordance with Ind AS 103. This included the evaluation of the interpretation of specific sections of the agreements and the application of accounting policies to thereon. - We evaluated the qualifications and objectivity of the experts engaged by the Group to perform the purchase price allocation. - We have recalculated the model using the management inputs and assumptions for ascertaining mathematical accuracy. - We compared the inputs in the model to internal and external data. - We focused our analysis on management assumptions in respect of future sales growth rate and discount rate used in valuation. - We involved valuation specialists to assist in evaluating the key assumptions and methodologies - We assessed the disclosures made in the Consolidated Ind AS Financial Statements.

Other Information

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

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

In connection with our audit of the Consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated

Ind AS Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including

other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its joint venture and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Ind AS Financial Statements, the respective Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of the Group and of its joint

venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its joint venture are also responsible for overseeing the financial reporting process of the Group and of its joint venture.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Ind AS financial statements, including the disclosures, and whether the Consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint venture of which we are the independent auditors and whose financial information we have audited, to express an opinion on the Consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Ind AS Financial Statements of which we are

the independent auditors. For the other entities included in the Consolidated Ind AS Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Ind AS financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

(a) We did not audit the financial statements and other financial information, in respect of 3 subsidiaries, whose financial statements include total assets of ₹ 14,794.90 lacs as at March 31, 2019, and total revenues of ₹ 19,772.03 lacs and net cash inflows of ₹ 636.01 lacs for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The Consolidated Ind AS financial statements also include the Group's share of net loss of ₹ 356.77 lacs for the year ended March 31, 2019, as considered in the Consolidated Ind AS financial statements, in respect of a joint venture, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the Consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far

as it relates to the aforesaid subsidiaries and joint venture, is based solely on the report(s) of such other auditors.

Certain of these subsidiaries and Joint Venture are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which has been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries and joint venture located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our conclusion in so far as it relates to the results of such subsidiaries and joint venture located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company which is audited by us.

(b) We did not audit the financial statements and other financial information of Amalgamating Company, which was merged into the Holding Company with effect from July 10, 2018, included in the accompanying Consolidated Ind AS financial statements of the Company whose financial statements and other financial information reflect total assets of ₹ 14,424.31 lacs as at March 31, 2019, total revenues of ₹ 13,863.43 lacs and net cash inflows of ₹ 367.50 lacs for the period July 10, 2018 to March 31, 2019. The financial statements of Amalgamating Company as at March 31, 2019 and for the period then ended has been audited by another auditor whose unmodified opinion dated April 20, 2019 has been furnished to us by the management. Our opinion on the Consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of Amalgamating Company, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the Amalgamating Company, is based solely on the report of such other auditors.

Our opinion above on the Consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and its joint venture, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

- (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Ind AS financial statements;
- (d) In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies, incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these Consolidated Ind AS financial statements of the Holding Company and its subsidiary companies, incorporated in India, refer to our separate Report in "Annexure 2" to this report;
- (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, incorporated in India, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Holding Company, its subsidiaries incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, amalgamating Company and joint venture, as noted in the 'Other matter' paragraph:
- i. The Consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and joint ventures in its Consolidated Ind AS financial statements – Refer Note 34 to the Consolidated Ind AS financial statements;
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries incorporated in India during the year ended March 31, 2019.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Anil Jobanputra

Partner

Membership Number: 110759

Place of Signature: Ahmedabad

Date: May 20, 2019

Annexure to the Independent Auditor's report of even date on the Consolidated Ind AS Financial Statements of Astral Poly Technik Limited

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

In conjunction with our audit of the Consolidated Ind AS financial statements of Astral Poly Technik Limited as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of Astral Poly Technik Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to the consolidated financial statements and their operating effectiveness. Our

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its subsidiary companies which are companies incorporated in India, have, maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls

over financial reporting of the Holding Company, insofar as it relates to subsidiary companies and Amalgamating Company, which are companies incorporated in India, are based on the corresponding reports of the auditors of such subsidiary companies and Amalgamating Company, incorporated in India.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Anil Jobanputra

Partner

Membership Number: 110759

Place of Signature: Ahmedabad

Date: May 20, 2019

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2019

(₹ in lacs)

Particulars	Notes	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3 (A)	80,957.02	60,547.24
(b) Capital work-in-progress		8,077.32	7,313.30
(c) Goodwill	4	25,378.06	23,472.43
(d) Other Intangible assets	3 (B)	4,209.51	227.61
(e) Financial assets			
(i) Investments	5	15.00	-
(ii) Loans	6	687.23	567.32
(iii) Other financial assets	7	682.60	483.60
(f) Deferred tax assets (Net)	8	6.93	6.93
(g) Non-current tax Assets	9	71.15	-
(h) Other non-current assets	10	2,719.90	596.14
Total non-current assets		1,22,804.72	93,214.57
Current assets			
(a) Inventories	11	39,579.94	35,723.85
(b) Financial assets			
(i) Trade receivables	12	33,908.93	30,672.50
(ii) Cash and cash equivalents	13	8,920.85	4,348.61
(iii) Bank balances other than (ii) above	14	892.91	16.69
(iv) Loans	6	46.11	27.81
(v) Other financial assets	7	570.43	409.95
(c) Current tax assets (Net)	9	374.80	634.11
(d) Other current assets	10	2,828.69	2,461.47
Total current assets		87,122.66	74,294.99
Total assets		2,09,927.38	1,67,509.56
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	15	1,198.07	1,197.67
(b) Other equity	16	1,26,569.33	1,00,626.08
Equity attributable to owners of the Company		1,27,767.40	1,01,823.75
Non-controlling Interests		1,502.33	1,350.82
Total equity		1,29,269.73	1,03,174.57
Liabilities			
Non-current liabilities			
(a) Financial liabilities-Borrowings	17	16,308.25	11,741.06
(b) Provisions	18	308.80	163.27
(c) Deferred tax liabilities (Net)	8	5,335.24	3,306.17
Total non-current liabilities		21,952.29	15,210.50
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	3,038.26	558.39
(ii) Trade payables	19		
a total outstanding dues of micro enterprises and small enterprises		-	-
b total outstanding dues of creditors other than micro enterprises and small enterprises		38,973.14	34,907.62
(iii) Other financial liabilities	20	11,882.22	9,289.28
(b) Other current liabilities	21	3,877.76	3,236.85
(c) Provisions	18	290.02	172.69
(d) Current tax liabilities (Net)	22	643.96	959.66
Total current liabilities		58,705.36	49,124.49
Total liabilities		80,657.65	64,334.99
Total equity and liabilities		2,09,927.38	1,67,509.56

See accompanying notes to the consolidated financial statements

As per report of even date

For S R B C & CO LLP

ICAI Firm Registration No : 324982E/E300003

Chartered Accountants

Per Anil Jobanputra

Partner

Membership No : 110759

Place : Ahmedabad

Date : May 20, 2019

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

CIN : L25200GJ1996PLC029134

(Sandeep P. Engineer)

Managing Director

DIN : 00067112

(Hiranand A. Savlani)

Chief Financial Officer

Place : Ahmedabad

Date : May 20, 2019

(Jagruti S. Engineer)

Whole Time Director

DIN : 00067276

(Krunal D. Bhatt)

Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in lacs, except as stated otherwise)

Particulars	Notes	Year ended March 31, 2019	Year ended March 31, 2018
Income			
Revenue from operations	23	2,50,729.24	2,10,577.99
Other income	24	1,544.03	1,267.88
Total		2,52,273.27	2,11,845.87
Expenses			
Cost of materials consumed	25	1,65,003.41	1,35,670.23
Purchase of stock-in-trade	26	3,973.05	4,537.89
Changes in inventories of finished goods, stock-in-trade and work-in-progress	27	(4,207.09)	(1,870.96)
Excise duty on sale of goods		-	3,286.20
Employee benefits expense	28	13,912.84	10,648.58
Finance costs	29	3,195.57	2,157.63
Depreciation and amortisation expense	30	8,142.79	5,713.42
Other expenses	31	33,554.12	26,625.71
Total		2,23,574.69	1,86,768.70
Profit before exceptional items, share of loss of joint venture and tax		28,698.58	25,077.17
Share of loss of joint venture		(356.77)	(266.53)
Profit before tax		28,341.81	24,810.64
Tax expense	32		
Current tax		7,441.76	6,593.89
Deferred tax		1,165.93	650.86
Total tax expense		8,607.69	7,244.75
Profit for the year		19,734.12	17,565.89
Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Remeasurements gain/(loss) on defined benefit plans		(17.25)	5.69
Income Tax relating to items that will not be reclassified to profit or loss		4.70	1.10
Items that will be reclassified to profit or loss			
- Currency Translation (Loss)/Gain		(9.56)	333.32
Total other comprehensive income		(22.11)	340.11
Total comprehensive income for the year		19,712.01	17,906.00
Profit Attributable to:-			
Owners of the Company		19,580.64	17,508.52
Non-controlling Interests		153.48	57.37
		19,734.12	17,565.89
Other Comprehensive Income/(loss) attributable to:-			
Owners of the Company		(20.14)	273.22
Non-controlling Interests		(1.97)	66.89
		(22.11)	340.11
Total Comprehensive Income/(loss) attributable to:-			
Owners of the Company		19,560.50	17,781.74
Non-controlling Interests		151.51	124.26
		19,712.01	17,906.00
Earnings per equity share (Face Value of ₹. 1/- each)	33		
Basic (in ₹.)		16.27	14.62
Diluted (in ₹.)		16.27	14.62

See accompanying notes to the consolidated financial statements

As per report of even date

For S R B C & CO LLP

ICAI Firm Registration No : 324982E/E300003

Chartered Accountants

Per Anil Jobanputra

Partner

Membership No : 110759

Place : Ahmedabad

Date : May 20, 2019

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

CIN : L25200GJ1996PLC029134

(Sandeep P. Engineer)

Managing Director

DIN : 00067112

(Hiranand A. Savlani)

Chief Financial Officer

Place : Ahmedabad

Date : May 20, 2019

(Jagruti S. Engineer)

Whole Time Director

DIN : 00067276

(Krunal D. Bhatt)

Company Secretary

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ In Lacs)

Sr No.	Particulars	Year ended March 31, 2019	Year ended March 31, 2018
A	Cash flows from operating activities		
	Profit before tax	28,341.81	24,810.64
	Adjustments for :		
	Depreciation and amortisation expense	8,142.79	5,713.42
	Finance costs	3,195.57	2,157.63
	Interest income	(613.97)	(121.38)
	Net unrealised foreign exchange (gain)/loss	(787.72)	(75.60)
	Gain on sale of Current Investments	(70.27)	(82.04)
	(Profit)/Loss on sale of Property, Plant and Equipment (Net)	34.90	(73.32)
	Share Based payment expense	74.31	150.21
	Allowance for expected credit loss	197.16	230.00
	Proceeds from investments	-	(89.44)
	Credit balances written back	(74.25)	(11.96)
	Share of loss of joint venture	356.77	257.02
	Operating profit before Working Capital Changes	38,797.10	32,865.18
	Changes in working capital :		
	(Increase)/Decrease in Inventories	(1,088.09)	(8,513.90)
	(Increase)/Decrease in Trade receivables, financial assets and other assets	1,440.76	3,799.66
	Increase/(Decrease) in Trade Payables, financial liabilities other liabilities and provisions	2,727.98	6,320.60
	Cash generated from operations	41,877.75	34,471.54
	Income taxes paid	(7,680.19)	(6,287.04)
	Net cash generated from operating activities (A)	34,197.56	28,184.50
B	Cash flows from investing activities		
	Capital Expenditure on property, plant and equipment and intangible assets	(22,487.19)	(18,909.87)
	Proceeds from Sale of property, plant and equipment	528.88	522.65
	Increase/(Decrease) in other balances with banks	(70.70)	(0.03)
	Interest Received	537.50	74.20
	Gain on Sale of Current Investments	70.27	82.04
	Consideration paid to owners of amalgamating company (Note 42)	(7,522.50)	-
	Proceeds from investments	-	89.44
	Proceeds from Mutual fund/NSC	0.43	-
	Purchase of Long term investments in Joint Venture	(396.47)	(385.64)
	Net Cash flow used in Investing Activities (B)	(29,339.78)	(18,527.21)
C	Cash flow from Financing Activities		
	Dividend paid (including tax on dividend)	(938.54)	(793.01)
	Proceeds from issue of Equity Shares	20.00	-
	Finance Cost	(3,119.31)	(2,107.20)
	Proceeds from Long Term Borrowings	12,972.01	5,692.69
	Repayment of Long Term Borrowings	(8,286.27)	(6,414.13)
	Proceeds from Short Term Borrowings	(1,142.43)	(3,489.28)
	Net Cash flow from Financing Activities (C)	(494.54)	(7,110.93)
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	4,363.24	2,546.36
	Cash and cash equivalents at the beginning of the year (Note 13)	4,348.61	1,802.40
	Cash and cash equivalents acquired from amalgamating company (Note 42)	208.91	-
	Effect of exchange differences on restatement of foreign currency cash and cash equivalents	(0.09)	0.15
	Cash and Cash Equivalents at the end of the year (Note 13)	8,920.85	4,348.61

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2019

Changes in liabilities arising from financing activities

(₹ In Lacs)

Particulars	Non-current borrowings	Current borrowings	Total
Balance as at March 31, 2018	18,350.03	558.39	18,908.42
Acquisition on account of amalgamation (Note 42)	1,549.93	3,622.30	5,172.23
Cash flows	4,685.74	(1,142.43)	3,543.31
Foreign exchange adjustments	(98.21)	-	(98.21)
Balance as at March 31, 2019	24,487.49	3,038.26	27,525.75

See accompanying notes to the consolidated financial statements

As per report of even date

For S R B C & CO LLP

ICAI Firm Registration No : 324982E/E300003

Chartered Accountants

Per Anil Jobanputra

Partner

Membership No : 110759

Place : Ahmedabad

Date : May 20, 2019

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

CIN : L25200GJ1996PLC029134

(Sandeep P. Engineer)

Managing Director

DIN : 00067112

(Hiranand A. Savlani)

Chief Financial Officer

Place : Ahmedabad

Date : May 20, 2019

(Jagruti S. Engineer)

Whole Time Director

DIN : 00067276

(Krunal D. Bhatt)

Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2019

A Equity Share Capital (Note 15)

Particulars	(₹ in lacs)	Amount
Balance as at April 1, 2017		1,197.67
Add: movement during the year		
Balance as at March 31, 2018		1,197.67
Add: movement during the year (Note 15 (e))		0.40
Balance as at March 31, 2019		1,198.07

B Other Equity (Note 16)

Particulars	Attributable to the equity holders of the parent						Total	Non-controlling Interests	Total Other Equity
	Securities premium reserve	General reserve	Capital reserve	Revaluation reserve	Foreign Currency translation reserve	Retained earnings	Share options outstanding account	Shares pending allotment (Note 42)	
Balance as at April 1, 2017	33,371.09	2,595.00	40.00	121.14	(427.55)	47,786.73	0.54	-	83,486.95
Profit for the year	-	-	-	-	-	17,508.52	-	-	17,508.52
Other comprehensive income for the year,	-	-	-	-	266.66	6.56	-	-	273.22
net of income tax	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	33,371.09	2,595.00	40.00	121.14	(160.89)	65,301.81	0.54	-	1,01,268.69
Recognition of share-based payments	-	-	-	-	-	(792.82)	150.21	-	150.21
Payment of dividends (Including tax on dividend)	-	-	-	-	-	-	-	-	(792.82)
Balance as at March 31, 2018	33,371.09	2,595.00	40.00	121.14	(160.89)	64,508.99	150.75	-	1,00,626.08
Profit for the year	-	-	-	-	-	19,580.64	-	-	19,580.64
Other comprehensive income for the year,	-	-	-	-	(7.65)	(12.49)	-	-	(20.14)
net of income tax	-	-	-	-	-	-	-	-	(1.97)
Total comprehensive income for the year	33,371.09	2,595.00	40.00	121.14	(168.54)	84,077.14	150.75	-	1,20,186.58
Issue of equity shares under employee share option plan (Note 16 (e))	244.66	-	-	-	-	-	-	-	244.66
Consequent to business combination (Note 42)	-	-	-	-	-	-	-	7,227.50	7,227.50
Exercise of stock options	-	-	-	-	-	-	(150.75)	-	(150.75)
Payment of dividends (Including tax on dividend)	-	-	-	-	-	(938.66)	-	-	(938.66)
Balance as at March 31, 2019	33,615.75	2,595.00	40.00	121.14	(168.54)	83,138.48	-	7,227.50	1,26,569.33
								1,502.33	1,28,071.66

See accompanying notes to the standalone financial statements

As per report of even date

For S R B C & CO LLP

ICAI Firm Registration No : 324982E/E300003

Chartered Accountants

Per Anil Jobanputra

Partner

Membership No : 110759

Place : Ahmedabad

Date : May 20, 2019

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

CIN : L25200GJ1996PLC029134

(Sandeep P. Engineer)

Managing Director

DIN : 00067112

(Hiranand A. Savlani)

Chief Financial Officer

Place : Ahmedabad

Date : May 20, 2019

(Jagruati S. Engineer)

Whole Time Director

DIN : 00067276

(Krunal D. Bhatt)

Company Secretary

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

1. GROUP'S BACKGROUND:-

The consolidated financial statements comprise financial statements of Astral Poly Technik Limited (the Parent) and its subsidiaries (collectively, the Group) for the year ended March 31, 2019.

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

The Consolidated financial statements were approved for issue by the board of directors on May 20, 2019.

2. SIGNIFICANT ACCOUNTING POLICIES:-

a) Basis of Preparation of Consolidated Financial Statements

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

The Company has adopted Ind AS 115 'Revenue from Contracts with Customers' effective April 1, 2017. Application of Ind AS 115 does not have any significant impact on retained earnings as at April 1, 2017 and financial results of the Company.

The Consolidated financial statements have been prepared on the going concern basis using historical cost convention except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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

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

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

In estimating the fair value of an asset or liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristic into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these Consolidated financial statements is determined on such a basis, except for share based payment transaction that are within the scope of Ind AS 102 Share-based Payment, leasing transactions that are within the scope of Ind AS 17 Leases, and measurements that have some similarities to fair value but are not fair valued such as net realizable value in Ind AS 2 or value in use in Ind AS 36 Impairment of assets.

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

- 1) Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or Liabilities.
- 2) Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- 3) Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

b) Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee:
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

listed above. When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the company gains control until the date when the Company ceases to control the subsidiary.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Statement of Profit and Loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and the unrealised profits/losses, unless cost/revenue cannot be recovered. The excess of cost to the Group of its investment in subsidiaries, on the acquisition dates over and above the

Group's share of equity in the subsidiaries, is recognised as 'Goodwill on Consolidation' being an asset in the consolidated financial statements. The said Goodwill is not amortised, however, it is tested for impairment at each Balance Sheet date and the impairment loss, if any, is provided for. On the other hand, where the share of equity in subsidiaries as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves and Surplus' in the consolidated financial statements.

Non-controlling interests in the net assets of consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separately within equity.

Non-controlling interests in the net assets of consolidated subsidiaries consists of:

- (a) The amount of equity attributable to non-controlling interests at the date on which investment in a subsidiary is made; and
- (b) The non-controlling interests share of movements in equity since the date parent subsidiary relationship came into existence.

c) Investment in Joint Venture

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decision about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of joint venture are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment or a portion thereof is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105. Under equity method, an investment in a joint venture is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit and loss and other comprehensive income of the joint venture. When the Group's share of losses of a joint venture exceeds the Group's interest in that joint venture (which includes any long term interest that, in substance, form part of Group's net investment in the joint venture), the Group discontinues recognizing its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture.

An investment in a joint venture is accounted for using the equity method from the date on which the investee becomes a joint venture. On acquisition of the investment in joint venture, any excess of cost of the investment over

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the Group's share of net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

After application of the equity method of accounting, the Group determines whether there any is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in a joint venture and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Group's investment in a joint venture.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 - Impairment of assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposables) with its carrying amount, any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of the impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

When a Group entity transacts with a joint venture of the Group, profit and losses resulting from the transaction with the joint venture are recognised in the Group's consolidated financial statements only to the extent of interest in joint venture that are not related to the Group.

The financial statements of the joint venture used in applying the equity method are prepared as of a date different from that used by the entity, adjustments are made for the effects of significant transactions or events that occur between that date and the date of the entity's financial statements. The difference between the end of the reporting period of the joint venture and that of the Company is of three months. The length of the reporting periods and difference between the ends of the reporting periods are same from period to period.

d) Inventories

Inventories are stated at lower of cost on weighted average basis or net realizable value after providing for obsolescence and other losses, where considered necessary. Cost includes cost of purchase and other expenses incurred in bringing the inventories to their present location and condition. Cost includes all charges in bringing the goods to the point of sale, including

receiving charges, octroi and other levies and transit insurance. Work-in-progress and finished goods include appropriate proportion of overheads. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

e) Cash and cash equivalents

The Group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

f) Revenue from contract with customer

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

Sale of goods

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

Variable consideration

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

Contract balances

Trade receivables

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

Interest Income

Interest income from financial assets is recognised when it is probable that the economic benefit will flow to the Group and the amount of income can be measured reliably. Interest income is recorded using the effective interest rate (EIR). Interest income is accrued on a time basis, by reference to the principal outstanding and the interest rate applicable,

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which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

g) Property, plant and equipment

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

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

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

Depreciation

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

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

Asset held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of lease term, assets are depreciated over the shorter of the lease term and their useful lives.

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

h) Intangible assets

Intangible assets acquired separately

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

Derecognition of intangible assets

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

Useful lives of intangible assets

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

i) Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Group as a lessee

Assets held under finance leases are initially recognised as an asset of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated Balance Sheet as a finance lease obligation.

Lease payments are apportioned between the finance expenses and reduction of the lease obligation so as to achieve the constant rate of return on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on borrowing costs.

Rental expense from operating lease is generally recognised on a straight line basis over the term of the

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relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessors expected inflationary cost increase, such increases are recognised in the year in which such benefits accrue.

Group as a lessor

Rental income from operating leases is generally recognised on a straight line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Group's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct cost incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

j) Foreign Currencies

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

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

Translation of Financial Statements of foreign entities

On Consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of Profit and Loss are translated at the average exchange rates for the period. On disposal of foreign operation, the component of OCI relating to that particular operation is recognised in the Consolidated Statement of Profit and Loss.

k) Employee Benefits

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

Defined Contribution Plan:

The Group's contribution to Provident Fund is considered as defined contribution plans and is charged as an expense

based on the amount of contribution required to be made and when services are rendered by the employees. The Parent Company and its Indian Subsidiaries operate defined contribution plans pertaining to ESIC and Provident fund scheme for eligible employees.

Defined benefit plans:

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

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

- 1) Service costs comprising current service costs, gains and losses on curtailments and settlements; and
- 2) Net interest expense or income

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

Short-term employee benefits:

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

Long-term employee benefits:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the estimated future

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cash outflows expected to be made by the Group in respect of services provided by employees up to the balance sheet date. The Group determines the liability for such accumulated leaves using the Projected Unit Credit Method with actuarial valuations being carried out at each Balance Sheet date.

Share based payment:

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

l) Borrowing costs

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

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

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

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

m) Earnings per share

Basic earnings per share is computed by dividing the profit/(loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/(loss) for the year attributable to equity shareholders by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted

as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.

n) Taxation

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

Current Tax

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

Deferred tax

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

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

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

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

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

The deferred tax assets (net) and deferred tax liabilities (net) are determined separately for the Parent and each subsidiary company as per their applicable laws and then aggregated.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the respective Group Company will pay normal tax during the specified period. Such asset is reviewed at each Balance sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the company will pay normal tax during the specified period.

Current and deferred tax for the year

Current and deferred tax are recognised in the consolidated statement of profit and loss, except when they relate to items that are recognised in other comprehensive income, in which case, the current and deferred tax are also recognised 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 recognised amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Group has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Group.

o) Provisions, Contingent Liabilities and Contingent Assets and Commitments

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking

into account the risks and uncertainties surrounding the obligations. When a provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present obligations of those cash flows (when the effect of the time value of money is material).

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

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

p) Non-derivative Financial Instruments

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

Financial assets at amortised cost

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

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

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

Financial liabilities

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

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Equity instruments

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

Offsetting of financial instruments

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

q) Derivative financial instruments

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

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

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

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

r) Impairment

Financial assets (other than at fair value)

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

Non-financial assets

Property, Plant and Equipment and intangible assets

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

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

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

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

s) Business combinations

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

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

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

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

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

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

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for

goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

t) Operating Cycle

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

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

The Group has identified twelve months as its operating cycle.

u) Segment Reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. The Group's chief operating decision maker is the Managing Director.

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter segment revenue is accounted on the basis

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of transactions which are primarily determined based on market / fair value factors. Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on a reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

v) Critical accounting judgements and key sources of estimation uncertainty

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

Key sources of estimation uncertainty

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

i. Useful lives of property, plant and equipment

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

ii. Provisions and Contingent Liabilities

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

iii. Impairment of Goodwill

Goodwill of ₹ 23,456.09 Lacs and ₹ 1,921.97 Lacs have been allocated for impairment testing purpose to the Cash Generating Unit (CGU) viz., Adhesives and Plastics Segment respectively.

The recoverable amount of all cash generating units (CGUs) has been determined based on value in use calculations. These calculations use cash flow projections based on financial budgets approved by management. Recoverable amounts for these CGUs has been determined based on value in use for which cash flow forecasts of the related CGU's using a growth rate based on company's projection of business and growth of the industry in which the company is operating. Discount rate ranging from 12% to 18% has been applied. The values assigned to the assumption reflect past experience and are consistent with the management's plans for focusing operations in these markets. The growth rate does not exceed the long term average growth rate for the respective business in which the CGU operates. The management believes that the planned market share growth is reasonably achievable.

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

iv. Fair valuation of Intangible assets on acquisition (Refer note 42).

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3 PROPERTY, PLANT AND EQUIPMENT AND OTHER INTANGIBLE ASSETS

SR. ASSETS NO	GROSS CARRYING AMOUNT					ACCUMULATED DEPRECIATION AND AMORTISATION					NET CARRYING AMOUNT		(₹ in lacs)
	As At April 1, 2018	Acquisition on account of amalgamation (Refer note 42)	Additions	Disposals	Effect of Foreign currency Translation	As At March 31, 2019	As At April 1, 2018	For the year	Disposals	Effect of Foreign currency Translation	As At March 31, 2019	As At March 31, 2018	
Cost													
A. TANGIBLE ASSETS													
a	Land	14,199.41	1,929.87	920.08	(45.46)	17,003.90	200.00	116.42	(5.43)	310.99	16,692.91	13,999.41	
b	Buildings	12,271.17	1,704.44	1,704.44	223.80	14,199.41	99.04	76.16	24.80	200.00	13,999.41	12,172.13	
		14,830.35	1,821.47	5,845.13		22,496.95	1,540.16	787.22		2,327.38	20,169.57	13,290.19	
c	Plant and Equipments	13,509.16		1,321.19		14,830.35	947.45	592.71		1,540.16	13,290.19	12,561.71	
		41,632.81	4,085.04	11,372.17	569.06	(30.02)	56,490.94	11,426.03	5,952.07	101.41	(36.38)	17,240.31	39,250.63
d	Furniture and Fixtures	30,164.73		11,150.83	93.06	41,632.81	6,835.57	4,404.40	34.35	220.41	11,426.03	30,206.78	
		2,325.66	38.05	1,573.79	27.69	(7.24)	3,902.57	652.96	323.50	8.23	(3.57)	964.66	2,937.91
e	Vehicles	1,909.40		409.98	36.93	2,325.66	400.03	251.91	16.71	17.73	652.96	1,672.70	
		1,121.26	194.39	472.71	162.45	(1.82)	1,624.09	267.55	193.12	95.02	(1.31)	364.34	1,259.75
f	Computers and Office Equipments	864.61		309.34	65.41	12.72	1,121.26	158.42	129.17	28.18	267.55	853.71	
		1,035.83	48.12	304.57	25.12	(3.72)	1,359.68	511.38	220.71	15.88	(2.78)	713.43	706.19
Total (A)		75,145.32	8,116.94	20,488.45	784.32	(88.26)	1,02,878.13	14,598.08	7,593.04	220.54	(49.47)	21,921.11	60,547.24
		59,465.51		15,172.37	204.00	711.44	75,145.32	8,762.01	5,633.47	85.67	288.27	14,598.08	60,547.24
B. OTHER INTANGIBLE ASSETS													
a	Computer Software	420.30		55.24		475.54	192.69	85.46		278.15	197.39	227.61	
b	Brands	314.74		105.56		420.30	112.74	79.95		192.69	227.61	202.00	
			4,476.41	-		4,476.41		464.29		464.29	4,012.12		
Total (B)		420.30	4,476.41	55.24		4,951.95	192.69	549.75		742.44	4,209.51	227.61	
		314.74		105.56		420.30	112.74	79.95		192.69	227.61	-	

Notes :

- (a) Building includes ₹ 750/- being face value of 15 number of shares of ₹ 50/- each held in Kant Apartment Co- Operative Housing Society Limited. Also includes ₹ 127.11 Lacs (Previous Year ₹ 127.11 Lacs) for which the procedure for transfer of title in the name of the Company is in process.
- (b) Net carrying amount includes assets acquired under finance lease ₹ 199.75 Lacs (Previous Year : ₹ 352.41 Lacs) (Note 38).
- (c) Figures in the italics are of Previous Year.
- (d) Brand include trademarks and technical know-how.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

4 GOODWILL

	(₹ In Lacs)	
Particulars	As at March 31, 2019	As at March 31, 2018
Goodwill on Consolidation at the beginning of the year	23,472.43	23,214.93
Add : Arisen on acquisition and amalgamation (Note 42)	1,921.98	-
Add : Currency translation differences	(16.35)	257.50
Total	25,378.06	23,472.43

5 INVESTMENTS

	(₹ In Lacs)	
Particulars	As at March 31, 2019	As at March 31, 2018
Non-Current Investments		
Investment in Equity Instruments of Joint Venture at deemed cost		
Unquoted		
i) 10,00,000 (as at March 31, 2018 : 10,00,000) Shares of Kenyan Shilling 50/- each fully paid up in Astral Pipes Limited, Kenya.	286.58	286.58
Less: Group's share of Loss	(286.58)	(286.58)
Total	-	-
Investment in Preference Shares of Joint Venture at deemed cost		
Unquoted		
i) 68,00,000 (as at March 31, 2018 : 56,00,000) Non-Cumulative Redeemable Preference Shares of Kenyan Shilling 50/- each fully paid up in Astral Pipes Limited, Kenya.	2,032.79	1,618.91
Less: Loan component of compound financial instrument (Note 6)	(519.88)	(519.88)
Less: Group's share of Loss	(1,512.91)	(1,099.03)
Total	-	-
Investments in Joint venture		
Quoted		
Investment in Mutual funds		
Mutual Fund*	15.00	-
Total	15.00	-

*Aggregate carrying value of quoted investment is ₹ 15 Lacs as at March 31, 2019 (as at March 31, 2018: NIL)

6 LOANS

	(₹ In Lacs)	
Particulars	As at March 31, 2019	As at March 31, 2018
Non-current		
(Unsecured, considered good)		
Loan component of compound financial instrument *	667.90	610.69
Add: Loss for the current year	(4.93)	(62.05)
	662.97	548.64
Loans and Advances to Employees	24.26	18.68
Total	687.23	567.32
Current		
(Unsecured, considered good)		
Loans and Advances to Employees	46.11	27.81
Total	46.11	27.81

Note: Refer note 41 for detailed disclosure on the fair values.

*Includes interest portion of compound Financial instruments.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

7 OTHER FINANCIAL ASSETS

(₹ In Lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018
Non-current		
(Unsecured, considered good)		
Security deposits	410.88	298.70
Earmarked deposit accounts (with maturity more than 12 months from the balance sheet date)	133.38	-
Advance for purchase of non current investment (Note 36)	138.34	155.33
Fair Value of derivative contracts	-	29.57
Total	682.60	483.60
Current		
(Unsecured, considered good)		
Security deposits	135.66	132.83
Interest accrued on loans and deposits	21.85	2.59
Discount receivables	259.86	189.71
Fair Value of derivative contracts	49.97	65.66
Others	103.09	19.16
Total	570.43	409.95

Note: Refer note 41 for detailed disclosure on the fair values.

8 DEFERRED TAX (NET)

(₹ In Lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018
(a) Deferred Tax Assets	6.93	6.93
(b) Deferred Tax Liabilities	-	-
Deferred tax assets (Net)(a-b)	6.93	6.93
(a) Deferred Tax Liabilities	7,457.13	5,539.75
(b) Deferred Tax Assets	2,121.89	2,233.58
Deferred tax liabilities (Net) (a-b)	5,335.24	3,306.17
Total	5,328.31	3,299.24

Deferred tax liabilities/(assets) in relation to :

(₹ In Lacs)				
Particulars	As at April 1, 2017	Recognised in statement of profit and loss	Other Adjustments	As at March 31, 2018
Property, plant and equipment	4,890.12	649.63	-	5,539.75
Unabsorbed Depreciation	(1,780.75)	785.80	-	(994.95)
Provision for doubtful trade receivables	(119.80)	(74.92)	-	(194.72)
Compensated absences	(59.64)	(24.50)	-	(84.14)
MAT Credit entitlement	(164.40)	(628.44)	-	(792.84)
Others	(134.25)	(56.71)	17.10	(173.86)
Total	2,631.28	650.86	17.10	3,299.24

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

8 DEFERRED TAX (NET) (CONTD..)

(₹ In Lacs)					
Particulars	As at April 1, 2018	On account of amalgamation (Note 42)	Recongnised in statement of profit and loss	Other Adjustments	As at March 31, 2019
Tangible and Intangible assets	5,539.75	912.90	1,004.48	-	7,457.13
Unabsorbed Depreciation	(994.95)	-	992.80	-	(2.15)
Unabsorbed Scientific Research	-	-	(172.11)	-	(172.11)
Provision for doubtful trade receivables	(194.72)	(11.23)	(53.91)	-	(259.86)
Compensated absences	(84.14)	(27.11)	(51.65)	-	(162.90)
MAT Credit entitlement	(792.84)	-	(467.70)	-	(1,260.54)
Others	(173.86)	(8.95)	(85.98)	(2.47)	(271.26)
Total	3,299.24	865.61	1,165.93	(2.47)	5,328.31

9 TAX ASSETS

(₹ In Lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018
Non-current		
Taxes receivable (Net of Provision)	71.15	-
Total	71.15	-
Current		
Taxes receivable (Net of Provision)	374.80	634.11
Total	374.80	634.11

10 OTHER ASSETS

(₹ In Lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018
Non-current		
Capital Advances	2,674.45	589.72
Prepaid Expenses	45.45	6.42
Total	2,719.90	596.14
Current		
Prepaid Expenses	632.82	672.77
Balances with Government Authorities	1,679.58	1,521.70
Advances to Suppliers	516.29	267.00
Total	2,828.69	2,461.47

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

11 INVENTORIES (at lower of cost or net realisable value)

(₹ In Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Raw Materials	11,441.96	14,016.17
Work-in-Progress	3,086.88	1,377.96
Stock In Trade	3,252.95	3,297.19
Finished Goods	19,639.88	15,195.14
Stores, Spares and Packing Materials	2,158.27	1,837.39
Total	39,579.94	35,723.85

12 TRADE RECEIVABLES

(₹ In Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Current		
Unsecured, considered good	33,908.93	30,672.50
Unsecured, credit impaired	750.53	572.82
Less : Allowance for expected credit loss	(750.53)	(572.82)
Total	33,908.93	30,672.50

Note Refer Note 41 for information about credit risk and market risk of Trade receivables.

Break-up of trade receivables

(₹ In Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Trade receivables from other than related parties	33,908.93	30,517.02
Receivables from related parties (Note 36)	-	155.48
Total	33,908.93	30,672.50

Notes :

- The credit period ranges from 30 days to 180 days.
- Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits by customer. Limits attributed to customers are reviewed annually. There are no customers who represent more than 5% of the total balance of trade receivable as at March 31, 2019 and as at March 31, 2018.
- In determining the allowances for credit impaired trade receivables, the Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.
- At March 31, 2019, ₹ 3,080.02 Lacs (as at March 31, 2018 ₹ 2,077.96 Lacs) had been sold to a provider of invoice discounting and debt factoring services. The Group is committed to underwrite any of the debts transferred and therefore continues to recognise the debts sold within trade receivables until the debtors repay of default. Since the trade receivables continue to be recognised, the business model of the Group is not affected.

5 Movement in Expected Credit Loss Allowance

(₹ In Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Balance at the beginning of the year	572.82	366.90
Less : Reversal / utilisation out of earlier year	19.45	24.08
Add : Provision during the year	197.16	230.00
Balance at the end of the year	750.53	572.82

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

13 CASH AND CASH EQUIVALENTS

(₹ In Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Cash on Hand	29.29	30.95
Balances with Banks in current accounts	8,891.56	4,317.66
Total	8,920.85	4,348.61

14 OTHER BALANCES WITH BANKS

(₹ In Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
In deposit accounts	890.73	14.63
Unclaimed dividend accounts (Note 20)	2.18	2.06
Total	892.91	16.69

Note Unclaimed Dividend account balance can only be used for payment of unclaimed dividend.

15 EQUITY SHARE CAPITAL

(₹ In Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Authorised Share Capital		
150,000,000 (as at March 31, 2018 : 150,000,000) Equity Shares of ₹ 1/- each	1,500.00	1,500.00
	1,500.00	1,500.00
Issued, Subscribed & Fully Paid Share Capital		
11,98,06,565 (as at March 31, 2018 : 11,97,66,565) Equity Shares of ₹ 1/- each fully paid up	1,198.07	1,197.67
Total	1,198.07	1,197.67

a) Rights, preferences and restrictions attached to shares :

The Parent Company has issued only one class of equity shares having value of ₹ 1 per Share. Each holder of equity shares is entitled to one vote per share and are entitled to dividend as and when declared. All shares rank equally with regard to the Parent Company's residual assets after distribution of all preferential amounts.

b) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the reporting period :

Particulars	No. of Shares	₹ in Lacs
Balance as at April 1, 2017	11,97,66,565	1,197.67
Add: Shares issued	-	-
Balance as at March 31, 2018	11,97,66,565	1,197.67
Add: Shares issued - under Employee Stock option scheme 'ESOP 2015'	40,000	0.40
Balance as at March 31, 2019	11,98,06,565	1,198.07

c) Number of Shares reserved for issue under options

Particulars	As at March 31, 2019	As at March 31, 2018
Outstanding at the end of the year	93,718	1,33,718

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

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

Name of Shareholders		As at March 31, 2019	As at March 31, 2018
Sandeep Pravinbhai Engineer	No. of Shares	3,78,42,460	3,78,42,460
	% of Shares Held	31.59	31.60
Saumya Polymers LLP	No. of Shares	1,47,58,170	1,47,58,170
	% of Shares Held	12.32	12.32
Steadview Capital Mauritius Limited	No. of Shares	1,09,72,125	66,50,837
	% of Shares Held	9.16	5.55
Jagruti Sandeep Engineer	No. of Shares	91,43,410	91,43,410
	% of Shares Held	7.63	7.63

e) Share options granted under the Employee Stock Options scheme**1 Details of the Employee stock option plan of the Parent Company**

Astral Poly Technik Limited (the Company) formulated Employees Stock Option Scheme viz. Astral Employee Stock Option Scheme 2015 ("the Scheme") for the benefit of employees of the Company. Shareholders of the Company approved the Scheme by passing special resolution through postal ballot dated October 21, 2015. Under the said Scheme as approved by the Shareholders, Nomination and Remuneration Committee is empowered to grant stock options to eligible employees of the Company, up to 1,50,000 over a period of five years from the date of passing of resolution by shareholders. Minimum vesting period of stock option is one year and exercise period of stock option is one year from the date of vesting.

The Committee granted 16,282 stock options on November 14, 2015, 21,600 stock options on March 30, 2017, 22,400 stock options on November 13, 2017 totalling 60,282 stock options till date. Exercise price of all stock options were ₹ 50/- share. Each stock option is exercisable into one equity share of face value of ₹ 1/- each.

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

Option Series	13-11-2017	30-03-2017	14-11-2015
Grant date	13/11/17	30/03/17	14/11/15
Number of shares	22,400	21,600	16,282
Expiry date	12/11/19	29/03/19	13/11/17
Exercise price	₹ 50.00	₹ 50.00	₹ 50.00
Fair value at grant date	₹ 722.15	₹ 507.43	₹ 415.30

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

15 EQUITY SHARE CAPITAL (CONTD..)

2 Movement in stock options during the year

The following is the reconciliation of stock option outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2019	As at March 31, 2018
Option Outstanding, beginning of the year	42,800	21,600
Options Granted during the year	-	22,400
Options Exercised during the year	40,000	-
Option Lapsed/surrendered/forfeited	2,800	1,200
Option Outstanding, end of the year	-	42,800
Of which:		
Not Vested	-	42,800
Options available for grant	93,718	90,918

3 Fair value of share options granted in the year

The company has not granted any share options during the financial year. Fair value of the share options granted during the previous financial year is ₹. 722.15. The following assumptions were used for calculation of fair value of grants in accordance with Black Scholes model;

Option Series	13-11-2017	30-03-2017	14-11-2015
Option grant date	13/11/17	30/03/17	14/11/15
Fair value at Grant date	₹ 722.15	₹ 507.43	₹ 415.30
Exercise Price	₹ 50	₹ 50	₹ 50
Expected Volatility	104%	49%	51%
Expected life of Option	2 years	2 years	2 years
Dividend Yield	0.60%	0.70%	0.70%
Risk Free Interest Rate	6.00%	6.00%	6.00%

4 Stock options exercised during the year :

The following stock options were exercised during the year

Option Series	Number exercised	Exercise date	Avg Share price at exercise date
Granted on November 13, 2017	19,600	23-11-2018	1,045.95
Granted on March 30, 2017	20,400	07-04-2018	919.13
Granted on November 14, 2015	16,282	15-11-2016	401.15

5 Stock options outstanding at the end of the year

No stock options outstanding at the end of the current year. The stock option outstanding at the end of the previous year had a weighted average exercise price of as ₹ 50, and weighted average remaining contractual life of 481 days.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

16 OTHER EQUITY

Particulars	As at	
	March 31, 2019	March 31, 2018
(₹ In Lacs)		
Capital Reserves		
Balance at the beginning of the year	40.00	40.00
Balance at the end of the year	40.00	40.00
Securities Premium Account		
Balance at the beginning of the year	33,371.09	33,371.09
Add : Premium on shares issued during the year	244.66	-
Balance at the end of the year	33,615.75	33,371.09
General Reserves		
Balance at the beginning of the year	2,595.00	2,595.00
Balance at the end of the year	2,595.00	2,595.00
Revaluation Reserves		
Balance at the beginning of the year	121.14	121.14
Balance at the end of the year	121.14	121.14
Shares pending allotment (Note 42)	7,227.50	-
	7,227.50	-
Foreign Currency Translation Reserve		
Balance at the beginning of the year	(160.89)	(427.55)
Add : Other comprehensive income arising from Currency Translation (Loss)/Gain	(7.65)	266.66
Balance at the end of the year	(168.54)	(160.89)
Stock Options Outstanding Account		
Balance at the beginning of the year	249.36	98.80
Add : On account of options granted during the year	-	150.56
	249.36	249.36
Less : Option Lapsed/surrendered/forfeited	24.30	5.49
Less : Exercise of employee stock options	225.06	-
	-	243.87
Less : Deferred employee Compensation expenses	-	93.12
Balance at the end of the year	-	150.75
Surplus in Statement of Profit and Loss		
Balance at the beginning of the year	64,508.99	47,786.73
Add : Profit for the year	19,580.64	17,508.52
Add : Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	(12.49)	6.56
Less : Payment of dividend on equity shares (including Dividend Distribution Tax)	938.66	792.82
Balance at the end of the year	83,138.48	64,508.99
Total	1,26,569.33	1,00,626.08

Notes

a In August 2018 and November 2018, the dividend of ₹ 0.35 per share (total dividend ₹. 505.43 Lacs) and ₹ 0.30 per share (total dividend ₹.433.23 Lacs) was paid to holders of fully paid equity shares. The total dividend includes dividend distribution tax at applicable rates.

b Nature and Purpose of reserve

Capital reserve

The Parent Company has created capital reserve out of capital subsidies received from state Governments.

Securities premium

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. This reserve is available for utilization in accordance with the provisions of the Companies Act, 2013. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

16 OTHER EQUITY (CONTD..)

General reserve

General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

Revaluation Reserve

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

Shares pending allotment

Shares pending allotment represents equity shares to be issued pursuant to business combination. (Note 42)

Stock Options Outstanding Account

The fair value of the equity-settled share based payment transactions with employees is recognised in Statement of Profit and Loss with corresponding credit to Stock Options Outstanding Account.

Retained earnings

Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

17 BORROWINGS

(₹ In Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Non-current		
Secured - at amortised cost		
Term Loans From Banks	20,724.10	14,211.28
Less : Current maturity of long term loans (Note 20)	7,820.36	6,333.69
	12,903.74	7,877.59
Buyers Credit	557.61	1,099.03
	557.61	1,099.03
Vehicle Loans	348.34	228.44
Less : Current maturity of vehicle loans (Note 20)	135.84	113.86
	212.50	114.58
Finance Lease Obligations (Note 20 and 38)	199.74	331.05
Less : Current Maturity of finance lease obligations (Note 20)	115.26	161.42
	84.48	169.63
Unsecured - at amortised cost		
Buyers Credit	2,657.71	2,480.23
Less: Current Maturity of long term Buyers credit (Note 20)	107.79	-
	2549.92	2,480.23
Total	16,308.25	11,741.06
Current		
Secured - at amortised cost		
Working Capital Limits From Banks	538.26	558.39
Unsecured - at amortised cost		
Working Capital Loan	2,500.00	-
Total	3,038.26	558.39

Notes

- Refer Note 41 for information about liquidity risk..
- Amount stated in Current maturity is disclosed under the head of "Other Financial Liabilities (Current)" (Note 20).
- Parent Company :**
 - Term Loans are Secured by way of first charge, in respect of Fixed assets, both present and future, and second charge on entire current assets of the Company both present and future. (Notes 3,11 and 12). Rate of interest for Rupee Term Loan ranges from 7% to 10%. Rate of interest for ECB and Foreign currency Term Loan ranges from 3% to 4%.
 - HSBC Bank Term Loan of ₹ 13,842.11 Lacs (as at March 31, 2018 : ₹ 5,368.42 Lacs) repayable within 66 months (i.e. by February 2024) including initial moratorium period of Nine months from the date of first disbursement in Nineteen quarterly instalments.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

17 BORROWINGS (CONTD..)

- 2 Corporation Bank Term Loan of ₹ 917.71 Lacs (as at March 31, 2018 : ₹ 2,144.11 Lacs) repayable within 72 months (i.e. by July 2020) including initial moratorium period of twelve months from the date of first disbursement in twenty quarterly equal instalments.
 - 3 IndusInd Bank Term Loan of ₹ Nil (as at March 31, 2018 : ₹ 162.95 Lacs) repaid.
 - 4 HSBC ECB Loan of US \$ 10.59 Lacs equivalent ₹ 732.28 Lacs (as at March 31, 2018: US \$ 31.76 Lacs equivalent ₹ 2,070.43 Lacs) repayable within 60 months (i.e. by August 2019) including initial moratorium period of twelve months from the date of first disbursement in sixteen quarterly instalments.
- (ii) Buyers Credit - Rate of interest for Buyer's Credit ranges from 0.50% to 1.50%.
- 1 HSBC Buyers Credit of ₹ 557.61 Lacs (as at March 31, 2018: ₹ Nil) repayable by October 2021. Secured by way of first charge, in respect of entire current assets of the Company both present and future.
 - 2 RBL Bank Buyers Credit of ₹ Nil (as at March 31, 2018: ₹ 483.90 Lacs) Repaid.
 - 3 Kotak Buyers Credit of ₹ 107.79 (as at March 31, 2018: ₹ Nil) repayable by April 2019.
 - 4 Federal Buyers Credit of ₹ 631.54 (as at March 31, 2018: ₹ Nil) repayable by January 2022.
 - 5 Indusind Bank Buyers Credit of ₹ Nil (as at March 31, 2018 ₹ 1,099.03 Lacs) ,repaid by October 2018. Secured by way of first charge, in respect of entire current assets of the Company both present and future.
- (iii) Vehicle Loans are Secured by way of hypothecation of respective motor vehicles purchased - Rate of interest for Vehicle Loan ranges from 8% to 11%.
- 1 ICICI Bank Limited Vehicle Loan of ₹ 114.60 Lacs (as at March 31, 2018 : ₹ 226.44 Lacs) repayable on monthly basis. Repayable by November 2020.
 - 2 Corporation Bank Vehicle Loan of ₹ Nil (as at March 31, 2018 : ₹ 2.00 Lacs) repayable on monthly basis. Repaid.
 - 3 Axis Bank Limited Vehicle Loan of ₹ 206.76 Lacs (as at March 31, 2018 : ₹ Nil) repayable on monthly basis. Repayable by January 2024.
 - 4 Axis Bank Limited Vehicle Loan of ₹ 206.76 Lacs (as at March 31, 2018 : ₹ Nil) repayable on monthly basis. Repayable by January 2024.
- (iv) Working capital loan are secured by way of first charge on entire current assets of the Company both present and future and second charge on movable and immovable fixed assets of the company.
- d) Indian Subsidiary:** Rate of interest for Rupee Term Loan and short term loan ranges from 8% to 11%. Rate of interest for Buyer's Credit ranges from 3% to 4%.
- 1 Kotak Bank Term Loan of ₹ 600.00 Lacs (as at March 31, 2018 : ₹ 760.00 Lacs) repayable within 57 Months (i.e. by December 2022) including initial moratorium period of twelve months from the date of first disbursement in twenty quarterly equal instalments.
 - 2 HSBC Bank Buyers Credit of ₹ 1,918.38 Lacs (as at March 31, 2018: ₹ 1,996.33 Lacs) Repayable by December 2020.
- e) Foreign Subsidiary :** Rate of interest for Term Loan ranges from 2 to 4%. Rate of interest for Finance Lease ranges from 9 to 11%.
- 1 The subsidiary company has availed borrowings from banks amounting to ₹ 4,632.00 Lacs (as at March 31, 2017 : ₹ 3,705.37 Lacs) is secured by fixed charge on book debt and a floating charge on the assets of the company.
 - 2 The Subsidiary Company has entered into finance lease arrangement for equipments. The finance lease obligation is secured by a charge against the said equipments.

18 PROVISIONS

			(₹ In Lacs)
Particulars	As at March 31, 2019	As at March 31, 2018	
Non-current			
Provision for Employee Benefits (Note 35)	308.80	163.27	
Total	308.80	163.27	
Current			
Provision for Employee Benefits (Note 35)	290.02	172.69	
Total	290.02	172.69	

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

19 TRADE PAYABLES

(₹ In Lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018
Current		
a total outstanding dues of micro enterprises and small enterprises	-	-
b total outstanding dues of creditors other than micro enterprises and small enterprises		
Operational Buyers Credit	13,366.68	18,069.90
Due to others	25,606.46	16,837.72
	38,973.14	34,907.62
Total	38,973.14	34,907.62

Notes

- a Information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditor.
- b Refer Note 41 for information about credit risk, market risk and liquidity risk of Trade payables.

20 OTHER FINANCIAL LIABILITIES

(₹ In Lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018
Current		
Current maturities of Long Term Borrowings (Note 17)	8,063.98	6,447.55
Current maturities of Finance Lease Obligations (Note 17)	115.26	161.42
Interest accrued and due on borrowings	68.90	22.66
Interest accrued but not due on borrowings	141.57	111.46
Payable for capital goods	2,257.51	1,673.61
Unclaimed Dividends* (Note 14)	2.18	2.06
Others	1,232.82	870.52
Total	11,882.22	9,289.28

* All the amounts required to be transferred to the Investor Education and Protection Fund by the Parent Company have been transferred within the time frame prescribed for the same.

21 OTHER CURRENT LIABILITIES

(₹ In Lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018
Statutory dues	3,290.45	2,885.32
Advance received from customers	587.31	351.53
Total	3,877.76	3,236.85

22 CURRENT TAX LIABILITIES (NET)

(₹ In Lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018
Income tax payable (net of advance payment of tax)	643.96	959.66
Total	643.96	959.66

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

23 REVENUE FROM OPERATIONS

(₹ In Lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Revenue from contract with customers	2,50,126.43	2,10,189.64
Other operating revenues	602.81	388.35
Total	2,50,729.24	2,10,577.99

Note : The revenue from operations (Gross) is inclusive of excise duty and exclusive of GST, as applicable, in above disclosure. If the same had been shown as inclusive of both or net of excise and net of GST, the Revenue from Operations would appear as under:

(₹ In Lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Revenue from Operations (Gross of Excise and GST)	2,94,132.80	2,40,164.18
Less: Excise Duty/GST	43,403.56	32,872.39
Revenue from Operations (Net of Excise and GST)	2,50,729.24	2,07,291.79

Note: The revenue generated by Group consists of plastic products, mainly, Pipe & Fittings and Adhesives products, which is disclosed in note no. 37 as segment revenue. Hence, no disaggregation of revenue is provided. Other information relating to contract balances, i.e. Trade Receivables, is stated in note no. 12.

24 OTHER INCOME

(₹ In Lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest Income:		
From Banks	42.72	1.25
From Joint Venture *	142.63	46.20
From Others	428.62	73.93
Profit on Sale of Current Investments (Net)	70.27	82.04
Foreign exchange gains (Net)	428.24	793.26
Profit on Sale of Property, Plant and Equipment (Net)	-	73.32
Miscellaneous Income	431.55	197.88
Total	1,544.03	1,267.88

*Includes impact of financial instruments.

25 COST OF MATERIALS CONSUMED

(₹ In Lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Inventories at the beginning of the year	14,016.17	7,705.37
Add : Inventories acquired from amalgamating company (Note 42)	865.68	-
Add : Purchases	1,61,563.52	1,41,981.03
Less : Inventories at the end of the year	11,441.96	14,016.17
Total	1,65,003.41	1,35,670.23

26 PURCHASE OF STOCK-IN-TRADE

(₹ In Lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Pipes, fittings and solution	3,973.05	4,537.89
Total	3,973.05	4,537.89

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

27 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

(₹ In Lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Inventories at the end of the year		
Finished Goods	19,639.88	15,195.14
Work-in-progress	3,086.88	1,377.96
Stock In Trade	3,252.95	3,297.19
	25,979.71	19,870.29
Inventories acquired from amalgamating company (Note 42)		
Finished Goods	1,721.62	-
Stock In Trade	180.71	-
	1,902.33	-
Inventories at the beginning of the year		
Finished Goods	15,195.14	12,008.93
Work-in-progress	1,377.96	2,903.88
Stock In Trade	3,297.19	3,086.52
	19,870.29	17,999.33
Total	21,772.62	17,999.33
Net (Increase) / Decrease	(4,207.09)	(1,870.96)

28 EMPLOYEE BENEFITS EXPENSE

(₹ In Lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Salaries and wages	12,738.33	9,683.03
Share based payments to employees (Note 15 (e))	74.31	150.21
Contribution to Provident and Other Funds (Note 35)	495.61	398.84
Staff Welfare Expenses	604.59	416.50
Total	13,912.84	10,648.58

29 FINANCE COSTS

(₹ In Lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest expense		
Working capital and term loan	2,253.40	1,470.78
Others	99.82	38.00
Other borrowing costs	220.19	146.78
Exchange differences regarded as an adjustment to borrowing costs	622.16	502.07
Total	3,195.57	2,157.63

30 DEPRECIATION AND AMORTISATION EXPENSE

(₹ In Lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Depreciation on Property, Plant and Equipment (Note 3)	7,593.04	5,633.47
Amortisation on intangible assets (Note 3)	549.75	79.95
Total	8,142.79	5,713.42

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

31 OTHER EXPENSES

(₹ In Lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Consumption of Stores, Spares and Packing Materials	4,082.03	3,553.68
Power and Fuel	6,524.23	5,324.90
Rent * (Note 36)	860.15	837.41
Repairs Expenses	1,085.93	710.13
Insurance expenses	324.39	276.51
Rates and Taxes	123.02	115.29
Royalty expense	302.37	244.23
Communication expenses	387.52	278.71
Travelling expenses	2,014.84	1,536.14
Factory and Other expenses	321.28	257.92
Printing and Stationary expenses	84.27	64.45
Freight and Forwarding	5,610.77	4,630.81
Commission	192.68	162.58
Sales Promotions	8,729.44	6,701.92
Directors Sitting Fees (Note 36)	10.50	9.26
Donations and Contributions	4.79	2.85
Expenditure on Corporate Social Responsibility (Note 36)	238.56	241.81
Security Service Charges	395.79	309.92
Legal and Professional	1,046.67	591.44
Payments to Auditors	16.72	15.40
Bad Debts Written Off (net of provision)	68.88	-
Provision for Doubtful Trade Receivables	197.16	230.00
Loss on Sale of Property, plant and equipment (Net)	34.90	-
Other Expenses	897.23	530.35
Total	33,554.12	26,625.71

*The Group is lessee under various operating leases under which rental expenses for the year was ₹.860.15 Lacs (Previous year: ₹. 837.41 Lacs). The Group has not executed any non-cancellable lease agreement except as stated in Note 38.

32 TAX EXPENSES

(₹ In Lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Current tax		
In respect of the current year	6,918.68	6,586.90
In respect of prior years	523.08	6.99
	7,441.76	6,593.89
Deferred tax		
In respect of the current year	1,165.93	650.86
	1,165.93	650.86

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

32 TAX EXPENSES (CONTD..)

Reconciliation of the income tax expenses to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarised below :

(₹ In Lacs)		
Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Profit before tax	28,341.81	24,810.64
Income tax expense @34.944% (FY 2017-18 : 34.608%)	9,903.76	8,586.47
Tax effect of the amounts which are not deductible / (taxable) in calculating taxable income :		
Differences arising from different tax rates in the components	(914.70)	(628.09)
Exempt income not taxable	(19.99)	(46.94)
Effect of allowances	57.48	(43.13)
MAT Credit Entitlement	(467.70)	(628.44)
Others	(6.54)	(2.11)
Total	8,552.31	7,237.76
Adjustments in respect of current income tax of previous year	55.38	6.99
Tax expense as per Consolidated statement of Profit and loss	8,607.69	7,244.75

The Group's weighted average tax rates for the year ended March 31, 2019 and March 31, 2018 were 30.18% and 29.17%, respectively.

33 EARNINGS PER SHARE:

(₹ In Lacs)		
Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Profit for the year attributable to owners of the Company (₹. In Lacs)	19,580.64	17,508.52
Weighted average number of equity shares for Basic EPS*	12,03,18,620	11,97,66,565
Add : Effects of dilutive shares options outstanding	-	26,938
Weighted average number of equity shares for Diluted EPS	12,03,18,620	11,97,93,503
Nominal Value per share (₹)	1	1
Basic Earnings Per Share (In ₹.)	16.27	14.62
Diluted Earnings Per Share (In ₹.)	16.27	14.62

* Includes 7,23,200 Equity Shares to be issued on amalgamation of Rex (Note 42).

34 CONTINGENT LIABILITIES AND COMMITMENTS NOT PROVIDED FOR:

OF CONTINGENT LIABILITIES AND COMMITMENTS NOT PROVIDED FOR

(₹ In Lacs)

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
Contingent Liabilities			
1	Letters of Credits for purchases	6,945.70	2,991.88
2	Disputed Income Tax/Central Excise/Sales Tax and PF demands *	741.82	191.76
3	Other Matters	144.85	184.52
4	Guarantee given by Parent Company on behalf of Joint Venture for availing borrowing from local bank (Note 37)	4,944.74	4,746.73
Commitments			
1	Capital Contracts remaining to be executed (Net of Advances)	8,621.63	6,627.75
2	Non-Cancellable Operating Lease	0.90	1.38

There are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF dated 28th February, 2019. The Group believes that the impact will not be material. The Group will make necessary adjustments on receiving further clarity on the subject.

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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

35 EMPLOYEE BENEFITS:

Post-employment Benefit

Defined Contribution Plan:

The Parent Company and one of its Indian subsidiaries make provident fund contributions to defined contribution benefit plans for eligible employees. Under the scheme the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions specified under the law are paid to the government authorities (PF commissioner).

Amount towards Defined Contribution Plan have been recognised under "Contribution to Provident and Other funds" in Note no. 28 "Employee Benefits Expense" of ₹ 338.93 Lacs (Previous Year: ₹ 258.01 Lacs).

Defined Benefit Plan:

The Parent Company and one of its Indian subsidiaries have defined benefit plans for gratuity to eligible employees, contributions for which are made to Life Insurance Corporation of India, which invests the funds as per IRDA guidelines. The details of these defined benefit plans recognised in the Consolidated financial statements are as under:

General Description of the Plan:

The Parent Company and one of its Indian subsidiaries operates a defined benefit plan (the Gratuity Plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employees salary and the tenure of employment.

The defined benefit plans typically expose to the Parent Company and one of its Indian Subsidiaries to various risk such as;

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

Particulars	(₹ In Lacs)	
	Gratuity	
	As at March 31, 2019	As at March 31, 2018
Obligations at the beginning of the year	560.45	477.35
Obligations Acquired from the amalgamating company	101.80	-
Current service cost	114.07	80.39
Interest cost	45.99	36.17
Past service cost	-	25.87
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	(0.53)	-
Actuarial (gain) / loss - due to change in financial assumptions	6.47	(9.17)
Actuarial (gain) / loss- due to experience adjustments	1.70	(4.14)
Benefit paid	(44.66)	(46.02)
Present Value of defined benefit Obligations at the end of the year	785.29	560.45

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

Particulars	(₹ In Lacs)	
	Gratuity	
	As at March 31, 2019	As at March 31, 2018
Plan assets at the beginning of the year, at fair value	305.15	327.99
Interest Income	23.99	24.74
Return on plant assets excluding interest income	(9.61)	(7.62)
Contributions from the employer	7.27	5.34
Benefits paid	(36.33)	(45.30)
Fair value of plan assets at the end of the year	290.47	305.15

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

35 EMPLOYEE BENEFITS: (CONTD..)

- c) The amount included in the balance sheet arising from the entities obligation in respect of defined benefit plan is as follows :

Particulars	Gratuity	
	As at March 31, 2019	As at March 31, 2018
Present value of defined benefit obligation at the end of the year	785.29	560.45
Fair value of plan assets at the end of the year	(290.47)	(305.15)
Net liability arising from defined benefit obligation	494.82	255.30

(₹ In Lacs)

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

Particulars	Gratuity	
	Year ended March 31, 2019	Year ended March 31, 2018
Current service cost	114.07	80.39
Net Interest expense	22.01	11.42
Past Service cost	-	25.87
Components of defined benefit costs recognised in the Consolidated Statement of Profit and Loss	136.08	117.68
Remeasurement on the net defined benefit liability:		
Actuarial (gains) / losses on obligation for the period	7.64	(13.31)
Return on plant assets, excluding interest income	9.61	7.62
Components of defined benefit costs recognised in Other Comprehensive Income	17.25	(5.69)
Total	153.33	111.99

(₹ In Lacs)

The current service cost and the net interest expenses for the year are included in the Employee benefits expense line item in the Consolidated Statement of Profit and Loss. The remeasurement of the net defined benefit liability/ asset is included in Other Comprehensive Income.

- e) Investment details of plan assets:

To fund the obligations under the gratuity plan, Contributions are made to Life Insurance Corporation of India, who invests the funds as per IRDA guidelines.

- f) The defined benefit obligations shall mature after year ended March 31, 2019 as follows:

Particulars	As at	
	March 31, 2019	March 31, 2018
As at March 31		
2019		28.03
2020	65.72	35.52
2021	34.88	19.75
2022	42.42	24.48
2023	62.52	26.78
Thereafter	1,641.72	1,696.15

(₹ In Lacs)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

35 EMPLOYEE BENEFITS: (CONTD..)

g) Sensitivity analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Particulars	(₹ In Lacs)	
	Gratuity	
	As at March 31, 2019	As at March 31, 2018
Delta effect of +1% change in the rate of Discounting	(70.78)	(60.54)
Delta effect of -1% change in the rate of Discounting	83.32	72.59
Delta effect of +1% change in the rate of salary Increase	78.52	71.70
Delta effect of -1% change in the rate of salary increase	(69.03)	(60.83)
Delta effect of +1% change in the rate of employee turnover	2.40	3.57
Delta effect of -1% change in the rate of employee turnover	(2.99)	(4.39)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using "Projected Unit Credit" method at the end of the reporting period which is the same as that applied in calculating the defined benefit obligation liability recognised in Balance Sheet.

There were no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

The Group expects to make a contribution of ₹ 494.82 Lacs (as at March 31, 2018: ₹ 255.30 Lacs) to the defined benefit plans during the next financial year.

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

Particulars	(₹ In Lacs)	
	Gratuity	
	Year ended March 31, 2019	Year ended March 31, 2018
Discount Rate	7.60% to 7.76%	7.86%
Expected return on plan assets	7.76%	7.86%
Annual Increase in Salary Costs	7.00%	7.00%
Rate of Employee turnover*	For service 4 years and below 7.00% p.a. For service 5 years and above 4.00% p.a.	2.00%
Mortality Tables	Indian Assured Lives Mortality (2006-08)	

*For amalgamating company: 2% at all ages

Future Salary increases are based on long term average salary rise expected taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employee market. Future Separation and mortality rates are obtained from relevant data of Life Insurance Corporation of India.

Defined Benefit Pension Scheme of Foreign Subsidiary:

The Group pays fixed contribution into a separate entity. The Group has no further obligations once the contribution has been paid. An amount of ₹48.24 Lacs (Previous Year: ₹ 30.59 Lacs) is charged to Consolidated Statement of Profit and loss under Contribution to provident and other funds in Note no. 28 "Employee Benefits Expense".

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

36 RELATED PARTY DISCLOSURES:

1. Name of the related parties and their relationships

Sr. No.	Description of Relationship	Name of Related Parties
a.	Enterprises over which Key Managerial Personnel are able to exercise significant influence	Kairav Chemicals Limited Saumya Polymers LLP Astral Charitable Trust Kairamya Journeys LLP
b.	Joint Venture	Astral Pipes Limited
c.	Key Managerial Personnel	Sandeep Engineer (Managing Director) Jagruti Engineer (Whole Time Director) K.R. Shenoy (Independent Director) Pradip N. Desai (Independent Director) Narasinh K. Balgi (Independent Director) Kaushal Nakrani (Independent Director) Anil Kumar Jani (Non-Executive Director) Kyle Thompson (Non-Executive Director) Hiranand Savlani (Chief Financial Officer) Krunal Bhatt (Company Secretary)
d.	Relatives of Key Managerial Personnel	Sandeep Engineer HUF Kairav Engineer Saumya Engineer

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

36 RELATED PARTY DISCLOSURES: (CONTD..)

2. Disclosure of transactions between the Group and related parties and the status of outstanding balances as on March 31, 2019:

Particulars	(In Lacs)									
	Enterprises over which Key Managerial Personnel are able to exercise significant influence		Joint Venture		Key Management Personnel		Relatives of Key Management Personnel		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Part 1: Transaction during the year										
Advance for Purchase of non-current investment	-	-	138.34	155.29	-	-	-	-	138.34	155.29
Sale of Goods	-	-	139.87	184.52	-	-	-	-	139.87	184.52
Purchase of Goods/Services	73.42	133.56	-	-	-	-	-	-	73.42	133.56
Security Deposit given	-	10.09	-	-	-	-	-	-	-	10.09
Interest Paid on Security Deposit given	1.03	0.75	-	-	-	-	-	-	1.03	0.75
Remuneration (Note a)	-	-	-	-	970.59	586.94	53.91	46.06	1,024.50	633.00
Sitting Fees Paid	-	-	-	-	10.50	9.26	-	-	10.50	9.26
Rent Paid	147.26	146.33	-	-	-	-	10.20	9.60	157.46	155.93
Expenditure on Corporate Social Responsibility	228.38	241.81	-	-	-	-	-	-	228.38	241.81
Part 2: Balance at the end of year										
Advance for Purchase of non-current investment	-	-	138.34	155.33	-	-	-	-	138.34	155.33
Advance from Customer	-	-	35.37	-	-	-	-	-	35.37	-
Deposit Given	-	10.09	-	-	-	-	-	-	-	10.09
Receivables	-	-	-	155.48	-	-	-	-	-	155.48
Payables	3.87	-	-	-	160.65	139.33	3.24	2.90	167.76	143.33
Guarantee Given	-	-	4,944.74	4,746.73	-	-	-	-	4,944.74	4,746.73

Notes:

a. Compensation of key management personnel:

The remuneration of key management personnel during the year was as follows:

Particulars	(₹ In Lacs)	
	Year ended March 31, 2019	Year ended March 31, 2018
Short term Benefits	970.59	586.94

The remuneration of key management personnel is determined by the remuneration committee. The same excludes gratuity.

- b. The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions.
- c. The amounts outstanding are unsecured and will be settled in cash. No expense has been recognised in the current or prior years for bad or doubtful debts in respect of amounts owned by related parties.
- d. Transactions/balances during and end of the year/previous year are stated without considering impact of fair valuation carried out as per Ind AS.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

37 SEGMENT REPORTING

Information reported to the chief operating decision maker (CODM) for the purpose of resources allocation and assessment of segment performance focuses on the types of goods delivered. No operating segments have been aggregated in arriving at the reportable segments of the Group.

The Group has determined its business segment as "Plastic Products" and "Adhesives".

Segment revenue and results

The following is an analysis of the Group's revenue and results from operations by reportable segment.

Segment	Segment revenue		Segment profit	
	Year Ended March 31, 2019	Year Ended March 31, 2018	Year Ended March 31, 2019	Year Ended March 31, 2018
Plastic Products	1,84,925.95	1,54,496.08	21,178.75	16,689.12
Adhesives	65,803.29	56,081.91	9,422.56	9,546.45
Total	2,50,729.24	2,10,577.99	30,601.31	26,235.57
Other Unallocable expenses			(251.19)	(268.65)
Finance costs			(3,195.57)	(2,157.63)
Non-operating Income			1,544.03	1,267.88
Share of loss of joint venture			(356.77)	(266.53)
		Profit Before taxes	28,341.81	24,810.64

(₹ In Lacs)

Notes

- Segment revenue reported above represents revenue generated from external customers. There were no inter segment sales in current year (Year Ended March 31, 2018: ₹ Nil).

Segment Assets and Liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Segment Assets		
Plastic Products	1,39,211.29	1,05,904.03
Adhesives	67,953.88	59,817.72
Total Segment Assets	2,07,165.17	1,65,721.75
Unallocated	2,762.21	1,787.81
Total Assets	2,09,927.38	1,67,509.56

(₹ In Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Segment Liabilities		
Plastic Products	38,256.38	32,175.58
Adhesives	11,842.81	8,848.97
Total Segment Liabilities	50,099.19	41,024.55
Unallocated	30,558.46	23,310.44
Total Liabilities	80,657.65	64,334.99

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

37 SEGMENT REPORTING (CONTD..)

For the purpose of monitoring segment performance and allocating resources between segments:

- All assets are allocated to reportable segments other than current and deferred tax assets, unclaimed dividend, assets held for sale, advance given for purchase of non-current investment, fixed deposits and interest accrued thereon.
- All liabilities are allocated to reportable segments other than borrowings, unpaid dividend, and current and deferred tax liabilities.

Geographical Information

The Group operates in two principal geographical areas – India and outside India.

The Group's revenue from continuing operations from external customers by location of operations and information about its non-current assets by location of assets are detailed below.

(₹ In Lacs)

Particulars	Revenue from external customers		Non-current Assets *	
	Year Ended March 31, 2019	Year Ended March 31, 2018	Year Ended March 31, 2019	Year Ended March 31, 2018
Within India	2,30,957.21	1,95,792.41	1,11,410.15	83,072.85
Outside India	19,772.03	14,785.58	9,931.66	9,083.87
Total	2,50,729.24	2,10,577.99	1,21,341.81	92,156.72

*Non-current assets exclude those relating to financial assets, tax assets and deferred tax assets.

38 The UK based subsidiary company leases various properties under non-cancellable operating lease agreements. The lease terms are between 2 and 5 years, and the majority of lease agreements are renewable at the end of the lease period at market rate. The Company also leases various vehicles, plant and equipment under non-cancellable lease agreements.

Disclosures in respect of non-cancellable leases are given below:

Payments recognised as an expense

(₹ In Lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Minimum lease payments	254.62	228.50
Total	254.62	228.50

Non-cancellable operating lease commitments

(₹ In Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Not later than 1 year	0.45	0.46
Later than 1 year and not later than 5 years	0.45	0.92
Later than 5 years	-	-
Total	0.90	1.38

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

38 (CONTD..)

Finance lease arrangement:

The UK based subsidiary company as a lessee has finance lease for Property, Plant and Equipment. The obligation under finance lease is secured by lessor's title to the leased assets. Future minimum lease payment under finance lease with the present value of the net minimum lease payments are as follows.

Particulars	Minimum lease payments		Present value of minimum lease payments	
	As at	As at	As at	As at
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Not later than 1 year	115.26	240.18	109.24	223.97
Later than 1 year and not later than 5 years	84.49	112.23	81.28	107.08
Later than 5 years	-	-	-	-
	199.75	352.41	190.52	331.05
Less: Future finance charges	(9.23)	(21.36)	-	-
Present value for minimum lease payments	190.52	331.05	190.52	331.05

(₹ In Lacs)

39 Particulars of Subsidiaries and Joint Venture considered in the preparation of the Consolidated Financial Statements:

Name of the Company	Nature of Business	% of Holding		Country of Incorporation
		As at	As at	
		March 31, 2019	March 31, 2018	
Subsidiaries				
Astral Biochem Private Limited	Yet to commence business	100%	100%	India
Resinova Chemie Limited	Manufacturing of adhesive solutions	97.45%	97.45%	India
Seal IT Services Limited		80%	80%	United Kingdom
Subsidiary of Seal It Services Limited				
Seal IT Services Inc.	Manufacturing of Silicone Tape	80%	80%	USA

(₹ In Lacs)

Name of the Company	Nature of Business	% of Holding		Country of Incorporation
		As at	As at	
		December 31, 2018	December 31, 2017	
Joint Venture*				
Astral Pipes Limited, Kenya	Manufacturing of pipes and fittings	50.00%	50.00%	Kenya

(₹ In Lacs)

*The financial statements for the joint venture are considered as on 31st December, 2018.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

40 ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013 OF ENTERPRISES CONSOLIDATED AS SUBSIDIARIES:

a) As at and for the year ended March 31, 2019

Name of the entity in the Group	As at March 31, 2019		Year ended March 31, 2019					
	Net assets (Total Assets minus Total Liabilities)		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ In Lacs)	As % of consolidated net assets	Amount (₹ In Lacs)	As % of consolidated net assets	Amount (₹ In Lacs)	As % of consolidated net assets	Amount (₹ In Lacs)
Parent								
Astral Poly Technik Limited	90.41%	1,15,503.48	72.22%	14,251.36	47.86%	(10.58)	72.24%	14,240.78
Subsidiaries								
Astral Bio Chem Private Limited	-0.08%	(96.74)	0.00%	(0.23)	-	-	0.00%	(0.23)
Resinova Chemie Limited	26.45%	33,798.37	7.14%	1,408.74	8.90%	(1.97)	7.14%	1,406.77
Foreign Subsidiaries								
Seal It Services Limited UK	2.51%	3,202.41	2.98%	587.81	43.24%	(9.56)	2.93%	578.25
Joint Venture								
Astral Pipes Limited	-	-	-1.81%	(356.77)	-	-	-1.81%	(356.77)
Non-controlling interests in all subsidiaries	-1.18%	(1,502.33)	-	-	-	-	-	-
	118.11%	1,50,905.19	80.53%	15,890.91	100.00%	(22.11)	80.50%	15,868.80
Adjustments arising out of Consolidation	-18.11%	(23,137.79)	19.47%	3,843.21	-	-	19.50%	3,843.21
Consolidated net assets / Profit after tax	100.00%	1,27,767.40	100.00%	19,734.12	100.00%	(22.11)	100.00%	19,712.01

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

40 ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013 OF ENTERPRISES CONSOLIDATED AS SUBSIDIARIES: (CONTD..)

b) As at and for the year ended March 31, 2018

Name of the entity in the Group	As at March 31, 2018		Year ended March 31, 2018			
	Net assets (Total Assets minus Total Liabilities)		Share in profit or loss		Share in other comprehensive income	
	As % of consolidated net assets	Amount (₹ In Lacs)	As % of consolidated net assets	Amount (₹ In Lacs)	As % of consolidated net assets	Amount (₹ In Lacs)
Parent						
Astral Poly Technik Limited	93.18%	94,879.56	67.75%	11,901.74	-0.62%	66.46%
Subsidiaries						
Astral Bio Chem Private Limited	-0.09%	(96.51)	-	(0.01)	-	(0.01)
Resinova Chemie Limited	31.81%	32,391.60	10.82%	1,900.39	2.62%	10.66%
Foreign Subsidiaries						
Seal It Services Limited UK	2.58%	2,624.16	0.25%	44.55	98.00%	2.11%
Joint Venture						
Astral Pipes Limited	-	-	-1.52%	(266.53)	-	-1.49%
Non-controlling interests in all subsidiaries	-1.33%	(1,350.82)	-	-	-	-
Adjustments arising out of Consolidation	126.15%	1,28,447.99	77.30%	13,580.14	100.00%	77.74%
	-26.15%	(26,624.24)	22.70%	3,985.75	-	22.26
Consolidated net assets / Profit after tax	100.00%	1,01,823.75	100.00%	17,565.89	100.00%	340.11
						13,920.25
						3,985.75
						17,906.00

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

41 Financial instruments :

1 Capital management

The Group manages its capital to ensure that the Group will be able to continue as going concern while maximising the return to stakeholders through optimisation of debt and equity balance.

The capital structure of the Group consists of net debt (borrowings as detailed in notes 17 and 20 off set by cash and bank balances) and total equity of the Group.

The Parent company's risk management committee reviews the risk capital structure of the group on as semi annual basis. As part of this review the group considers the cost of capital and the risk associated with each class of capital.

Gearing ratio

	(₹ In Lacs)	
	As at March 31, 2019	As at March 31, 2018
Debt (note i)	27,525.75	18,908.42
Less : Cash and cash equivalents	8,920.85	4,348.61
Net debt	18,604.90	14,559.81
Equity share capital	1,198.07	1,197.67
Other Equity	1,26,569.33	1,00,626.08
Non controlling interests	1,502.33	1,350.82
Total	1,29,269.73	1,03,174.57
Less :Revaluation Reserve	121.14	121.14
Total equity excluding revaluation reserve	1,29,148.59	1,03,053.43
Net debt to equity ratio	14.41%	14.13%

i Debt is defined as long-term borrowings, short-term borrowings and current maturities of long term borrowings as described in notes 17 and 20.

2 Category-wise classification of financial instruments

	(₹ In Lacs)	
	As at March 31, 2019	As at March 31, 2018
Financial assets		
Measured at amortised cost		
a Cash and cash equivalents and other bank balances (Note 13 and 14)	9,813.76	4,365.30
b Financial assets (Note 6,7 and 12)	35,845.33	32,065.95
Measured at fair value through Profit and loss		
a Fair Value of derivative contracts (Note 7)	49.97	95.23
b Investment in Mutual Fund (Note 5)	15.00	-
Total	45,724.06	36,526.48
Financial liabilities		
Measured at amortised cost		
a Borrowings (Note 17 and 20)	27,525.75	18,908.41
b Financial liabilities (Note 20 and 21)	42,676.12	37,587.92
Total	70,201.87	56,496.33

In respect of financial instruments, measured at amortised cost, the fair value approximates the amortised cost.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

41 FINANCIAL INSTRUMENTS : (CONTD..)

(₹ In Lacs)

Particulars	Fair value	Quoted price in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Note 2 (a)				
As at March 31, 2019				
Financial assets measured at fair value through Profit and loss				
a Fair Value of derivative contracts (Note 7)	49.97	-	49.97	-
b Investment in Mutual Funds (Note 5)	15.00	15.00	-	-
As at March 31, 2018				
Financial assets measured at fair value through Profit and loss				
a Fair Value of derivative contracts (Note7)	95.23	-	95.23	-
Financial liabilities measured at fair value through Profit and loss				
a Fair Value of derivative contracts (Note 21)	-	-	-	-

Note: There have been no transfers amount in Level 1, Level 2 and Level 3 during the years ended March 31, 2019 and March 31, 2018.

3 Financial risk management objectives

The Group's financial liabilities comprise mainly of borrowings, trade payables and other financial liabilities. The Company's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other financial assets.

The Group's business activities are exposed to a variety of financial risks, namely market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

The Group's senior management has the overall responsibility for establishing and governing the Group's risk management framework who are responsible for developing and monitoring the Group's risk management policies. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Audit Committee of the Parent Company.

A MANAGEMENT OF MARKET RISK

The Group's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

- currency risk;
- interest rate risk

i Currency risk

The Group's activities expose it primarily to the financial risk of changes in foreign currency exchange rates. The Group enters into a variety of derivative financial instruments to manage its exposure to foreign currency risk.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

41 FINANCIAL INSTRUMENTS : (CONTD..)

The carrying amounts of the Group's foreign currency dominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

	(in Lacs)	
	As at March 31, 2019	As at March 31, 2018
Liabilities (Foreign currency)		
In US Dollars (USD)	273.14	369.18
In Euro (EUR)	41.39	52.57
Assets (Foreign currency)		
In US Dollars (USD)	4.14	8.93
In Euro (EUR)	0.14	-
In Dirham (AED)	0.02	-

	(₹In Lacs)	
	As at March 31, 2019	As at March 31, 2018
Liabilities (INR)		
In US Dollars (USD)	18,890.59	24,063.09
In Euro (EUR)	3,214.47	4,248.45
Assets (INR)		
In US Dollars (USD)	286.34	581.75
In Euro (EUR)	11.19	-
In Dirham (AED)	0.46	-

Derivative instruments:

The Group uses foreign currency forward contracts and currency options to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. The use of foreign currency forward contracts is governed by the Parent Company's strategy approved by the Board of Directors, which provide principles on the use of such forward contracts consistent with the Company's Risk Management Policy. The Group does not use forward contracts and Currency Options for speculative purposes.

Outstanding Forward/option Exchange Contracts entered into by the Group :

	As at March 31, 2019	As at March 31, 2018
Payable		
Outstanding Forward Exchange Contracts		
In USD		
No. of Contracts	8	3
In US Dollars - (In lacs)	26.61	5
In INR - (In lacs)	1,840.22	325.90
In EURO		
No. of Contracts	5	4
In EURO - (In lacs)	12.91	8.50
In INR - (In lacs)	1,002.83	686.89
Outstanding Option Contracts		
In USD		
No. of Contracts	1	1
In US Dollars - (In lacs)	5.29	15.88
In INR - (In lacs)	366.14	1,035.21

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

41 FINANCIAL INSTRUMENTS : (CONTD..)

Interest rate swaps to hedge against fluctuations in interest rate changes: As at March 31, 2019 : No. of contracts - 1 (as at March 31, 2018 : No. of contracts - 1).

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

Foreign currency sensitivity analysis

The Group is mainly exposed to the currency : USD, EUR and AED

The following table details, Group's sensitivity to a 5% increase and decrease in the rupee against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. This is mainly attributable to the exposure outstanding not hedged on receivables and payables in the Group at the end of the reporting period. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rate. A positive number below indicates an increase in the profit and equity where the rupee strengthens 5% against the relevant currency. For a 5% weakening of the rupee against the relevant currency, there would be a comparable impact on the profit and equity, and the balances below would be negative.

Impact on profit or loss and total equity

Particulars	(₹ In Lacs)	
	As at March 31, 2019	As at March 31, 2018
Increase in exchange rate by 5%	(929.89)	(1,284.09)
Decrease in exchange rate by 5%	929.89	1,284.09

The Group, in accordance with its risk management policies and procedures, enters into foreign currency forward contracts to manage its exposure in foreign exchange rate variations. The counter party is generally a bank. These contracts are for a period between one day and five years. The above sensitivity dose not include the impact of foreign currency forward contracts and option contracts which largely mitigate the risk.

ii Interest risk

Interest rate risk is the risk that the future cash flow with respect to interest payments on borrowing will fluctuate because of change in market interest rates. The group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligation with floating interest rates.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	(₹ In Lacs)	
	Increase/ decrease in basis points	Effect on profit before tax
As at March 31, 2019	100 bps	275.26
As at March 31, 2018	100 bps	189.08

B MANAGEMENT OF CREDIT RISK

Credit risk refers to the risk that a counter party will default on its contractual obligation resulting in financial loss to the Group. The Group uses its own trading records to evaluate the credit worthiness of its customers. The Group's exposure are continuously monitored and the aggregate value of transactions concluded, are spread amongst approved counter parties (Refer note 12 - Trade receivable).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

41 FINANCIAL INSTRUMENTS : (CONTD..)

The Parent company is exposed to credit risk in relation to financial guarantees given to banks in respect of borrowings obtained by the joint venture. In case of joint Venture, the Parent Company's share is 50.00% and the guarantee has been given jointly and severally by all the partners of Joint Venture.

The Parent Company's maximum exposure in this respect is of ₹4,944.74 lacs as at March 31, 2019 and ₹4,746.73 lacs as at March 31, 2018 as disclosed in contingent liabilities (Refer Note 36).

C MANAGEMENT OF LIQUIDITY RISK

Liquidity risk is the risk that the Group will face in meeting its obligations associated with its financial liabilities. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Group's short-term, medium-term and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following table shows the maturity analysis of the Group's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

(₹ In Lacs)

Particulars	Carrying amount	Less than 1 year	1-5 years	More than 5 years	Total
As at March 31, 2019					
Non-derivative financial liabilities					
Borrowings	27,525.75	11,217.48	16,308.27	-	27,525.75
Financial Liabilities	42,676.12	42,676.12	-	-	42,676.12
Total	70,201.87	53,893.60	16,308.27	-	70,201.87
As at March 31, 2018					
Non-derivative financial liabilities					
Borrowings	18,908.42	7,167.35	11,741.07	-	18,908.42
Financial Liabilities	37,587.93	37,587.93	-	-	37,587.93
Total	56,496.35	44,755.28	11,741.07	-	56,496.35

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

42 ACQUISITION AND MERGER OF REX POLYEXTRUSION PRIVATE LIMITED

On July 9, 2018, the company acquired 51% of equity share of Rex Polyextrusion Private Limited ("Rex"), engaged in the business of Manufacturing and supply of corrugated and other plastic piping solutions, against a consideration of ₹. 7,522.50 lacs paid in cash. Further, the Board has also approved the scheme of amalgamation of Rex with the Company for which the Company have issued 7,23,200 equity shares of ₹ 1 each fully paid up in exchange for the balance 49% of equity share of Rex. Such scheme was apporved by NCLT, Ahmedabad Bench on May 2, 2019 and filed with the Registrar of Companies on May 9, 2019. The management has determined this as a subsequent adjusting event and hence, Rex has been amalgamated with effect from appointed date of July 10, 2018.

Assets acquired and Liabilities assumed on acquisition date

The fair values of the identifiable assets and liabilities of Rex Polyextrusion Private Limited as at the date of acquisition were:

(₹ In Lacs)

Particulars	As at July 9, 2018
Property, plant and equipment	8,116.95
Intangible assets *	4,476.41
Capital work-in-progress	250.35
Non-current assets	
Investments	15.43
Loans	44.69
Other financial assets	159.62
Other non-current assets	261.88
Current assets	
Inventories	2,768.01
Trade receivables	4,227.05
Cash and cash equivalents	208.91
Other balances with banks	805.52
Loans	7.26
Other assets	1,205.00
Total Assets	22,547.08
Deferred tax liabilities (Net)	865.61
Non-current liabilities	101.80
Current liabilities	
Borrowings	3,622.30
Trade payables & Other financial liabilities	4,535.66
Other Payables	423.14
Current Tax Liabilities	170.55
Total Liabilities	9,719.06
Net Asset Acquired	12,828.02

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

42 ACQUISITION AND MERGER OF REX POLYEXTRUSION PRIVATE LIMITED (CONTD..)

(₹ In Lacs)

Particulars	As at July 9, 2018
Cash Consideration Paid	7,522.50
Consideration to be paid by allocation of Shares	7,227.50
Total Consideration paid	14,750.00
Less : Fair value of identified net asset acquired	12,828.02
Goodwill arising on acquisition of Rex Polyextrusion Pvt. Ltd.	1,921.98

* Intangible assets, which represents Brands (including trademarks and technical know-how) on the date of acquisition, has been initially recognised at its fair value, which has been determined considering the expected growth rate, discount rate and royalty rate. The values assigned to such assumptions, which involves significant judgements, are consistent with the management's plans for focusing operations relating to the acquired Brands.

The deferred tax liability mainly comprises the tax effect of the accelerated depreciation for tax purposes of tangible and intangible assets.

The goodwill of ₹ 1,921.98 lacs comprises the value of expected synergies arising from the acquisition.

Transaction costs of ₹ 195.08 lacs have been expensed and are included in other expenses.

43 Events after the reporting period

The Board of Directors, in its meeting held on May 20, 2019, has proposed a final dividend of ₹ 0.40 per equity share for the financial year ended March 31, 2019. The proposal is subject to the approval of shareholders at the Annual General Meeting and if approved would result in a cash outflow of approximately ₹ 581.22 Lacs, including dividend distribution tax.

44 RECENT ACCOUNTING PRONOUNCEMENT

The below amendments have also become effective for the Group from financial year beginning April 1, 2018. However, the management has evaluated and determined that the adoption of these amendments will not have any material impact on the consolidated financial statements since there are no such transactions or the Group's existing policies are aligned to these amendments:

1. Amendment to Ind AS 12 Income Taxes - regarding recognition of deferred tax assets on unrealised losses
2. Applying Appendix B of Ind AS 21 The Effects of Changes in Foreign Exchange Rates
3. Amendment to Ind AS 28 Investments in Associates and Joint Ventures
4. Amendment to Ind AS 40 Investment Property - regarding transfer of investment property
5. Amendment to Ind AS 112 Disclosure of Interests in Other Entities - regarding disclosure requirements

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

44 RECENT ACCOUNTING PRONOUNCEMENT (CONTD..)

Standards issued but not yet effective

Ind AS 116 - Leases

Ind AS 116 Leases was notified by MCA on 30 March 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

The Group intends to adopt these standards from 1 April 2019. As the Group does not have any material leases, therefore the adoption of this standard is not likely to have a material impact in its Consolidated Financial Statements.

45 The figures for the previous year have been regrouped/ reclassified wherever necessary to confirm with the current year's classification. Moreover, due to merger, figures for the current year is not comparable with the previous year to that extent.

For S R B C & CO LLP

ICAI Firm Registration No : 324982E/E300003
Chartered Accountants

Per Anil Jobanputra

Partner
Membership No : 110759

Place : Ahmedabad
Date : May 20, 2019

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

CIN : L25200GJ1996PLC029134

(Sandeep P. Engineer)

Managing Director
DIN : 00067112

(Hiranand A. Savlani)

Chief Financial Officer
Place : Ahmedabad
Date : May 20, 2019

(Jagruti S. Engineer)

Whole Time Director
DIN : 00067276

(Krunal D. Bhatt)

Company Secretary

FORM AOC-1

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

PART - A : SUBSIDIARIES

(₹ In Lacs)

Name of Subsidiary	Astral Biochem Pvt. Ltd	Resinova Chemie Ltd.	Seal IT Services Ltd., UK	Seal IT Services Ltd., USA
Financial Period Ended	March, 2019	March, 2019	March, 2019	March, 2019
Reporting currency	INR	INR	GBP	GBP
Exchange Rate @	-	-	90.53	90.53
Share capital	5.00	29.39	0.09	-
Reserves & surplus	(101.74)	33,769.02	3,811.05	(608.70)
Total assets	17.17	42,612.30	15,209.48	(431.76)
Total Liabilities	113.91	8,813.89	11,398.35	176.94
Investments	-	-	-	-
Turnover	-	43,700.50	18,446.73	1,320.54
Profit before taxation	-	2,172.77	917.94	(133.30)
Provision for taxation	-	764.01	196.83	-
Profit after taxation	-	1,408.76	721.11	(133.30)
Proposed Dividend	-	-	-	-
% of shareholding	100.00	97.45	80.00	80.00

Seal It Services Inc. is the 100% subsidiary of Seal IT Services Limited.

@ P&L Item converted at yearly average exchange rate.

Notes: Astral Biochem Pvt. Ltd. is yet to commence operations.**PART - B : ASSOCIATE AND JOINT VENTURE**

(₹ In Lacs)

Name of Associate / Joint Venture	Astral Pipes Limited, Kenya
Latest audited Balance Sheet Date	31 st December, 2018
Shares of Joint Ventures held by the company on 31st March, 2019	10,00,000 Equity Shares
No. of shares	68,00,000 Preference Shares
Amount of investment	627.13
Extent of holding %	50
Description of how there is significant influence	Joint Venture
Reason why the joint venture is not consolidated	N.A.
Net-worth attributable to Shareholding as per latest audited Balance Sheet	1,862.15
Profit / (Loss) for the year	(509.67)
i. Considered in Consolidation	(356.77)
ii. Not Considered in Consolidation	(152.90)

Note: No Associate or Joint Venture was liquidated or sold during the year.**For and on behalf of the Board of Directors****(Sandeep P. Engineer)**Managing Director
DIN : 00067112**(Hiranand A. Savlani)**

Chief Financial Officer

Place : Ahmedabad

Date : May 20, 2019

(Jagruiti S. Engineer)Whole Time Director
DIN : 00067276**(Krunal D. Bhatt)**

Company Secretary

NOTES

NOTES

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NOTES

ADHESIVES

ANAEROBIC ADHESIVES
SILICON SEALANTS PVA
CONSTRUCTION CHEMICALS
CYANOACRYLATE
SOLVENT CEMENTS
TAPES
POLYMERIC FILLING COMPOUND
EPOXY ADHESIVES
& PUTTY
INDUSTRIAL ADHESIVES

PIPING

AGRICULTURE
DRAINAGE INDUSTRIAL
URBAN INFRASTRUCTURE
PLUMBING
FIRE PROTECTION
CONDUIT SURFACE DRAINAGE
ANCILLARY
INSULATION





Registered & Corporate Office:

Astral Poly Technik Ltd.

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**ASTRAL TOLL FREE
1800 233 7957**
Please get in touch with us
between 10 a.m. to 6 p.m.

