



**ASCU ARCH TIMBER PROTECTION LIMITED**



**ANNUAL REPORT  
2019-2020**



## ASCU ARCH TIMBER PROTECTION LIMITED

<b>Board of Directors</b>	:	Rajiv Agarwal (Whole-time Director) P. K. Lohia Sanjay Goenka
<b>Auditors</b>	:	R.M.Jain & Associates Saha Court, 5th Floor, #32 8, Ganesh Chandra Avenue, Kolkata 700013
<b>Banks</b>	:	HDFC Bank Ltd. Central Plaza Branch 2/6, Sarat Bose Road, Kolkata 700 020  State Bank of India Overseas Branch Block 'A', 1, Strand Road Kolkata - 700 001
<b>Registered Office</b>	:	P46A, Radha Bazar Lane, 4th Floor Kolkata - 700 001 Phone : 2225 2234 / 3192 kolkata.ascu@ascu.co.in
<b>Corporate Office</b>	:	3F, Park Plaza, North Block, 71, Park Street, Kolkata-700 016 Phone No. (033) 4051 3000 Fax No.(033) 4051 3326 E-mail : kolkata.ascu@ascu.co.in Website : ascuarchtimberprotectionltd.co.in
<b>CIN</b>	:	L29299WB1964PLC026250
<b>Works</b>	:	3524D, Hide Road Extension Kolkata - 700 088 Phone : (033) 2449 2278
<b>Registrar &amp; Share Transfer Agent</b>	:	Niche Technologies Pvt. Ltd. 3A, Auckland Place Room No. 7A & 7B, 7th Floor Kolkata - 700 017 Phone : (033) 2280-6616/6617/6618 Email : nichetechpl@nichetechpl.com

## Directors' Report

To,

The members of

**Ascu Arch Timber Protection Limited**

Your Directors have pleasure in presenting their 55th Annual Report, along with the audited accounts of the Company, for the year ended March 31, 2020.

### FINANCIAL RESULTS

(₹ in Lakhs)

	Year ended March 31, 2020	Year ended March 31, 2019
Profit/(Loss) before finance cost and depreciation	34.44	31.84
Less : Finance Cost	0.53	0.46
Depreciation	0.49	1.09
Profit before tax	33.42	30.75
Less: Provision for taxation (including deferred income tax & MAT Credit Entitlement)	16.48	8.38
<b>Profit/(Loss) after taxation</b>	<b>16.94</b>	<b>22.37</b>
<b>Surplus of Previous year brought forward</b>	<b>22.37</b>	<b>23.96</b>
<b>Transfer from General Reserve</b>	<b>-</b>	<b>-</b>
	<b>39.31</b>	<b>46.33</b>
<b>Appropriation-</b>		
<b>Transfer to General Reserve</b>	<b>22.37</b>	<b>14.21</b>
<b>Dividend &amp; D.D.T Paid</b>	<b>-</b>	<b>9.75</b>
<b>Surplus of Profit &amp; Loss Account carried forward</b>	<b>16.94</b>	<b>22.37</b>
	<b>39.31</b>	<b>46.33</b>

## PERFORMANCE AND FUTURE OUTLOOK

The income from Sales & Services for the year under review was ₹.253.19 lakhs as compared to ₹.312.24 lakhs in previous year. The sales turnover registered a decline of about 18.91% over the previous year which was mainly due to decline of new orders for Wood Preservative chemical & non execution of order for Timber Processing Equipments received from some of the existing customers for their expansion programme of their wood working centres due to World wide Covid-19 pandemic situation.

Considering the pending orders for previous year and the market for wood preservation chemicals & wood processing equipment improves after pandemic situation is under control and Company's continued efforts in improving the sales turnover and controlling the operational cost, Directors are hopeful of a better performance during the current year.

## DIVIDEND

Your Directors have not recommended any dividend for the financial year ended March 31, 2020 and decided to reinvest the same in the business of the Company.

## RESEARCH & DEVELOPMENT

The Recurring Expenditure on Research & Development for the year was ₹ 16.46 lakhs. Capital Expenditure on R & D for the year was Nil.

## FOREIGN EXCHANGE EARNINGS & OUTGO

Foreign exchange earnings	Nil
Foreign exchange outgo	Nil

## EXPORT

The export earnings from services during the year were nil. Your Company continues with its best efforts to improve the export performance.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

Presently, the Board has Two Independent (Non-Executive) Directors, and One Whole-time (Executive) Director.

Mr. Rajiv Agarwal, Whole-time Director continues to hold the position as the Key Managerial Personnel.

During the year under review no new director has been appointed and resigned.

## STATEMENT ON DECLARATION BY INDEPENDENT DIRECTORS

The Company has received Statement on declaration from each independent director under Section 149(7) of the Companies Act, 2013, that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached with the report as Annexure-I.

## BOARD MEETING

During the year 2019-20, the Directors met six times to review the operation of the company and to discuss the financial results as well as the future business plans / strategy of the company in the board meetings held on April 30, 2019, May 30, 2019; August 14, 2019, August 27, 2019, November 14, 2019 and February 06, 2020.

## DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATES

The Company does not have any Subsidiary or Joint venture however there is one foreign Associate Company as per details given in the Extract of Annual Return (MGT 9) attached to this report.

## DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors confirm:

- That in the preparation of the annual accounts, the applicable Accounting Standards were followed, along with proper explanation relating to material departures;
- That the selected accounting policies are reasonable and prudent so as to give a true and fair view of the Company's state of affairs and profit at the end of the financial year, and applied them consistently;
- That proper and sufficient care was taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the Company's assets and for preventing and detecting fraud and other irregularities;
- That the accounts for the period ended March 31, 2020 are on a going-concern basis.

- e) That proper internal financial control have been laid down and followed by the company and that such internal financial controls are adequate and are operating effectively.
- f) That proper system has been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### AUDIT COMMITTEE

The Company has duly constituted Audit Committee in place with three directors as its members. The Audit Committee had met four times during the year under review.

### NOMINATION AND REMUNERATION COMMITTEE AND POLICY

The Nomination and Remuneration Committee of the Board comprising of three directors has formulated the policy for appointment of Directors and Key Managerial Personnel and determination of remuneration including the criteria for determining qualification, positive attributes independence of a director and other matters as provided under sub-section (3) of section 178 of the Companies Act, 2013.

### SHARE TRANSFER AND TRANSMISSION COMMITTEE:

The Share Transfer and Transmission Committee have three directors as its Members.

The key objectives of the committee are to consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transfer and transmission of securities, etc.

### DEPOSITS

The Company has not accepted any deposits from public or others during the year under review.

### AUDITORS

The present Auditors, M/s. R.M. Jain & Associates, Chartered Accountants (Firm's Registration No. 304127E) who was appointed for 5 years are eligible to continue as Statutory Auditors for the financial year 2020-21 and have conveyed their eligibility and willingness to continue.

The Auditors have audited the books of accounts of the Company for the Financial Year ended March 31, 2020 and have issued the Auditors' Report thereon. There are no qualifications or reservations or adverse remarks or disclaimers of the Auditors mentioned in the said Report.

### CONSERVATION OF ENERGY

Your Company is taking all possible measures, as in the past, for conservation of energy by optimum utilization of the available resources and also by using energy saving equipments in its operations.

### TECHNOLOGY ABSORPTION

As per Form B enclosed as Annexure' II' forming a part of this report.

### FOREIGN EXCHANGE EARNINGS & OUTGO

Foreign exchange earnings	Nil
Foreign exchange outgo	Nil

### SECRETARIAL AUDIT REPORT

The Company has carried out the Secretarial Audit for the Financial Year ended March 31, 2020 as required by the Companies Act, 2013 and their audit report is attached to this Directors Report as Annexure'III'. The qualification / observation by the Secretarial Auditor in his report are self-explanatory.

### EXTRACT OF ANNUAL RETURN

In accordance with Section 134(3)(a) of the Companies Act, 2013, as amended vide The Companies (Amendment) Act, 2017 (notified on 31st July, 2018) the extract of the annual return is placed in the web address of the Company at [www.ascuarchtimberprotectionltd.co.in](http://www.ascuarchtimberprotectionltd.co.in) at the following link:

The link for the same is as follows:

[http://ascuarchtimberprotectionltd.co.in/wp-content/uploads/2020/08/MGT-9-Extract-of-Annual-Return\\_Ascu\\_Niche\\_31.03.20.pdf](http://ascuarchtimberprotectionltd.co.in/wp-content/uploads/2020/08/MGT-9-Extract-of-Annual-Return_Ascu_Niche_31.03.20.pdf)

### SHARE CAPITAL

There was no change in the share capital of the Company during the year under review. The Company has not issued any shares with differential voting rights, sweat equity, shares under stock option schemes etc. and also

has not made any provision of money for purchase of its own shares by employees or by trustees for the benefit of employees.

### STAKEHOLDERS RELATIONSHIP COMMITTEE

The Share Transfer and Stakeholders Grievance & Relationship Committee established in terms of the Companies Act, 2013 looks after the Grievances of Stakeholders. No such grievances have been received in the year under review that required the attention of the Committee for resolution.

### INVESTOR EDUCATION AND PROTECTION FUND

The Company has transferred a sum of ₹1,60,929/-, being the unpaid / unclaimed dividend for the year ended March 31, 2012, to the Investor Education and Protection Fund on 9th October, 2019. The dividend for the year ended March 31, 2013 that remains unpaid / unclaimed is due for transfer in the current year which can be claimed by October 02,2020.

### LISTING OF SHARE

The equity shares of the Company continue to be listed with Calcutta Stock Exchange Ltd.

### PARTICULARS OF LOANS AND GUARANTEES

The Company has not given any loans or guarantee for loans taken by others under Section 186 of the Companies

Act, 2013 and also not made any investments beyond the limits prescribed under the aforesaid section during the year.

### PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The Company has not entered into any contract or arrangement with related parties during the year under review.

### PARTICULARS OF EMPLOYEES

The relation between the employees and the management continued to be cordial and stable at all levels. Your Directors wish to place on record their appreciation for the devoted services of all the Company's executives and staff.

During the year, no employee was in receipt of remuneration of or in excess of the amount prescribed under the Companies Act, 2013.

### ACKNOWLEDGEMENTS

The Directors wish to express their appreciation and gratitude to the shareholders, bankers, customers, suppliers and all other business associates for their valuable support to the Company. The Directors look forward to their continued support in future.

For and on behalf of the Board of Directors

**P.K.Lohia**

Director

**Rajiv Agarwal**

Whole-time Director

Place : Kolkata,

Date : 25th August, 2020

## ANNEXURE TO THE DIRECTORS' REPORT

### ANNEXURE 'I'

#### Statement on declaration given by the independent director under sub-section (6) of section 149 of the Companies Act, 2013

The Board comprises two Independent Directors who have submitted declaration in individual capacity as follows:

- (a) He is an Independent Director and a person of integrity and possesses relevant expertise and experience;
- (b) (i) He is or was not a promoter of the company or its holding, subsidiary or associate company;  
(ii) He is not related to promoters or directors in the company, its holding, subsidiary or associate company;
- (c) He has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- (d) None of his relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- (e) He neither himself nor any of his relatives—
  - (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the current financial year;
  - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the current financial year of—
    - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
    - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
  - (iii) holds together with his relatives two per cent or more of the total voting power of the company;

or

  - (iv) is a Chief Executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent. or more of the total voting power of the company.

**FORM-B**

Disclosure of particulars with respect to technology absorption forming part of the Directors' Report for the year ended March 31, 2020:

**Technologies Absorbed :****Research & Development (R & D)****1 Specific areas in which R & D carried out by the Company.**

- i) Development of bio-degradable multipurpose wood preservatives.
- ii) Development of more "eco-friendly" and effective wood preservatives.
- iii) Development of "ready to use" solvent based wood preservatives.
- iv) Development of water soluble Wood Preservatives (Oxide formulation), as per International Standards;

**2. Benefit derived as a result of the above R & D.**

- i) Successfully developed and marketed water soluble Wood Preservatives (Oxide formulation), as per International Standards;
- ii) Introduction of user and eco-friendly wood preservatives.
- iii) Compliance of norms of Pollution Control Board and other concerned authorities regarding discharge of hazardous wastes.

**3 Future Plan of Action :**

Development of -

- i) multipurpose eco-friendly preservative;
- ii) new method for improved waste sludge recycling process

**4 Total R & D expenditure as percentage of total turnover**

- i) Total R & D Expenditure - ₹ 16.46lakhs.
- ii) R & D Expenditure as a percentage of total turnover – 6.50 %

**5 Technology absorption, adaptation and innovation:**

There has been no fresh technology absorption, adaptation and innovation during the year.

**SECRETARIAL AUDIT REPORT**

FORM NO. MR - 3

**For the Financial Year ended March 31, 2020**

[Pursuant to section 204(1) of the Companies Act, 2013 and  
Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
M/s AscU Arch Timber Protection Limited  
P-46A, Radha Bazaar Lane, 4th Floor  
Kolkata-700001  
West Bengal

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (There were no events / instances during the Audit Period which attract the applicability of the Regulations);
  - (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (There were no events / instances during the Audit Period which attract the applicability of the Regulations);
  - (g) 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;
  - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (There were no events / instances during the Audit Period which attract the applicability of the Regulations);
- (vi) All other laws applicable to the company in general. However, no Industry specific law is applicable to the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with Calcutta Stock Exchange.

During the audit period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. The Company was required to appoint at least one woman director on its Board on or before 31st March 2015 to ensure compliance with the provisions of Section 149(1) of the Companies Act, 2013 read with Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The Company is required to appoint a Company Secretary- to ensure compliance with the provision of Section 203 Of the Companies Act, 2013 read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
3. The Company was required to appoint Managing Director or CEO or Manager to ensure compliance with the provisions of Section 203 of the Companies Act, 2013.
4. The Company was required to appoint Chief Financial Officer to ensure compliance with the provisions of Section 203 of the Companies Act, 2013.

**I further report that**

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. However the Company has not appointed any woman Director in the Company.
- b) Adequate notice is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c) Majority decision is carried through while the dissenting members' views are captured and recorded, if any, as part of the minutes.

**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 there was no specific event/action that can have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc., referred to above.

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

**K. C. Khowala**

Company Secretary in practice

ACS No. 4695

CP No. 2421

UDIN:A004695B000613325

Place: Kolkata

Date: August 25, 2020

## **"Annexure A"**

(To the Secretarial Audit Report of M/s Ascu Arch Timber Protection Limited for the financial year ended March 31, 2020)

To,

The Members,

**Ascu Arch Timber Protection Limited**

P-46A, Radha Bazaar Lane, 4th Floor

Kolkata-700001

West Bengal

Our Secretarial Audit Report for the financial year ended March 31, 2020 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for a opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules, regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, and standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**K. C. Khowala**

Company Secretary in practice

ACS No. 4695

CP No. 2421

Place: Kolkata

Date: August 25, 2020

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,

The Members,

**M/s Ascu Arch Timber Protection Limited**

P-46A, Radha Bazaar Lane, 4th Floor

Kolkata-700001

West Bengal

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Ascu Arch Timber Protection Limited having registered office at P-46A, Radha Bazaar Lane, 4th Floor, Kolkata-700001 (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) Regulation, 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](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, New Delhi or any such other Statutory Authority.

Sr.No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. RAJIV AGARWAL	00056650	29/07/2003
2.	Mr. PRADEEP KUMAR LOHIA	00056706	31/01/2007
3.	Mr. SANJAY GOENKA	03079842	30/03/2019

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

**K. C. Khowala**

Company Secretary in practice

ACS No. 4695

CP No. 2421

UDIN:A004695B000613391

Place: Kolkata

Date: August 25, 2020

## INDEPENDENT AUDITOR'S REPORT

To the Members of **Ascu Arch Timber Protection Limited**

**Report on the Audit of the Ind AS Financial Statements**

### Opinion

We have audited the accompanying Ind AS financial statements of Ascu Arch Timber Protection Limited ("the Company"), which comprise the balance sheet as at 31st March 2020, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Statement of changes in equity and Statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

### Basis for Opinion

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our

audit of the Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of Ind AS financial statement as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Information Other than Ind AS Financial Statements and Auditor's Report Thereon

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 Ind As financial statements and our auditor's report thereon.

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

### Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows 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 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 Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the 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 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 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

### Report on Other Legal and Regulatory Requirements

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.

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, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

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

- (g) With respect to the matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

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

- i. The Company does not have any pending litigations which would impact its financial position.
- 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 **R. M. Jain & Associates**  
Chartered Accountants  
Firm Registration No. 304127E

**CA R.M.Jain**  
Proprietor  
Membership No. 006668  
UDIN: 20006668AAAAAJ9709

Place: Kolkata  
Date: 29th day of June, 2020

## ANNEXURE-A TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENT OF ASCU ARCH TIMBER PROTECTION LIMITED

Report on the Companies (Auditor's report) Order, 2016 ('the Order') under sub-section (11) of section 143 of the Act

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The Title deeds of immovable properties are held in the name of the Company.
- ii. (a) The Management has conducted the physical verification of inventory at reasonable intervals.
- (b) No discrepancies were noticed on physical verification of the inventory as compared to book record which has been properly dealt with in the Books of Accounts.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not issued loans, guarantee or securities to which provisions of section 185 and 186. Therefore not applicable to the company.
- v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the rules framed there under to the extent notified.
- vi. To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Act, for the products/services of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues, as applicable, 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, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other 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 and the records of the Company examined by us, there are no dues of income-tax, sales tax, wealth tax, service tax, duty of customs, value added tax or cess which have not been deposited on account of any dispute.
- viii. According to information and explanation given to us, the Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the year.
- ix. Based upon the audit procedures performed and the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans hence, reporting under this clause is not applicable to the Company and hence not commented upon.
- x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud / material 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. As the Company is not a nidhi company and the Nidhi Rules, 2014 are not applicable to it, the provisions of clause 3(xii) of the order are not applicable to the Company.
- xiii. The Company has entered into transactions with the related parties are in compliance with the provisions of sections 177 and 188 of the Act. The details of such related party transaction have been disclosed in the Ind AS financial statements as required under Ind AS-24 under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.
- xiv. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non-cash transactions with directors or persons connected

with him. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.

- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company.

**For R. M. Jain & Associates**  
Chartered Accountants  
Firm Registration No. 304127E

**CA R.M.Jain**  
Proprietor  
Membership No. 006668  
UDIN: 20006668AAAAAJ9709

Place: Kolkata  
Date: 29th day of June,2020

## ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF ASCU ARCH TIMBER PROTECTION 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 Ascu Arch Timber Protection Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the period 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.

### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing 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 was established and maintained and if such

controls operated effectively in all material respects.

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

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

### 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 Ind AS financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting with reference to these Ind AS financial statement, 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 future periods are subject to the risk that the internal financial control over financial reporting with reference to these Ind AS may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls over financial reporting with reference to these Ind AS financial statement and such internal financial controls over

financial reporting with reference to these Ind AS financial statement were operating effectively as at March 31, 2020, based on the Internal Control Over Financial Reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For R. M. Jain & Associates**  
Chartered Accountants  
Firm Registration No. 304127E

**CA R.M.Jain**  
Proprietor  
Membership No. 006668  
UDIN: 20006668AAAAAJ9709

Place: Kolkata  
Date: 29th day of June,2020

## Balance Sheet as at 31st March, 2020

PARTICULARS	Note No.	As at 31st March 2020 ₹	As at 31st March 2019 ₹
<b>ASSETS</b>			
<b>1) Non-Current Assets</b>			
(a) Property, Plant and equipment	2	5,41,762	5,91,528
(b) Goodwill		1,00,000	1,00,000
(c) Financial assets			
(i) Investments	3	3,750	3,750
(ii) Loans	4	4,82,072	4,05,332
(d) Mat Credit Entitlement		-	-
<b>Total- non current assets</b>		<b>11,27,584</b>	<b>11,00,610</b>
<b>2) Current Assets</b>			
(a) Inventories	5	48,40,831	40,33,971
(b) Financial assets			
(i) Investments	6	6,35,51,157	5,77,18,653
(ii) Trade receivables	7	66,86,891	54,22,344
(iii) Cash and cash equivalents	8	15,61,553	11,19,374
(c) Current Tax Assets(Net)	9	-	4,55,834
(d) Other Current Assets	10	20,51,201	27,30,202
<b>Total- current assets</b>		<b>7,86,91,633</b>	<b>7,14,80,378</b>
<b>Total assets</b>		<b>7,98,19,217</b>	<b>7,25,80,988</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share capital	11	80,99,860	80,99,860
(b) Other Equity	12	5,91,72,024	5,74,78,095
<b>Total equity</b>		<b>6,72,71,884</b>	<b>6,55,77,955</b>
<b>LIABILITIES</b>			
<b>1) Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings		-	-
(b) Provisions	13	13,45,489	11,84,389
(c) Deferred tax liabilities (Net)	14	4,66,270	1,54,063
(d) Other non-current liabilities	15	1,28,706	1,28,706
<b>Total non-current liabilities</b>		<b>19,40,465</b>	<b>14,67,158</b>
<b>2) Current Liabilities</b>			
(a) Financial liabilities			
(i) Borrowings		-	-
(ii) Trade payables	16	60,34,584	18,32,024
(iii) Other liabilities excl.provisions	17	39,67,949	37,03,851
(b) Current Tax liabilities(Net)	18	6,04,335	-
<b>Total current liabilities</b>		<b>1,06,06,868</b>	<b>55,35,875</b>
<b>Total liabilities</b>		<b>7,98,19,217</b>	<b>7,25,80,988</b>

Significant Accounting policies  
Notes 1 -47 form an integral part of the financial statements

1

As per our Report attached of even date

For **R.M. Jain & Associates**  
Chartered Accountants  
Firm's Registration No. 304127E

**CA R. M. Jain**  
Proprietor  
Membership No.006668  
Kolkata, the 29th.day of June,2020

For and on behalf of the Board of Directors

**RAJIV AGARWAL**  
Whole-time Director  
DIN: 00056650

**P.K. LOHIA**  
Director  
DIN:00056706

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

PARTICULARS	Note No.	2019-20 ₹	2018-19 ₹
I. Revenue from operations	19	2,53,18,988	3,12,24,309
II. Other Income	20	62,34,511	45,84,585
<b>III. Total income (I+II)</b>		<b>3,15,53,499</b>	<b>3,58,08,894</b>
IV. Expenses:			
Cost of materials consumed	21	1,83,14,953	2,08,29,015
Purchases of Stock- in-Trade	22	1,51,367	1,61,077
Changes in Inventories of Finished Goods			
Work-in-Progress and Stock-in-Trade	23	(16,94,756)	(3,00,470)
Employee Benefits Expenses	24	28,58,709	29,11,774
Finance Costs	25	52,632	46,189
Depreciation and Amortization Expense	2	49,766	62,608
Other expenses	26	84,78,622	90,23,785
<b>Total expenses</b>		<b>2,82,11,293</b>	<b>3,27,33,978</b>
<b>V Profit before tax (III - IV)</b>		<b>33,42,206</b>	<b>30,74,916</b>
VI Tax Expense:			
- Current tax	9&18	6,37,199	7,60,755
- Tax for earlier period		6,98,872	-
- Deferred tax	14	3,12,206	77,521
<b>Total tax expense</b>		<b>16,48,277</b>	<b>8,38,276</b>
VII Profit for the period (V-VI)		16,93,929	22,36,640
X Total comprehensive income for the year		16,93,929	22,36,640
Earnings per equity share :	27		
Basic & Diluted		2.09	2.76

Significant Accounting policies

1

Notes 1 -47 form an integral part of the financial statements

As per our Report attached of even date

For **R.M. Jain & Associates**  
Chartered Accountants  
Firm's Registration No. 304127E

**CA R. M. Jain**  
Proprietor  
Membership No.006668  
Kolkata, the 29th.day of June,2020

For and on behalf of the Board of Directors

**RAJIV AGARWAL**  
Whole-time Director  
DIN: 00056650

**P.K. LOHIA**  
Director  
DIN:00056706

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

### a. Equity share capital

(Amount in ₹)

Particulars	Amount
As at 31.03.2019	80,99,860.00
Shares issued during the year	-
As at 31.03.2020	80,99,860.00

### b. Other equity

Particulars	Securities Premium	General Reserves	Retained Earnings	Total
	₹	₹	₹	₹
Balance at the beginning of the reporting period-01.04.2019	53,55,803	4,98,85,652	22,36,640	5,74,78,095
Profit for the year ended 31.03.2020			16,93,929	16,93,929
	53,55,803	4,98,85,652	39,30,569	5,91,72,024
Total Comprehensive Income for the year	53,55,803	4,98,85,652	39,30,569	5,91,72,024
Less: Dividend including DDT paid		-	-	-
	53,55,803	4,98,85,652	39,30,569	5,91,72,024
Profit for the year ended 31.03.2019		22,36,640	(22,36,640)	-
Balance at the end of the reporting period-31.03.2020	53,55,803	5,21,22,292	16,93,929	5,91,72,024

The accompanying notes form an integral part of the Financial Statement

As per our Report attached of even date

For **R.M. Jain & Associates**  
Chartered Accountants  
Firm's Registration No. 304127E

**CA R. M. Jain**  
Proprietor  
Membership No.006668  
Kolkata, the 29th.day of June,2020

For and on behalf of the Board of Directors

**RAJIV AGARWAL**  
Whole-time Director  
DIN: 00056650

**P.K. LOHIA**  
Director  
DIN:00056706

## Cash Flow Statement for the year ended 31st March, 2020

(Amount in ₹)

PARTICULARS	Year ended March 31, 2020 ₹	Year ended March 31, 2019 ₹
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before tax and extraordinary items	33,42,206	30,74,916
<b>Adjustments for:</b>		
Depreciation	49,766	62,608
Interest Income	(46,76,959)	(33,51,192)
Profit on Sale of Investment	(14,84,155)	(12,19,001)
Finance Cost	52,632	46,189
Net(gain)/Loss arising on investments mandatarily measured at fair value through Profit & loss	-	-
<b>Operating profit before Working Capital changes</b>	<b>(27,16,510)</b>	<b>(13,86,480)</b>
(Increase)/Decrease in Debtors	(12,64,546)	(12,10,560)
(Increase)/Decrease in Loans & Advances	1,84,521	(1,46,560)
(Increase)/Decrease in Other Assets	(76,740)	78,508
Increase/(Decrease) in Liabilities & Provisions	46,26,864	6,62,520
(Increase)/Decrease in Inventories	(8,06,860)	16,73,654
	(53,271)	(3,28,918)
Income Tax Paid	3,22,032	(9,23,263)
<b>Net cash (used in) / generated from operating activities</b>	<b>2,68,761</b>	<b>(12,52,181)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Investments	(58,32,504)	(24,34,001)
Profit on Sale of Investments	14,84,155	12,19,001
Interest Received	45,74,399	33,51,192
<b>Net Cash Flow from Investing activities</b>	<b>2,26,050</b>	<b>21,36,192</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest Paid	(52,632)	(46,189)
Payment of Dividend & Tax on Dividend	-	(9,76,481)
<b>Net Cash used in Financing Activities</b>	<b>(52,632)</b>	<b>(10,22,670)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>4,42,179</b>	<b>(1,38,659)</b>
Cash and cash equivalents at the beginning of the year	11,19,374	12,58,033
Cash and cash equivalents at the end of the year	15,61,553	11,19,374

As per our Report attached of even date

For **R.M. Jain & Associates**  
Chartered Accountants  
Firm's Registration No. 304127E

**CA R. M. Jain**  
Proprietor  
Membership No.006668  
Kolkata, the 29th.day of June,2020

For and on behalf of the Board of Directors

**RAJIV AGARWAL**  
Whole-time Director  
DIN: 00056650

**P.K. LOHIA**  
Director  
DIN:00056706

## Notes on Financial Statement for the year ended 31st March, 2020

### SIGNIFICANT ACCOUNTING POLICIES

#### 1. Company overview

Ascu Arch Timber Protection Ltd (The Company), is well known in the domestic as well as international markets for the last five decades, as a Pioneer in Timber Preservation field and is engaged in manufacture and supply of wood preservation chemicals and Wood Processing Equipments like Timber Treatment and Seasoning Plants of various sizes. Company's customers include Cooling Tower Industries, Forest Development Corporations, Export Houses dealing in interior wood works and furniture.

Company is a Public Limited Company and is associated, over the last fifty years, with a U.K Company known as the leading Timber Preservers in the world. Company's Registered Office is situated at P 46A Radhabazar Lane, Kolkata, 700001 and has its Corporate Office at 3F Park plaza, North Block, 71 Park Street, Kolkata 700016.

Market for Company's products showed a decline in the last few years due to various adverse conditions faced by the customers forcing them to defer procurement and some going for cheaper and sub-standard products available in market. However the Market is looking up and Company's overall business is expected to improve in the coming years.

#### 2. Basis of preparation

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

#### 3. Functional & Presentation Currency

These Financial statements are presented in Indian Rupees (INR) which is also the company's functional currency and all amounts are rounded to the nearest Rupees (INR) except as stated otherwise.

#### 4. Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to

make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in note 5. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

#### 5. Significant Accounting Policies

##### 5.1 Property, Plant and Equipment

Property, Plant and Equipment are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items.

Assets are depreciated to the residual values on WDV basis over the useful life prescribed in Schedule II to the companies Act, 2013..

The 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 recognized in the Statement of Profit and Loss on the date of disposal or retirement.

##### 5.2 Intangible Assets

Identifiable intangible assets are recognised

a) when the Company controls the asset,

- b] it is probable that future economic benefits attributed to the asset will flow to the Company and
- c] the cost of the asset can be reliably measured.

### 5.3 Cash and cash equivalents

Cash and cash equivalents includes cash on hand and at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

For the purpose of the Statement of Cash Flows, cash and cash equivalents consists of cash and short term deposits, as defined above, net of outstanding bank overdraft as they being considered as integral part of the Company's cash management.

### 5.4 Inventories

Inventories are valued at the lower of cost and net realizable value, whichever is lower. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their respective present location and condition. Cost for raw materials, store and packing materials is generally determined on weighted average cost basis.

However materials and other supplies held in the use of production of Inventories (Finished Goods, Work in Progress) are not written down below the cost if the finished products in which they will be used are expected to be sold at or above the cost.

### 5.5 Leases

#### Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfer substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance lease is capitalized at the commencement of the lease at the inception date fair value of the

leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the statement of profit and loss. Contingent rentals are recognized as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. If there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term

#### Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessee under finance lease is recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

### 5.6 Research & Development

R & D costs (other than cost of Fixed Assets acquired) are charged to Revenue)

### 5.7 Employee benefits

- a] Short term employee benefits are recognized as an expense in the Statement of Profit and

Loss of the year in which the related services are rendered.

- b] Compensated absence being a short term benefit is accounted for using the projected unit credit method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to profit and loss in the period in which they arise.
- c] Contribution to Provident Fund, a defined contribution plan, is made in accordance with the statute, and is recognised as an expense in the year in which employees have rendered services.
- d] The cost of providing gratuity, a defined benefit plans, is determined using the Projected Unit Credit Method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise. Other costs are accounted in statement of profit and loss. The company operates a defined benefit plan for gratuity, which requires contributions to be made to a separately administered fund. The fund is managed by a trust. These benefits are fully funded.

#### **5.8 Financial instruments - initial recognition, subsequent measurement and impairment**

##### **Initial recognition**

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

##### **Subsequent measurement**

##### **Non-derivative financial instruments**

##### **(i) Financial assets carried at amortised cost**

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

##### **(ii) Financial assets at fair value through other comprehensive income**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

##### **(iii) Financial assets at fair value through profit or loss**

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

##### **(iv) Financial liabilities**

Financial liabilities are subsequently carried at amortized cost. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

### **Derecognition of financial instruments**

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for recognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

### **Borrowing costs**

Borrowing costs specifically relating to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized (net of income on temporary deployment of funds) as part of the cost of such assets. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period.

All other borrowing costs are expensed in the period in which they occur.

### **Taxation**

Income tax expense represents the sum of current and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income, in such cases the tax is also recognised directly in equity or in other comprehensive income. Any subsequent change in direct tax on items initially recognised in equity or other comprehensive income is also recognised in equity or other comprehensive income, such change could be for change in tax rate.

Current tax provision is computed for Income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are off set, and presented as net.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the liability method. Deferred tax liabilities

are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and deferred tax liabilities are off set, and presented as net.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

### **Other Income**

#### **Interest**

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

#### **Dividend**

Dividend income is recognized when the Company's right to receive the amount has been established.

### **5.9 Dividend Distribution**

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

### **5.10 Earnings per share**

Earning per share (EPS) is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss after tax for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all diluted potential equity shares.

### **5.11 Provisions and contingencies**

**a) Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

**b) Contingencies**

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

**5.12 Current versus non-current classification**

The Company presents assets and liabilities in statement of financial position based on current/non-current classification.

The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013

An asset is classified as current when it is:

- a] Expected to be realised or intended to be sold or consumed in normal operating cycle,
- b] Held primarily for the purpose of trading,
- c] Expected to be realised within twelve months after the reporting period, or
- d] 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 classified as current when it is:

- a] Expected to be settled in normal operating cycle,
- b] Held primarily for the purpose of trading,
- c] Due to be settled within twelve months after the reporting period, or
- d] There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- e] All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

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

## Notes to the Financial Statements for the year Ended 31.03.2020

### 2. Property, plant & equipment

(Amount in ₹)

Particulars	Freehold Land	Building on Leasehold Land	Plant & equipment	Furniture & fixtures	Vehicles	Office equipment	Computers	Total
Gross Block (at deemed cost)								
As at 31.03.2019	-	1,41,535	5,25,428	60,385	79,430	21,619	4,970	8,33,367
Additions	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Other adjustments	-	-	-	-	-	-	-	-
- Exchange difference	-	-	-	-	-	-	-	-
As at 31.03.2020	-	1,41,535	5,25,428	60,385	79,430	21,619	4,970	8,33,367
Depreciation	-	-	-	-	-	-	-	-
As at 31.03.2019	-	46,665	1,21,942	29,185	43,097	950	-	2,41,839
Charge for the year	-	11,632	24,933	4,682	8,338	181	-	49,766
Disposals	-	-	-	-	-	-	-	-
As at 31.03.2020	-	58,297	1,46,875	33,867	51,435	1,131	-	2,91,605
Net Block								
As at 31.03.2019	-	94,870	4,03,486	31,200	36,333	20,669	4,970	5,91,528
As at 31.03.2020	-	83,238	3,78,553	26,518	27,995	20,488	4,970	5,41,762

## Notes to the financial Statements for the year ended 31.03.2020

	As at 31st March 2020		As at 31st March 2019	
	Numbers	Value	Numbers	Value
<b>FINACIALS ASSETS</b>				
<b>(Non - Current)</b>				
3 Investments (at fair value through OCI))				
Investment in equity shares of	1	1,000	1	1,000
- Coimbatore Private Industrial Ltd				
(Face Value of ₹ 1000 each)				
Investment in 12 years National Savings Certificate		2,750		2,750
<b>TOTAL</b>		<b>3,750</b>		<b>3,750</b>
4 Long term Loans and Advances				
(unsecured-Considered good)				
Earnest Money & Security Deposits		4,82,072		4,05,332
<b>TOTAL</b>		<b>4,82,072</b>		<b>4,05,332</b>
<b>CURRENT ASSETS</b>				
5 Inventories				
Raw materials		12,60,005		21,47,902
Finished Goods		35,80,826		18,86,069
<b>TOTAL</b>		<b>48,40,831</b>		<b>40,33,971</b>
<b>FINACIALS ASSETS</b>				
<b>(Current)</b>				
6 Investments in Mutual Funds				
Investments carried at FVTPL				
Nippon India Liq. Fund-Direct Plan Gr. Plan Gr. Option LFAG				
Formerly Reliance Liq. Fund -Treas'y Plan -D. Plan Gr. Plan-Gr. Opt	2,763	1,31,54,619	1,533	69,94,489
	Units		Units	
Investment in Bond				
Indian Clearing Corporation Limited, ICDM T+0/1819247	500	5,03,96,538	500	5,07,24,164
<b>TOTAL</b>		<b>6,35,51,157</b>		<b>5,77,18,653</b>
Aggregate amount of quoted investments		-		-
Aggregate amount of unquoted investments		6,35,54,907		5,77,22,403
Aggregate amount of impairment in value of investments		Nil		Nil
Investment carried at fair value through OCI		3,750		3,750
Investments carried at fair value through profit or loss		6,35,51,157		5,77,18,653
<b>7 TRADE RECEIVABLES</b>		<b>As at 31st</b>		<b>As at 31st</b>
		<b>March 2020</b>		<b>March 2019</b>
<b>(Current)</b>				
<b>(Unsecured - Considered good)</b>				
Trade receivable-exceedin 6 months		41,64,760		30,05,600
Trade receivable-Other debts		25,22,131		24,16,744
<b>TOTAL</b>		<b>66,86,891</b>		<b>54,22,344</b>

## Notes to the financial Statements for the year ended 31.03.2020

8 CASH AND CASH EQUIVALENTS	As at 31st March 2020	As at 31st March 2019
(Current)		
Cash in Hand	2,71,024	56,852
Balance with Banks		
In Current Account	5,84,430	1,93,359
In Dividend Account	7,06,099	8,69,163
	12,90,529	10,62,522
<b>Total</b>	<b>15,61,553</b>	<b>11,19,374</b>
9 CURRENT TAX ASSETS (Net)	As at 31st March 2020	As at 31st March 2019
Income Tax assets	-	70,51,527
Less: provisions for tax	-	65,95,693
<b>TOTAL</b>	<b>-</b>	<b>4,55,834</b>
10 Other Current Assets	As at 31st March 2020	As at 31st March 2019
Advances other than capital advances	-	-
Duties & Taxes	5,76,114	10,40,980
Advance to Staff & others	14,75,087	16,89,222
<b>TOTAL</b>	<b>20,51,201</b>	<b>27,30,202</b>
11 EQUITY	As at 31st March 2020	As at 31st March 2019
<b>AUTHORISED :</b>		
10,00,000 (Previous year - 10,00,000) Equity Shares of ₹ 10 each	1,00,00,000	1,00,00,000
<b>TOTAL</b>	<b>1,00,00,000</b>	<b>1,00,00,000</b>
<b>ISSUED, SUBSCRIBED and PAID-UP:</b>		
8,09,986 (Previous year - 8,09,986) Equity Shares of ₹ 10 each fully paid up	80,99,860	80,99,860
<b>TOTAL</b>	<b>80,99,860</b>	<b>80,99,860</b>

### Reconciliation of the Equity shares outstanding at the beginning and at the end of the reporting period

Equity Shares	As at 31st March 2020		As at 31st March 2019	
	Numbers	Amount (₹)	Numbers	Amount (₹)
Shares outstanding at the beginning of the year	8,09,986	80,99,860	8,09,986	80,99,860
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	8,09,986	80,99,860	8,09,986	80,99,860

The equity shares of the Company of nominal value of ₹ 10 per share rank pari passu in all respects including voting rights and entitlement to dividend.

### Details of shareholders holding more than 5% shares in the company

Name of Shareholder	As at 31st March 2020		As at 31st March 2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Arch Timber Protection Ltd.	2,10,578	26.00	2,10,578	26.00
Checons Ltd.	52,697	6.51	52,697	6.51
Varanasi Commercial Ltd.	51,240	6.33	51,240	6.33
Ascu Heat Pumps Pvt. Ltd.	44,850	5.54	44,850	5.54

## Notes to the financial Statements for the year ended 31.03.2020

	As at 31st March 2020	As at 31st March 2019
<b>12 OTHER EQUITY</b>		
Securities Premium Account :		
As per last Balance Sheet	53,55,803	53,55,803
- Add during the year	-	-
	<b>53,55,803</b>	<b>53,55,803</b>
<b>Reserves and Retained earnings:</b>		
General Reserve	5,21,22,292	5,08,62,133
Less: Dividend including DDT paid	-	-
	<b>5,21,22,292</b>	<b>5,08,62,133</b>
<b>Surplus in the Statement of Profit and Loss :</b>		
	16,93,929	22,36,640
Less: Dividend including DDT paid	-	9,76,481
	16,93,929	12,60,159
	<b>5,38,16,221</b>	<b>5,21,22,292</b>
<b>TOTAL</b>	<b>5,91,72,024</b>	<b>5,74,78,095</b>
	(Amount in ₹)	(Amount in ₹)
<b>13 Provisions</b>	<b>As at 31st March 2020</b>	<b>As at 31st March 2019</b>
Non - Current		
Leave Encashment (unfunded)	1,34,928	1,34,928
Gratuity (unfunded)	12,10,561	10,49,461
<b>TOTAL</b>	<b>13,45,489</b>	<b>11,84,389</b>
<b>14 DEFERRED TAX LIABILITIES</b>	<b>As at 31st March 2020</b>	<b>As at 31st March 2019</b>
a) Deferred Tax Assets:	-	-
b) Deferred Tax Liability:		
Depreciation	2,753	3,289
Others	4,63,517	1,50,774
	4,66,270	1,54,063
Deferred Tax Liabilities / (Assets) (net)	4,66,270	1,54,063
<b>15 Other Non-current liabilities</b>	<b>As at 31st March 2020</b>	<b>As at 31st March 2019</b>
Due to Agent	1,28,706	1,28,706
<b>16 Trade Payables</b>	<b>As at 31st March 2020</b>	<b>As at 31st March 2019</b>
Trade payable	60,34,584	18,32,024
<b>TOTAL</b>	<b>60,34,584</b>	<b>18,32,024</b>

## Notes to the financial Statements for the year ended 31.03.2020

17 OTHER FINANCIAL LIABILITIES	As at 31st March 2020	As at 31st March 2019
<b>Current</b>		
Other Liabilities excl.provisions		
Advance from customers	7,69,008	8,23,928
Outstanding liabilities	17,81,036	12,88,954
Unclaimed Dividend	7,06,099	8,69,163
Security deposit	7,11,806	7,21,806
<b>TOTAL</b>	<b>39,67,949</b>	<b>37,03,851</b>
<b>18 Current Tax(Net)</b>		
Provision	13,97,954	-
Less : Tax	7,93,619	-
	<b>6,04,335</b>	-

	2019-20	2018-19
	₹	₹
<b>19 Revenue from Operations</b>		
Sale of Products	2,46,60,110	3,00,79,329
Sale of Services	6,58,878	11,44,980
	<b>2,53,18,988</b>	<b>3,12,24,309</b>
<b>20 Other Income</b>		
Interest Income	46,76,957	33,51,192
Gain on Sale of Investments	14,84,154	12,19,001
Liabilities/Provision no longer required, now written back	73,400	786
Miscellaneous Receipt	-	13,606
	<b>62,34,511</b>	<b>45,84,585</b>
<b>21 Cost of Materials consumed</b>		
Opening Stock	21,47,902	41,22,025
Add: Purchases	1,74,27,056	1,88,54,892
	<b>1,95,74,958</b>	<b>2,29,76,917</b>
Less:		
Closing Stock-Raw material-Chemical	12,60,005	21,47,902
Technical	-	-
	<b>12,60,005</b>	<b>21,47,902</b>
	<b>1,83,14,953</b>	<b>2,08,29,015</b>
<b>22 Purchases of Stock-in-Trade</b>		
Purchases	1,51,367	1,61,077
	<b>1,51,367</b>	<b>1,61,077</b>

## Notes to the financial Statements for the year ended 31.03.2020

		2019-20	2018-19
		₹	₹
<b>23</b>	<b>Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade</b>		
	Opening Stock-Finished Goods	18,86,070	15,85,600
	Closing Stock		
	Finished Goods	35,60,916	18,65,720
	Stock-in-Trade	19,910	20,350
		<b>(16,94,756)</b>	<b>(3,00,470)</b>
<b>24</b>	<b>Employee Benefits Expenses</b>		
	Salaries and Wages, Bonus & Other benefits	24,68,797	25,77,336
	Contribution to Provident Fund & ESI	2,19,962	2,12,456
	Provision for Leave Encashment	1,69,950	1,21,982
		<b>28,58,709</b>	<b>29,11,774</b>
<b>25</b>	<b>Finance costs</b>		
	Interest Expenses	<b>52,632</b>	<b>46,189</b>
		<b>2019-20</b>	<b>2018-19</b>
		<b>₹</b>	<b>₹</b>
<b>26</b>	<b>Other Expenses</b>		
	Payment to Auditors:		
	For Statutory Audit	30,000	30,000
	For other services	-	-
	Rent	24,44,249	24,11,233
	Rates & Taxes	12,600	11,100
	Power & Fuel	4,42,695	6,21,172
	Repairs to Machinery	77,280	1,24,138
	Repairs to Building	-	-
	Watch & Ward	7,55,928	7,55,928
	Insurance	85,075	63,380
	Travelling & Conveyance	4,92,217	7,44,102
	Research and Development	16,46,490	16,50,243
	Miscellaneous Expenses	24,92,088	26,12,489
		<b>84,78,622</b>	<b>90,23,785</b>
		<b>2019-20</b>	<b>2018-19</b>
		<b>₹</b>	<b>₹</b>
<b>27</b>	<b>Earning per share(EPS)</b>		
	Face value of equity shares	10	10
	Weighted average number of equity shares outstanding	80,99,860	80,99,860
	Profit/(Loss) for the year(continuing operations)	16,93,929	22,36,640
	Weighted average earnings per share(basic and diluted)	2.09	2.76

## Notes to the financial Statements for the year ended 31.03.2020

	31st March 2020	31st March 2019
	₹	₹
28 There are contingent liabilities in respect of : Performance guarantees given by bank Capital commitment not provided for	Nil Nil	Nil Nil
29 Value of Imports calculated on C.I.F. Basis	-	-
	<b>31st March, 2020</b>	<b>31st March, 2019</b>
	₹	₹
30 Consumption of :- <b>Raw Materials</b>		
Imported	Nil	Nil
Indigenous	1,83,14,953 100.00%	2,08,29,015 100.00%
	<u>1,83,14,953 100.00%</u>	<u>2,08,29,015 100.00%</u>
<b>Stores</b>		
Imported	- -	- -
Indigenous	- 100.00%	- 100.00%
	<u>- 100.00%</u>	<u>- 100.00%</u>

### 31 Amount remitted during the year in foreign currency on account of dividend.

	31st March, 2020	31st March, 2019
	₹	₹
i. Amount remitted in foreign currency (net of tax)	-	2,10,578
ii. Number of Non-Resident Share holder	-	1
iii. Number of Equity Shares held by them	-	2,10,578
iv. Year to which the dividend relates	Y/E 31-03-2019	Y/E 31-03-2018

### 32 Raw Materials consumed during the year :

	Year Ended 31st March, 2020	Year Ended 31st March, 2019
	₹	₹
i) Copper Sulphate	57,50,953	66,70,269
ii) Sodium Bichromate	82,24,148	96,17,392
iii) Turpentine Oil/Reducer	3,99,023	6,25,935
iv) Arsenic Trioxide	-	3,64,558
v) Boric Acid	561029	593076
vi) PS2 Chemicals	4,22,613	5,24,004
vii) Packing Material	5,89,464	7,51,931
viii) Ascua Chemicals-others	2,96,600	4,52,632
ix) Raw material for Timber processing equipment	20,71,123	12,29,218
	<u>1,83,14,953</u>	<u>2,08,29,015</u>

## Notes to the financial Statements for the year ended 31.03.2020

	31.03.2020	31.03.2019
	₹	₹
33 Whole-time Director's Remuneration :		
Salary	17,37,600	15,45,600
Contribution to Provident Fund	1,29,600	1,15,200
Perquisites	1,02,000	1,72,000
	* 19,69,200	18,32,800
*Allocated as under :	Rs.	Rs.
Salaries and Wages, Bonus & Other benefits (Note-24)	9,58,800	9,32,800
Contribution to Provident Fund & ESI (Note-24)	1,29,600	1,15,200
Insurance (Note-24)	12,000	12,000
Research & Development Expenses (Note-26)	8,68,800	7,72,800
	19,69,200	18,32,800
34 Information of each class of goods manufactured, traded, sold and stocks during the year- as per Annexure		

### Information of each class of goods manufactured, sold during the year ended 31.03.2020

	31st March, 2020		31st March, 2019	
	Quantity	₹	Quantity	₹
<b>Opening Stock</b>				
<b>Wood Preservatives:</b>				
Water Based	5 MT	6,48,907	4 MT	4,74,957
Oil Based	11KL	12,16,813	11KL	11,08,143
		18,65,720		15,83,100
<b>Production</b>				
<b>Wood Preservatives:</b>				
Water Based	148MT		177MT	
Oil Based	12KL		15KL	
<b>Sales</b>				
<b>Wood Preservatives:</b>				
Water Based	144MT	2,01,83,500	176MT	2,44,76,945
Oil Based	12KL	16,46,250	15KL	21,17,750
		2,18,29,750		2,65,94,695
<b>Closing Stock</b>				
<b>Wood Preservatives:</b>				
Water Based	9 MT	11,54,934	5 MT	6,48,907
Oil Based	11KL	11,88,828	11KL	12,16,813
		23,43,762		18,65,720

**Annexure to Note 34 to financial statements**  
**Information of each class of goods manufactured, sold during the year ended 31.03.2020**

	31st March, 2020		31st March, 2019	
	Quantity	₹	Quantity	₹
<b>Opening Stock</b>				
Pressure vesel	-	-	-	-
	-	-	-	-
<b>Production</b>				
Pressure vesel	Nil-Nos		2 Nos	
Timber Treatment Plant	2 Nos		Nil-Nos	
Timber Seasoning Kiln & others	5 Nos		Nil- Nos	
<b>Sales</b>				
Pressure vesel	Nil-Nos	-	2Nos	31,50,000
Timber Treatment Plant	2 Nos	24,75,000	Nil-Nos	-
	2 Nos	24,75,000	2Nos	31,50,000
<b>Closing Stock</b>				
Pressure vesel	-	-	-	-
Timber Treatment Plant	-	-	-	-
Timber Seasoning Kiln & others	5 Nos	12,17,154	Nil- Nos	-
	5 Nos	12,17,154	Nil-Nos	-

**Trading Goods**

**Annexure to Note 34 to financial statement**

Product	Opening Stock		Purchases		Sales		Closing Stock	
	Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value
		₹		₹		₹		₹
Components/Spares for Timber Treatment plant, Timber Seasoning Kiln. Electrical								
<b>Goods &amp; Others</b>	Lot	20,350	Lot	1,51,367	Lot	3,55,360	Lot	19,910
	('Lot)	-	('Lot)	1,61,077	('Lot)	3,34,634	('Lot)	20,350

Previous year's figures are in bracket.

35 Related party disclosures as required under AS 18 "Related Party Disclosure" are given below:

(i) Key Management Personnel and their relatives

Mr Rajiv Agarwal - Whole-time Director

(ii) Particulars of transactions during the year:

Whole-time Director's Remuneration ₹ 19,69,200

36 At the Balance Sheet date, the Company has reviewed the carrying amount of its assets and found that there is no indication that those have suffered any impairment loss. Hence, no such impairment loss have been provided.

37 The Company has received a Demand of arrear Rent Invoice for ₹8910338/- from Kolkata Port Trust in respect of Lease hold land at Hide Road Extension, Kolkata, the factory premises. The Company has challenged the said demand by way of Writ Application before the Hon'ble Calcutta High Court. The Court has stayed the demand and directed the company to pay ₹10 lakhs to Kolkata Port Trust out of the total amount demanded through the impugned Invoice. As per direction the Company has paid ₹10 lakhs to Kolkata Port Trust which has been shown in the books as advance under other current Assets. The demand pertains to F.Y.2011-12 to 2017-18. Its validity has been challenged as above. Therefore, no provision has been made in the books of account for the said amount.

38 Sales and Sale of Services excludes GST.

39 Sales includes sale of Traded Goods of ₹3,55,360 (Previous year ₹3,34,634)

#### 40. FINANCIAL INSTRUMENTS

##### Financial instruments by category

The carrying value and fair value of financial instruments by categories as on March 31, 2020 are as follows:

(In ₹)

Particulars	Amortised Cost	Fair Value through PL	Fair Value through OCI	Total Carrying Value	Total Fair Value
<b>Assets:</b>					
Long term Investment Investments			3750		3,750
In mutual funds		1,31,54,619		1,31,54,619	1,31,54,619
In Bond		5,03,96,538		5,03,96,538	5,03,96,538
Cash & cash equivalents	15,61,553			15,61,553	15,61,553
Bank balances	-			-	-
Trade receivables	66,86,891			66,86,891	66,86,891
Current Tax Assets(Net)	-			-	-
Other financial assets	20,51,201			20,51,201	20,51,201
<b>Total</b>	<b>1,02,99,645</b>	<b>6,35,51,157</b>	<b>3,750</b>	<b>7,38,50,802</b>	<b>7,38,54,552</b>
<b>Liabilities:</b>					
Borrowings	-	-	-	-	-
Trade payables	60,34,584	-	-	60,34,584	60,34,584
Other financial liabilities	39,67,949	-	-	39,67,949	39,67,949
Current Tax Liabilities(Net)	6,04,335	-	-	6,04,335	6,04,335
<b>Total</b>	<b>1,06,06,868</b>	<b>-</b>	<b>-</b>	<b>1,06,06,868</b>	<b>1,06,06,868</b>

The carrying value and fair value of financial instruments by categories as on March 31, 2019 are as follows:

(In ₹)

Particulars	Amortised Cost	Fair Value through PL	Fair Value through OCI	Total Carrying Value	Total Fair Value
<b>Assets:</b>					
Long term Investment Investments			3750		3,750
In mutual funds		69,94,489		69,94,489	69,94,489
In Bond		5,07,24,164		5,07,24,164	5,07,24,164
Cash & cash equivalents	11,19,374			11,19,374	11,19,374
Bank balances	-			-	-
Trade receivables	54,22,344			54,22,344	54,22,344
Current Tax Assets(Net)	4,55,834			4,55,834	4,55,834
Other financial assets	27,30,202			27,30,202	27,30,202
<b>Total</b>	<b>97,27,754</b>	<b>5,77,18,653</b>	<b>3,750</b>	<b>6,74,46,407</b>	<b>6,74,50,157</b>

(In ₹)

Particulars	Amortised Cost	Fair Value through PL	Fair Value through OCI	Total Carrying Value	Total Fair Value
<b>Liabilities:</b>					
Borrowings	-	-	-	-	-
Trade payables	18,32,024	-	-	18,32,024	18,32,024
Other financial liabilities	37,03,851	-	-	37,03,851	37,03,851
Current Tax Liabilities(Net)	-	-	-	-	-
<b>Total</b>	<b>55,35,875</b>	<b>-</b>	<b>-</b>	<b>55,35,875</b>	<b>55,35,875</b>

### Fair value hierarchy

This section explains the estimates and judgements made in determining the fair values of Financial Instruments that are measured at fair value and amortised cost and for which fair values are disclosed in financial statements. To provide an indication about reliability of the inputs used in determining the fair values, the company has classified its financial instruments into the three levels prescribed under accounting standards. An explanation of each level follows underneath the table:

Level 1 : includes financial Instrument measured using quoted prices (unadjusted) in active markets for identical assets and liabilities that the entity can access at the measurement date.

Level 2 : Includes financial Instruments which are not traded in active market but for which all significant inputs required to fair value the instrument are observable. The fair value is calculated using the valuation technique which maximises the use of observable market data.

Level 3: Includes those instruments for which one or more significant input are not based on observable market data.

The following table presents fair value hierarchy of assets and liabilities measured at fair value as of March 31, 2020:

Particulars	Fair Value	Fair value measurement using		
		Level 1	Level 2	Level 3
<b>Assets:</b>				
Long term Investment	3,750		3,750	
Investments				
In mutual funds	1,31,54,619	1,31,54,619	-	-
In Bond	5,03,96,538	5,03,96,538		
<b>Total</b>	<b>6,35,54,907</b>	<b>6,35,51,157</b>	<b>3,750</b>	<b>-</b>
<b>Liabilities:</b>				
Borrowings	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The following table presents fair value hierarchy of assets and liabilities measured at fair value as of March 31, 2019:

Particulars	Fair Value	Fair value measurement using		
		Level 1	Level 2	Level 3
<b>Assets:</b>				
Long term Investment Investments	3,750		3,750	
In mutual funds	69,94,489	69,94,489	-	-
In Bond	5,07,24,164	5,07,24,164		
<b>Total</b>	<b>5,77,22,403</b>	<b>5,77,18,653</b>	<b>3,750</b>	<b>-</b>
<b>Liabilities:</b>				
Borrowings	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The carrying amount of cash and cash equivalents, trade receivables, loans, other financial assets, trade payables and other financial liabilities are considered to be the same as their fair value due to their short term nature and are in close approximation of fair value.

#### 41. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Company's activities expose it to a variety of financial risks : market risk, liquidity risk and credit risk.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations associated with its financial liabilities.

The Company's principle source of liquidity are cash and cash equivalent, cash flows from operations and investment in mutual funds. Loans are being repaid as per the repayment schedule.

The table below provides details regarding the contractual maturities of financial liabilities as of March 31, 2020:

(In ₹)

Particulars	Less than 1 year	1-2 years	2-5 years	More than 5 years	Total
Borrowings	-	-	-	-	-
Trade payables	60,34,584			-	60,34,584
Other financial liabilities	39,67,949			-	39,67,949

The table below provides details regarding the contractual maturities of financial liabilities as of March 31, 2019:

(In ₹)

Particulars	Less than 1 year	1-2 years	2-5 years	More than 5 years	Total
Borrowings	-	-	-	-	-
Trade payables	18,32,024			-	18,32,024
Other financial liabilities	37,03,851			-	37,03,851

**Credit Risk**

Credit risk is the risk that counter party will not meet its obligation under a financial instrument leading to a financial loss. The company is exposed to credit risk from investments, trade receivables, cash and cash equivalents, loans and other financial assets.

The Company's credit risk is minimised as the Company's financial assets are carefully allocated to counter parties reflecting the credit worthiness.

The maximum exposure of financial asset to credit risk are as follows :

( In ₹ )

Particulars	31st March 2020	31st March 2019
Investments	6,35,51,157	5,77,18,653
Trade receivables	66,86,891	54,22,344
Cash & cash equivalents	15,61,553	11,19,374
Bank balances	-	-
Loans	-	-
Other financial assets	20,51,201	27,30,202

Credit risk on cash and cash equivalent is limited as the Company generally invest in deposits with recognised banks. Investments primarily include investments in liquid mutual fund units.

**42. CAPITAL MANAGEMENT**

For the purpose of managing capital, Capital includes issued equity share capital and reserves attributable to the equity holders.

The objective of the company's capital management are to:

- Safeguard their ability to continue as going concern so that they can continue to provide benefits to their shareholders.
- Maximise the wealth of the shareholder.
- Maintain optimum capital structure to reduce the cost of the capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and requirement of financial covenants. In order to maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares . The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, loans and borrowings , less cash and cash equivalents.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2020 and 31 March 2019.

43. The Company primarily operated in one segment i.e. Timber Preservation. Therefore, the Segment Reporting as required under Accounting Standard (Ind AS-108) on "Operating Segment" are not applicable. Further the Company operates only in India; hence additional information under geographical segments is also not applicable.

The Whole Time Director of the company has been identified as The Chief Operating Decision Maker (CODM). The CODM also monitors the operating results as one single segment for the purpose of making decisions about resource allocation and performance assessment and hence, there are no additional disclosures to be provided other than those already provided in the financial statements.

No Customer individually accounted for more than 10% of the revenue in the year ended March 31,2020 and March 31, 2019.

44. No provision for Gratuity has been made in these accounts as the excess of Assets over liability in respect of Gratuity based on Actuarial valuation is lying in Income Tax approved irrevocable Trust Fund

**Note 45** Disclosures in accordance with IndAS 19 (2015) on "Employees Benefits":  
Actuarial Valuation of Gratuity Liability

<b>31.03.2019</b>	<b>Changes in Present Value of Obligation as at</b>	<b>31.03.2020</b>
1617730	Present value of obligation as on last valuation	1712164
80909	Current Service Cost	85195
118094	Interest Cost	110263
N/A	Participant Contribution	N/A
-	Plan Amendments: Vested portion at end of period(Past Service)	-
-	Plan Amendments: Non-Vested portion at end of period(Past Service)	-
35296	Actuarial gain/loss on obligations due to Change in Financial Assumption	94259
-	Actuarial gain/loss on obligations due to Change in Demographic assumption	-
(139865)	Actuarial gain/loss on obligations due to Unexpected Experience	(134671)
	Actuarial gain/loss on obligations due to Other reason	
-	The effect of change in Foreign exchange rates	-
-	Benefits Paid	-
-	Acquisition Adjustment	-
-	Disposal/Transfer of Obligation	-
-	Curtailment cost	-
-	Settlement Cost	-
-	Other(Unsettled Liability at the end of the valuation date)	1,25,654
-	Present value of obligation as on valuation date	-
1712164		1867210
<b>31.03.2019</b>	<b>Changes in Fair Value of Plan Assets as at</b>	<b>31.03.2020</b>
5613054	Fair value of Plan Assets at Beginning of period	6047575
409753	Interest Income	389464
-	Employer Contributions	-
-	Participant Contributions	-
-	Acquisition/Business Combination	-
-	Settlement Cost	-
-	Benefits Paid	-
-	The effect of asset ceiling	-
-	The effect of change in Foreign Exchange Rates	-
-	Administrative Expenses and Insurance Premium	-
24768	Return on Plan Assets excluding Interest Income	33999
6047575	Fair value of Plan Assets at End of measurement period	6471038

31.03.2019	Table Showing Reconciliation to Balance Sheet	31.03.2020
4335411	Funded Status	4603828
	Unrecognized Past Service Cost	
	Unrecognized Actuarial gain/loss at end of the period	
	Post Measurement Date Employer Contribution(Expected)	
N/A	Unfunded Accrued/Prepaid Pension cost	N/A
6047575	Fund Asset	6471038
1712164	Fund Liability	1867210
* The excess of assets over Liabilities in respect of Gratuity have not been recognised in the accounts as they are lying in Income Tax approved Irrevocable trust fund.		
31.03.2019	Table Showing Plan Assumptions	31.03.2020
7.30%	Discount Rate	6.44%
7.30%	Expected Return on Plan Asset	6.44%
8.00% p.a	Rate of Compensation Increase(Salary Inflation)	8.00% p.a
N/A	Pension Increase Rate	N/A
9	Average expected future service (Remaining working Life)	8
IALM 2006-2008 Ultimate	Mortality Table	IALM 2006-2008 Ultimate
60	Superannuation at age-Male	60
60	Superannuation at age-Female	60
1% p.a	Early Retirement & Disablement(All Causes Combined)	1% p.a
31.03.2019	Expense Recognized in statement of Profit/Loss as at	31.03.2020
80909	Current Service Cost	85195
0	Past Service Cost(vested)	0
0	Past Service Cost(Non-Vested)	0
(291659)	Net Interest Cost	(279200)
	Cost(Loss/(Gain) on settlement	
	Cost(Loss/(Gain) on curtailment	
-	Net Actuarial Gain loss	-
	Employee Expected Contribution	
	Net Effect of changes in Foreign Exchange Rates	
(210750)	Benefit Cost(Expense Recognized in Statement of Profit/loss)	(194005)
31.03.2019	Other Comprehensive Income	31.03.2020
35296	Actuarial gain/loss on obligations due to Change in Financial Assumption	94259
0	Actuarial gain/loss on obligations due to Change in Demographic assumption	0
(139865)	Actuarial gain/loss on obligations due to Unexpected Experience	(134671)
	Actuarial gain/loss on obligations due to Other reason	
(104569)	Total Actuarial (gain)/losses	(40412)
24768	Return on Plan Asset, Excluding Interest Income	33999
0	The effect of asset ceiling	0
(129337)	Balance at the end of the Period	(74412)
(129337)	Net(Income)/Expense for the Period Recognized in OCI	(74412)

31.03.2019	Table Showing Allocation of Plan Asset at end Measurement Period	31.03.2020
533018	Cash & Cash Equivalents	1057081
-	Investment Funds	-
-	Derivatives	-
-	Asset-Backed Securities	-
-	Structured Debt	-
-	Real Estates	-
340617	Special Deposit Scheme	340617
1006550	State Government Securities	1006550
2293990	Government of India Assets	2293990
1873400	Corporate Bonds	1772800
-	Debt Securities	-
-	Annuity Contracts/Insurance Fund	-
-	Other	-
6047575	Total	6471038
31.03.2019	Table Showing Total Allocation in % of Plan Asset at end Measurement Period	31.03.2020
8.81%	Cash & Cash Equivalents	16.34%
-	Investment Funds	-
-	Derivatives	-
-	Asset-Backed Securities	-
-	Structured Debt	-
-	Real Estates	-
5.63%	Special Deposit Scheme	5.26%
16.64%	State Government Securities	15.55%
37.93%	Government of India Assets	35.45%
30.99%	Corporate Bonds	27.40%
-	Debt Securities	-
-	Annuity Contracts/Insurance Fund	-
-	Other	-
100.00%	Total	100.00%

Mortality Table		
Age		Mortality (Per Annum)
25		0.000984
30		0.001056
35		0.001282
40		0.001803
45		0.002874
50		0.004946
55		0.007888
60		0.011534
65		0.0170085
70		0.0258545

31.03.2019		Sensitivity Analysis	31.03.2020	
Increase	Decrease		Increase	Decrease
1653831	1773066	Discount Rate (-/+ 0.5%)	1807609	1929239
-3.407%	3.557%	%Change Compared to base due to sensitivity	-3.192%	3.322%
1730536	1694118	Salary Growth (-/+ 0.5%)	1883100	1851693
1.073%	-1.054%	%Change Compared to base due to sensitivity	0.851%	-0.831%
1712164	1712164	Attrition Rate (-/+ 0.5%)	1868088	1866332
0.000%	0.000%	%Change Compared to base due to sensitivity	0.047%	-0.047%
1712232	1712096	Mortality Rate (-/+ 10%)	1878693	1855727
0.004%	-0.004%	%Change Compared to base due to sensitivity	0.615%	-0.615%

Table Showing Cash Flow Information	
	Indian Rupees (INR)
Next Year Total (Expected)	1893392
Minimum Funding Requirements	(4849891)
Company,s Discretion	-

Table Showing Benefit Information Estimated Future payments( Past Service)	
year	Indian Rupees(INR)
1	140050
2	16565
3	226990
4	182018
5	20647
6 to 10	2243025
More than 10 years	0
Total Undiscounted Payments Past and Future Service	-
Total Undiscounted Payments related to Past Service	2829295
Less Discount For Interest	962085
Projected Benefit Obligation	1867210

Table Showing Outlook Next Year Components of Net Periodic benefit Cost Next Year	
	Indian Rupees(INR)
Current service Cost(Employer portion Only) Next period	91041
Interest Cost next period	115739
Expected Return on Plan Asset	416735
Unrecognized past service Cost	
Unrecognized actuarial/gain loss at the end of the period	
Settlement Cost	
Curtailement Cost	
other( Actuarial Gain/loss)	
Benefit Cost	-209955

<b>Bifurcation of Net liability</b>		
<b>31.03.2019</b>	<b>Table Showing expected return on Plan Asset at end Measurement Period</b>	<b>31.03.2020</b>
18733	Current liability	135747
1693431	Non-Current Liability	1731463
1712164	Net Liability	1867210

<b>Actuarial Valuation of Leave Encashment Liability</b>		
<b>31.03.2019</b>	<b>Changes in Present Value of Obligation as at</b>	<b>31.03.2020</b>
984839	Present value of obligation as on last valuation	1049461
23374	Current Service Cost	25551
69800	Interest Cost	67300
	Participant Contribution	
	Plan Amendments: Vested portion at end of period(Past Service)	
	Plan Amendments: Non-Vested portion at end of period(Past Service)	
31620	Actuarial gain/loss on obligations due to Change in Financial Assumption	70855
	Actuarial gain/loss on obligations due to Change in Demographic assumption	
(2812)	Actuarial gain/loss on obligations due to Unexpected Experience	6244
	Actuarial gain/loss on obligations due to Other reason	
	The effect of change in Foreign exchange rates	
57360	Benefits Paid	8850
	Acquisition Adjustment	
	Disposal/Transfer of Obligation	
	Curtailment cost	
	Settlement Cost	
	Other(Unsettled Liability at the end of the valuation date)	
1049461	Present value of obligation as on valuation date	1210561

<b>31.03.2019</b>	<b>Changes in Fair Value of Plan Assets as at</b>	<b>31.03.2020</b>
-	Fair value of Plan Assets at Beginning of period	-
-	Interest Income	-
-	Employer Contributions	-
-	Participant Contributions	-
-	Acquisition/Business Combination	-
-	Settlement Cost	-
-	Benefits Paid	-
-	The effect of asset ceiling	-
-	The effect pf change in Foreign Exchange Rates	-
-	Administrative Expenses and Insurance Premium	-
-	Return on Plan Assets excluding Interest Income	-
-	Fair value of Plan Assets at End of measurement period	-

31.03.2019	Table Showing Reconciliation to Balance Sheet	31.03.2020
Unfunded	Funded Status	Unfunded
	Unrecognized Past Service Cost	
	Unrecognized Actuarial gain/loss at end of the period	
	Post Measurement Date Employer Contribution(Expected)	
	Unfunded Accrued/Prepaid Pension cost	
	Fund Asset	
	Fund Liability	
31.03.2019	Table Showing Plan Assumptions	31.03.2020
7.30%	Discount Rate	6.44%
NA	Expected Return on Plan Asset	NA
8.00%	Rate of Compensation Increase(Salary Inflation)	8.00%
NA	Pension Increase Rate	NA
8	Average expected future service (Remaining working Life)	8
8	Averation Duration pf Liabilities	8
IALM 2006-2008 Ultimate.	Mortality Table	IALM 2006-2008 Ultimate.
60	Superannuation at age-Male	60
60	Superannuation at age-Female	60
1.00%	Exits (All Causes Combined)	1.00%
Ignored	Voluntary Retirement	Ignored

31.03.2019	Expense Recognized in statement of Profit/Loss as at	31.03.2020
23374	Current Service Cost	25551
	Past Service Cost(vested)	
	Past Service Cost(Non-Vested)	
69800	Net Interest Cost	67300
	Cost(Loss/(Gain) on settlement	
	Cost(Loss/(Gain) on curtailment	
28808	Actuarial Gain loss Applicable	77099
	Employee Expected Contribution	
	Net Effect of changes in Foreign Exchange Rates	
121982	Benefit Cost(Expense Recognized in Statement of Profit/loss)	169950

31.03.2019	Other Comprehensive Income	31.03.2020
-	Actuarial gain/loss on obligations due to Change in Financial Assumption	-
-	Actuarial gain/loss on obligations due to Change in Demographic assumption	-
-	Actuarial gain/loss on obligations due to Unexpected Experience	-
-	Actuarial gain/loss on obligations due to Other reason	-
-	Total Actuarial (gain)/losses	-
-	Return on Plan Asset, Excluding Interest Income	-
-	The effect of asset ceiling	-
-	Balance at the end of the Period	-
-	Net(Income)/Expense for the Period Recognized in OCI	-
<b>Mortality Table</b>		
<b>Age</b>		<b>Mortality (Per Annum)</b>
25		0.000984
30		0.001056
35		0.001282
40		0.001803
45		0.002874
50		0.004946
55		0.007888
60		0.011534
65		0.0170085
70		0.0258545

31.03.2019		Sensitivity Analysis	31.03.2020	
Increase	Decrease		Increase	Decrease
1010106	1090621	Discount Rate (-/+ 0.50 basis points)	1983562	2128425
-3.750%	3.922%	%Change Compared to base due to sensitivity	-3.453%	3.598%
1089960	1010369	Salary Growth (inflation rate-/+ 0.5)	2126679	1984569
3.859%	-3.725%	%Change Compared to base due to sensitivity	3.513%	-3.404%
1049430	1049492	Attrition Rate (-/+ 10%)	2054422	2054586
-0.003%	0.003%	%Change Compared to base due to sensitivity	-0.004%	0.004%
1049052	1049870	Mortality Rate (-/+ 10%)	2053436	2055572
-0.039%	0.039%	%Change Compared to base due to sensitivity	-0.052%	0.052%

Table Showing Benefit Information Estimated Future payments( Past and Future Service)	
year	Indian Rupees (INR)
1	8164
2	9448
3	21298
4	94884
5	13918
6 to 10	1792951
More than 10 years	0
Total Undiscounted Payments Past and Future Service	-
Total Undiscounted Payments related to Past Service	1940659
Less Discount For Interest	730098
Projected Benefit Obligation	1210561
Bifurcation of Net liability	

31.03.2019	Table Showing expected return on Plan Asset at end Measurement Period	31.03.2020
10905	Current liability	7913
1038556	Non-Current Liability	1202648
1049461	Net Liability	1210561

46 To the extent identified from available information, no amount is due to SSI units as on 31st. March,2020

47 The previous year's figures have been rearranged and regrouped wherever necessary

To the extent identified from available information, no amount is due to SSI units as on 31st. March,2020

The previous year's figures have been rearranged and regrouped wherever necessary

As per our Report attached of even date

For **R.M. Jain & Associates**

Chartered Accountants

Firm's Registration No. 304127E

**CA R. M. Jain**

Proprietor

Membership No.006668

Kolkata, the 29th.day of June, 2020

For and on behalf of the Board of Directors

**RAJIV AGARWAL**

Whole-time Director

DIN: 00056650

**P.K. LOHIA**

Director

DIN:00056706

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