

04th September 2020

To,

The Manager – Listing National Stock Exchange of India Ltd. Exchange Plaza, Bandra Kurla Complex Bandra East Mumbai – 400051 Symbol - SALASAR	The Secretary Corporate Relationship Dept. BSE Limited P.J.Tower, Dalal Street, Mumbai – 400001 Scrip Code: 540642
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SUB: Submission of Annual Report under Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/ Madam,

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we are submitting herewith 19th Annual Report of the Company for the Financial Year 2019-20

You are requested to take the same on your records.

Thanking you,


Yours faithfully,

For Salasar Techno Engineering limited



(Rahul Rastogi)


Company Secretary & Compliance Officer

CIN No. - L23201DL2001PLC174076

 Unit 1- Khasra 265, 281-283, Parsaun-Dasna, Jindal Nagar, Distt. Hapur-201313
Unit 2- Khasra 1184,1185, Khera, Pilkhuwa, Tehsil Dhaulana, Distt. Hapur-245304
Unit 3- Khasra 686/6, Khera, Pilkhuwa, Tehsil Dhaulana, Distt. Hapur-245304
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Salasar Techno Engineering Limited



2019-2020
Annual Report

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To view our report online,
please visit: www.salasartechno.com



ABOUT SALASAR

Salasar Techno Engineering Limited is a key player in the customized steel fabrication and infrastructure solutions segment in India. Incorporated in the year 2007, the company is primarily engaged in the business of manufacturing and sale of galvanized and non-galvanized steel structures for-

- Telecom Towers,
- Transmission Towers,
- Utilities Poles,
- High Mast Poles,
- Stadium Lighting Poles,
- Flag Poles & Smart City Poles,
- Substation Structures,
- Railway Electrification (OHE) and
- Solar Module Mounting Structures.

At Salasar, we provide 360-degree EPC solutions by carrying out engineering, designing, fabrication, galvanization and deployment. The Company has established a strong position in the growing Infrastructure Industry through a customer-centric approach and an on-time delivery model.

A large, stylized '5G' logo in a light red color, positioned in the upper left quadrant of the page. The background features a red-to-orange gradient with a wireframe illustration of a telecommunications tower on the right side and various geometric shapes like triangles and cubes scattered throughout.

Our Vision

To make a substantial contribution towards the development of National Infrastructure by providing technologically advanced solutions, and to play a critical role in making India the most preferred destination for the fulfillment of local & global Infrastructural needs.

Our Mission

To be at the forefront of developing technologically advanced Infrastructural solutions for our customers around the world.

A Look At Our Numbers

(Behind them is our story of growth and resilience)



1536

Employees (Fy20)



₹526.2 Cr

Revenue From Operations



45k

Telecom Towers

(Since Inception)



475 km

Power Transmission Lines

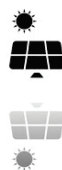
(Since Inception)



217KM

Railway Track Electrification

(Since Inception)



1000 MW

Solar Projects

(Since Inception)



₹51.8 CR

EBITDA (FY20)



₹22.3 CR

Profit After Tax (FY20)

Powering Resilience Through Our Strengths

360-DEGREE EPC SOLUTION PROVIDER WITH A DIVERSIFIED PRODUCT PORTFOLIO

Since our incorporation we have significantly expand our product portfolio across telecom, power, railway electrification and renewable sectors. New technology products such as Camouflaged Towers Solution, Cold Formed Structures, etc. along with traditional steel structures.

STATE OF THE ART MANUFACTURING FACILITIES WITH TECHNICAL TIE-UP WITH RAMBOLL TELECOM, DENMARK

3 Galvanizing Plants having an aggregate capacity of 100,000MT to manufacture lighter and lower costing Tower structures and High Mast Poles, with a scope for expansion and efficient capacity utilization.

QUALIFIED MANAGEMENT TEAM WITH SIGNIFICANT EXPERIENCE IN THE STEEL INDUSTRY

Our Company is led by an eminent management team having extensive industry experience, which has given us a specialized understanding of the complexities involved in our business. Our business growth is also attributable to our strong management culture fostered by an entrepreneurial spirit.

CUSTOMER CENTRIC MODEL WITH ON TIME DELIVERY-

Capable to service and provide solutions within stipulated time frame. Experienced team capable of providing services at difficult terrains in the stipulated time frame

STRONG AND DIVERSE CLIENT BASE WITH

The diversification of our product portfolio facilitates us to meet specific selection criteria of varied customers. Working with marquee clients across sectors such as ATC, Reliance Jio, Airtel etc. in telecom; KEC, Adani, Power Grid etc. in power transmission; Indian Railways, UPPTCL, OPTCL, HPPCL etc. in their EPC portfolio.

APPROVED VENDOR FOR POWER GRID CORPORATION OF INDIA LTD.

- Qualified to bid for Rural Electrification projects
- Qualified by CORE (Central Organization for Railway Track Electrification)



Awards and Appreciation



Awarded
Certificate of Appreciation - Smart City
Project Completion
By
Indus Towers

Producing efficiently at a lower cost



Salasar has a technical tie up with Rambol, Denmark for tower structure designs. Ramboll Telecom is a world leader in designing telecom and high mast Poles. With the experience of designing towers for last sixty years, their designs are time-tested and proven for performance. Their designs reduce the cost by 20% compared to conventional angular towers.

As a step towards creating smarter cities and a digital India, Salasar partnered with Ramboll and completed a turnkey project of 50 smart poles in the city of Visakhapatnam



SMART POLES, SMARTER FUTURE

Propelling smart ecosystems through path breaking solutions

PROJECT PARTNETSHIP WITH FUJITA
DaiwaHouse Group

Completion of 500 tons of galvanization work for the Convention Centre in Varanasai gifted by Prime Minister of Japan to Prime Minister Modi. This work was in partnership with Fujita, who inspected and approved our GI plant, which is the largest palnt in North India.



Diversified Business Segments



Salasar started out as a tower manufacturer with the vision of transforming the industry by providing a plethora of EPC solutions under one roof. We at Salasar are expanding and diversifying our product portfolio to be able to provide for the dynamic needs of the Indian infrastructure industry. Over the years, we have grown by venturing into the solar mounting segment, transmission tower manufacturing and EPC segment, railway track electrification segment along with specialized and differentiated products like camouflaged towers, cold formed structure, etc. Maintaining good relations with our existing clients as well as engaging with new ones has always been our strategy to tap growing industry opportunities.

Telecom Towers

Overview

We produce towers and monopoles that are designed as per time-tested Ramboll designs, in-house IIT certified designs, or tailored as per customer design. Salasar has the largest galvanizing plant in North India with a bath length of 13 m, allowing us to manufacture and galvanise monopoles as tall as 40 m. Along with traditional towers, Salasar is also into the production of technology driven smart utility towers, agile and swift installing portable towers, AI based tower maintenance equipment and other tower accessories.

We have contributed significantly in the development of smart city project in Vishakhapatnam, Agartala, Indore, Bhopal and NCR. We manufacture portable towers that support low footprint and minimal civil workforce onsite, to enable faster rollout.

Product Categories:

Towers	Angular Towers	Tubular Towers	Guyed Masts	Hybrid Towers
Monopoles	Flange Type Monopoles	Slip Joint Monopoles		

Innovative Tower Solutions

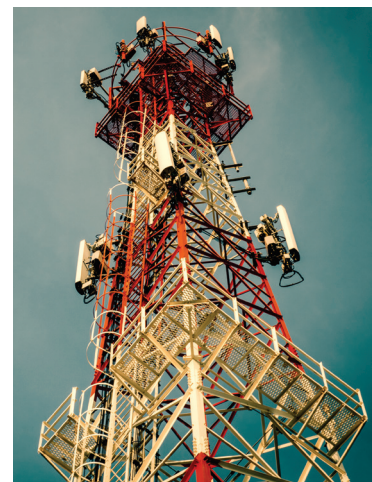
Camouflauge Solutions



Smart City Solutions



Portable Towers



Opportunity

India's shift towards a data centric market and increasing demand for wireless data is leading to increasing investments in the telecom infrastructure. The top telcos are expected to make major investments in setting up the new 5G infrastructure along with increasing 4G penetration in India. These measures will put an Infrastructure enabler like Salasar in a good growth path. Considering the increasing subscriber demand and major investments in telecom infrastructure development, we expect good business in future from this sector.

Key Performance Highlights FY20

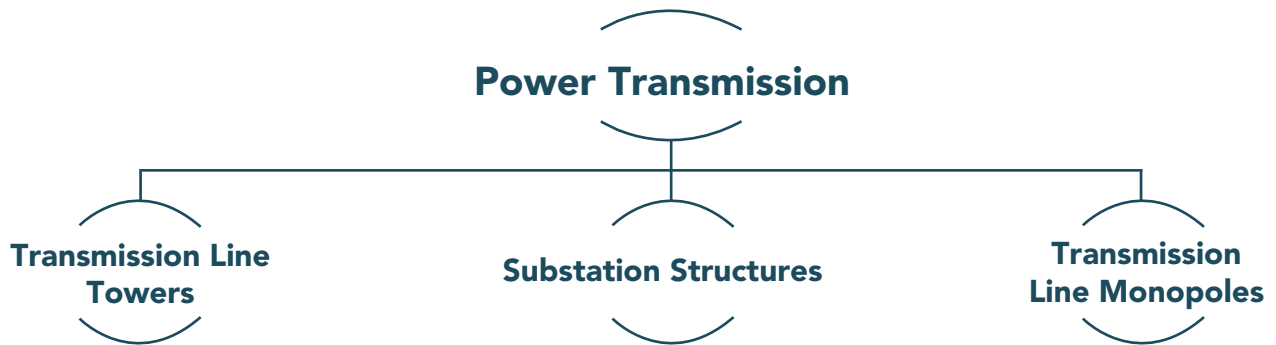
- Total revenue for the year ended March 31, 2020 was Rs 315.77 cr.
- Revenue contribution – 60%

45,000 TELECOM TOWERS HAVE BEEN SUPPLIED SINCE INCEPTION



Overview

We are in the business of manufacturing and deployment of transmission towers for EPC business, Turnkey Projects and supplying structures to other EPC contractors. We excel in manufacturing tall structures usually steel lattice used to support overhead power lines as well as transmission towers used in high voltage AC and DC systems, of different shapes and sizes. We have over a decade of experience in manufacturing of components and carrying out EPC projects for the installation of substations structures/grid substations.



Portfolio

In our power EPC portfolio, we undertake

1. **Rural Electrification:** construction of transmission lines, feeder segregation, metering work along with repair and maintenance.
2. **Power Transmission:** designing and construction of power transmission lines.
3. **Sub-station:** designing and construction of Grid Sub Stations.
4. **Smart Meter:** supply, installation and FMS activity for LTAC Smart Meter with communication technology.

Opportunity

Sustained economic growth continues to drive electricity demand in India. The Government of India's focus on attaining 'Power for all' has accelerated capacity addition in the country. At the same time, the competitive intensity is increasing at both the market and supply side, along with increasing inter regional power demand - supply gap. Keeping in mind the current production levels deficit and future outlook in the sector, we expect good business in power infrastructure development.

Key Performance Highlights FY20

- Total revenue for the year ended March 31, 2020 was Rs 109.37cr.
- Revenue contribution – 21%

475KM Power Transmission lines have been executed since inception.

Railway Electrification



Overview

We undertake designing, supplying, erection, testing & commissioning of railway electrification including normal height OHE (overhead equipment), High Rise OHE & TSS (traction substation) Works. Being an industry expert in steel and power, we offer CORE approved Railway Overhead Electrification structures.

Products:

- Portals
- Bridge Masts
- Masts
- DFCC Structures
- Special Fabricated Masts
- Small Parts Steel

Opportunity

Government plans for expansion, upgradation and modernization of its existing railway lines infrastructure. Major investments along with the target of achieving 100% railway track electrification will enable a CORE approved vendor like Salasar get good business from this segment.

Key Performance Highlights FY20

- Total revenue for the year ended March 31, 2020 was Rs 44.51 cr.
- Revenue contribution – 9%

217 TKM Railway Track electrification has been executed since inception.

Solar Mounting

Overview

We are involved in manufacturing, fabrication and deployment of solar module mounting structures. We offer 360-degree solutions covering the entire spectrum of solar energy projects.

Products:

- Module Mounting Structures
- Solar Trees
- Solar Water Pumps
- Solar Street Light Poles

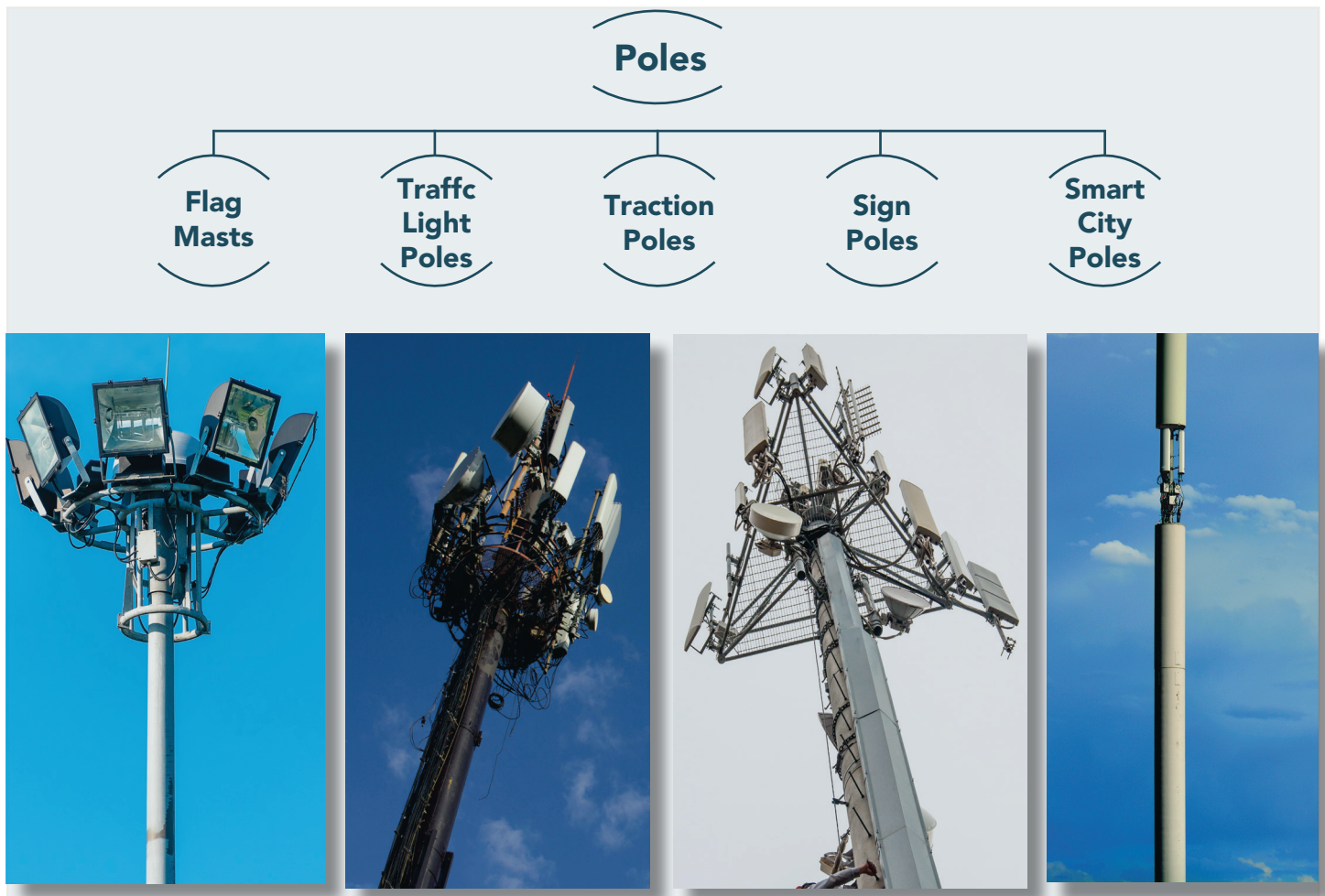
1000 MW Solar Projects have been executed in the last decade.

Lighting and Utility Poles

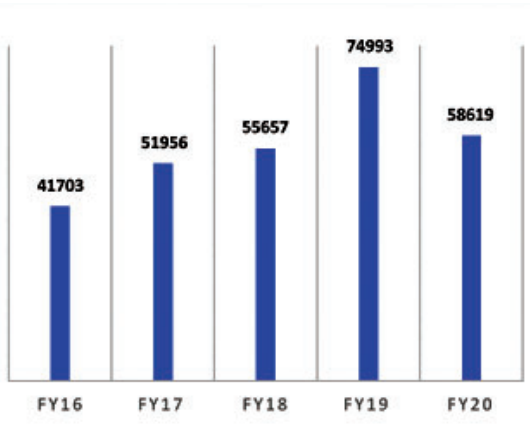
Overview

Production of custom-made poles of the highest quality equipped with technologies like LED lights, CCTV cameras, pollution sensors, Wi-Fi routers, distress buttons, road information display systems, and motion-detecting energy savers.

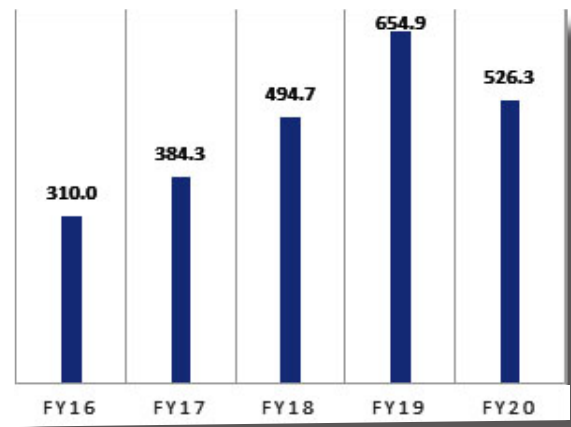
Products:



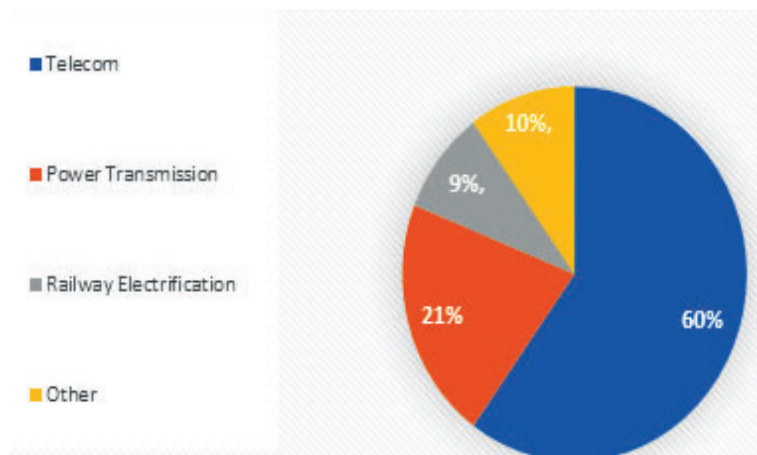
Volumes (MT)



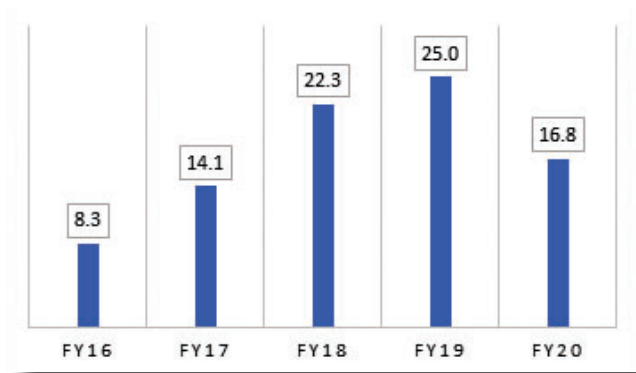
Revenues (Cr)



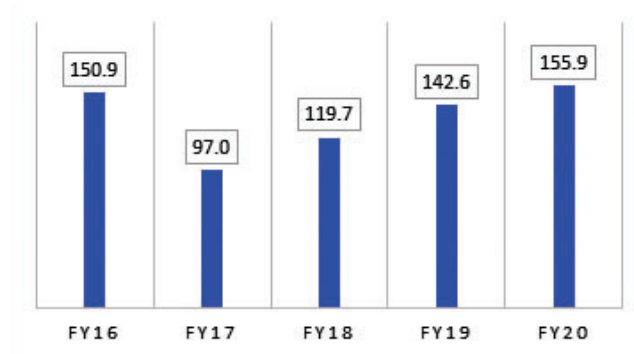
Sector-wise - FY20 revenues



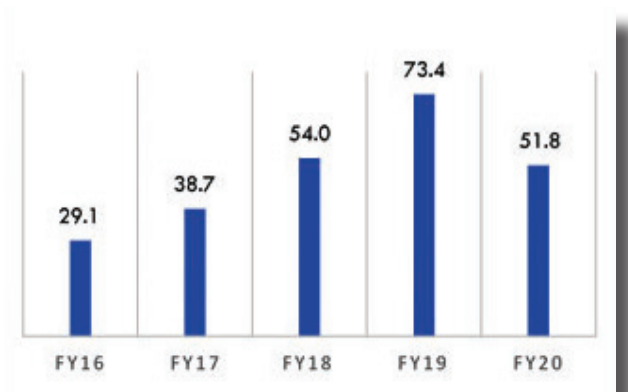
EPS (INR)



BVSP (INR)



EBITDA (INR Cr)



CHAIRMAN'S MESSAGE

Dear Shareholders,



I hope you all are keeping healthy and safe in these times. I am pleased to present to you the 19th Annual Report of your Company. As one of the key players in the customized steel fabrication and infrastructure solutions segment in India, your Company is continuously expanding and diversifying its product portfolio. We are focusing on optimal utilization of capacity to cater to expanding opportunities in telecom, power transmission, railway and other infrastructure segments, with an aim to increase market share and strengthen our foothold in the industry.

The year 2019-20 was marked by various challenges, the biggest being the outbreak of COVID-19 pandemic. The global economy was already reeling under the effects of several macroeconomic uncertainties such as slowdown in the investment cycle, weak consumer sentiments and wide-ranging policy uncertainties. It has suffered its lowest growth in a decade, slipping to 2.3% in 2019. To worsen the situation, the pandemic brought an unprecedented shock to the World and Indian economy and brought it to a complete halt. The world-wide lockdown and the associated disruption impacted all businesses leading to loss of livelihood for millions of people, not to mention the lives lost in the pandemic.

A humanitarian crisis of this scale has brought people and businesses across the world together in their efforts to stand by the needy and the impacted. I am proud to share that your Company, as a responsible corporate citizen, not only donated to the PM CARES fund but also provided food rations to the migrant workers. In the current year, through our CSR initiatives, we are working on bringing livelihood to people who have lost their jobs in this pandemic. I can assure you that we will continue to work on supporting our countrymen in this dire hour of need.

The country-wide lockdown in March 2020 disrupted the demand and supply chains impacting businesses across the sectors. The performance of your Company too has been impacted by the lockdown. On a consolidated basis, the Company's total income for FY2019-20 stood at Rs 528 crores. The EBIDTA stood at Rs. 52 crores with EBITDA margin being 9.84%. PAT for the year stood at Rs. 22 crores with PAT margin being 4.25%. The telecom business contributed ~60% to the revenue followed by power transmission and railway electrification verticals which contributed around 21% and 9%, respectively. As on 31st March 2020, our EPC order book stood at Rs 325 cr. Your Company has declared a total dividend of 25% (Rs 2.50 per share) in FY20.

What is driving us during these challenging times is opportunities present in the sectors we cater to. The Indian telecom sector is witnessing significant changes – there has been a shift from a voice-centric market to a data-centric market. With people increasingly working from home and the education system adapting to the new normal, the need for high speed data has increased manifold. The telecom majors are expected to make sizable investments in their infrastructure for increasing 4G penetration and rollout of 5G in India. We expect significant business opportunities as a result of these investments in network expansion.

The Indian power sector is also expected to attract robust investments with the Government’s focus on “Power for all”. A rise in demand along with regional supply gap has necessitated expansion and investments into transmission infrastructure by the government and the power companies. There is also a push by the Government into increasing renewable energy production, especially solar power. All these bode well for an infrastructure enabler like us.

Railway segment continues to be one of the key growth segments and one of our key focus areas. The railway department has set forth plans for expansion, upgradation and modernization of its existing infrastructure. Investments in this segment along with the vision to achieve 100% railway track electrification in the next four years, should also provide us with good growth opportunities.

We at Salasar are continuously evolving and expanding our product and service offerings to grow profitably. Our products such as smart poles, camouflaged towers, etc., are one-of-its-kind in the industry.

As all of us are still battling with the pandemic, we are constantly learning and coping with the situation, and remain committed to step up and efficiently respond to the challenges. We remained focused on the safety and wellbeing of our employees, workers and other stakeholders. We have taken various precautionary measures at our offices and plants to ensure safety for all.

I would like to conclude by reinstating that your company would continue on its growth path. On the back of strong industry opportunities, robust order book, experienced team, enhanced capabilities and excellent relationships with our customers, we are confident of successfully navigating through these tough times and strengthen our position as the leading player in the industry. I would also like to thank all our stakeholders, employees, customers and business associates for their confidence and support in us and look forward to a long association.

Alok Kumar

Chairman & Managing Director

The Way Ahead

Tapping industry opportunities

The telecom and transmission lines industry has a positive outlook owing to sustainable development. We at Salasar are gearing up to tap these industry opportunities by optimally utilizing our existing capacity and expanding our product portfolio.

Leveraging on tie ups

The dynamic nature of the industry as well as the need for aesthetics has driven us into expanding tower designs and leveraging on our tie-ups with Ramboll to provide value to the clients. We aim at improving sales by making steel structures that are comparatively lighter in weight and cheaper to install.

Innovating and manufacturing differentiated products

We are constantly innovating to design and fabricate differentiated products like camouflaged towers, monopoles, etc. to provide for the evolving infrastructural needs of the society

Increasing market share

Being a trusted name in the industry for our efficient product portfolio and timely execution, we believe on increasing our market share by expanding relationships with the existing customers and targeting new ones.

Global Opportunities

The export business of Company will further increase after our recent supply agreement with American Tower Corporation for supplying towers in Africa, we further plan to increase our export share in Global Market with aggressive marketing.



Board of Directors



Mr. Alok Kumar,
Chairman & Managing Director

Qualification

B.Sc from Punjab University, Chandigarh.

With experience spanning over 4 decades in trading, manufacturing and fabrication of iron & steel, Mr. Kumar is behind the group's spirit and commitment to deliver products and services of uncompromising quality and integrity.



Mr. Shashank Agarwal
Joint Managing Director

Qualification

B.E. (Mech.) from MIT, Manipal.

With 25+ years of experience, Mr. Agarwal is a first-generation entrepreneur who has been instrumental in building Salasar into one of the leading players in the sector. He is involved in all aspects of business and has been the driving force in creating the brand and image of Salasar.



Mr. Shalabh Agarwal
Whole Time Director

Qualification

B.Tech from MIT, Manipal.

He has experience of more than 20 years in trading, manufacturing and fabrication of iron & steel. He oversees the EPC power transmission business.



Ms. Tripti Gupta
Whole Time Director

Qualification

B.Com from Shri Ram College of Commerce, Delhi and MBA in Finance & Marketing from Institute of Management Technology, Nagpur.

She has more than 7 years of experience in strategic management, business development and other corporate matters. She has also been engaged with social enterprises and NGOs.

**Mr. Anil Kumar Jain**

Independent & Non-Executive Director

Qualification

Fellow Member of Institute of Chartered Accountants of India and Commerce Graduate.

He has over 34 years of experience in professional practice with specialization in auditing, business advisory, outsourcing activities & company law. He was also elected as a member of the Northern India Regional Council (NIRC) of the ICAI from 2004-07. He served consecutively as Treasurer (2004-05) and then Chairman (2005-06) and then Chairman NICASA (2006-07) of the NIRC.

**Mr. Sanjay Chandak**

Independent & Non-Executive Director

Qualification

Fellow Member of Institute of Chartered Accountants of India and also a Law Graduate.

He has experience of over 29 years in profession of Chartered Accountancy. He was Chairman of Faridabad Branch of NIRC of Institute of Chartered Accountants of India during 2001-02 and also for 2003-04. He was also appointed as President of Faridabad Income Tax Bar Association during 2007-08. He was nominated as member of WTO, FEMA & International tax Committee of the ICAI.

**Mr. Vijay Kumar Jain**

Independent & Non-Executive Director

Qualification

B.E. (Hons.) and done MBA

He has worked in various capacities in leading organizations in India, starting with Hindustan Motors, National Mineral Development Corporation & Engineering Projects India Ltd. He was also posted at Baghdad for 3 years for execution of a Defense Project. He also acted as Project Coordinator for Coal handling plant at Anapra Power Project in U.P. Lastly, he retired as Chief General Manager, J K paper after working with them for 15 years.

**Mr. Amit Jain**

Independent & Non-Executive Director

Qualification

Fellow Member of Institute of Chartered Accountants of India and Commerce Graduate

He has worked in various capacities in leading organizations in India starting with Bharti Airtel Limited. In his professional journey he worked with Stel Telecom, Videocon Telecommunications Limited, Venus Capital Limited. His last association was with Indus Towers Limited as Manager Finance. After quitting the job from Indus Towers Limited in 2013 he started his own consultancy firm Amit Jain & Co. situated at Gurgaon.

CORPORATE INFORMATION

CIN: L23201DL2001PLC174076

Board of Directors:	Mr. Alok Kumar	Chairman cum Managing Director
	Mr. Shashank Agarwal	Joint Managing Director
	Mr. Shalabh Agarwal	Whole-time Director
	Ms. Tripti Gupta	Whole-time Director
	Mr. Anil Kumar Jain	Independent Director
	Mr. Sanjay Chandak	Independent Director
	Mr. Vijay Kumar Jain	Independent Director
	Mr. Amit Jain	Independent Director
Key Managerial Personnel:	Mr. Pramod Kumar Kala	Chief Financial Officer
	Mr. Rahul Rastogi	Company Secretary
Auditors:	Arun Naresh & Co.	Statutory Auditor
Bankers:	State Bank of India; HDFC Bank; Yes Bank; IndusInd Bank	
Registrar and Share Transfer Agent	BIGSHARE SERVICES PRIVATE LIMITED 302, Kaushal Bazar, 32-33, Nehru Place, New Delhi-110019, Tel: 011-23522373 Email id: bssdelhi@bigshareonline.com Website: www.bigshareonline.com	
Registered Office:	E-20, South Extension I, New Delhi-110049	
Manufacturing Unit-I	Khasra No. 265, 281-283, Vill.-Parsaun-Dasna, P.O.-Jindal Nagar, Distt. Hapur-201313 (U.P.)	
Manufacturing Unit-II	Khasra No. 1184, 1185, Vill.-Khera, P.O.-Pilkhuwa, Tehsil Hapur, Distt. Hapur-245304 (U.P.)	
Manufacturing Unit-III	Khasra No. 686/6 Village-Khera, P.O. Pilkhuwa, Tehsil-Dhaulana, Distt. Hapur- 245304 (U.P.)	

NOTICE OF 19TH ANNUAL GENERAL MEETING (PURSUANT TO SECTION 101 OF THE COMPANIES ACT 2013)

Notice is hereby given that the 19th Annual General Meeting of the Members of Salasar Techno Engineering Limited will be held on Saturday, 26th September, 2020 at 11:30 A.M. at through Video Conferencing/Other Audio Visual Means transact the following business (es):

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - a. the Audited Standalone Financial Statement of the Company for the Financial Year ended March 31, 2020 together with the reports of the Board of Directors and the Auditors thereon, and
 - b. the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2020 together with the report of the Auditors thereon;
2. To declare a dividend on Equity Shares;
3. Re-appointment of Mr. Shashank Agarwal (DIN: 00316141) as a Joint Managing Director liable to Retire by Rotation.

SPECIAL BUSINESS:

4. Re-appointment of Mr. Alok Kumar (DIN: 01474484), as a Managing Director

To consider and if thought fit to pass with or without modification(s) the following resolution as a **SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to Section 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and subject to the provisions of Articles of Association of the Company and subject to the approval of Central Government, if necessary, the consent of the Company be and is hereby accorded for the re-appointment of Mr. Alok Kumar (DIN : 01474484) as Managing Director of the Company for a further period of Five years commencing from 01st September, 2020 to 31st August, 2025 as recommended by the Nomination and Remuneration Committee of the Directors and approved by the Board of Directors on 27th August, 2020 on the revised terms and conditions including remuneration as minimum remuneration in the case of loss or inadequacy of profits in any financial year as set out in the explanatory statement, which shall be deemed to form part thereof."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to revise, implement, alter and vary the terms and conditions of his appointment including remuneration in such manner as may be permitted in accordance with the provisions of the Companies Act, 2013 or any modification thereto and as may be agreed to by and between the Board and Mr. Alok Kumar.

"RESOLVED FURTHER THAT that the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things as may be considered desirable or expedient to give effect to this resolution."

5. Ratification of Remuneration Payable to the Cost Auditor for the Financial Year 2020-21

To Consider and if thought fit, to pass with or without modification(s), the following as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 148(3) and all other applicable provisions, if any, of the Companies Act, 2013 read with rules issued thereunder including Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014 (including any Statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of Rs. 50,000/- plus applicable taxes and reimbursement of out of pocket expenses as approved by the Board of Directors on the recommendation of the Audit Committee, to be paid to M/s. S. Shekhar & Co., Cost Accountant (Firm Registration No. 000452) who have been appointed by the Board of Directors on the recommendation of the Audit Committee, as the Cost Auditors of the Company to conduct the Audit of the Cost Records maintained by the Company as prescribed under the Companies (Cost Record and Audit) Rules, 2014, as amended, for the Financial Year ending March 31, 2021".

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**For and on behalf of the Board of Directors
For Salasar Techno Engineering Limited**

**Chairman and Managing Director
Alok Kumar**

DIN NO. 01474484

KL-46, Kavi Nagar

Ghaziabad-201001

Uttar Pradesh

Date : 27.08.2020

Place : New Delhi

NOTES:

1. In view of COVID-19 pandemic outbreak, Ministry of Corporate Affairs allowed conducting Annual General Meeting through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and dispensed with the requirement of personal presence of the members at the meeting. Accordingly, 19th Annual General Meeting (AGM) of the members will be held through VC/OAVM as allowed by the Ministry of Corporate Affairs through various circulars viz Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 prescribing the procedures and manner of conducting the Annual General Meeting through VC/OAVM. Hence, members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participation in the meeting through VC/OAVM is as per note no. 23 and available at the Company's website www.salasartechno.com.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
3. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under section 103 of the Companies Act, 2013.
4. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, September 19th, 2020 to Tuesday, September 26, 2020 (both days inclusive) for purpose of 19th AGM and for payment of Dividend for the Financial Year ended March 31, 2020.
6. In line with aforesaid Ministry of Corporate Affairs circulars, the Notice of AGM alongwith Annual Report 2019-20 is being sent only through electronic mode to those members whose email addresses are registered with the Company/Depositories. Members may note that Notice and Annual Report 2019-20 has been uploaded on the website of the Company at www.salasartechno.com. The Notice can also be accessed from the website of the stock exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM notice is also available on the website of CDSL (agency for providing the remote e-voting facility) i.e. www.evotingindia.com.
7. Members are requested to write to the Company, their query (ies), if any, on the Accounts and operations of the Company at its registered office at least ten days prior to the date of meeting to enable the management to keep the information ready at the meeting.
8. The Securities & Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities Market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Company's RTA.

9. Members who hold shares in physical form in multiple folios in identical name or joint holding in the same order of names are requested to send their share certificates to our RTA for consolidation into a single folio.
10. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
11. As per the green initiative of Ministry of Corporate Affairs (MCA), members are requested to provide their e-mail addresses to the Registrar & Share Transfer Agent of the Company namely M/s Bigshare Services Private Limited, in order to receive the various Notices and other Notifications from the Company in electronic form.
12. Information regarding appointment/re-appointment of Directors and Explanatory Statement in respect of special businesses to be transacted pursuant to Section 102 of the Companies Act, 2013 and/or regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, is annexed hereto.
13. In case the shares are held in the physical mode and the Members has not registered his/her/their email address with the Company/its RTA/Depositories and/or not updated the Bank Account mandate for receipt of dividend, are requested to notify immediately the change of their address and bank particulars to the RTA of the Company. In case shares held in dematerialized form the information regarding change of address and bank particulars should be given to their respective Depository Participant.,
14. The Board of Directors have recommended a final dividend of Rs. 1/- per equity share of Rs. 10/- each for the financial year 2019-20. The Dividend on equity shares for the Financial Year 2019-20, if declared, will be paid within a period of 30 days from the date of Annual general Meeting, to those members whose name appears in the Company's Register of Members and to those persons whose name appears as beneficial owner as per the details to be furnished by National Security Depository Limited and Central Depository Services (India) Limited as the close of business hours on September 19th, 2020.
15. Pursuant to Section 125 of the Companies Act, 2013 the Company has Unclaimed and Unpaid Dividend but the unpaid Dividend amount not due to transfer in Investor Education and Protection Fund.
16. Register of Directors and key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and Register of Contract or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection in Electronic Mode.
17. Investor Grievance Redressal: The Company has designed an exclusive e-mail ID viz. compliance@salasartechno.com to enable the investors to register their Complaints, if any.
18. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Members (Members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
19. Voting through electronic means
In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the circular issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of Business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

The instructions for Members voting electronically are as under:

- (i) The voting period begins on 22nd September, 2020 (09:00 a.m.) and ends on 25th September 2020 (5:00 p.m.). During this period Members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 19th September, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The Members should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Members / Members
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat Members as well as physical Members) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field..
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Salasar Techno Engineering Limited on which you choose to
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Members can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) **Note for Non – Individual Members and Custodians**
- Non-Individual Members (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).
 - All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com
20. Ms. Deepika Gaur of M/s Deepkia Madhwal & Associates Practicing Company Secretary (Membership No. 31234) has been appointed as the Scrutinizer to scrutinize the e-voting process in fair and transparent manner.
21. **INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-**
1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
 2. Only those Members/Shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
 3. If any Votes are cast by the Members through the e-voting available during the AGM and if the same Members have not participated in the meeting through VC/OAVM facility, then the votes cast by such Members shall be considered invalid as the facility of e-voting during the meeting is available only to the Members attending the meeting.

4. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM
22. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.salasartechno.com and on the website of CDSL i.e. www.cdslindia.com within three days of the passing of the resolutions at the 19th Annual General Meeting of the Company and shall also be communicated to the Stock Exchanges where the shares of the Company are listed.
- 23. INSTRUCTIONS FOR MEMBERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**
 1. Members will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Members may access the same at <https://www.evotingindia.com> under Members/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in Members/members login where the EVSN of Company will be displayed.
 2. Members are encouraged to join the Meeting through Laptops / IPads for better experience.
 3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
 4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
 5. For ease of Conduct Members who would like to ask questions may send their questions in advance at least 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at compliance@salasartechno.com and register themselves as speaker. Those Members who have registered themselves as speaker will only be allowed to express their view/ask questions during the AGM.
 6. Since the AGM will be held through VC/OAVM, the route map is not annexed in this Notice.

RE-APPOINTMENT/APPOINTMENT OF DIRECTORS
(ANNEXURE TO NOTICE)

A brief resume in respect of the proposed re-appointment/appointment of Directors is given below in terms of Regulation 36(3) of SEBI (LODR), 2015

Particulars	Mr. Alok Kumar	Mr. Shashank Agarwal
DIN	01474484	00316141
Date of Birth	16-06-1955	08-08-1968
Date of Appointment in the Board	03-05-2006	03-08-2016
Qualifications	B.SC from Punjab University, Chandigarh	B.E. (Mech.) from MIIT, Manipal
Experience	He has over 45 years of rich experience in trading, manufacturing and fabrication of iron & steel. He started his career with trading in iron & steel as Managing Partner in Gupta Traders and thereafter from 1989 operated two foundry units of C.I. Casting namely Capital Founders and Capital Udyog. He has been associated with the Company since its takeover and has been instrumental in establishing the manufacturing units. He takes care of purchases & finance.	He joined Larsen & Toubro as Graduate Engineer Trainee (GET) and got to know the insights of working in a big organization. He joined family business of sugar manufacturing in the year 1991. Then switched to iron & steel industry in the year 2003 and joined Saini Alloys Pvt. Ltd which was engaged in manufacturing and trading of stainless steel casting. In 2006 he joined our Company and has been the president of our company since takeover till August 2014. He is looking after operations, sales & marketing of telecom towers and solar mounting structures.
Directorship held in others Listed Companies	Nil	Nil
Membership in Committee across other Listed Companies	Nil	Nil
Number of Shares held in the Company	8,94,000	7,10,592
Terms and conditions of appointment / re-appointment along with details of remuneration sought to be paid	Re-Appointment of Mr. Alok Kumar as a Managing Director of the Company for further term of five years is proposed at item No 4 for approval of members. Further, There is no change in the terms of appointment of Mr. Alok Kumar.	Appointment of Mr. Shashank Agarwal (Director liable to be retire by rotation) is proposed at item no. 3 of notice for approval of members. Further, There is no change in the terms of appointment of Mr. Shashank Agarwal
Remuneration Last Drawn	Rs. 6,65,000/-	Rs. 6,05,000/-
No. of Meetings of the Board attended	4	4
Relationship with other Directors	Father of Ms. Tripti Gupta	Brother of Mr. Shalabh Agarwal

Details of Shareholding/other Convertible Securities of Non-Executive Directors of the Company
(Pursuant to Regulation 36(3) of SEBI (LODR), 2015)

SI. NO.	NAME OF DIRECTOR	NO. OF EQUITY SHARES
1.	Mr. Anil Kumar Jain	NIL
2.	Mr. Sanjay Chandak	NIL
3.	Mr. Vijay Kumar Jain	NIL
4.	Mr. Amit Jain	NIL

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ANNEXED AND FORMING PART OF THE NOTICE

Item No. 4

Being the promoter of the Company, Mr. Alok Kumar is associated with the Company from 2006 and has made considerable contribution in the growth of the Company. His efforts, knowledge and experience have been instrumental in the progress of the Company over the years.

As per the provisions of the Companies Act, 2013 and Articles of Association of the Company Mr. Alok Kumar was appointed as Managing Director w.e.f 03.05.2006 and continued to hold the position of Managing Director in the Company. Now, the Board of Directors of the Company, at its meeting held on 27th August, 2020 has, subject to the approval of members, re-appointed Mr. Alok Kumar as Managing Director for a further period commencing from 01 September 2020 to 31st August, 2025.

The terms and conditions of remuneration of Mr. Alok Kumar are detailed below:

1. Effective date of remuneration:

The remuneration will be effective from 01st September 2020 to the remaining tenure upto 31st August 2025.

2. Overall Remuneration:

Subject to the provisions of Section 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the remuneration payable to the Managing Director in any financial year shall not exceed 5% (five percent of the net profit of the Company), or such other limits as may be specified under the relevant legislation prevailing from time to time. Within the aforesaid ceiling, the remuneration payable to him shall be as follows:

a. Salary

Rs. 79,80,000/- (Rupees Seventy Nine Lakh and Eighty Thousand Only) per annum consisting of monthly payment of Rs. 6,65,000/- (Rupees Six Lakh and Sixty Five Thousand Only) per month.

Note: The incumbent shall also be entitled to the following benefits/perquisites, however the same will not be included in the computation of ceiling on minimum remuneration specified herein above.

- i. Company's contribution to Provident Fund and Superannuation Fund or Annuity Fund shall not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the provisions of the Income Tax Act, 1961.
- ii. **Gratuity:** One half month's salary for each completed year of service in accordance with the rules of the Company.
- iii. Encashment of leave at the end of the tenure as per the policy of the Company.
- iv. Provision of car for use on Company's business and telephone at residence will also not be considered as perquisites. Personal long distance calls and use of car for private purpose shall however be billed by the Company to the Managing Director.

3. Functions

Subject to the superintendence, control and direction of the Board of Directors of the Company the Managing Director shall have substantial powers of management including day to day affairs of the Company and shall exercise other duties and functions as may be delegated/assigned to him by the Board of Directors/Committee of Directors from time to time.

4. Minimum Remuneration

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of the Managing Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites as specified in Section II of Part II of Schedule V of the Companies Act, 2013 @ Rs. 6,65,000/- per month (including perquisites) as minimum remuneration which is the present limit of remuneration payable or as may be amended from time to time.

5. Sitting Fee

He shall not be paid any sitting fee for attending the Meeting of Board or Committee thereof.

6. His period of office shall be subject to retirement by rotation whilst holding office of Managing Director.”

INFORMATION PURSUANT TO PROVISIO (iv) TO CLAUSE (B) OF SECTION (II) OF PART (II) OF SCHEDULE V TO THE COMPANIES ACT, 2013.

I. GENERAL INFORMATION:

(1) Nature of industry:-

Manufacturing of Galvanized and Non Galvanized Steel Structures.

(2) Date or expected date of commencement of commercial production:-

Company commenced commercial production from 2007

(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:-

Not applicable.

(4) Financial performance based on given indicators:-

Financial Parameter	Financial Years		
	2017-18 (12 Months)	2018-19 (12 Months)	2019-20 (12 Months)
Turnover	50,392.65	65,518.13	52,722.06
Net Profit/Loss (Before Tax)	4,323.29	5,283.29	2,750.96

(5) Foreign investments or collaborations, if any:- Nil

II. INFORMATION ABOUT THE APPOINTEE:

1. Background Details: Mr. Alok Kumar, aged 65 years holds B.SC degree from Punjab University, Chandigarh, he has more than 45 years of rich experience in trading, manufacturing and fabrication of iron & steel. He started his career with trading in iron & steel as Managing Partner in Gupta Traders and thereafter from 1989 operated two foundry units of C.I. Casting namely Capital Founders and Capital Udyog. He has been associated with the Company since its takeover and has been instrumental in establishing the manufacturing units. He takes care of purchases & finance.

2. Past remuneration:- During the financial year 2019-20, he has drawn Rs. 79,80,000/- (Rupees Seventeen Nine Lakh and Eighty Thousands Only) including perquisites and commission as remuneration from the Company.

3. Job profile and his suitability:- Subject to the superintendence, control and direction of the Board of Directors of the Company the Managing Director shall have substantial powers of management including day to day affairs of the Company and shall exercise other duties and functions as may be delegated/assigned to him by the Board of Directors/ Committee of Directors from time to time.

4. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:-

The proposed remuneration is in line with prevailing industry remuneration structure for the similar position.

5. Remuneration proposed:- Salary of Rs. 6,65,000/- p.m. subject to the overall ceiling stipulated in Section 197 of the Companies Act, 2013 and as per the terms and conditions as mentioned in Explanatory Statement of the Notice of this Annual General Meeting.

6. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:-

Apart from remuneration, Managing Director will be receiving dividends, if any, declared by the Company in respect of Shares held by him. Further, Mr. Alok Kumar is father of Ms. Tripti Gupta who is Whole Time Director of the Company apart from that he is not related with any other managerial personnel of the Company.

III. OTHER INFORMATION:

(1) Reasons for loss/inadequate profit: The Company has not incurred loss in any of the previous years.

(2) Expected increase in productivity and profits in measurable terms: There is adequate production capacity and steps are being taken to improve the cost efficiency and profitability of the Company. We wish to further inform that the impact of the Cost efficiency and increase in profitability measures is also reflecting in the Audited accounts of the Company for the current financial year. These measures are expected to go a long way in improving the performance of the Company.

The above explanatory statement may be treated as a written memorandum setting out the terms of contract of service of Mr. Alok Kumar under Section 190 of the Companies Act, 2013. The Board of Directors recommends the resolution as set out in Item No.4 of the Notice for approval of Members by way of Special Resolution.

Item No. 5

The Board, on the recommendation of the Audit Committee, has approved the re-appointment and remuneration of M/s S. Shekhar & Co., the Cost Accountants as the Cost Auditors to conduct the audit of the Cost Records of the Company for the Financial Year 2020-21 as per the following details:

Product	Factory
Galvanised and Non-galvanised Steel Structure (Telecom Towers, Transmission Towers, Monopoles, Solar Module Mounting Structure)	Unit-I: Khasra No. 265, 281-283, VillParsaun-Dasna, P.O. Jindal Nagar, Distt. Hapur- 201313 (U.P.)
	Unit-II: Khasra No. 1184, 1185, Vill. Khera, P.O. Pilkhuwa, Distt. Hapur- 245304, (U.P.)
	Unit- III: Khasra No. 686/6 Village- Khera, P.O. Pilkhuwa, Tehsil- Dhaulana, Distt. Hapur- 245304 (U.P.)

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditor) Rules, 2014 as amended up to date, the remuneration payable to Cost Auditors is to be ratified by the Members for the Financial Year 2020-21 by way of an Ordinary resolution.

The Board of Directors recommends the resolution as set out in item No. 5 of the notice for approval of members.

None of the Directors and key Managerial Personnel of the Company including their relatives are concerned or interested, financially or otherwise in the resolutions.

**For and on behalf of the Board of Directors
For Salasar Techno Engineering Limited**

**Chairman and Managing Director
Alok Kumar**

DIN NO. 01474484

KL-46, Kavi Nagar

Ghaziabad-201001

Uttar Pradesh

Date : 27.08.2020

Place : New Delhi

BOARD'S REPORT

To,
The Shareholders of the Company

Your Directors are pleased to present the 19th Annual report of the Company together with Consolidated and Standalone Audited Financial Statements of the Company for the Financial Year ended on March 31, 2020.

1. FINANCIAL RESULTS:

The Company's financial performance, for the year ended March 31, 2020 is summarized below:

Particulars	STANDALONE (Amount in Lakhs.)		CONSOLIDATED (Amount in Lakhs.)	
	2019-20	2018-19	2019-20	2018-19
Revenue from operation	52,550.78	65,431.82	52,625.13	65,488.08
Other Income	171.29	86.31	171.29	86.31
Gross Revenue	52,722.06	65,518.13	52,796.42	65,574.39
Total Expenses	49,971.10	60,234.84	50,001.57	60,244.29
Profit before Depreciation, Exceptional items & Tax	3,250.15	5,743.48	3,294.04	5,790.29
Less: Depreciation	499.19	460.19	499.19	460.19
Less: Share of Net Profit of Investments using Equity Method	-	-	-	-
Exceptional Items	-	-	-	-
Profit before Tax	2,750.96	5,283.29	2,794.85	5,330.10
Less: Provision for Taxation				
Current Tax	722.91	1,811.51	736.92	1,827.44
Deferred Tax	(179.96)	175.53	(179.76)	175.53
Profit after tax (PAT)	2,207.81	3,296.24	2,237.69	3,327.13
Other Comprehensive Income	(111.44)	37.42	(111.44)	37.42
Total comprehensive income	2,141.19	3,333.66	2,171.06	3,364.55
Add: Balance brought forward from Previous year	12,095.79	9,082.45	12,126.16	9,081.95
Surplus available for appropriation	14,236.98	12,416.11	14,297.22	12,446.50
			Appropriations:	
Dividend on Equity Shares	332.13	265.70	332.13	265.70
Tax on Dividend	67.78	54.62	67.78	54.62
Balance Carried to Balance Sheet	13,837.07	12,095.79	13,897.33	12,126.16
No. of Equity Shares	1,32,85,264	1,32,85,264	1,32,85,264	1,32,85,264
Earning per share (Basic)	16.62	24.81	16.84	24.81
Earning per Share (Diluted)	16.62	24.81	16.84	24.81

2. FINANCIAL PERFORMANCE:

During the year under review, your Company's Revenue from operations was Rs. 52,550.78 Rs. as against Rs. 65,431.82 Lakhs in the previous financial year at Standalone level. The Profit before Tax amounted to Rs. 2,750.96 Lakhs as against Rs. 5,283.29 Lakhs in the previous financial year. Company's Profit after comprehensive income was Rs. 2,141.19 Lakhs as compared to Rs. 3,333.66 Lakhs in the previous financial year. The Consolidated Revenue from operations amounted to Rs. 52,625.13 Lakhs as against Rs. 65,488.08 Lakhs in

the previous financial year. The Profit before Tax amounted to Rs. 2,794.85 Lakhs as against Rs. 5,330.10 Lakhs in the previous financial year. Company's Profit after comprehensive income was Rs. 2,171.06 Lakhs as compared to Rs. 3,364.55 Lakhs in the previous financial year.

The performance and Financial position of the subsidiary companies are included in the Consolidated Financial Statements and presented in the Management Discussion and Analysis Report forming part of this Annual Report.

3. FUTURE OUTLOOK:

The Future outlook of the business of the Company in different segment is as under:-

A. Telecom

Mobile and Internet penetration

- The proportion of unique mobile subscribers to the total population is expected to reach around 63% in 2025 from 58% in July 2018.
- With the increase in the mobile phone penetration and reducing data costs in India, it is expected that the current internet user base that stands at 687 Mn might get doubled in the next 5 years.

5G Rollout Plans & 4G Penetration

- Increase in the 4G penetration to provide 4G access to ~80% of India's mobile subscriber base by 2024.
- 5G rollout likely to attract ~USD 30 Bn[^] in collective capital expenditures over a period of next 5 years by the top three telecom operators in India.
- With the positive outlook of the telecom sector it would be lucrative to move beyond traditional telecom business to wider digital consumer space like content and mobile banking solutions.

Government Initiatives that will provide a boost to the Telecom Infrastructure Segment

- The Government of India planned to roll out a new National Telecom Policy 2018 in lieu of rapid technological advancement in the sector over the past few years. The policy intends to attract investments worth USD 100 Bn in the sector by 2022.
- The Department of Information Technology intends to set up over 1 Mn internet-enabled common service centers across India as per the National e-Governance Plan.

B. POWER

Increase demand for Power Transmission Infrastructure Development

- Power consumption is estimated to reach up to 1,894.7 TW in 2022.
- Increased demand for power transmission infrastructure development due to increasing inter regional power demand - supply gap.

Government Initiatives

- The Union Budget 2020-21 has allocated USD 2.27 Bn to the Ministry of Power.
- Additional USD 786.95 Mn to Deen Dayal Upadhyay Gram Jyoti Yojana (DDUGJY) to provide power transmission infrastructure for rural electrification.

C. RAILWAY

Railway Electrification orders are on a rapid growth; aiming to double their capacity

- The railways have set a 100% electrification target by the next four years
- The Government is going to come up with a 'National Rail Plan' to enable the country to integrate its rail network and develop a multi-modal transportation network. Current Railway capex for 2020-21 is INR 1.5 Lakh Cr. expected to grow at CAGR of 18% for the next 10 years.
- Electrification of 6,000 Km route is targeted, with wiring of the entire broad gauge network now envisaged for completion by 2023-24

4. BUSINESS OPERATIONS:

The Company is primarily engaged in the business of Manufacturing and sale of galvanized steel structure including telecom towers, transmission line towers including Railway Electrification (OHE) and solar panels. Your Company has three manufacturing units at Jindal Nagar, Hapur District (UP) and Khera Dehat, Hapur District (UP). During the year under review, the overall slowdown in the economy and restructuring of Telecom Tower business by one of our major customer and then partially impact on sales due to Covid-19 affected our overall sales in this financial year. However, your Directors envisage a good growth overall from Telecom Sectors and all other business sectors in which Company is dealing in the coming quarter.

5. DIVIDEND:

The Board of Directors is pleased to recommended a Final Dividend of Rs. 1/- (Rupee One i.e. 10%) per equity share of face value of Rs. 10.00 (Rupees Ten Only) each (previous year final Dividend of Rs. 1.5/- per Equity Shares of Nominal Value of Rs. 10/- each). The dividend, if approved by the Members in the ensuing Annual General Meeting, would involve a cash outflow of Rs. 1,32,85,264 excluding Dividend Distribution Tax (if applicable) and will be paid to those members whose name appear in the Company's Register of Members and to those persons whose name appear as Beneficial Owners as per the details to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited as at the close of business hours on September 19th, 2020.

In terms of Regulation 43A of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("the Listing Regulations"), the Company has formulated a Dividend Distribution Policy which is enclosed herewith as Annexure-A, and is also available on the website of the Company at <http://www.salasartechno.com>

6. TRANSFER TO RESERVES:

The Company has not made any transfer to reserve during the Financial Year 2019-20. However, profit for the year is shown as surplus under the head Reserve & Surplus during the financial year 2019-20.

7. PUBLIC DEPOSITS

During the year under review, your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

The details relating to deposits, covered under Chapter V of the Act,-

- (a) accepted during the year; **NIL**
- (b) remained unpaid or unclaimed as at the end of the year; **NIL**
- (c) whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved; **NIL**
 - (i) at the beginning of the year; **NA**
 - (ii) maximum during the year; **NA**
 - (iii) at the end of the year; **NA**

During the year under review, your Company had not accepted or renewed the deposits which are not in compliance with the requirements of Chapter V of the Act;

8. SHARE CAPITAL

- (a) The paid up Equity Share Capital of the Company as on March 31, 2020 was Rs. 13,28,52,640 . There was no change in the share capital during the year under review.

(b) Status of Shares

As the members are aware, the Company's shares are compulsorily tradable in Electronic form. As on March 31, 2020, 99.9999% of the Company's total paid up capital representing 1,32,85,259 shares are in dematerialized form and 0.00001% of the Company's total paid up capital representing 5 shares are in physical form.

9. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to Section 125 of the Companies Act, 2013 the Company has Unclaimed and Unpaid Dividend but the unpaid Dividend amount not liable to transfer in Investor Education and Protection Fund.

10. GENERAL DISCLOSURES

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

REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

While the COVID-19 pandemic may affect Business of the Company in the short term, the medium to long term India growth story and infrastructure development plan should remain intact. Even it is expected that the Telecom sector will register growth in the coming Financial Year. The pandemic may impact some sectors more than the others and accordingly, the Company is realigning itself to the changing business environment and dynamics. The Directors are optimistic about company's business and hopeful of better performance with increased revenue in-coming year.

There was no change in the nature of business of Company.

11. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

Except those disclosed in this Annual Report, there are no material changes and commitments affecting the financial position of the Company between the end of the financial year i.e. 31st March, 2020 and the date of this Report.

12. CORPORATE GOVERNANCE REPORT

The Corporate Governance Report pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 as applicable for the year under review is presented in a separate section forming part of this Annual Report are attached hereto as "**Annexure-B**".

13. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

Joint Venture and Associates

The Company had entered into Joint Venture with Sikka Engineering Company named as Sikka- Salasar JV and with HPL Electric & Power Pvt. Ltd named as Salsar- HPL JV. The company does not have any Associate Company.

14. PERFORMANCE AND FINANCIAL POSITION OF THE JOINT VENTURE AND ASSOCIATES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT.

The statement containing the financial statement of Joint Venture and Associates of the Company was duly disclosed in the Balance sheet. Details of financial of Joint Venture as required under the first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 is being attached with the Board's Report in Form AOC-1 as **Annexure-C** and the forming part of the Board's Report.

15. DEPRICIATION AND AMORTIZATION

The Company had followed Straight-line method on its tangible fixed assets the rates prescribed under the Part C of the Schedule II of the Companies Act, 2013, Intangible fixed assets stated at cost less accumulated amount of amortization.

16. AUDITORS

16.1 STATUTORY AUDITORS

M/s Arun Naresh & Co., Chartered Accountants (Firm's Registration No. 007127-N), were appointed as the Statutory Auditors of the Company to hold office for a period of five years from the conclusion of the Sixteenth Annual General Meeting until the conclusion of the Twenty First Annual General Meeting.

The Company has received consent letter and certificate from the Auditors to the effect that they are not disqualified to act as Auditors within the meaning of Section 139 and 141 of the Companies Act, 2013.

The Statutory Auditors' Report for the FY 2019-20 does not contain any qualifications, reservations, adverse remarks or disclaimer and no frauds were reported by the Auditors to the Company under sub-section (12) of Section 143 of the Act.

16.2 COST AUDITOR

Pursuant to Section 148 read with Section 141 & 143 and other applicable provisions of the Companies Act, 2013, read with Rule 6 of the Companies (Cost Records and Audit Rules), 2014 as amended from time to time, your Company has carried out audit of Cost Records every year. The Board of Directors on the recommendation of Audit Committee has appointed M/S S. Shekhar & Co., Cost Accountants (Membership No. 30477, FRN 000452), as cost Auditors of the Company for the Financial Year 2020-21. As required under the Companies Act, 2013 a resolution seeking members' approval for remuneration payable to the Cost Auditor for part of the Notice convening the Annual General Meeting for their ratification.

16.3 SECRETARIAL AUDIT

Pursuant to provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, amended upto date and other applicable provisions, if any, the Company has appointed M/s Deepika Madhwal & Associates (C. P. No. 14808) Practicing Company secretaries, to do Secretarial Audit of the Company for the Financial Year 2019-20. The Secretarial Audit Report for the Financial Year ended 31st march, 2020 in Form MR-3 is annexed to this report as '**Annexure-D**' and forms part of the Board's Reports.

16.4 INTERNAL AUDIT

Pursuant to provisions of Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rule, 2014 as amended from time to time, the Board of Directors had appointed M/s VAPS & Co., Chartered Accountants, New Delhi (FRN 003612N) as internal auditor of the Company to conduct internal audit of the Company from 01st April, 2020 to 31st March, 2021.

Further on recommendation of audit committee, the Board of Directors of the Company has approved the re-appointment of aforesaid audit firm as internal auditors for the financial year 2020-21.

17. EXTRACT OF THE ANNUAL RETURN

The extract of the Annual Return in Form No.MGT-9, pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, has been made part of the Board's Report as '**Annexure-E**'.

18. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

18.1 Conservation of Energy:

During the financial year under review, following specific actions were taken by the Company at its various locations, which resulted in saving of energy consumption:

- (i) The Company has substituted the use of furnace oil with LPG in the zinc melting furnace of galvanizing plant at all the three Units. LPG is a more sustainable fuel than furnace oil and minimizes environmental pollution and also leads to more efficiency.
- (ii) Company is in the process of installing solar panel upto 500 KVA capacity in its Unit-III and 300KVA Capacity in its Unit-II, which will reduce the electricity consumption significantly.

18.2 Technology Absorption:

- (i) The efforts made towards technology absorption:
 - Manufacturing process is continuously monitored to ensure better productivity.
 - The Company is using new technology machines for better production and effective utilization of resources.
- (ii) The benefits derived:
 - Improvement in product quality.
 - Improved productivity and cost reduction
 - Introduction of new and improved products.

- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):
 - (a) Technology imported: No technology has been imported in the last 3 years
 - (b) Year of import: Not Applicable
 - (c) Whether the technology been fully absorbed: Not Applicable
 - (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Not Applicable
- (iv) The expenditure incurred on Research and Development (R&D):
No major expenses have been incurred on R&D.

18.3 Foreign exchange earnings and Outgo:

Following are the details of total foreign exchange earned and used during the financial year:

Particulars	(Rs. in Lakh)	
	FY 2019-20	FY 2018-19
Foreign exchange earned	3,005.199	2,321.57
Foreign exchange used	61.64	38.86

19. DIRECTORS:

19.1 CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Companies Act, 2013 and the Article of Association of the Company, Mr. Shashank Agarwal, Joint Managing Director (DIN:00316141) of the Company is liable to retire by rotation and being eligible, offer himself for re-appointment. The Board recommends the re-appointment of Mr. Shashank Agarwal, Joint Managing Director in the ensuing AGM of the Company.

Mr. Alok Kumar (DIN: 01474484), the Managing Director of the Company were appointed for a period of five years. Such term of appointment of the Managing Director shall come to an end on September 30, 2020. In view of the same, the Board of Directors on basis the recommendation of the Nomination and Remuneration Committee proposed to re-appoint Mr. Alok Kumar as the Managing Director of the Company for another term of five years at the ensuing Annual General Meeting for the approval of the Members by way of special resolution.

Brief Profile of Shri Alok Kumar (Managing Director) and other disclosure as stipulated under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given as Annexure to the Notice convening the Annual General Meeting of the Company.

None of the Directors of the Company have resigned from the office of Director of the Company during the year.

All the Directors have made necessary disclosures as required under the various provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

19.2 DECLARATION BY INDEPENDENT DIRECTORS

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

19.3 ANNUAL EVALUATION OF BOARD PERFORMANCE

As the ultimate responsibility for sound governance and prudential management of a Company lies with its Board, it is imperative that the Board remains continually proactive and effective. An important way to achieve this objective is through an annual evaluation of the performance of the Board, its Committees and all the individual Directors.

As per the provisions of the Companies Act, 2013 a formal annual evaluation needs to be made by the Board of its own performance and of its Committees And their individual Directors. Pursuant to the provisions of the Act and Listing Regulations, the Board has carried out the annual performance evaluation

of the Board, Independent Directors, Non-Executive Directors, Executive Directors, Committees and Chairman of the Board.

Directors were evaluated on aspects such as attendance, contribution at Board/Committee meetings and guidance/support to the management outside Board/Committee meetings. The Committees of the Board were assessed on the degree of fulfillment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.

The detailed analysis of performance evolution is incorporated under nomination and Remuneration Committee head in Corporate Governance Report.

20. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

The Board of Directors have adopted Vigil Mechanism Policy. The Vigil Mechanism Policy aims for conducting the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. All permanent employees of the Company are covered under the Vigil Mechanism Policy.

A mechanism has been established for employees to report concerns about unethical behavior, actual or suspected fraud or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of employees who avail of the mechanism and allows direct access to the Chairperson of the audit committee in exceptional cases. The Vigil Mechanism Policy has been posted on the website of the Company.

The aforesaid policy can be accessed on the Company's website www.salasartechno.com.

21. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The company conducts its businesses with high standards of legal, statutory and regulatory compliances. A dedicated Compliance Cell ensures that adequate internal financial controls with reference to the Financial Statement of the Company.

22. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The provisions of Section 197(12) of the Act read with Rules 5(1) and 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 respectively, is annexed to the Board's report as 'Annexure-F'.

23. MEETINGS OF THE BOARD

The Company prepares the schedule of the Board Meeting in advance to assist the Directors in scheduling their programme. The Agenda of the meeting is circulated to the members of the Board well in advance along with the necessary papers, reports, recommendations and supporting documents so that each board member can actively participate on agenda items during the meeting.

The board met 4 (Four) times during the Financial Year 2019-20. The maximum intervals between any two meetings did not exceed 120 days. Details of Board Meetings and held during the period under review are given in Corporate Governance Report.

24. AUDIT COMMITTEE

The Company has constituted Audit Committee as per the provisions of the Companies Act, 2013. The details of terms of reference of the Audit Committee, number and dates of meeting held, attendance, among others are given separately in the attached Corporate Governance Report. The Audit committee satisfies the requirements of section 177 of the Companies Act, 2013 read with Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the year under review, there were no instances, where Board had not accepted the recommendations of the Audit Committee.

25. NOMINATION AND REMUNERATION COMMITTEE

Pursuant to provisions of Section 178(3) of the Companies Act, 2013, read with rules made there under and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has a Nomination and Remuneration Committee and the details of terms of reference, number & dates of meeting held, attendance and other details are given separately in the Corporate Governance Report. The Board on the recommendation of Nomination & Remuneration Committee the Committee had formulated the criteria for

determining qualifications, positive attributes and independence of directors and the same was recommended to the Board. The Board had approved the policy. Also the committees was the deciding factors in decisions like remuneration of Directors, KMP's and other employees, identifying qualified personnel to appoint in Key Management of the Company etc. We affirm that the remuneration paid to the directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company.

26. COMPANY'S POLICY ON REMUNERATION OF DIRECTORS, KMPS AND OTHER EMPLOYEES

The Policy of the Company on remuneration of Directors, KMPS and other employees including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of section 178, is annexed to the Board's Report as **Annexure G**.

27. CORPORATE SOCIAL RESPONSIBILITY (CSR) AND ITS COMMITTEES

The company has always taken steps initiating the Corporate Social Responsibility. The Company's endeavor is to create value for the nation, enhancing the quality of life across the entire socio-economic spectrum. The Company strives to seek greater alignment between its stakeholders to generate value in the long-term.

The Company aims to develop products and services centered on driving customer satisfaction, while contributing to the overall objective of community development. The CSR policy of the Company can be accessed on the Company's website: www.salasartechno.com.

The Company is committed to operate and grow its business in a socially responsible way. The core values strengthening your Company's business actions comprise of Customer Value, Ownership Mindset, Respect, Integrity, One Team and Excellence.

The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of corporate social responsibility policy, observe practices of Corporate Governance at all levels, and to suggest remedial measures wherever necessary.

The company require to spent an amount of Rs. 112.16 Lakh (including 34.72 Lakh last year unspent amount) in CSR activities, out of which the Company has spent Rs. 78.26 Lakh during the Financial Year 2019-20 and Rs. 33.90 Lakh remain unspent at the end of the year. The disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 has been made as per '**Annexure-H**'.

The Company is in the process of identifying new areas of CSR activities and wants to scale up its CSR activities during the coming years therefore the amount in CSR remain unspent.

28. STAKEHOLDER'S RELATIONSHIP COMMITTEE:

Stakeholder's Relationship Committee has been constituted by the Board in accordance with section 178 of the Companies Act, 2013.

The details regarding composition, terms of reference, power, functions, scope, meetings, attendance of members and the status of complaints received during the year are included in the Corporate Governance Report which forms part of the Annual Report.

INDUSTRIAL RELATIONS

Industrial relations continued to remain cordial throughout the year under review.

29. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

The management Discussion and Analysis for the year under review as stipulated under the Listing Regulations is presented in a separate section forming part of this Annual Report and marked as "**Annexure- I**".

30. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The loans given, investments made and guarantee given & securities provided during the year under review are in compliance with the provisions of the Act and Rules framed thereunder and details thereof are given in the Notes to the Standalone Financial Statements.

31. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All contracts/ arrangements/ transactions entered by the Company during the FY 2019-20 with related parties were on an arm's length basis and in the ordinary course of business. The Audit committee grants omnibus approval for the transactions that are in the ordinary course of business and repetitive in nature. For other transactions, the Company obtains specific approval of the Audit Committee before entering into any such transactions. The approval of the Audit Committee was sought for all RPTs. All the transactions were in compliance with the applicable provisions of the Act and SEBI Listing Regulations. Further, disclosure as required under Indian Accounting Standards ("IND AS")- 24 have been made in Note No. 37 to the standalone Financial Statements.

During the FY 2019-20, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company other than sitting fees as applicable. The policy on related party transaction, as formulated by the Board is available on the Company's website i.e. www.salasartechno.com under investor tab.

32. ROLE OF THE COMPANY SECRETARY IN OVERALL GOVERNANCE PROCESS

The Company Secretary plays a key role in ensuring that the Board (including committees thereof) procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and senior management for effective decision-making at the meetings. The Company Secretary is primarily responsible to assist and advise the Board in the conduct of affairs of the Company, to ensure compliance with applicable statutory requirements and Secretarial Standards, to provide guidance to directors and to facilitate convening of meetings. The Company Secretary interfaces between the management and regulatory authorities for governance matters.

33. ROLE OF THE CHIEF FINANCIAL OFFICER (KMP)

Mr. Pramod Kumar Kala, Chief Financial Officer-Cum-Key Managerial Personnel of the Company plays a pivotal role in ensuring the compliance of applicable accounting procedures, taxation aspects and administrative policies are followed and regularly reviewed. The Chief Financial Officer-Cum-Key Managerial Personnel ensures that all relevant information pertaining to accounting policy including details and documents are made available to the Directors for taking effective decision-making at the meetings.

34. RISK MANAGEMENT POLICY

The Company has adopted the measures concerning the development and implementation of a Risk Management System in terms of Section 134(3)(n) of the Companies Act, 2013 after identifying the elements of risks which in the opinion of the Board may threaten the very existence of the Company itself. The Company has an elaborate Risk Management process of identification, assessment and prioritization of risk followed by coordinated efforts to minimize, monitor and mitigate/control the probability and/or impact of unfortunate events or to maximize the realization of opportunities. The Risk Management procedure is reviewed by the Audit Committee from time to time, to ensure that the executive management controls risks through means of a properly defined framework. Major risks identified are systematically addressed through mitigating actions on a continuing basis.

35. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

The Company has formulated a Policy for Prevention of Sexual Harassment at Workplace which is in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to ensure prevention, prohibition and redressal against sexual harassment. Awareness programmes are organized by the Company to sensitize employees. During the year under review, no complaints of any nature were received under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

36. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of the knowledge and belief of the Directors of the Company and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134(3) (c) of the Companies Act, 2013.:

- (a) In the preparation of the annual accounts for the financial year 2019-20, the applicable accounting standards read with requirements set out under Schedule III to the Act, had been followed along with proper explanation relating to material departures;
- (b) The directors have selected such accounting policies, applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 2019-20 and of the profit and loss of the company ended on that date;
- (c) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The directors have prepared the annual accounts on a going concern basis; and
- (e) The directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively.
- (f) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

36. ACKNOWLEDGEMENTS

The Directors acknowledge with sincere gratitude, the cooperation and help extended by all the stakeholders of your Company including its esteemed shareholders, government departments and agencies, financial institutions and banks, customers, vendors and employees.

37. ANNEXURES

The following annexures form part of this Report:

- a. Dividend Distribution Policy- Annexure 'A'
- b. Corporate Governance Report- Annexure 'B'
- c. Details of Financial of Joint Ventures and Associates- Annexure 'C'
- d. Secretarial Audit Report-Annexure 'D'
- e. Extract of Annual Return-Annexure 'E'
- f. Information under sub-rule (1) of Rule 5 of the Companies (Appointment And Remuneration of Managerial Personnel) Rules, 2014- Annexure 'F'
- g. Nomination and Remuneration Policy- Annexure- 'G'
- h. Corporate Social Responsibility Report- Annexure 'H'
- i. Management Discussion and Analysis Report- Annexure 'I'

For and on behalf of the Board of Directors

For Salasar Techno Engineering Limited

Chairman and

Managing Director

Alok Kumar

DIN NO. 01474484

KL-46, Kavi Nagar

Ghaziabad-201001

Uttar Pradesh

Jt. Managing Director

Shashank Agarwal

DIN:00316141

B-166, Sector-50

Gautam Budh Nagar

Noida-201301 UP

Date : 27.08.2020

Place: New Delhi

DIVIDEND DISTRIBUTION POLICY

INTRODUCTION

As per Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, prescribed Listed Companies are required to frame a Dividend Distribution Policy.

PURPOSE

The purpose of this Policy is to regulate the process of dividend declaration and its pay-out by the Company which would ensure a regular dividend income for the shareholders and long term capital appreciation for all stakeholders of the Company.

AUTHORITY

This Policy has been adopted by the Board of Directors of Salasar Techno Engineering Limited ('the Company').

FORMS OF DIVIDENDS

The Companies Act provides for two forms of Dividend:

1. Final Dividend

The final dividend is paid once for the financial year after the annual accounts are prepared. The Board of Directors of the Company has the power to recommend the payment of final dividend to the shareholders for their approval at the general meeting of the Company. The declaration of final dividend shall be included in the ordinary business items that are required to be transacted at the Annual General Meeting.

Process for approval of payment of Final Dividend:

- Board to recommend quantum of Final Dividend payable to Shareholders in its meeting in line with this policy;
- Based on the profits arrived at as per the audited financial statements;
- Shareholders to approve in Annual general Meeting;
- Once in financial year.

2. Interim Dividend

This form of dividend can be declared by the Board of Directors one or more times in a financial year as may be deemed fit by it. The Board of Directors shall have the absolute power to declare interim dividend during the financial year, in line with this policy. The Board should consider declaring an interim dividend after finalization of quarterly/ half yearly financial results. This would be in order to supplement the annual dividend or to reward shareholders in exceptional circumstances.

Process for approval of payment of Interim Dividend:

- Board may declare Interim Dividend at its complete discretion in line with this policy;
- Based on profits arrived at as per quarterly (or half-yearly) financial statements including exceptional items;
- One or more times in a financial year.

QUANTUM OF DIVIDEND AND DISTRIBUTION

Dividend payout in a particular year shall be determined after considering the operating and financial performance of the Company and the cash requirement for financing the Company's future growth. In line with the past practice, the payout ratio is expected to grow in accordance with the profitable growth of the Company under normal circumstances.

DECLARATION OF DIVIDEND

Dividend shall be declared or paid only out of-

- 1) Current financial year's profit:
 - a) after providing for depreciation in accordance with law;
 - b) after transferring to reserves such amount as may be prescribed or as may be otherwise considered appropriate by the Board at its discretion
- 2) The profits for any previous financial year(s) after providing for depreciation in accordance with law and remaining undistributed; or
- 3) out of 1) & 2) both.

The circumstances under which shareholders may not expect dividend/or when the dividend could not be declared by the Company shall include, but are not limited to, the following:

- a. Due to operation of any other law in force;
- b. Due to losses incurred by the Company and the Board considers it appropriate not to declare dividend for any particular year;
- c. Due to any restrictions and covenants contained in any agreement as may be entered with the Lenders and
- d. Due to any default on part of the company.

FACTORS AFFECTING DIVIDEND DECLARATION:

The Dividend pay-out decision of any company, depends upon certain external and internal factors-

External Factors:

- **Legal/ Statutory Provisions and Regulatory concern:** The Board should keep in mind the restrictions imposed by Companies Act, any other applicable laws with regard to declaration and distribution of dividend. Further, any restrictions on payment of dividends by virtue of any regulation as may be applicable to the Company may also impact the declaration of dividend.
- **State of Economy:** The Board will endeavor to retain larger part of profits to build up reserves to absorb future shocks in case of uncertain or recessionary economic conditions and in situation where the policy decisions of the Government have a bearing on or affect the business of the Company.
- **Nature of Industry:** The nature of industry in which a company is operating, influences the dividend decision. Like the industries with stable demand throughout the year are in a position to have stable earnings and thus declare stable dividends.
- **Taxation Policy:** The tax policy of a country also influences the dividend policy of a company. The rate of tax directly influences the amount of profits available to the company for declaring dividends.
- **Capital Markets:** In case of unfavorable market conditions, Board may resort to a conservative dividend pay-out in order to conserve cash outflows and reduce the cost of raising funds through alternate resources.

Internal Factors:

Apart from the various external factors, the Board shall take into account various internal factors including the financial parameters while declaring dividend, which inter alia will include -

1. **Magnitude and Stability of Earnings:** The extent of stability and magnitude of company's earnings will directly influence the dividend declaration. Thus, the dividend is directly linked with the availability of the earnings (including accumulated earnings) with the company.
2. **Liquidity Position:** A company's liquidity position also determines the level of dividend. If a company does not have sufficient cash resources to make dividend payment, then it may reduce the amount of dividend pay-out.
3. **Future Requirements:** If a company foresees some profitable investment opportunities in near future including but not limited to Brand/ Business Acquisitions, Expansion / Modernization of existing businesses, Additional investments in subsidiaries/associates of the Company, Fresh investments into external businesses, then it may decide for lower dividend payout and vice-versa.
4. Leverage profile and liabilities of the Company.
5. Any other factor as deemed fit by the Board.

RETAINED EARNINGS

The portions of profits not distributed among the shareholders but retained and used in business are termed as retained earnings. It is also referred to as ploughing back of profit. The Company should ensure to strike the right balance between the quantum of dividend paid and amount of profits retained in the business for various purposes. These earnings may be utilized for internal financing of its various projects and for fixed as well as working capital. Thus the retained earnings shall be utilized for carrying out the main objectives of the company and maintaining adequate liquidity levels.

PARAMETERS THAT SHALL BE ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARE

The Company does not have different classes of shares and follows the 'one share, one vote' principle.

REVIEW & AMENDMENT

The Policy shall be reviewed as and when required to ensure that it meets the objectives of the relevant legislation and remains effective. The Executive Management Committee has the right to change/amend the policy as may be expedient taking into account the law for the time being in force.

'Annexure- B'
REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's Corporate Governance philosophy encompasses not only regulatory and legal requirements in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), but also several inherent core values at a superior level of business ethics, effective supervision and enhancement of shareholders' value. These core values are central to the business philosophy of the Company and act as the guiding inspiration for the day-to-day business operations.

The Company believes that timely disclosures, transparent accounting policies and a strong independent Board go a long way in protecting the shareholders' interest while maximizing long term corporate values.

Your Company is fully compliant with all the provisions of Companies Act, 2013, Listing Regulations and other applicable rules & bye laws. The details of Compliances are as follows:-

2. BOARD OF DIRECTORS

A. Composition of Board:-

- i) As on March 31, 2020, the Company has Eight Directors. Out of the Eight Directors four are Executive Directors and four are Non-Executive Independent Directors. The board of the Company duly constituted as per the requirements of Companies Act, 2013 read with rule made thereunder and Listing Regulations. The composition and category of Directors of the Company are as follows:

Name of Director(s)	Designation	Category
Mr. Alok Kumar	Managing Director	Promoter-Executive
Mr. Shashank Agarwal	Jt. Managing Director	Promoter-Executive
Mr. Shalabh Agarwal	Whole Time Director	Promoter-Executive
Ms. Tripti Gupta	Whole Time Director	Promoter-Executive
Mr. Anil Kumar Jain	Independent Director	Non-Executive/Independent
Mr. Sanjay Chandak	Independent Director	Non-Executive/Independent
Mr. Vijay Kumar Jain	Independent Director	Non-Executive/Independent
Mr. Amit Jain	Independent Director	Non-Executive/Independent

- ii) All the Directors have given disclosures of interest as required in the Companies Act, 2013 and rules made thereunder.
- iii) Except Mr. Alok Kumar & Ms. Tripti Gupta who are related to each other as Father and Daughter and Mr. Shashank Agarwal & Mr. Shalabh Agarwal who are related to each other, as Brothers, none of the Directors of our Company are related to each other.
- iv) As per the requirement of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, all the Independent Directors on the Company's Board are Non-Executive.

B. Details of Board Meetings held during the year ended 31st march 2020:-

The Board of Directors met 4 (Four) times during the Financial Year 2019-20. The details of the meetings of the Board of Directors held during the year are as follows:

Sl. No.	Date of Meeting	No. of Directors present
1.	28.05.2019	7
2.	14.08.2019	7
3.	12.11.2019	5
4.	11.02.2020	6

- As stipulated, the gap between two consecutive Board Meetings did not exceed One Hundred and Twenty Days.

C. Attendance at Board Meeting and Last AGM:-

During the Financial Year 2019-20, 4(Four) Board Meeting were held and all the meeting of the Board were convened as per the requirements of Companies Act and other applicable laws. Director's attendance at the Board Meeting and in the last AGM is as follows:-

Name of Director(s)	No. of Board Meetings attended	Last AGM attended
Mr. Alok Kumar	4	Yes
Mr. Shashank Agarwal	4	Yes
Mr. Shalabh Agarwal	2	Yes
Ms. Tripti Gupta	3	Yes
Mr. Anil Kumar Jain	4	Yes
Mr. Sanjay Chandak	3	No
Mr. Vijay Kumar Jain	4	Yes
Mr. Amit Jain	1	No

D. Number of other Board of Directors or committees in which Director is a member or chairperson:-

Detail of other directorship in other Companies and chairmanship/membership in other Committees are as follows:-

Name of Director (s)	No. of other Directorships and Committee Memberships/Chairmanships		
	Other Directorships	Committee Memberships	Committee Chairmanships
Mr. Alok Kumar	1	-	-
Mr. Shashank Agarwal	2	2	-
Mr. Shalabh Agarwal	2	1	-
Ms. Tripti Gupta	-	2	1
Mr. Anil Kumar Jain	2	2	2
Mr. Sanjay Chandak	-	3	1
Mr. Vijay Kumar Jain	1	2	-
Mr. Amit Jain	2	1	-

E. Details of Shareholding of Directors are as under:-

The details of Shareholding of Directors in the Company are as under:-

Sl. No.	Name of Director	Shareholding
1.	Mr. Alok Kumar	894000
2.	Mr. Shashank Agarwal	710592
3.	Mr. Shalabh Agarwal	1280592
4.	Ms. Tripti Gupta	400000
5.	Mr. Anil Kumar Jain	Nil
6.	Mr. Sanjay Chandak	Nil
7.	Mr. Vijay Kumar Jain	Nil
8.	Mr. Amit Jain	Nil

F. Familiarization Programme for Directors:-

Upon appointment of new Independent Director, the Company undertakes an orientation exercise to familiarize the Director about the Company's Business operations, products, corporate objectives, financial performance, management structure, compliance etc., apart from explaining him/her about his/her role, responsibility, rights and duties. In order to familiarize the Independent Directors with the business of the Company. The Familiarization Programme Module of Independent Directors are available on the Company's website: www.salasartechno.com in the tab of investors.

G. Skill/Expertise/Competence of the Board of Directors

In the context of the business of the Company, your Board always recognize that a appropriate mix of skills/ expertise/ competencies that are required by the Company to work effectively. This includes experience, knowledge of the Telecom industry, technical skills & specialist knowledge in various other areas which are essential for smooth working of the Company. The Board is of the opinion that all the Board members have significant experience and expertise in the Telecom Industry and are having skills in the areas of corporate governance, planning, finance and investor relations. The Company working has significantly improved from the clear vision and guidance provided by the Directors of the Company.

H. The Board is of the opinion that all Independent Directors fulfill the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 and are independent of the management.

I. During the year under review, none of the Independent Directors resigned from the Board of the Company.

3. BOARD COMMITTEES

To focus effectively on the issues and ensure expedient resolution of diverse matters, the Board has constituted a set of Committees with specific terms of reference/scope. The Board has established various committees such as Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, and Finance Committee.

A. Audit Committee:-**(i) Terms of Reference:-**

The scope of functions and terms of references of the Audit Committee are as prescribed under Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. The terms of reference of the Audit Committee includes the following:

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required being included in the Directors Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly and annual financial statements before submission to the board for approval
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process.
8. Approval of any transactions of the Company with Related Parties, including any subsequent modification thereof.

9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the Company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors on any significant findings and follow up there on.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
18. To review the functioning of the Whistle Blower mechanism, in case the same exists.
19. Approval of appointment of CFO or any other person heading the finance function or discharging that function after assessing the qualifications, experience & background, etc. of the candidate.
20. To overview the Vigil Mechanism of the Company and took appropriate actions in case of repeated frivolous complaints against any Director or Employee.

The Audit Committee shall mandatorily review the following information:

1. Management Discussion and Analysis of financial condition and results of operations.
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management.
3. Management letters / letters of internal control weaknesses issued by the statutory auditors.
4. Internal audit reports relating to internal control weaknesses.
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
6. Statement of deviations:
 - a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7).

Powers of the Audit Committee:

- Investigating any activity within its terms of reference;
- Seeking information from any employee;
- Obtaining outside legal or other professional advice; and
- Securing attendance of outsiders with relevant expertise, if it considers necessary.

(ii) Composition, Name of Members and Chairman:-

The Audit Committee presently comprises of four members with three Independent Directors and One Executive Director. Mr. Anil Kumar Jain (independent Director) is the Chairman of the Committee. All the members are financially literate and possess sound knowledge of accounts, audit, finance etc.

The following directors are the present members of the Audit Committee:-

Sl. No.	Name	Category
1.	Mr. Anil Kumar Jain	Chairman (Independent Director)
2.	Mr. Sanjay Chandak	Independent Director
3.	Mr. Shashank Agarwal	Executive Director
4.	Mr. Vijay Kumar Jain	Independent Director

(iii) Meeting and attendance:-

During the year under review, 4(Four) meetings of the Audit Committee were held on May 28, 2019, August 14, 2019, November 12, 2019 and February 11, 2020. The attendance of the members is as follows:-

Sl. No.	Name	Category
1.	Mr. Anil Kumar Jain	4
2.	Mr. Sanjay Chandak	3
3.	Mr. Shashank Agarwal	4
4.	Mr. Vijay Kumar Jain	4

Chief Financial Officer is a permanent invitee of the Audit Committee Meetings and Mr. Rahul Rastogi Company Secretary acts as a secretary to the committee.

B. Nomination and Remuneration Committee:

(i) Terms of Reference

The Nomination and Remuneration Committee has been constituted pursuant to the provisions of Section 178 of the Companies Act, 2013, and Regulation 19 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. Terms of reference, Powers & Obligations of the committee are given below:

Role of Nomination and Remuneration Committee are:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, Key Managerial Personnel and other employees.
2. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
3. Devising a policy on diversity of Board of Directors.
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
5. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
6. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

(ii) Composition, Name of Members and Chairman:-

The following Directors are the present members of Nomination and Remuneration Committee:-

Sl. No.	Name	Category
1.	Mr. Anil Kumar Jain	Chairman (Independent Director)
2.	Mr. Vijay Kumar Jain	Independent Director
3.	Mr. Amit Jain	Independent Director

(iii) Meeting and attendance:-

During the year under review, 2(two) meetings of the Nomination and Remuneration Committee were held on August 14, 2019, and February 11, 2020. The attendance of the members is as follows:-

Sl. No.	Name	Category
1.	Mr. Anil Kumar Jain	2
2.	Mr. Amit Jain	1
3.	Mr. Vijay Kumar Jain	2

Mr. Rahul Rastogi Company Secretary acts as a secretary to the committee.

(iv) Mechanism for Evaluation of Board, Committees and Individual Directors:-

The Nomination and remuneration committee during the year has done the performance evaluation of every Director on the Board, including the Executive and Independent Directors. The criteria which was selected by the Nomination and Remuneration Committee for evaluation includes attendance and preparedness for the meetings, contribution at meetings, effective decision making ability and providing strategic perspective. The committee also considered involvement of each director in their respective meetings and decision making thereof. The committee also take parameters such as attendance, level of engagement and contribution, independence of judgment, completion challenges and meeting the risk management compliances and due diligence, financial control, safeguarding the interest of the Company and its minority-shareholders.

The performance evaluation was carried out by the committee as per the criteria framed by it. The criteria framed by Nomination and remuneration committee were also duly adopted by the Board. The committee is also reviewed the declaration received from the independent Directors of the Company and confirmed that none of the directors become disqualified under the Companies Act, 2013, rules made thereunder and under Listing Regulations. The report on performance evaluation as prepared by the committee was submitted to the Board for adoption.

(v) Remuneration Policy and other terms of appointment Directors:

The Company has in place of remuneration policy which is guided by the principles and objectives as enumerated in Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations, 2015. The Managing Directors and Whole Time Directors are the Executive Directors on the board.

The Company has not paid any sitting fees to Executive Directors for any Board/Committee Meetings attended by them. All Non-Executive Directors were paid sitting fees for the Board/Committee Meeting attended by them. Apart from sitting fees they don't have any pecuniary relationship or transactions with the Company.

Details or remuneration paid/payable to Managing Directors, Whole Time Directors and all other Non-Executive Directors of the Company for the Financial Year ended 31st March, 2020 are as under:-

(Rs. In Lakh)

SI No	Name of the Directors	Salary	Perquisites/ Benefits	Commission/ Bonus	Sitting Fee	Total (Rs.)	Service Contracts
1.	Mr. Alok Kumar	79.86	-	-	-	79.86	Appointed as Managing Director upto the AGM to be held in the year 2020
2.	Mr. Shashank Agarwal	72.60	-	-	-	72.60	Appointed as Managing Director upto the AGM to be held in the year 2021
3.	Mr. Shalabh Agarwal	58.08	-	-	-	58.08	Appointed as Whole Time Director upto the AGM to be held in the year 2021
4.	Ms. Tripti Gupta	50.82	-	-	-	50.82	Appointed as Whole Time Director upto the AGM to be held in the year 2021
5.	Mr. Anil Kumar Jain	-	-	-	1.03	1.03	Appointed as Independent Director upto the AGM to be held in the year 2021
6.	Mr. Sanjay Chandak	-	-	-	0.60	0.60	Appointed as Independent Director upto the AGM to be held in the year 2021
7.	Mr. Vijay Kumar Jain	-	-	-	1.03	1.03	Appointed as Independent Director upto the AGM to be held in the year 2021
8.	Mr. Amit Jain	-	-	-	0.23	0.23	Appointed as Independent Director upto the AGM to be held in the year 2021

Disclosures as required under Schedule V of Companies Act, 2013 & SEBI (LODR) Regulations, 2015

- a) There are no benefit given to the Directors except the remuneration paid to Managerial Personnel’s and Non-Executive Directors are mentioned above.
- b) There are no notice period and severance fees to the Directors.
- c) There are no performance based incentives given to the directors of the Company.
- d) The Company has not issued any stock options during the Financial year under review.

C. Stakeholder Relationship Committee:

(i) Terms of Reference:-

The Stakeholder Relationship Committee has been constituted pursuant to the provisions of Section 178(5) of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. Terms of reference, Powers & Obligations of the committee are given below:

- Redressal of shareholders’/investors’ complaints;
- Reviewing on a periodic basis the Approval of transfer or transmission of shares, debentures or any other securities made by the Registrar and Share Transfer Agent;
- Non-receipt of declared dividends, balance sheets of the Company; and
- Carrying out any other function as prescribed under the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.”

(ii) Composition, Name of Members and Chairman:-

The following Directors are the present members of Stakeholders Relationship Committee:-

Sl. No.	Name	Category
1.	Mr. Sanjay Chandak	Chairman (Independent Director)
2.	Ms. Tripti Gupta	Executive Director
3.	Mr. Shalabh Agarwal	Executive Director

The Stakeholders Relationship Committee shall oversee all matters pertaining to investors of our Company.

(iii) Meeting and attendance:-

During the year under review, 1(One) meeting of the Stakeholders Relationship Committee were held on February 24, 2020. The attendance of the members is as follows:-

S. No.	Name	Attendance
1.	Mr. Sanjay Chandak	1
3.	Ms. Tripti Gupta	1
4.	Mr. Shalabh Agarwal	1

Mr. Rahul Rastogi Company Secretary acts as a secretary to the committee.

During the year 2019-20, no complaint was received from Shareholders and there were no pending complaints as on 31st March, 2020. Other details pertaining to the Stakeholders Committee are given below:

(a)	Name of Chairman heading the Committee	Mr. Sanjay Chandak
(b)	Name & Designation of Compliance Officer	(Non Executive Independent Director)
(c)	Number of shareholders’ complaints received so far	Mr. Rahul Rastogi (Company Secretary)
(d)	Number not solved to the satisfaction of shareholders	NIL
(e)	Number of pending complaints	NIL

D. Corporate Social Responsibility Committee:

(i) Terms of Reference:-

The Corporate Social Responsibility Committee has been constituted pursuant to the provisions of Section 135 of the Companies Act, 2013. Terms of reference, Powers & Obligations of the committee are given below:

- a) To formulate and to recommend to the Board, a corporate social responsibility policy which shall indicate the activities to be undertaken by our Company as specified in Scheduled VII;
- b) Recommend the amount of expenditure to be incurred on the activities referred to in clause (a)
- c) Monitor the Corporate Social Responsibility policy of our Company from time to time.

(ii) Composition, Name of Members and Chairman:-

The following Directors are the present members of Corporate Social Responsibility Committee:-

Sl. No.	Name	Category
1.	Ms. Tripti Gupta	Chairman (Executive Director)
2.	Mr. Sanjay Chandak	Independent Director
3.	Mr. Shashank Agarwal	Executive Director

(iii) Meeting and attendance:-

During the year under review, 2(two) meetings of the Corporate Social Responsibility Committee were held on August 20, 2019 and February 24, 2020. The attendance of the members is as follows:-

Sl. No.	Name	Attendance
1.	Ms. Tripti Gupta	2
2.	Mr. Sanjay Chandak	2
3.	Mr. Shashank Agarwal	2

Mr. Rahul Rastogi Company Secretary acts as a secretary to the committee.

CSR policy was adopted by the Board on the recommendation of CSR committee. As per rule 9 of Companies (CSR policy) Rules, 2014 the CSR policy is available on the website of the Company at www.salasartechno.com under the tab of investor.

4. SUBSIDIARY COMPANIES

As on March 31, 2020 the Company neither has any Indian nor Foreign Subsidiary Company.

5. GENERAL BODY MEETINGS

a) Details of last three Annual general Meetings and Special Resolutions passed therein:

Meeting	Date	Venue of AGM	Time	Special Resolution passed
16 th AGM	19 th July, 2017	E-20, South Extension, New Delhi- 110049	10:00 a.m.	No Special Resolution passed
17 th AGM	28 th , September 2018	J. P. Hotel and Resorts, 6B, Patparganj I.P Extension, NH-24, Behind CNG Petrol Pump, New Delhi- 110092	10:00 a.m.	No Special Resolution passed
18 th AGM	28 th , September 2019	J. P. Hotel and Resorts, 6B, Patparganj I.P Extension, NH-24, Behind CNG Petrol Pump, New Delhi- 110092	10:30 a.m.	- Continuation of the term of Shri Vijay Kumar Jain (DIN: 00281757) Non-Executive Independent Director of the Company

b) Resolution passed through Postal Ballot

There were no special resolutions proposed to be passed through Postal Ballot during the last year or at the forthcoming AGM.

6. Means of Communication

The Company from time to time and as may be required, communicates with its investors through multiple channels of communications such as dissemination of information on the website of the Stock Exchanges, the Annual Reports, Press Releases and uploading relevant information on its website.

The Company is publishing quarterly unaudited/ annual audited financial results, notice, advertisement and other official news in the "Business Standard" and "Economic Times" (Vernacular language) regularly. The results have also displayed/uploaded on the Company's Website: www.salasartechno.com.

7. GENERAL SHAREHOLDER INFORMATION

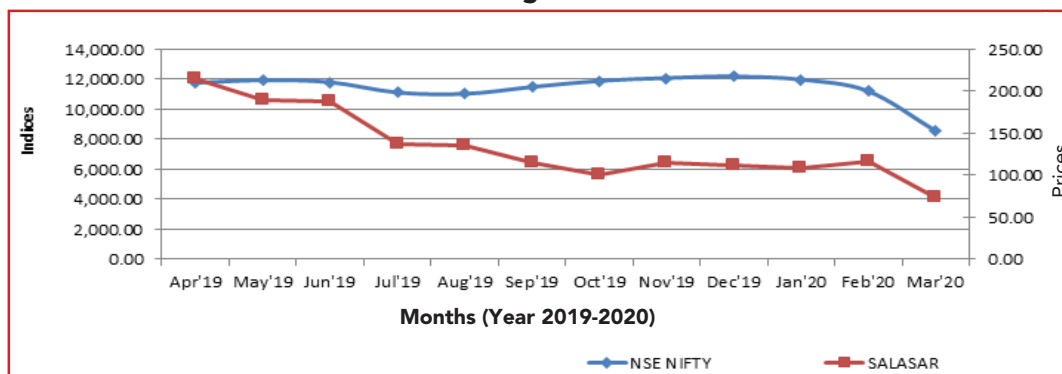
a)	AGM Date, time and venue	26 th September 2020, at 11:30 a.m. at through Video Conferencing / Other Audio Visual Means
b)	Financial Year	01 st April, 2019- 31 st March, 2020
c)	Financial Calendar (Tentative Schedule): First Quarter Results Second Quarter Results Third Quarter Results Results for the year ending March 2020	By Third week of August 2020 By Second week of November 2020 By Second week of February 2020 By the end of May 2020
d)	Book Closure Date	The Register of Members and the Share Transfer Books of the Company shall remain closed from Saturday, September 19, 2020 to Saturday, September 26, 2020 (both days inclusive) for the purpose of 19 th AGM and for payment of Dividend for the Financial Year 2019-20
e)	Dividend Payment Date	The Dividend if declared at Annual General Meeting shall be paid within 30 days from the date of AGM i.e. September 26, 2020
f)	Listing on Stock Exchange	National Stock Exchange of India Limited (NSE) Exchange Plaza, Plot No. C/1, Bandra - Kurla Complex, Bandra(E), Mumbai-400001 BSE Limited (BSE) PhirozeJeejeebhoy Towers, Dalal Street, Mumbai- 400001 Note: your Company has already been paid the Listing Fees to both the Stock Exchanges.
g)	Stock Code: National Stock Exchange India Limited BSE Limited	SALASAR 540642

h) Market Price Data for the year 2019-20

- Salasar Share Price versus the NSE NIFTY

Month	SALASAR NSE Price Rs.			NSE NIFTY Price Rs.		
	High	Low	Closing	High	Low	Closing
April 2019	238.90	201.60	215.60	11796.75	11549.10	11748.15
May 2019	219.90	173.00	188.70	12041.15	11108.30	11922.80
June 2019	199.00	142.00	188.30	12103.05	11625.10	11788.85
July 2019	188.30	126.05	136.60	11981.75	10999.40	11118.00
August 2019	141.70	114.50	136.15	11181.45	10637.15	11023.25
September 2019	132.40	111.95	115.10	11694.85	10670.25	11474.45
October 2019	119.90	86.30	101.10	11945.00	11090.15	11877.45
November 2019	139.90	99.00	114.35	12158.80	11802.65	12065.05
December 2019	119.00	100.00	111.15	12293.90	11844.70	12168.45
January 2020	123.00	100.00	108.45	12430.50	11974.20	11962.10
February 2020	132.00	102.10	116.75	12201.20	11198.38	11201.75
March 2020	121.00	70.25	73.35	11303.30	7610.25	8597.75

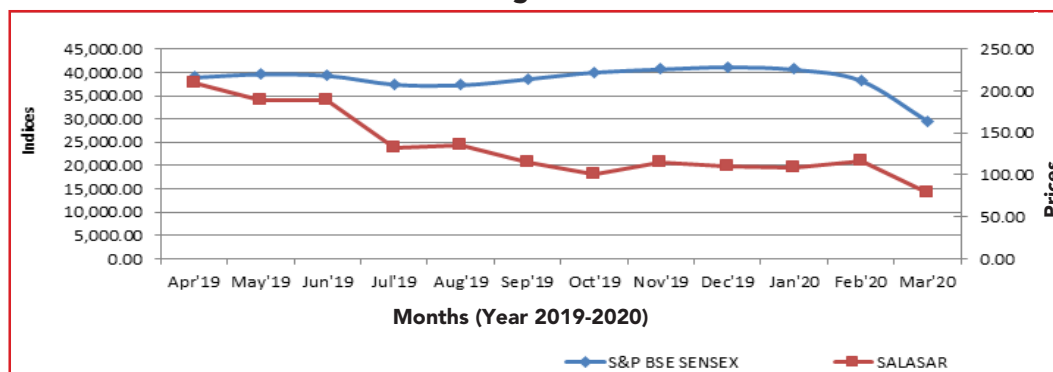
**Performance of Company's Equity Share's price in comparison to NSE NIFTY
Salasar Closing Price Vs NIFTY**



- Salasar Share Price versus the BSE SENSEX

Month	SALASAR BSE Price Rs.			BSE SENSEX Price Rs.		
	High	Low	Closing	High	Low	Closing
April 2019	238.75	203.00	209.65	39,487.45	38,460.25	39,031.55
May 2019	214.80	174.05	189.65	40,124.96	36,956.10	39,714.20
June 2019	199.35	142.10	188.35	40,312.07	38,870.96	39,394.64
July 2019	187.05	113.00	132.20	40,032.41	37,128.26	37,481.12
August 2019	140.25	114.85	135.05	37,807.55	36,102.35	37,332.79
September 2019	132.45	112.05	114.60	39,441.12	35,987.80	38,667.33
October 2019	114.70	86.50	100.70	40,392.22	37,415.83	40,129.05
November 2019	144.70	99.10	114.55	41,163.79	40,014.23	40,793.81
December 2019	117.45	100.05	110.15	41,809.96	40,135.37	41,253.74
January 2020	122.10	102.10	108.00	42,273.87	40,476.55	40,723.49
February 2020	132.40	99.40	116.00	41,709.30	38,219.97	38,297.29
March 2020	118.00	68.80	77.90	39,083.17	25,638.90	29,468.49

**Performance of Company's Equity Share's price in comparison to BSE Sensex
Salasar Closing Price Vs Sensex**



i)	Suspension from Trading	There was no suspension of Trading of equity shares of the Company ordered by BSE & NSE
j)	Registrar and Share Transfer Agents (for physical & demat shares)	BIGSHARE SERVICES PRIVATE LIMITED 302 Kaushal Bazar, 32-33, Nehru Place, New Delhi- 110019 Tel: 011-42425004 Email id: bssdelhi@bigshareonline.com Website: www.bigshareonline.com
k)	Share Transfer system	Share transfer are registered and returned within a period of 15 days from the date of receipt, if the documents are complete in all respects.

L) Distribution of Equity Shareholding as on 31st March, 2020

i) Distribution of shares according to size of holding as on March 31, 2020

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholding
1-500	7331	89.56	7,89,268	5.94
501-1000	439	5.36	3,35,053	2.52
1001-2000	194	2.37	2,87,319	2.16
2001-3000	60	0.73	1,48,030	1.11
3001-4000	33	0.40	1,13,929	0.86
4001-5000	16	0.20	74,841	0.56
5001-10000	59	0.72	4,24,071	3.19
10001& above	54	0.66	1,11,12,753	83.66
Total	8186	100	1,32,85,264	100

ii) Categories of Shareholders as on March 31, 2020

Category	No. of Shares held	% of Shareholding
Promoter and Promoter Group	99,56,300	74.94
Clearing Members	2,19,693	1.65
Other Bodies Corporate	5,91,526	4.45
Financial Institutions/Banks	50	0.00
Foreign Institutional Investors	–	–
Mutual Funds	–	–
Hindu Undivided Family	1,90,912	1.44
General Public	22,20,832	16.72
Non Resident Indians	73,026	0.55
Trusts	11,625	0.09
Foreign Portfolio Investors	21,300	0.16
TOTAL	1,32,85,264	100

m)	Dematerialization of Shareholding and liquidity	As on March 31, 2020, 5 Equity Shares of the Company (0.000037% of total issued Equity Capital) were held in physical form and 1,32,85,259 Equity Shares (99.99999% of total Equity Capital) were held in dematerialized form. The shares of the Company are listed on BSE and NSE, which provide sufficient liquidity to the investors.
n)	Dividend	The Board of Directors at their meeting held on June 29, 2020, recommend Dividend payout, subject to the approval of shareholders at the ensuing Annual Genral Meeting of Rs. 1/- per share (10%) of face value of Rs. 10/- each, on equity shares of the Company for whole of the Financial year 2019-20. The Dividend will be paid to those members whose names appear as beneficial Owners as per the details to be furnished by National Securities Depositories limited (NSDL) and Central Depository Services (India) Ltd. (CDSL) as at the close of business hours on September 19, 2020. The Dividend if declared at the AGM shall be paid within 30 days from the date of AGM i.e. September 26, 2020
o)	Outstanding GDRs/ ADRs/ Warrants or any convertible instruments	Not Applicable

p)	Commodity price risk or foreign exchange risk	Nil
q)	Plant locations	<p>Unit-I Khasra No. 265, 281-283, Vill- Parsaun-Dasna, P.O.- Jindal Nagar, Distt Hapur- 201313 (U.P.)</p> <p>Unit-II Khasra No. 1184, 1185, Vill-Khera, P.O. Pilkhuwa, Teshil Dhaulana, Distt. Hapur- 245304 (U.P.)</p> <p>Unit-III Khasra No. 686/6, Vill-Khera, P.O. Pilkhuwa, Teshil Dhaulana, Distt. Hapur- 245304 (U.P.)</p>
r)	Address for correspondence	<p>Registrar & Share Transfer Agent (For Dematerialization and Share Transfer related query) BIGSHARE SERVICES PRIVATE LIMITED 302 Kaushal Bazar, 32-33, Nehru Place, New Delhi- 110019 Tel: 011-42425004 Email id: bssdelhi@bigshareonline.com Website: www.bigshareonline.com</p> <p>Company (For Annual Report and any other related matters) Company Secretary, Salasar Techno Engineering Limited E-20, South Extension, New Delhi- 110049</p>
s)	List of Credit Ratings Obtained from Rating Agencies	The Company has been rated 'BWR A-' for Long Term Borrowing and 'BWR A2+' for Short Term Borrowing by Brickworks Ratings. During the Financial Year 2019-20 the rating of your Company has been upgraded by the rating agency.

8. RECONCILIATION OF SHARE CAPITAL AUDIT REPORT

As stipulated by SEBI, a qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository limited (NSDL) and Central Depository Services (India) limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchange where the Company's Shares are listed. The Audit confirms that the total listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

9. INDEPENDENT DIRECTORS

The Board of the Company has been duly constituted with optimum combination of Executive Directors, Non-Executive and Independent Directors. The Board of the Company comprises of following Independent Directors:-

- i. Mr. Anil Kumar Jain
- ii. Mr. Sanjay Chandak
- iii. Mr .Vijay Kumar Jain
- iv. Mr. Amit Jain

Meeting of Independent Directors

As required by the code of Independent Directors under the Companies Act, 2013 and the Listing Regulations, a meeting of the Independent Directors of the Company was convened on 24th February, 2020 to overlook and review the performance of Non Independent Directors and of the Board as a whole. In the meeting members has also done performance evaluation of Managing Director of the Company.

Declaration by Independent Directors

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013 that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013.

10. Management Discussion and Analysis

A separate chapter on Management Discussion and Analysis is given in this Annual report.

11. Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network entity of which the Statutory Auditor is Rs. 3,25,000 p.a. excluding all taxes as applicable.

12. Adoption of Requirements as specified in Part E of Schedule II

As specified in Part E of Schedule II of SEBI (listing Obligation and Disclosure Requirements) Regulations, 2015 following requirement has been adopted by the Company:

- i. The Internal Auditor may report directly to the Audit Committee
- ii. Submission of Financial Statements with Unmodified Audit Opinion.

12. CEO/CFO certification

Mr. Alok Kumar, Managing Director, Mr. Shashank Agarwal, Jt. Managing Director and Mr. Pramod Kumar Kala, Chief Financial Officer, have furnished a certificate relating to financial statements and internal control systems as per the format prescribed under Regulation 17(8) of the SEBI (LODR) Regulations, 2015 and the Board took the same on record.

13. Compliance Certification

Compliance Certificate for Corporate Governance obtained from a practicing Company Secretary is annexed herewith.

14. CODE OF CONDUCTS

Details of various policies and codes required to be framed under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 are given under the head "Investors" on the website of the company i.e. www.salasartechno.com

15. DISCLOSURE

a) Non-Compliance by the Company, penalties and strictures imposed, if any,-

There have been no instances of non-compliance with any of the legal provisions of law made by the Company however during the year penalty of Rs. 2,00,000 has been imposed by SEBI for failure to comply with disclosure requirements specified under the provision of Regulation 29(2) and 29(3) of SEBI SAST Regulation 2011 the matter pertains to financial year 2011-12. Except this no penalty or strictures imposed by the stock exchange or SEBI or any other statutory authority on any matter related to the capital markets during the last three years.

b) Vigil Mechanism/Whistle Blower Policy-

The Company has in place of vigil mechanism and whistle blower policy under which employees can report any violations of applicable laws and regulations and the code of conduct of the Company. Vigil Mechanism of the Company provides adequate safeguards against victimization of persons who use such mechanism and no personnel have been denied access to the Audit Committee.

c) Compliance with Governance framework-

The Company has complied with all the mandatory requirements under the SEBI (LODR) Regulations, 2015 of Listing Regulations.

d) Disclosure of Transactions with Related Parties-

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of SEBI (LODR) Regulations, 2015, during the Financial Year were in the ordinary course of Business and on arm's length basis.

The Company has in place policy for Related Party Transaction and the same is place on the Company's Website i.e. www.salasartechno.com under the tab of Investors.

- e) The Company has duly complied with all the Corporate Governance requirements as specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

f) Commodity Price Risk and Commodity hedging activities-

Presently, the Company is not dealing in commodities and commodity hedging activities. So, information pertaining to the disclosure of commodity price risks and commodity hedging activities is not applicable to the Company.

g) Disclosure with respect to demat suspense account/ unclaimed suspense account-

The Company does not have any shares in demat suspense account/ unclaimed suspense account.

**For and on behalf of the Board of Directors
For Salasar Techno Engineering Limited**

**Chairman and
Managing Director**

Alok Kumar

DIN NO. 01474484

KL-46, Kavi Nagar
Ghaziabad-201001
Uttar Pradesh

Jt. Managing Director

ShashankAgarwal

DIN:00316141

B-166, Sector-50
Gautam Budh Nagar
Noida 201301, UP

Date : 27.08.2020

Place: New Delhi

CERTIFICATE ON CORPORATE GOVERNANCE

**To the Members of
Salasar Techno Engineering Limited
E-20, South Extension
New Delhi- 110049**

We have examined the compliance of conditions of Corporate Governance by Salasar Techno Engineering Ltd. for the financial year ended on 31st March, 2020 as stipulated in Regulation 27(1) & (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (earlier Clause 49 of the Listing Agreement).

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the corporate governance. It is neither an audit nor expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above-mentioned Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor to the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Deepika Madhwal & Associates

Company Secretary

Membership No: 31234

Place: Ghaziabad

Date : 27.08.2020

UDIN: A031234B000622473

DECLARATIONS
Compliance with the Code of Business Conduct and Ethics

As provided under Regulation 26(3) of the SEBI (LODR) Regulations, 2015, all Board Members and Senior Management personnel have affirmed compliance with Salasar Techno Engineering Limited code of business conduct and ethics for the year ended March 31, 2020.

For Salasar techno Engineering Limited

Date : 27.08.2020

Place: New Delhi

Alok Kumar

Managing Director

DIN: 01474484

CEO/CFO CERTIFICATION-FINANCIAL YEAR ENDED 31.03.2020
[Pursuant to Regulation 17(8) of the SEBI (LODR) Regulations, 2015]

We, Alok Kumar, Managing Director, Shashank Agarwal, Jt. Managing Director & Pramod Kumar Kala, Chief Financial Officer of Salasar techno Engineering Limited hereby certify that :-

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief, we state that:
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) We further state that to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We are responsible for establishing and maintain internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicating to the Auditors and the Audit Committee:
 - i) significant changes, if any, in internal control over financial reporting during the year.
 - ii) significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) instance of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Salasar Techno Engineering Limited

(Alok Kumar)
Managing Director
DIN: 01474484

(Shashank Agarwal)
Jt. Managing Director
DIN: 00316141

(Pramod Kumar Kala)
Chief Financial Officer
PAN: AALPK4692F

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

**To the Members of
Salasar Techno Engineering Limited
E-20, South Extension
New Delhi**

As required by item 10 (i) of para C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, we certify that none of the directors on the board of **Salasar Techno Engineering Limited** have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority.

**For Deepika Madhwal & Associates
Company Secretary
Membership No: 31234
Place: Ghaziabad
Date : 27.08.2020
UDIN: A031234B000622431**

ANNEXURE-C

Details of Joint Venture as per AOC-1:

(Rs. In Lakh)

		Sikka-Salasar-JV	Salasar-HPL-JV
1	Name of the Joint venture	Sikka-Salasar-JV	Salasar-HPL-JV
2	Reporting period for the Joint Venture- Latest Audited Balance sheet date	31.03.2020	31.03.2020
3	Shares of the Joint Venture held by the Company	NIL	Nil
	Number	-	-
	Amount	0.49	0.10
	Extent of % of holding	49%	100%
4	Reserves & surplus	(147.83)	60.76
5	Total assets	2208.38	2218.62
6	Total Liabilities	2208.38	2218.62
7	Investments	Nil	Nil
8	Turnover	6136.15	3963.64
9	Profit before taxation	63.92	43.89
10	Provision for taxation	19.94	13.69
11	Profit after taxation	43.98	30.19
12	Proposed Dividend	NIL	NIL

**For and on behalf of the Board of Directors
For Salasar Techno Engineering Limited**

Chairman and Managing Director

Alok Kumar

DIN NO. 01474484

KL-46, Kavi Nagar
Ghaziabad-201001
Uttar Pradesh

Jt. Managing Director

Shashank Agarwal

DIN: 00316141

B-166, Sector-50
Gautam Budh Nagar
Noida 201301 UP

Date : 27.08.2020

Place: New Delhi

ANNEXURE- 'D'
FORM NO. 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2020

{Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014}

To,
The Members
Salasar Techno Engineering Limited
CIN: L23201DL2001PLC174076
E- 20, South Extension- I
New Delhi- 110049

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practiced by **Salasar Techno Engineering Limited** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31 March 2020 ("Audit Period") 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the audit period ended on 31 March 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 (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; (Not applicable to the Company during the audit period);
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (**Not applicable to the Company during the Audit Period under review**);
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not applicable to the Company during the Audit Period under review**);
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (**Not applicable to the Company during the Audit Period under review**);
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not applicable to the Company during the Audit Period under review**); and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not applicable to the Company during the Audit Period under review**);

- i) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ; and
 - j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
- Other laws applicable specifically to the Company, namely:
- a. Labour laws and other incidental laws related to employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.
 - b. Acts prescribed under Environmental Protection
 - c. Acts as prescribed under Direct Tax and Indirect Tax
 - d. Labour Welfare Act of respective States
 - e. Laws prescribed under Trademarks, Copyright and Patent Acts
 - f. Local Laws as applicable to various offices and plants
 - g. Air (Prevention and Control of Pollution) Act, 1981 and the rules and standards made thereunder.
 - h. Water (Prevention and Control of Pollution) Act, 1974 and Water (Prevention and Control of Pollution) Rules, 1975
 - i. Environment Protection Act, 1986 and the rules, notifications issued thereunder.
 - j. Factories Act, 1948 and allied State Laws.

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

- a. Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings;
- b. The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

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

We further report that:-

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent adequately 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.

Decisions at the Board Meetings, as represented by the management, were taken unanimously.

We further report that based on review of compliance mechanism established by the Company and on the basis of Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion 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.

We further report that as per the requirements of Companies Act, 2013 and applicable rules and regulations/guidelines, the Company has formulated and adopted various policies including:-

- a. Corporate Social Responsibility policy;
- b. Code of conduct for Board of Directors and senior management;
- c. Dividend Distribution Policy
- d. Criteria for making payment to Non-Executive Directors;
- e. Policy on materiality of Related party Transactions and on dealing with Related party Transactions;
- f. Policy for determining material subsidiaries;
- g. Role of Independent Directors and terms & conditions for their appointment;
- h. Vigil Mechanism/Whistle Blower policy;

and have placed them on the website of the Company wherever needed.

We further report that the Company has not taken any major activities during the year like;

- (i) Public/Right/Preferential issue of shares/debentures/ borrowing/sweat equity/ESOP etc.
- (ii) Redemption/ buy-back of securities
- (iii) Major decisions has not been taken by the members in pursuance to section 180 of the Companies Act, 2013
- (iv) Foreign technical collaborations/Joint Ventures etc.
- (v) Merger/amalgamation/reconstruction, etc

For Deepika Madhwal & Associates

Company Secretary

Membership No: 31234

C. P. No. 14808

Place : Ghaziabad

Date : 27.08.2020

Annexure - A

[Annexure to the Secretarial Audit Report of Salasar Techno Engineering Limited for the Financial Year ended 31st march, 2020]

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have not verified the correctness and appropriateness of Financial Records and Books of Accounts of the Company.
3. We 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 the test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices followed provided a reasonable basis for our opinion.
4. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to verification of procedure on test basis.
5. Wherever required, we have obtained the management representation about the Compliance of Laws, rules and regulations and happening of events etc.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted affairs of the Company.

For Deepika Madhwal & Associates

Company Secretary

Membership No: 31234

Place : Ghaziabad

Date : 27.08.2020

UDIN : A031234B000622429

ANNEXURE- 'E'

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2020

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

I. REGISTRATION AND OTHER DETAILS:

Company Name	Salasar Techno Engineering Limited
CIN	L23201DL2001PLC174076
DOI	24 th October 2001
Category/Sub Category of the Company	Public Company Limited by shares
Address of Registered Office and contact details	E-20, South Extension I, New Delhi-110049 Email: compliance@salasartechno.com towers@salasartechno.com PH: 0120-6546670 Website: www.salasartechno.com
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	Big Share Services Pvt Ltd 302 Kaushal Bazar, 32-33, Nehru Place, New Delhi-110019 Tel: 011-42425004

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

SN	Name and Description of main products/services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacturing and trading in Steel items	25112	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SI No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	Applicable Section
No Holding, Subsidiary or Associate Company				

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1 st April, 2019]				No. of Shares held at the end of the year [As on 31 st March, 2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	5165000	-	5165000	38.877	5165000	-	5165000	38.877	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	4791300	-	4791300	36.065	4791300	-	4791300	36.065	

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1 st April, 2019]				No. of Shares held at the end of the year [As on 31 st March, 2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	9956300	-	9956300	74.942	9956300	-	9956300	74.942	
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	9956300	-	9956300	74.942	9956300	-	9956300	74.942	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	6871	-	6871	0.052	50	-	50	0.0004	(0.0516)
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	25097	-	25097	0.19	21300	-	21300	0.16	(0.03)
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	31968	-	31968	0.242	21350	-	21350	0.1607	(0.0813)
2. Non-Institutions									
a) Bodies Corp.	602394	-	602394	4.53	591526	-	591526	4.45	(0.08)
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	2221375	5	2221380	16.72	1927227	5	1927232	14.506	(2.214)

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1 st April, 2019]				No. of Shares held at the end of the year [As on 31 st March, 2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	213045	-	213045	1.60	293600	-	293600	2.21	0.61
c) Others (HUF)	-	-	-	-	190912	-	190912	1.437	1.437
Non Resident Indians	115137	-	115137	0.87	73026	-	73026	0.549	(0.321)
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	133415	-	133415	1.004	219693	-	219693	1.6537	0.6497
Trusts	11625	-	11625	0.09	11625	-	11625	0.09	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	3296991	5	3296996	24.896	3307609	5	3307614	24.896	0.08
Total Public Shareholding (B)=(B)(1)+ (B)(2)	3328959	5	3328964	25.057	3328959	5	3328964	25.057	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	13285259	5	13285264	100%	13285259	5	13285264	100%	-

(ii) Shareholding of Promoter-

A. PROMOTERS

SN	Shareholder's Name	Shareholding at the beginning of the year i.e. 01.04.2019			Shareholding at the end of the year i.e. 31.03.2020			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Mr.Alok Kumar	894000	6.729	-	894000	6.729	-	
2	Mr.Shalabh Agarwal	1280592	9.639	-	1280592	9.639	-	
3	Mr.Gyanendra Kumar Agarwal	293816	2.212	-	293816	2.212	-	
4	Ms. Tripti Gupta	400000	3.011	-	400000	3.011	-	

(B) PROMOTER GROUP (RELATIVES & ASSOCIATES)

SN	Shareholder's Name	Shareholding at the beginning of the year i.e. 01.04.2019			Shareholding at the end of the year i.e. 31.03.2020			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Alok Kumar HUF	20000	0.150	-	20000	0.150	-	
2.	Mrs. Kamlesh Gupta	500000	3.764	-	500000	3.764	-	
3.	Mr. Shashank Agarwal	710592	5.349	-	710592	5.349	-	
4.	Mrs. Taru Agarwal	8000	0.060	-	8000	0.060	-	
5.	Mrs. Mithilesh Agarwal	204000	1.536	-	204000	1.536	-	
6.	Mrs. Anshu Agarwal	578000	4.351	-	578000	4.351	-	
7.	Mr. Shikhar Gupta	276000	2.077	-	276000	2.077	-	
8.	Hill View Infrabuild Limited	2874300	21.635	-	2874300	21.635	-	
9.	Base Engineering Private Limited	466000	3.508	-	466000	3.508	-	
10	More Engineering Private Limited	466000	3.508	-	466000	3.508	-	
11.	Shikhar Fabtech Private Limited	985000	7.414	-	985000	7.414	-	

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

SN	Name of Promoter	Shareholding at the beginning of the year i.e. 01.04.2019		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total Shares of the company
1	Mr. Alok Kumar	No Change during the year			
	At the beginning of the year				
	At the end of the year				
2	Mr. Shalabh Agarwal	No Change during the year			
	At the beginning of the year				
	At the end of the year				
3	Mr. Gyanendra Kumar Agarwal	No Change during the year			
	At the beginning of the year				
	At the end of the year				
4	Ms. Tripti Gupta	No Change during the year			
	At the beginning of the year				
	At the end of the year				
5	Alok Kumar HUF	No Change during the year			
	At the beginning of the year				
	At the end of the year				
6	Mrs. Kamlesh Gupta	No Change during the year			
	At the beginning of the year				
	At the end of the year				

7	Mr. Shashank Agarwal	No Change during the year
	At the beginning of the year	
	At the end of the year	
8	Mrs. Taru Agarwal	No Change during the year
	At the beginning of the year	
	At the end of the year	
9	Mrs. Mithilesh Agarwal	No Change during the year
	At the beginning of the year	
	At the end of the year	
10	Mrs. Anshu Agarwal	No Change during the year
	At the beginning of the year	
	At the end of the year	
11	Mr. Shikhar Gupta	No Change during the year
	At the beginning of the year	
	At the end of the year	
12	Hill View Infra Build Limited	No Change during the year
	At the beginning of the year	
	At the end of the year	
13	Base Engineering Private Limited	No Change during the year
	At the beginning of the year	
	At the end of the year	
14	More Engineering Private Limited	No Change during the year
	At the beginning of the year	
	At the end of the year	
15	Shikhar Fabtech Private Limited	No Change during the year
	At the beginning of the year	
	At the end of the year	

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

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year i.e. 01.04.2019		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Thermo Pads Private Limited				
	At the beginning of the year	-	-	1,38,437	1.042%
	At the end of the year	-	-	1,38,437	1.042%
2	IM Capitals Limited				
	At the beginning of the year	-	-	1,12,000	0.843%
	At the end of the year	-	-	1,12,000	0.843%
3	Shri Parasram Holdings Private Limited				
	At the beginning of the year	30,000	0.23%	45,513	0.343%
	At the end of the year	-	-	75,513	0.568%
4	Prabhat Kumar Garg				
	At the beginning of the year	-	-	64,959	0.489%
	At the end of the year	-	-	64,959	0.489%

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year i.e. 01.04.2019		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5.	Globe Capital Market Limited				
	At the beginning of the year	22,661	0.17%	40,363	0.304%
	At the end of the year	-	-	63,024	0.474%
6.	Nilgiri Marketing Private Limited				
	At the beginning of the year	40,000	0.301%	20,000	0.150%
	At the end of the year	-	-	60,000	0.451%
7.	Global Info ventures Private Limited				
	At the beginning of the year	-	-	46,804	0.352%
	At the end of the year	-	-	46,804	0.352%
8.	Ashish Agarwal				
	At the beginning of the year	-	-	45,353	0.341%
	At the end of the year	-	-	45,353	0.341%
9.	Achintya Commodities Private Limited-Proprietary Account				
	At the beginning of the year	-	-	40400	0.304%
	At the end of the year	-	-	40400	0.304%
10.	Kookmin Securities Private Limited				
	At the beginning of the year	-	-	40,000	0.301%
	At the end of the year	-	-	40,000	0.301%

v) Shareholding of Directors and Key Managerial Personnel:

SN	Name of Promoter	Shareholding at the beginning of the year i.e. 01.04.2019		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Alok Kumar				
	At the beginning of the year	894000	6.729	-	-
	At the end of the year	-	-	894000	6.729
2	Mr. Shalabh Agarwal				
	At the beginning of the year	1280592	9.639	-	-
	At the end of the year	-	-	1280592	9.639
3	Mr. Shashank Agarwal				
	At the beginning of the year	710592	5.349	-	-
	At the end of the year	-	-	710592	5.349
4	Ms. Tripti Gupta				
	At the beginning of the year	400000	3.011	-	-
	At the end of the year	-	-	400000	3.011

V) INDEBTEDNESS-Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs. In Lakh)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	13,482.94	1,544.85	-	15,027.79
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	13,482.94	1,544.85		15,027.79
Change in Indebtedness during the financial year				
* Addition	2003.11	-	-	2003.11
* Reduction	-	(603.55)	-	(603.55)
Net Change	2003.11	(603.55)	-	1399.56
Indebtedness at the end of the financial year				
i) Principal Amount	15,486.05	941.3	-	16,427.35
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	15,486.05	941.3	-	16427.35

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Rs. In Lakh)

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		Mr. Alok Kumar (Managing Director)	Mr. Shashank Agarwal (Jt. Managing Director)	Mr. Shalabh Agarwal (Whole time Director)	Ms. Tripti Gupta (Whole time Director)	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	79.86	72.60	58.08	50.82	261.36
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	Total (A)	79.86	72.60	58.08	50.82	261.36
	Ceiling as per the act	Rs. 556.465 Lakh (10% of profit as per u/s 198)				

B. Remuneration to other directors

(Rs. In Lakh)

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		Anil Kumar Jain	Sanjay Chandak	Vijay Kumar Jain	Amit Jain	
1	Independent Directors					
	Fee for attending board committee meetings	1.03	0.60	1.03	0.23	2.89
	Commission	-	--	--	-	-
	Others, please specify	-	--	--	-	-
	Total (1)	1.03	0.60	1.03	0.23	2.89
2	Other Non-Executive Directors	-	--	--	-	-
	Fee for attending board committee meetings	-	--	--	-	-
	Commission	-	--	--	-	-
	Others, please specify	-	--	--	-	-
	Total (2)	-	--	--	-	-
	Total (B)=(1+2)	1.03	0.60	1.03	0.23	2.89
Overall Ceiling as per the Act		Only Sitting fees paid to Non-Executive Independent Directors				

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/Manager/WTD (Rs. In Lakh)

SN	Particulars of Remuneration	Key Managerial Personnel		
		Rahul Rastogi (CS)	Pramod Kumar Kala (CFO)	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6.95	32.00	38.95
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	others, specify...	-	-	-
5	Others, please specify	-	-	-
	Total	6.95	32.00	38.95

IX. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty		Penalty imposed by SEBI for failure to comply with disclosure requirements specified under the provision of Regulation 29(2) and 29(3) of SEBI SAST Regulation 2011 the matter pertains to financial year 2011-12.	2,00000	SEBI	N.A.
Punishment					
Compounding					
B. DIRECTORS					
Penalty	NONE				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	NONE				
Punishment					
Compounding					

**For and on behalf of the Board of Directors
For Salasar Techno Engineering Limited**

**Chairman and
Managing Director
Alok Kumar
DIN NO. 01474484**
KL-46, Kavi Nagar
Ghaziabad-201001
Uttar Pradesh

**Jt. Managing Director
Shashank Agarwal
DIN: 00316141**
B-166, Sector-50
Gautam Budh Nagar
Noida-201301, UP

Date : 27.08.2020

Place: New Delhi

ANNEXURE- 'F'
DETAILS OF REMUENRATION

[Details pertaining to remuneration as required under section 197(12) read with rule 5(1) of companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial year 2019-20, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2019-20 are as under:

Sr. No.	Name of Director/ KMP	Designation	Remuneration of Director/KMP for the Financial Year 2019-20 (Rs. in Lakh)	% increase in Remuneration in the Financial Year 2019-20	Ratio of Remuneration of each Director to median remuneration
A	B	C	D	E	F
1.	Mr. Alok Kumar	Managing Director	79.86	10.00%	75.48%
2.	Mr. Shashank Agarwal	Jt. Managing Director	72.60	10.00%	68.61%
3.	Mr. Shalabh Agarwal	Whole Time Director	58.08	10.00%	54.88%
4.	Ms. Tripti Gupta	Whole Time Director	50.82	10.00%	48.02%
5.	Mr. Anil Kumar Jain	Independent Director	*1.03	NA	NA
6.	Mr. Sanjay Chandak	Independent Director	*0.60	NA	NA
7.	Mr. Vijay Kumar Jain	Independent Director	*1.03	NA	NA
8.	Mr. Amit Jain	Independent Director	*0.23	NA	NA
9.	Mr. Pramod Kumar Kala	Chief Financial Officer	32.00	-	30.245%
10.	Mr. Rahul Rastogi	Company Secretary	6.95	28.70%	6.57%

(i) All the Independent Directors in the Board take only sitting fees for attending meeting.

1. The ratio of remuneration of each director to the median remuneration of the employees of the company for the Financial Year:

The median remuneration of employees of the Company during the Financial Year was Rs. 1.058 Lakh per annum and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year is provided in the column F of table I given above.

Independent Directors were paid only sitting fees during the financial year under review. Hence, their ratio to Median Remuneration has been shown as **Not Applicable**. The percentage increase in their remuneration is based on their attendance in the Board and Committee Meetings held during the financial year.

2. Percentage increase in remuneration of each director, Chief Financial Officer, Company Secretary or Manager, if any, in the Financial Year:

Details provided in the column E of table I given above.

3. The percentage increase in the median remuneration of Employees in the Financial Year 2019-20:

The median remuneration of employees of the Company during the Financial Year was Rs. 1.058 Lakh per annum as compare to previous year where the median remuneration of employee was Rs. 0.95 Lakh per annum. Hence there is increase of 10.97% in the median remuneration of employees as compared to previous financial year 2018-19.

4. The number of permanent Employees on the rolls of the Company as on March 31, 2020:

The number of permanent Employees on the rolls of the Company as on March 31, 2020 was 1536.

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

There is increase of 10.97% in average salary of employees other than the managerial personnel during the financial year as compared to previous year. Increase in average salary of managerial personnel during the financial year as compared to previous year was 10%. The increase in the remuneration of employees and Managerial Remuneration was keeping in view the limits as laid down in the Companies Act, 2013 read with relevant rules.

6. Affirmation that the remuneration is as per the remuneration policy of the Company:

It is hereby affirmed that the remuneration paid is as per the Policy for Remuneration of the Directors, Key Managerial Personnel and other Employees.

Particulars of employees

[Statement as per provisions of sec 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.]

(a) Name of top ten employees in terms of salary drawn are mentioned below:

S. No.	Employee Name	Designation, Nature of employment	Educational Qualification	Age (in Years)	Experience (in years)	Date of Joining	Remuneration p.a. (Rs. In Lakh)	Previous Employer	Equity Shares Held
1.	Mr. Alok Kumar	Managing Director	B.Sc from Punjab University, Chandigarh	65	45	Since 2006	78.60	-	894000
2.	Mr. Shashank Agarwal	Jt. Managing Director	B.E. (Mech.) from MIT, Manipal	52	30	Since 2006	72.60	-	710592
3.	Mr. Shalabh Agarwal	Whole Time Director	B.tech from MIT, Manipal	47	25	Since 2006	58.08	-	1280592
4.	Ms. Tripti Gupta	Whole Time Director	Commerce Graduate from Shri Ram College of Commerce, Delhi and MBA in Finance from IMT, Nagpur	36	10	Since 2014	50.82	-	400000
5.	*i.Mr. Shikhar Gupta	Vice President	B.B.A from Amity University and Marketing and Environmental Economics from LSE	31	8	Since 2016	36.00	-	276000
6.	**ii.Mrs. Kamlesh Gupta	General Manager Admin	B.A. from Delhi University, and B.Ed. from U.P.	64	13	Since 2007	34.50	-	500000

S. No.	Employee Name	Designation, Nature of employment	Educational Qualification	Age (in Years)	Experience (in years)	Date of Joining	Remuneration p.a. (Rs. In Lakh)	Previous Employer	Equity Shares Held
7.	Mr. Pramod Kumar Kala	CFO	Chartered Accountant	49	25	Since 2019	32.00	M/s Jagat Jit Industries Ltd. from 1995 to 2015 and in PMV Group from Oct 2015 to 2018	-
8.	*iiiMrs. Anshu Agarwal	Manager	M.A (Eng)	48	11	Since 2009	28.46	-	578000
9.	*ivMrs. Taru Agarwal	Manager	B.A.	46	11	Since 2009	28.46	-	204000
10.	*vMr. Raghav Agarwal	Vice President	M.Sc in International Management from ESADE Business School Barcelona	27	4	Since 2016	19.20	-	-

- *i) Mr. Shikhar Gupta is son of Mr. Alok Kumar
 *ii) Mrs. Kamlesh Gupta is wife of Mr. Alok Kumar
 *iii) Mrs. Anshu Agarwal is wife of Mr. Shashank Agarwal
 *iv) Mrs. Taru Agarwal is wife of Mr. Shalabh Agarwal
 *v) Mr. Raghav Agarwal is son of Mr. Shashank Agarwal

(b) Employees employed for part of the year and in receipt of Rs. 8.5 Lakhs or more a month:

None of the employee was in receipt of remuneration amounting to Rs. 8.5 Lakhs per month or more for part of the year.

- c) There are no Employees employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or wholetime director or manager and who holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

'Annexure- G' NOMINATION AND REMUNERATION POLICY

Salasar Techno Engineering Limited considers human resources as its invaluable assets. The Nomination and Remuneration Committee of the Company formulated "Nomination and Remuneration Policy" of Directors, Key Managerial Personnel (KMPs) and other employees as per the provisions of the Companies Act, 2013 and the listing agreement.

NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors of the Company constituted the committee to be known as the Nomination and Remuneration Committee consisting of three or more non-executive directors out of which not less than one-half are independent directors. The Chairman of the Committee is an independent Director.

OBJECTIVE

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013. The objective of this policy is to lay down a framework in relation to remuneration of directors, KMP's, and other employees. The Key objectives of the Committee include the following:

1. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration of the directors, executive directors key managerial personnel and other employees;
2. Formulating of criteria for evaluation of the independent directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who qualify to become directors or who may be appointed in one level below the key managerial personnel in accordance with the criteria laid down, recommending to the Board their appointment and removal, and carrying out evaluations of every director's performance;
5. Analyzing, monitoring and reviewing various human resource and compensation matters;
6. Determining our Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
7. Determining compensation levels payable to the key managerial personnel and other staff (as deemed necessary) which shall be market-related, usually consisting of a fixed and variable component;
8. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
9. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
 - (i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2014; or
 - (ii) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003.
10. Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

DEFINITIONS

"Act" means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

"Board" means Board of Directors of the Company.

"Directors" mean Directors of the Company.

"Key Managerial Personnel" means

- i. Chief Executive Officer or the Managing Director or the Manager;
- ii. Whole-time director;
- iii. Chief Financial Officer;
- iv. Company Secretary; and
- v. such other officer as may be prescribed.

"Senior Management" means Senior Management means personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads.

POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTORS, KMP'S AND SENIOR MANAGEMENT

1. General

- a) Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his /her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.
- d) A whole-time KMP of the Company shall not hold office in more than one company except in its subsidiary company at the same time. However, a whole-time KMP can be appointed as a Director in any company, with the permission of the Board of Director of Salasar Techno Engineering Limited.

2. TERM / TENURE

a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Managing Director or Whole-time Director for a term not exceeding five years at a time. No reappointment shall be made earlier than one year before the expiry of term.

b) Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's Report.
- No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a Listed company or such other number as may be prescribed under the Act.

3. Evaluation of performance

The Committee will make recommendations to the Board on appropriate performance criteria for the Directors. Also it will formulate the criteria and framework for evaluation of performance of every director on the Board of the Company, Senior Management Personnel at regular intervals (yearly).

4. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

5. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

POLICY ON REMUNERATION OF DIRECTORS, KMP'S AND SENIOR MANAGEMENT

1. Remuneration of Managing Director/Whole-time Director, KMP and Senior Managerial Personnel

The Remuneration/ Compensation/ Commission etc. to Directors will be determined by the committee and recommended to the Board for approval. The Remuneration/ Compensation/Commission etc. to be paid to Director /Managing Director etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

2. Remuneration to Non- Executive / Independent Director:

The Non-Executive Independent Director may receive remuneration / compensation /commission as per the provisions of Companies Act, 2013. The amount of sitting fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

DUTIES OF COMMITTEE RELATING TO NOMINATION

The duties of the Committee in relation to nomination matters include:

- i. Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- ii. Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- iii. Identifying and recommending Directors who are to be put forward for retirement by rotation.
- iv. Determining the appropriate size, diversity and composition of the Board;
- v. Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- vi. Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- vii. Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- viii. Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service Contract.
- ix. Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- x. Recommend any necessary changes to the Board; and
- xi. Considering any other matters, as may be requested by the Board.

DUTIES OF COMMITTEE RELATING TO REMUNERATION

Duties of the Committee in relation to remuneration matters include:

- i. to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- ii. to approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
- iii. to delegate any of its powers to one or more of its members or the Secretary of the Committee.
- iv. to consider any other matters as may be requested by the Board.
- v. Professional indemnity and liability insurance for Directors and senior management.

REVIEW

- i. The Nomination and Remuneration Committee or the Board may review the Policy as and when it deems necessary.
- ii. The Nomination and Remuneration Committee may issue the guidelines, procedures, formats, reporting mechanism and manual in supplement and better implementation to this Policy, if it thinks necessary.
- iii. This Policy may be amended or substituted by the Nomination and Remuneration Committee or by the Board as and when required and also by the Compliance Officer where there is any statutory changes necessitating the change in the policy.

ANNEXURE- 'H'

Annual Report of CSR Activities for Financial Year 2019-20

1.	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:	<p>The company has framed the corporate social responsibility (CSR) policy which encompasses its philosophy for delivering its responsibility as citizen and laid down process, guidelines and mechanism for undertaking socially useful programmes for welfare and sustainable development of the community at large.</p> <p>Role of CSR Committee:</p> <p>(a) To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in schedule VII of the Companies Act, 2013;</p> <p>(b) To recommend the amount of expenditure to be incurred on the activities referred to in clause (a) in a financial year;</p> <p>(c) To monitor the Corporate Social Responsibility of the Company from time to time;</p> <p>(d) Any matter/ thing may be considered expedient by the members in furtherance of and to comply with the CSR policy of the Company.</p> <p>The CSR Activities covered the following area as per CSR policy of the Company:</p> <ol style="list-style-type: none"> Promoting preventive health care and Eye Care; Promotion of Education. supports survivors of gender and sexual violence, and works with communities to prevent everyday violence. <p>CSR policy is stated at the website of the Company: www.salasartechno.com</p>
2.	The Composition of the CSR Committee	<p>CSR Committee consists of following members:</p> <ol style="list-style-type: none"> Ms. Tripti Gupta – Whole Time Director & Chairman Mr. Sanjay Chandak - Independent Director – Member Mr. Shashank Agarwal - Jt. Managing Director – Member
3.	Average net profit of the company for last three Financial Years	Rs. 3,872.18 Lakh
4.	Prescribed CSR Expenditure (two percent of the amount as in item 3 above):	Rs. 77.44 Lakh

5. Details of CSR spent during the financial year.

- (a) Total amount required to be spent in the financial year: Rs.112.16 Lakh (including 34.72 Lakh last year unspent amount)
- (b) Amount unspent, if any: Rs. 33.90 Lakh
- (c) Manner in which the amount spent during the financial year is detailed below **(Rs. in Lakh)**

Sl no	CSR project or activity identified	Sector In which The Project Is covered	Projects or programs (1)Local area or other (2)Specify the State and District where the projects or programs was undertaken	Amount outlay (budget) Project or Programs wise	Amount spent on the projects or programs Sub-heads: (1)direct expenditure on projects or programs (2)overheads	Cumulative expenditure upto the reporting period	Amount spent: direct or through implementing agencies
1.	Aancahal Nyas	Promotion of Education	Hapur (UP)	5.0	5.0	5.0	Direct

Sl no	CSR project or activity identified	Sector In which The Project Is covered	Projects or programs (1)Local area or other (2)Specify the State and District where the projects or programs was undertaken	Amount outlay (budget) Project or Programs wise	Amount spent on the projects or programs Sub-heads: (1)direct expenditure on projects or programs (2)overheads	Cumulative expenditure upto the reporting period	Amount spent: direct or through implementing agencies
2.	Chintan Environmental Research and Action Group	No child in Trash a flagship programme of Chinatan	New Delhi	10.0	10.0	10.0	Direct
3.	Florence Nightingale Education Society	Promotion of Education	New Delhi	20.0	20.0	20.0	Direct
4.	Mahavir International Society	Eye & Health Check up	New Delhi	5.02	5.02	5.02	Direct
5.	Goonj	Promotion of Education	New Delhi	15.0	15.0	15.0	Direct
6.	Shakti Shalini	supports survivors of gender and sexual violence, and works with communities to prevent everyday violence	New Delhi	11.0	11.0	11.0	Direct
7.	Lions Eye Hospital	Eye Care	Kavinagar, Ghaziabad (U.P.)	5.00	5.00	5.00	Direct
8.	Rotary Noida Research & Social Welfare Trust	Jaipur Foot/ Limps project	Noida	2.25	2.25	2.25	Direct
9.	P.M. Care Fund	P.M. Care Fund	National	5.0	5.0	5.0	Direct
TOTAL				78.27	78.27	78.27	Direct

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

Salasar consider Social responsibility as an integral part of its business activities and endeavors to utilize allocable CSR budget for the benefit of the society.

Salasar CSR activities are on the focus areas approved by the Board benefiting the community. During the year, the Company's spend on the CSR activities has been less than the limits prescribed under Companies Act, 2013. The CSR activities are scalable with new initiatives that are under consideration for the future and therefore the Company will endeavor to spend the complete amount on CSR activities in accordance with the statutory requirements.

7. We hereby declare that the CSR committee has formulated proper implementation and monitoring which is compliance with the CSR objective and policy of the Company.

**For and on behalf of the Board of Directors
For Salasar Techno Engineering Limited**

**Chairman and
Managing Director**
Alok Kumar
DIN NO. 01474484
KL-46, Kavi Nagar
Ghaziabad-201001
Uttar Pradesh

Jt. Managing Director
Shashank Agarwal
DIN: 00316141
B-166, Sector-50
Gautam Budh Nagar
Noida-201301, UP

Date : 27.08.2020

Place: New Delhi

**ANNEXURE- 'I'
MANAGEMENT DISCUSSION AND ANALYSIS**

Salasar Techno Limited is a key player in the customized steel fabrication and infrastructure solutions segment in India. The company is primarily engaged in the business of manufacturing and sale of galvanized and non-galvanized steel structures for Telecom Towers, Transmission Towers, Utilities Poles, High Mast Poles, Stadium Lighting Poles, Smart City Poles and is engage in providing one-stop EPC solutions. The Company caters to the major players in the telecom sector, the power transmission sector and the railway sector and has established a strong position in the growing Infrastructure Industry through a customer-centric approach and an on-time delivery model.

1. Industry Overview

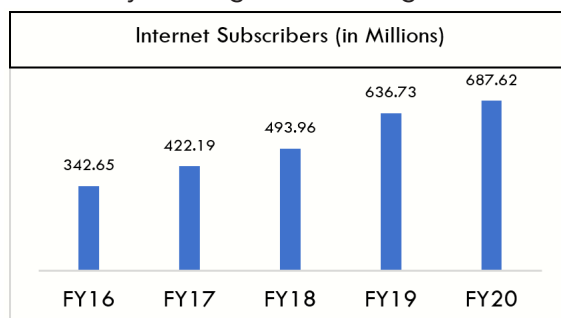
Indian Telecom Sector

The Indian telecom industry has been going through a paradigm shift from a voice-centric market to a data-centric market. There has been an increase in tele-density largely in the last decade as a result of liberalization of the telecom sector and creation of a market through appropriate policy and regulatory measure. These attributes have resulted in achievement of price levels where the cost-benefit ratio suited large masses of the urban population. It is expected that the availability of affordable smartphones and lower rates of data would drive growth in the Indian telecom industry.

India is currently the second-largest telecommunication market and has the second-highest number of internet users in the world. Telecom penetration has grown rapidly over the last few years. Total telephone subscriber base and tele-density reached 1,177.02 million and 87.45%, respectively, till January 2020*. Telecommunications penetration has seen a surge in rural areas with rural penetration gaining a significant pie of the overall subscription base. Rural subscribers form 43.69% of the total telephone subscribers in FY20 (till January 2020) compared to 33.35% in FY11.

(Source - <https://dot.gov.in/sites/default/files/Telecom%20Statistics%20India-2019.pdf?download=1>
<https://www.ibef.org/download/Telecommunications-June-2020.pdf>)

The number of internet subscribers in the country increased at a CAGR of 45.74% during FY16-FY19 to reach 636.73 million in FY19. The number of internet subscribers in the country is expected to double by 2021 to 829 million from 422 million in 2017 (as per CISCO). A surge in the subscriber base has necessitated network expansion covering a wider area, thereby creating a need for significant investment in telecom infrastructure.



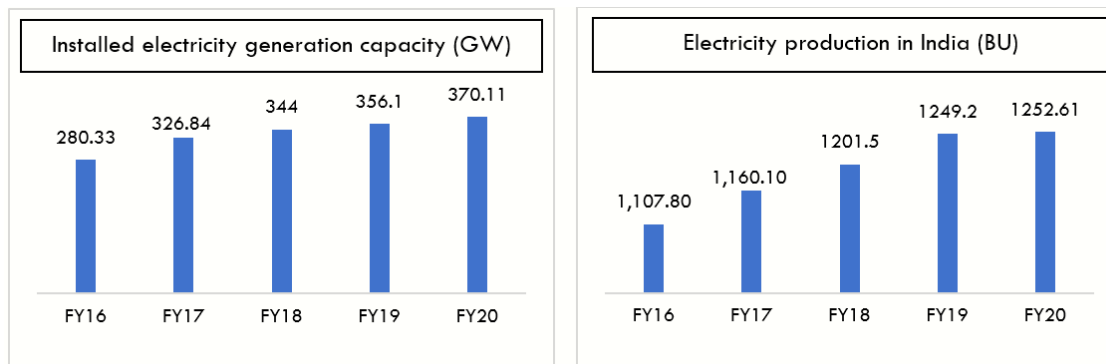
(Source: IBEF, TRAI, CISCO)

The Indian telecommunications industry is likely to remain steady amid the political uncertainties and an uncertain economic outlook due to the COVID-19 pandemic because of the defensiveness nature of the industry. During this period overall traffic is estimated to have witnessed a jump of 10% and streaming platforms have witnessed a 20% spike in viewership. While demand for services continues to spike, given India’s dependence on wireless traffic, there is increased pressure on cellular infrastructure. Players are expected to invest in infrastructure for increasing penetration of 4G and rollout of 5G as demand for services continue to spike.

Indian Power Sector

Indian power sector is undergoing a significant change that has redefined the industry outlook. Sustained economic growth continues to drive electricity demand in India. The Government of India’s focus on attaining ‘Power for all’ has accelerated capacity addition in the country. Total installed capacity of power stations in India stood at 370.34 GW as of April 2020. Electricity production reached 1,252.61 billion units (BU) in FY20. In the Union Budget 2020-21,

Rs 15,875 crore (US\$ 2.27 billion) has been allocated to the Ministry of Power, while Rs 5,500 crore (US\$ 786.95 million) has been allocated towards Deen Dayal Upadhyay Gram Jyoti Yojana (DDUGJY). India's power sector is forecasted to attract investment worth Rs 9-9.5 trillion (US\$ 128.24-135.37 billion) between FY19-FY23.



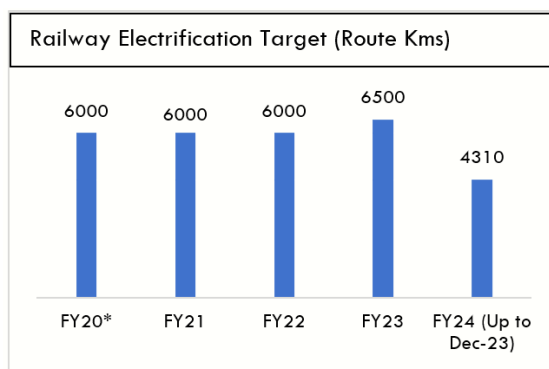
(Source: IBEF)

The total thermal installed capacity in the country in FY20 stood at 230.81 GW, while renewable, hydro, and nuclear energy installed capacity were 86.76 GW, 45.70 GW and 6.78 GW, respectively. By 2022, India has set a target to achieve total production of 175 GW from renewable resources, out of which, 100 GW will be produced from solar power.

Transmission Towers Segment: India has emerged as the second-largest market after China for transmission towers, contributing to over 15% of the global market. There is a need for substantial growth in the transmission sector to support the growing load and to provide connectivity to power generation projects – especially the renewables. The transmission sector has witnessed a significant growth in the country. There is a need to install new transmission and distribution infrastructure to keep pace with trends as well as replacement of ageing infrastructure. All these factors are expected to drive the growth of the transmission tower market in the country.

Indian Railway Electrification Sector

Indian Railway network is growing at a healthy rate. Indian Railways is targeting to increase its freight traffic to 3.3 billion tonnes by 2030 from 1.1 billion tonnes in 2017. The railway department has set forth plans for expansion, upgradation and modernization of its existing infrastructure. As per Union Budget 2020-21, Ministry of Railways have been allocated Rs 72,216 crore (US\$ 10.33 billion). The Government is going to come up with a 'National Rail Plan' to enable the country to integrate its rail network with other modes of transport and develop a multi-modal transportation network. The railways have set a 100% electrification target by the next four years. Electrification of 6,000 Km route is targeted, with wiring of the entire broad-gauge network now envisaged for completion by 2023-24.



*2,454 Kms achieved up to 01/01/2020

(Source: IBEF, Indian Railway)

2. Company Overview:

Salasar Techno Engineering Ltd., incorporated in 2007, provides customized steel fabrication and infrastructure solutions in India. The Company provides 360-degree solutions by carrying out engineering, designing, fabrication, galvanization and deployment.

Salasar's product Portfolio includes telecommunication towers, power transmission line towers, smart lighting poles, monopoles, guard rails, substation structures, solar module mounting structures and customized galvanized & non-galvanized steel structures. Their service portfolio includes providing complete engineering, procurement and control for projects such as Rural Electrification, Power Transmission Lines, and Solar Power Plants.

They have three State of the art manufacturing facilities spread across 1,30,000 square yards area at Jindal Nagar, Hapur District (UP) and Khera Dehat with a total of 1,00,000 MT installed capacity of Steel Galvanizing equipped with latest technology.

Towards the end of the year, the Company's operations were impacted due to the COVID-19 Pandemic. As per the directions issued by the Central Government, all the manufacturing plants at Hapur District (UP) were shut down w.e.f. 23th March, 2020. Thereafter, all the plants have resumed operations in phased manner from 2nd week of May, 2020, in accordance with the guidelines and norms prescribed by the respective Govt Authorities.

Business Segments:

Salasar Techno Engineering operates primarily in four business verticals, viz., Telecom Tower, Transmission Business, Solar and Poles.

Telecom Tower Business: Salasar manufactures telecommunications towers and monopoles that are designed as per time-tested Ramboll designs, in-house IIT certified designs, or tailored as per customer designs. This makes it India's preferred Tower supplier within a short period of time. The company has manufactured over 45,000 Towers since inception.

Transmission Business: This segment includes manufacturing and deployment of Transmission towers for EPC business, Turnkey Projects, supplying structures to other EPC contractors. The company has executed more than 475 Kms transmission lines. This segment also includes the supply of railway towers and railway electrification work.

Solar Structures: This segment includes manufacturing, fabrication and deployment of solar module mounting structures. The Company has already supplied solar module mounting structures for over 1,000 MW of solar projects throughout the country, commissioned by industry leaders such as Mahindra Susten and NEXTracker.

Utility Poles/ Smart City Poles and other revenue: The segment includes production of custom-made poles of the highest quality equipped with technologies like LED lights, CCTV cameras, pollution sensors, Wi-Fi routers. Steel utility poles have various commercial, industrial, as well as residential applications. Steel poles are preferred over other materials because of their durability, eco-friendliness, and ease of installation and maintenance. Salasar, with its top-class machinery and well-trained manpower, has pioneered the production of custom-made poles of the highest quality in the shortest times. Smart Poles play a major role in making cities safer and more manageable. They are equipped with technologies like LED lights, CCTV cameras, pollution sensors, Wi-Fi routers, distress buttons, road information display systems, and motion-detecting energy savers to make our cities smarter.

1. Financial Highlights

On a standalone basis for the year ended March 31, 2020, total income for the Company stood at Rs 527 crores compared to Rs 655 crores in the corresponding last year.

The total revenue from Telecom tower segment for the year ended March 31, 2020 was Rs 315.77 crore as against Rs 397.26 crore for the corresponding previous period. The total revenue from this transmission segment for the year ended March 31, 2020 was Rs 153.88 crore as against Rs 200.23 crore. The total revenue from solar and other division for the year division for the year ended March 31, 2020, was INR 55.86 crore as against INR 57.23 crore for the corresponding previous period.

On a Standalone basis the EBIDTA for the current fiscal year stood at Rs. 51 crores, with EBITDA margin of 9.77%. PAT was Rs. 22 crores with PAT margin of 4.20%.

The financials this year were impacted due to COVID-19 lockdown, which came into effect on 24th March 2020.

On a Consolidated basis, the Company's total income for FY2019-20 stood at Rs 528 crores. The EBIDTA stood at Rs. 52 crores with EBITDA margin being 9.84%. PAT for the year stood at Rs. 22 crores with PAT margin being 4.25%.

As on March 31st, 2020, the consolidated net worth stood at Rs. 207 crores, while the consolidated debt was at Rs. 164 crores. The cash and cash equivalents at the end of March 31st, 2020 were Rs. 9 crores.

The Company has been rated 'BWR A-1' for Long Term Borrowing and 'BWR A2+' for short term borrowing by BRICKWORK ratings.

Rs. in Crs	Standalone		Consolidated	
	FY19-20	FY18-19	FY19-20	FY18-19
Total Income	527.23	655.18	527.96	655.74
EBIDTA	51.36	72.89	51.81	73.36
EBIDTA Margin	9.77%	11.14%	9.84%	11.20%
Interest	20.57	16.32	20.58	16.32
PAT	22.09	32.96	22.38	33.27
PAT Margin	4.20%	5.04%	4.25%	5.08%
ROE	17.02%	11.17%	17.00%	11.29%
ROCE	22.77%	13.54%	22.91%	13.65%
EPS	16.61	24.78	16.84	25.04

1. RISKS AND CONCERNS

The Company continuously works towards de-risking its business by adopting preventive measures. Your Company has well established Business Risk Management System which enables detection and monitoring of the business risks on a continuous basis. However, there are certain potential risks being more industry oriented and the management strongly feels the same could be mitigated by having systematic decisions and measures. These risks include:

Commodity Price Risk

The Company's business is significantly dependent on the availability, cost and quality of raw materials for the construction and development of projects undertaken. The principal raw materials include steel and zinc. Prices and supply of these are varied due to economic conditions, competition, production levels, and import duties, etc.

Mitigation: The Company passes on such impacts to its clients partially or completely, by adding price escalation clause in most of the contracts. In case of firm price contracts, the Company tries to pass on back-to-back firm price contract to its vendor/contractor and/or hedge itself through price discovery, wherever possible. It measures and manages these risks centrally and carries out periodic reviews of these risks at appropriate levels.

Execution Risk

The Company has undertaken a number of projects in the last year and several more are in the pipeline. Project execution is largely dependent upon project management skills and timely delivery by equipment suppliers. Any delay in project implementation can impact revenue and profit for that period.

Mitigation: Our implementation schedules are in line with the plans. Emergency and contingency plans are in place to prevent or minimize business interruptions. Therefore, we do not expect this risk to affect us materially in the future.

Liquidity Risk

Some of the projects of the Company are working capital intensive. Any significant adverse change can impact the overall profitability of the company.

Mitigation: The Company plans its liquidity position through judicious utilization of its banking facilities and with good support by its bankers. It also monitors its projects, timelines and collections closely to avoid any stretch in working capital.

2. INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company has taken adequate measures to strengthen its internal control systems such as fraud risk assessment, mandatory leave for employees, strengthening background verification process of new joiners, whistle blower policy and strengthening the process of risk management. The Company maintains a system of internal controls designed to provide a high degree of assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguards for assets, the reliability of financial controls, and compliance with applicable laws and regulations.

The organization is well structured and the policy guidelines are well documented with pre-defined authority. The Company has also implemented suitable controls to ensure that all resources are utilized optimally, financial transactions are reported with accuracy and there is strict adherence to applicable laws and regulations.

The Company has put in place adequate systems to ensure that assets are safeguarded against loss from unauthorized use or disposition and that transactions are authorized, recorded and reported. The Company also has an exhaustive budgetary control system to monitor all expenditures against approved budgets on an ongoing basis.

Recognizing the important role of internal scrutiny, the Company has an internal audit function which is empowered to examine the adequacy of, and compliance with, policies, plans and statutory requirements. It is also responsible for assessing and improving the effectiveness of risk management, control and governance process.

Periodical audit and verification of the systems enables the various business groups to plug any shortcomings in time. As stated earlier the Company has improved effectiveness of the risk management process wherein it evaluates the Company's risk management system and suggests improvement in strengthening risk mitigation measures for all key operations, controls and governance process. In addition, the top management and the Audit committee of the Board periodically review the findings and ensure corrective measures are taken.

3. HUMAN RESOURCES

The Company has Human Relations and Industrial Relations policies in force. These are reviewed and updated regularly in line with the Company's strategic plans. The Human Relations team continually conducts training programs for the development of employees.

The Company aims to develop the potential of every individual associated with the Company as a part of its business goal. Respecting the experienced and mentoring the young talent has been the bedrock for the Company's successful growth. The Company's employees' age bracket represents a healthy mix of experienced and willing-to-experience employees.

Human resources are the principal drivers of change. They push the levers that take futuristic businesses to the next level of excellence and achievement. The Company focuses on providing individual development and growth in a work culture that enables cross-pollination of ideas, ensures high performance and remains empowering.

As on March 31, 2020, the Company had a workforce of 1,536 people on rolls.

INDEPENDENT AUDITOR’S REPORT

TO THE MEMBERS of SALASAR TECHNO ENGINEERING LIMITED

Report on the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **SALASAR TECHNO ENGINEERING LIMITED** (“the Company”), which comprise the balance sheet as at March 31, 2020, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Emphasis of Matter

We draw your attention to Note 1(B)(v) to the standalone financial statements which explains the uncertainties and the management’s assessment of the financial impact due to the lock-downs and other restrictions and conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

KEY AUDIT MATTERS	AUDITOR’S RESPONSE
1. Recognition of contract revenue, margin and related receivables	
<p>The Company enters into Engineering Procurement and Construction (EPC) contracts, which are complex in nature and span over a number of reporting periods. The accounting standard requires an entity to select a single measurement method for the relevant performance obligation that depicts the entity’s performance in transferring goods or services or if a contract is onerous, present obligations are recognized and measured as provisions.</p> <p>The Company is recognizing contract revenue and margin for these contracts based on input method, in accordance with the requirement of the standard which relies on management’s estimates of the final outcome of each contract, and involves the exercise of significant management judgment, particularly</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> ● We selected a sample of contracts to test, using a risk based criteria which included individual contracts with: <ul style="list-style-type: none"> - significant revenue recognised during the year; - significant unbilled work in progress (WIP) balances held at the year end; or - low profit margins. ● Obtained an understanding of management’s process for reviewing long term contracts, the risk associated with the contract and any key judgments. ● Evaluating the design and implementation of key internal controls over the contract revenue and cost estimation process through the combination of procedures involving inquiry and observations, re-performance and inspection of evidence in respect of operations of these controls.

<p>in forecasting the cost to complete a contract, in valuing contract variations, claims and liquidated damages. We identified contract accounting as a key audit matter because the estimation, of the total revenue and total cost to complete the contract, prepared based on the prevailing circumstances, is inherently subjective, complex and require significant management judgment and forecast of contract revenue and/or contract cost may get subsequently changed due to change in prevailing circumstances, assumptions, contract variations or any other factor, and could result in material variance in the revenue and profit or loss from contract for the reporting period.</p>	<ul style="list-style-type: none"> • Verified underlying documents such as original contract, and its amendments, if any, key contract terms and milestones, etc. for verifying the estimation of contract revenue and costs and /or any change in such estimation. • Evaluating the outturn of previous estimates and agreeing the actual cost after the year end to the forecasted costs for the period. • Evaluating the status of each of the material trade receivables past due as at year end, the Company's on-going business relationship with customer and past payment history of the customers through discussion with management.
<p>2. Related Party Transactions</p>	
<p>The Company has entered into several transactions with related parties during the year 2019-20. We identified related party transactions as a key audit matter because of risks with respect to completeness of disclosures made in the consolidated financial statements including recoverability thereof; compliance with statutory regulations governing relate party relationships such as the Companies Act, 2013 and SEBI Regulations and the judgement involved in assessing whether transactions with related parties are undertaken at arms' length. Refer Note 37 to the financial statements.</p>	<p>Our audit procedures on related party transactions included:</p> <ul style="list-style-type: none"> • Assessed the key controls to identify and disclose related party relationships and transactions in accordance with the relevant accounting standard. • Assessed compliances with the listing regulations and the regulations under Companies Act, 2013 including checking of approvals/scrutiny as specified in Sections 177 and 188 of the Companies Act, 2013 with respect to the related party transactions. • Considered the adequacy and appropriateness of the disclosures in the consolidated financial statements, including recoverability thereof, relating to the related party transactions. • Inspected relevant ledgers, agreements and other information that may indicate the existence of related party relationships or transactions. Further, we also tested completeness of related parties with reference to the various registers maintained by the company statutorily. • On a sample basis, tested Company's assessment of related party transactions for arms' length pricing.
<p>3. Provisions and contingent liabilities in relation to tax positions</p>	
<p>Company has received outstanding demands and show cause notices from various tax authorities. The Management have made judgements relating to the likelihood of an obligation arising and whether there is a need to recognize a provision or disclose a contingent liability. We therefore focused on this area as a result of uncertainty and potential material impact. Refer Note 40 to the financial statements.</p>	<p>We have involved our tax experts to gain an understanding of the current status of the tax cases and monitored changes in the disputes by reading external opinions received by the company if any, where relevant to establish that the tax provisions had been appropriately adjusted to reflect the latest external developments. For Legal, regulatory and tax matters our procedures included the following:</p> <ul style="list-style-type: none"> ➤ Testing key controls surrounding litigation, regulatory and tax procedures. ➤ Performing substantive procedures on the underlying calculations supporting the provisions recorded. ➤ Where relevant, reading external legal opinions obtained by the management ➤ Discussing open matters with the litigation, regulator, general counsel and tax teams ➤ Assessing management's conclusions through understanding precedents set in similar cases.

	Based on the evidence obtained, while noting the inherent uncertainty with such legal, regulatory and tax matters, we determined the level of provisioning and disclosure of contingent liabilities as at March 31, 2020 to be appropriate.
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Information other than the Financial Statements and Auditor’s Report thereon

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone 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 the fact. We have nothing to report in this regard.

Management’s Responsibility for the Standalone Financial Statements

- (a) The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act read with rule 7 of the Companies (Account) rules, 2014.
- (b) 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.
- (c) In preparing the standalone financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. That Board of Directors’ are also responsible for overseeing the Company’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Standalone Financial Statements

- (a) Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.
- (b) As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for

expressing our opinion on whether the Company has adequate 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- (c) Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonable knowledgeable user of the standalone 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 standalone financial statements.
- (d) 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.
- (e) 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.
- (f) From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would be reasonably expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, Statement of Changes in Equity and the statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

In our opinion and to the best of our information and according to the explanations given to us, 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, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
 - ii. The Company is not required to make any provision, as required under the applicable law or accounting standards, for material foreseeable losses on long-term contracts including derivative contracts.
 - iii. The Company is not required to transfer any amount to the Investor Education and Protection Fund.

For ARUN NARESH & COMPANY
Chartered Accountants,
ICAI Firm Registration Number: 007127N

Arun Kumar Jain
Partner
M.No. 084598

Place : Hapur (U.P.)
Dated : June 29, 2020
UDIN : 20084598AAAABU2899

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of SALASAR TECHNO ENGINEERING LIMITED of even date)

- i. a) The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- b) The company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such physical verification.
- c) The title deeds of immovable properties, as disclosed in Note. 2 on fixed assets to the standalone financial statements, are held in the name of the Company.
- ii. According to the information available to us that physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies is noticed on physical verification between the physical stocks and the book records.
- iii. According to the information and explanations given to us, the Company has granted unsecured loans to its Joint Venture, covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which
 - a. The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.
 - b. The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.
 - c. There is no overdue amount remaining outstanding as at the year-end.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. Pursuant to the rules made by the Central Government of India, the company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Goods and Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it to the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods and Service Tax, cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.
- (c) The particulars of dues of Entry Tax as at March 31, 2020 which have not been deposited on account of dispute, are as follows:

Name of Statute	Nature of Dues	Forum where the dispute is pending	Period to which the Amount Relates	Amount (in lakh)
UP Tax on Entry of goods in to Local areas ordinance, -2007, UP VAT Act, 2008 and Central Sales Tax Act	Entry Tax,	Before the Additional Commissioner (Appeal) Commercial Tax Ghaziabad (UP)	Financial Year 2014-15	5.39

Name of Statute	Nature of Dues	Forum where the dispute is pending	Period to which the Amount Relates	Amount (in lakh)
UP Tax on Entry of goods in to Local areas ordinance, 2007, UP VAT Act, 2008 and Central Sales Tax Act	Entry Tax, and Central Sales Tax	Before the Additional Commissioner (Appeal) Commercial Tax Ghaziabad (UP)	Financial Year 2015-16	21.10
UPGST Act 2017/CGST Act 2017, Section 129 (3) and IGST Act 2017, Section-20.	GST	High Court of Allahabad	Financial Year 2019-20	4.34
Income Tax Act 1962	Income Tax	Hon'ble ITAT, Delhi	A.Y. 2011-12	84.06
Income Tax Act 1962	Income Tax	CIT (A) – 3, New Delhi	A.Y. 2012-13	242.37

- viii. According to the records of the Company examined by us and the information and explanation given to us, the company has not defaulted in repayment of loans or borrowings to any bank. Further, the company has not obtained any loan or borrowing from government or financial institution.
- ix. In our opinion and according to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanations given to us, money raised by way of term loans have been applied by the company during the year for the purposes for which they were raised.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management. The Company has not given any guarantee for loans taken by others from bank or financial institutions.
- xi. The Company has paid/ provided for managerial remuneration during the year in accordance with the provisions of Section 197 read with Schedule V to the Act.
- 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 related parties in compliance with the provisions of Section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Standalone Financial Statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended).
- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xvi) of the order is not applicable to the company.
- xv. The Company has not entered into any non-cash transactions with its 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 ARUN NARESH & COMPANY
Chartered Accountants,
ICAI Firm Registration Number: 007127N

Arun Kumar Jain
Partner
M.No. 084598

Place : Hapur (U.P.)
Dated : June 29, 2020
UDIN : 20084598AAAABU2899

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Salasar Techno Engineering Limited of even date)

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

We have audited the internal financial controls over financial reporting of **SALASAR TECHNO ENGINEERING LIMITED** ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company 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, 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 internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and

not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may be come in adequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the 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 ARUN NARESH & COMPANY
Chartered Accountants,
ICAI Firm Registration Number: 007127N

Arun Kumar Jain
Partner
M.No. 084598

Place : Hapur (U.P.)
Dated : June 29, 2020
UDIN : 20084598AAAABU2899

BALANCE SHEET AS AT 31ST MARCH, 2020

(Rs. in Lakhs)

Particulars	Note No.	As at 31 st March, 2020	As at 31 st March, 2019
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2	9,108.39	7,729.71
Capital Work-in-Progress		34.07	–
Financial assets			
(a) Investments	3	0.59	0.59
(b) Other financial asset	4	1,417.37	820.45
Current assets			
Inventories	5	9,353.93	11,793.00
Financial Assets			
(a) Investments	6	148.58	205.42
(b) Trade Receivables	7	21,524.43	21,660.72
(c) Cash and Cash Equivalent	8	56.73	182.42
(d) Bank balances other than (c) above	9	849.11	990.13
(e) Other financial assets	10	1,176.94	1,048.45
Current tax assets (Net)	11	90.71	–
Other current assets	12	1,529.87	2,719.09
Total Assets		45,290.73	47,149.98
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	13	1,328.53	1,328.53
Other Equity	14	19,325.96	17,584.68
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
(a) Borrowings	15	521.60	489.23
(b) Other Financial Liabilities	16	10.76	926.20
Provisions	17	232.53	128.33
Deferred Tax Liabilities (Net)	18	307.60	509.76
Other Non-current Liabilities	19	–	63.15
Current Liabilities			
Financial Liabilities			
(a) Borrowings	20	15,905.75	14,538.57
(b) Trade Payables	21	2,144.83	5,826.88
(c) Other Financial Liabilities	22	59.75	26.71
Provisions	23	33.71	14.58
Other Current Liabilities	24	5,419.71	5,650.08
Current Tax Liability (Net)	25	–	63.27
Total Equity & Liabilities		45,290.73	47,149.98

Notes referred to above and notes attached there to form an integral part of Balance Sheet
 This is the Balance Sheet referred to in our Report of even date.

For ARUN NARESH & CO.
Firm Registration No. 007127N
 Chartered Accountants

For and on behalf of Board of Directors

CA. Arun Kumar Jain
 Partner
 M. No. 084598
Place : Hapur (U.P.)
Date : 29-June-2020

Alok Kumar
 Managing Director

Shashank Agarwal
 Jt. Managing Director

Pramod Kr. Kala
 (Chief Financial Officer)

Rahul Rastogi
 (Company Secretary)

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

(Rs. in Lakhs)

Particulars	Note No.	Year Ended 31 st March, 2020	Year Ended 31 st March, 2019
REVENUES			
Revenue from operations	26	52,550.78	65,431.82
Other Income	27	171.29	86.31
Total Revenue		52,722.06	65,518.13
Expenses			
Cost of revenue operations	28	39,758.21	53,406.05
Changes in inventories of finished goods, work-in-progress and others	29	1,750.69	(803.81)
Employee benefits expenses	30	3,103.15	2,803.39
Finance Costs	31	2,057.32	1,631.91
Depreciation and amortization expenses	2	499.19	460.19
Other Expenses	32	2,802.54	2,737.11
Total Expenses		49,971.10	60,234.84
Profit before Exceptional Items & Taxes		2,750.96	5,283.29
Exceptional Items		-	-
Profit before tax		2,750.96	5,283.29
Tax Expenses	33		
(a) Current Tax		722.91	1,811.51
(b) Deferred Tax		(179.76)	175.53
Profit for the year		2,207.81	3,296.24
Other Comprehensive Income (OCI)			
(A) Items that will not be classified to profit or loss			
Remeasurements of the defined benefit plans		(89.03)	57.52
Income tax relating to items that will not be classified to profit or loss		22.41	20.10
(B) Items that will be classified to profit or loss		-	-
Total Comprehensive Income for the year		2,141.19	3,333.66
Earning per Equity share of Rs. 10 each			
(1) Basic (in ₹)		16.62	24.81
(2) Diluted (in ₹)		16.62	24.81

Notes referred to above and notes attached there to form an integral part of Profit & Loss Statement.

This is the Profit & Loss Statement referred to in our Report of even date.

For ARUN NARESH & CO.
Firm Registration No. 007127N

Chartered Accountants

CA. Arun Kumar Jain

Partner

M. No. 084598

Place : Hapur (U.P.)

Date : 29-June-2020

For and on behalf of Board of Directors
Alok Kumar
 Managing Director

Shashank Agarwal
 Jt. Managing Director

Pramod Kr. Kala
 (Chief Financial Officer)

Rahul Rastogi
 (Company Secretary)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2020

(Rs. in Lakhs)

Particulars	Year Ended 31 st March 2020	Year Ended 31 st March 2019
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Income Tax	2,750.96	5,283.29
Adjustments for:		
Depreciation and amortisation expenses	499.19	460.19
Finance costs	2,057.32	1,631.91
Dividend Income	(2.51)	(2.51)
Interest income	(168.27)	(83.81)
Electricity duty refundable	(55.98)	–
(Profit)/ loss on assets sold	(0.51)	–
Provision for employee benefits expense	34.29	4.85
(Gain)/ loss on fair valuation of assets	56.84	43.77
Operating profit before working capital changes	5,171.33	7,337.70
Adjustments For Working Capital		
Adjustment for (increase)/ decrease in operating assets		
Inventories	2,439.06	(2,891.77)
Trade receivables	136.29	(6,498.72)
Other financial assets	(102.91)	39.67
Other current assets	1,098.51	(239.43)
Adjustment for increase/(decrease) in operating assets		
Trade payables	(3,682.05)	2,625.63
Other current liabilities	(293.63)	228.47
Other financial liabilities	(882.40)	104.01
Other non-current liabilities	(63.15)	(84.20)
Cash Generated From Operations	3,821.05	621.35
Income Tax Paid	722.91	1,811.51
Net Cash Flow from Operating Activities (A)	3,098.14	(1,190.16)
CASH FLOW FROM INVESTING ACTIVITIES		
Sale (purchase) of current investments	–	(164.84)
Interest Income	142.70	49.43
Investment in Joint Venture	–	(0.10)
Dividend Income	2.51	2.51
Purchase of property, plant and equipment	(1,925.91)	(910.70)
Bank Balance (not consider as cash and cash equivalents)	141.02	(96.37)
Proceeds from sale of Property, Plant and Equipment	14.47	–
Net Cash flow from Other Financial Assets	(540.93)	(295.74)
Net Cash Used In Investing Activities (B)	(2,166.15)	(1,415.82)

Particulars	Year Ended 31 st March 2020	Year Ended 31 st March 2019
CASH FLOW FROM FINANCING ACTIVITIES		
Increase/(Decrease) in Long Term Borrowings	32.37	11.75
Increase/(Decrease) in Short Term Borrowings	1,367.18	4,113.70
Dividend Paid (including dividend distribution tax)	(399.91)	(320.32)
Finance Costs	(2,057.32)	(1,631.91)
Net Cash flow from Financing Activities (C)	(1,057.68)	2,173.21
Net Changes in Cash & Cash Equivalents (A + B + C)	(125.69)	(432.77)
Add : Opening Cash & Cash Equivalents	182.42	615.19
Closing Cash & Cash Equivalents	56.73	182.42

This is the Cash Flow Statement referred to in our Report of even date.

For ARUN NARESH & CO.

Firm Registration No. 007127N

Chartered Accountants

CA. Arun Kumar Jain

Partner

M. No. 084598

Place : Hapur (U.P.)

Date : 29-June-2020

For and on behalf of Board of Directors

Alok Kumar
Managing Director

Shashank Agarwal
Jt. Managing Director

Pramod Kr. Kala
(Chief Financial Officer)

Rahul Rastogi
(Company Secretary)

Statement of Changes in Equity For the Year Ended March 31, 2020

A. Equity share capital (Note -13)

(Rs. in Lakhs)

Particulars	Balance at the beginning of the reporting period	Changes in equity share capital during the period	Balance at the end of the reporting period
For the year ended 31 st March, 2019	1,328.53	-	1,328.53
For the year ended 31 st March, 2020	1,328.53	-	1,328.53

B. Other Equity (Note - 14)

Particulars	Reserves and Surplus			Other Comprehensive Income		Total
	Securities Premium Reserve	General Reserve	Surplus	Equity Instruments through OCI	Remeasurement of defined benefit Plan	
Balance as at March 31, 2019	5,488.89	-	12,048.64	-	47.15	17,584.68
Profit for the period			2,207.81		(66.62)	2,141.19
Other Comprehensive Income (net of tax)						-
Total Comprehensive Income for the year	-	-	2,207.81	-	(66.62)	2,141.19
Issue of Equity Shares (net of transition cost)	-					-
Less : Final Dividend FY 2018-19			199.28			199.28
Less : Interim Dividend			132.85			132.85
Less Dividend Distribution Tax on Dividend			67.78			67.78
Balance as at March 31, 2020	5,488.89	-	13,856.54	-	(19.48)	19,325.96

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Securities Premium Account: This Reserve represents the premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

Retained Earnings: This Reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

The Board of Directors has recommended a dividend of 10% for the financial year 2019-20, on 29 June, 2020 amounting to ₹ 1.00 per share. This equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included in liability in the financial statements.

Notes referred to above and notes attached there to form an integral part of Profit & Loss Statement.

This is the Statement of Changes in Equity referred to in our Report of even date.

For ARUN NARESH & CO.

Firm Registration No. 007127N

Chartered Accountants

CA. Arun Kumar Jain

Partner

M. No. 084598

Place : Hapur (U.P.)

Date : 29-June-2020

For and on behalf of Board of Directors

Alok Kumar
Managing Director

Shashank Agarwal
Jt. Managing Director

Pramod Kr. Kala
(Chief Financial Officer)

Rahul Rastogi
(Company Secretary)

Notes on Financial Statements for the Year ended 31st March 2020

Notes to the Standalone Financial Statements

Note -1 : Significant Accounting Policies

A. CORPORATE INFORMATION

Salasar Techno Engineering Limited (the 'Company') is a public limited company domiciled in India. Its shares are listed on two stock exchanges in India viz, the Bombay Stock Exchange ('BSE') and the National Stock Exchange ('NSE'). The Company is engaged in manufacturing and sale of Galvanized Steel Structure including Telecom Towers, Transmission Line Towers and Solar Panels. The Company has three manufacturing facilities one at Jindal Nagar, Hapur (UP) and two at Khera Dehat, Hapur (UP).

B. SUMMARY OF BASIS OF COMPLIANCE, BASIS OF PREPARATION AND PRESENTATION, CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(i) Basis of compliance

The financial statements comply in all material aspects with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the 2013 Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

(ii) Basis of Preparation of Financial Statement

The financial statements have been prepared under the historical cost convention using the accrual method of accounting basis, except for certain financial instruments that are measured at fair values at the end of each reporting period as explained in the significant accounting policies below.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the 2013 Act.

(iii) Critical accounting estimates, assumptions and judgements

The preparation of the financial statements requires management to make estimates, assumptions and judgments that affect the reported balances of assets and liabilities and disclosures as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates considering different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Impact on account of revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below :

(i) Useful life of Property, Plant and Equipment

The cost of property, plant and equipment is depreciated over the useful life, which is based on expected usage of the assets, expected physical wear and tear, the repair and maintenance program and technological obsolescence arising from changes and residual value.

(ii) Income taxes

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the standalone financial statements.

(iii) Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/ litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

(iv) Allowance for uncollectable accounts receivable and advances

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written

off when management deems them not to be collectible. Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

(iv) Use of estimates

The preparation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities as at the date of the Financial Statements and the reported amount of revenues and expenses during the reporting period/year.

The difference between the actual results and estimates are recognised in the year in which the results are known/materialise.

All Assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalent, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

(v) Global health pandemic on COVID-19

In view of the lockdown across the country due to the outbreak of COVID pandemic, operations in all of our manufacturing plants and offices which had suspend temporarily with effect from 23th March 2020 in compliance with the directives / orders issued by the local Panchayat / Municipal Corporation / State / Central Government authorities, have resumed operations in phased manner at different plants from May 6, 2020 onwards in accordance with the guidelines and norms prescribed by the respective Government authorities.

The Company has evaluated the impact of COVID pandemic on the operations of the Company, revenue, inventories, investments, property, plant & equipment, current borrowings and trade payables. The management has considered the possible effects, if any, on the carrying amounts of these assets and liabilities up to the date of approval of these results. As per the management's current assessment, no significant impact on carrying amounts of inventories, tangible assets, trade receivables, investments and other financial assets is expected, and management continue to monitor changes in future economic conditions.

(vi) Fair Value Measurement

Fair value is the price that would be received to sell an asset or settle a liability in an ordinary transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumption that market participants would use when pricing an asset or liability acting in their best economic interest. The Company used valuation techniques, which were appropriate in circumstances and for which sufficient data were available considering the expected loss/ profit in case of financial assets or liabilities.

(vii) Property, Plant & Equipment

On transition to IND AS, the Company has adopted optional exception under IND AS 101 to measure Property, Plant and Equipment at fair value. Consequently the fair value has been assumed to be deemed cost of Property, Plant and Equipment on the date of transition. Subsequently, Property, Plant and Equipment, other than land, are carried at cost less accumulated depreciation and accumulated impairment losses, if any.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation on PPE is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives. However, vehicles, being part of PPE are depreciated on a straight-line method over the shorter of their respective useful lives as prescribed in Schedule -II to the Companies Act, 2013. Freehold land is not depreciated.

Schedule II to the Companies Act 2013 ('Schedule') prescribes the useful lives for various class of assets. For certain class of assets, based on technical evaluation and assessment, Management

believes that, the useful lives adopted by it reflects the periods over which these assets are expected to be used. Accordingly for those assets, the useful lives estimated by the management are different from those prescribed in the Schedule. Management’s estimates of the useful lives for various class of fixed assets are as given below:

Assets	Useful Life
Plant & Machinery	15 years
Factory Buidings	30 years
Furniture and Fittings and Office Equipment	3-10 years
Vehicle	8 years

Useful lives and residual values of assets are reviewed at the end of each reporting period.

Losses arising from the retirement of, and gains or losses arising from disposal of PPE are recognised in the Statement of Profit and Loss.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

Intangible Asset under development includes cost of development of new intangible assets to complete the assets as at the balance sheet date.

Capital Expenditure on tangible assets for research and development is classified under property, plant and equipment and is depreciated on the same basis as other property, plant and equipment.

(viii) Intangible Assets

Intangible assets that are acquired by the Company, which have finite useful lives, are measured at cost less accumulated amortization and accumulated impairment losses (if any). Costs include expenditure that is directly attributable to the acquisition of the intangible assets.

Subsequent Expenditure:

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, are recognized in profit or loss as incurred.

Amortization of intangible assets with finite useful lives:

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use.

Computer Softwares are amortised on stright line basis over the estimated useful lives of 5 years.

(ix) Impairment of Non Financial Assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment and additionally whenever there is a triggering event for impairment. Assets that are subject to amortisation and depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset’s carrying amount of cash generating units exceeds its recoverable amount.

(x) Inventories

(1) Inventories are valued at the lower of cost or net realisable value.

Costs incurred in bringing each product to its present location and condition is accounted for as follows:

- Raw materials: are valued at cost on FIFO basis.
- Finished goods and work in progress: are valued at cost or net realisable value, whichever is lower. In the case of finished goods and work in process cost comprises of material, direct labour and applicable overhead expenses.
- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. These are valued at cost or net realisable 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.

(2) Cost of Inventory of services being provided by the company.

The company measures its inventory of services at the costs of their production. These costs consist primarily of the labour and other costs of personnel directly engaged in providing the service, including supervisory personnel, and attributable overheads. Labour and other costs relating to sales and general administrative personnel are not included but are recognized as expenses in the period in which they are incurred. The cost of inventories of a service does not include profit margins or non-attributable overheads that are often factored into prices charged by service providers.

(xi) Financial Instruments-Initial Recognition, Subsequent Measurement and Impairment

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

Financial Assets

(a) Initial recognition and measurement:

All financial assets are recognised initially at fair value and, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

(b) Subsequent measurement

For purposes of subsequent measurement financial assets are classified in two broad categories:

- Financial assets at fair value
- Financial assets at amortised cost

(c) Classification:

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

(d) Financial assets measured at amortised cost:

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely for payments of principal and interest. Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The losses arising from impairment are recognised in the Statement of profit and loss. This category generally applies to trade and other receivables.

(e) Financial assets measured at fair value through other comprehensive income (FVTOCI):

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

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

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in profit or loss.

(g) Investment in Equity Instruments:

Equity instruments which are held for trading are classified as at FVTPL. All other equity instruments are classified as FVTOCI. Fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income. There is no recycling of the amounts from other comprehensive income to profit or loss.

(h) Derecognition of Financial assets:

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset, if an entity transfers a financial asset in a transfer that qualifies for derecognition in its entirety and retains the right to service the financial asset for a fee, it shall recognise either a servicing asset or a servicing liability for that servicing contract. If the fee to be received is not expected to compensate the

entity adequately for performing the servicing, a servicing liability for the servicing obligation shall be recognised at its fair value. If the fee to be received is expected to be more than adequate compensation for the servicing, a servicing asset shall be recognised for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger financial asset.

(i) Impairment of Financial assets:

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments and trade receivables. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition.

Financial Liabilities

(a) *Initial recognition and measurement:*

All financial liabilities are recognised initially at fair value and, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

(b) *Classification & Subsequent measurement:*

If a financial instrument that was previously recognised as a financial asset is measured at fair value through profit or loss and its fair value decreases below zero, it is a financial liability measured in accordance with IND AS. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term.

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss.

(c) Loans and Borrowings:

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. After initial recognition Gain and Liabilities held for Trading are recognised in statement of profit and Loss Account.

(d) Derecognition of Financial Liabilities:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(e) Financial guarantee contract

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial Guarantee contracts issued by a company are initially measured at their fair values and, if not designated as FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109 'Financial Instruments'; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 'Revenue'

Offsetting financial instruments:

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis to realise the asset and settle the liability simultaneously.

Subsequent recoveries of amounts previously written off are credited to Other Income.

(xii) Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise 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 consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(xiii) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

(xiv) Borrowing Costs

Borrowing costs directly attributable to the acquisition, production or construction of qualifying assets is capitalized as part of the cost of such qualifying assets till the date of being ready for intended use. Other borrowing cost is recognized as expenditure in the period in which they are accrued.

(xv) Investments

Investments that are readily realisable and are intended to be held for not more than one year from the Reporting Date, are classified as Current Investments. All other investments are classified as Non Current Investments. Current Investments are valued at lower of Cost and Fair value. Non Current Investments are valued at cost, except in the case of other than temporary decline in value, in which case necessary provision is made.

(xvi) Foreign Currency Transactions

Transactions in foreign exchange are accounted for at the closing rate of previous month. Monetary assets and liabilities denominated in foreign currency are translated at the rates of exchange at the balance sheet date and the resultant gain or loss is recognized in the Statement of Profit and Loss. Exchange difference arising on payment or translation of liabilities and receivables is recognized as income or expense in the year in which the same arises.

(xvi) Provisions, Contingent Liabilities, Contingent Assets and Commitments

(a) General

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. If the effect of the time value of money is material, the amount of a provision shall be the present value of expense expected to be required to settle the obligation. Provisions are therefore discounted, when effect is material, The discount rate shall be pre-tax rate that reflects current market assessment of time value of money and risk specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. 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. Information on contingent liability is disclosed in the Notes to the Financial Statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity, Contingent assets are not recognised, but are disclosed in

the notes. 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.

(xviii) Share capital and Share Premium

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Par value of the equity share is recorded as share capital and the amount received in excess of the par value is classified as share premium.

(xix) Revenue Recognition

(a) Sale of goods and Services

The Company derives revenues primarily from sale of manufactured goods and services. Revenue is recognised on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

(b) Other Income

– Interest income

Interest income is recognised on a time proportion basis using the effective interest method. When a receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flows discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

– Dividends

Dividend is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

(xx) Taxation

Income tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current tax

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961 that have been enacted or subsequently enacted at the end of the reporting period.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis

Deferred tax

Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised only to the extent that it is probable that either future taxable profits or reversal of deferred tax liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when it relates to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities simultaneously.

During the year ended 31 March, 2020, the Government of India vide taxation Laws (Amendment) Tax Ordinance, 2019 has allowed an option to the domestic companies to switch to a lower tax rate structure of 22 % (25.168 % including surcharge and cess) from the earlier 30 % (34.944 % including surcharge and cess) subject to the condition that the Company will not avail any of the specified deductions/incentives under the Income Tax Act, 1961. The Company has opted from this new rate structure and made current tax/deferred tax Provision with the new rates.

(xxi) Provisions

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate of the amount can be made. Provisions are determined based on best estimate required to settle the obligation at the Balance Sheet date. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of the money is material). The increase in the provisions due to passage of time is recognised as interest expense. Provisions are reviewed as at each reporting date and adjusted to reflect the current best estimate

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. Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

(xxii) Earnings per Share

As per Ind AS 33, Earning Per Share, Basic earnings per share are computed by dividing the net profit for the year attributable to the shareholders' and weighted average number of shares outstanding during the year. The weighted average numbers of shares also includes fixed number of equity shares that are issuable on conversion of compulsorily convertible preference shares, debentures or any other instrument, from the date consideration is receivable (generally the date of their issue) of such instruments. Diluted earnings per share is computed using the net profit for the year attributable to the shareholder' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

(xxiii) Employee Benefits

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

Provident Fund:

The Company has Defined Contribution plan for the post employment benefits namely Provident Fund which is recognised by the income tax authorities. These funds are administered through the Regional Provident Fund Commissioner and the Company's contributions thereto are charged to Statement of Profit and Loss every year.

Compensated Absences:

"Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the

additional amount expected to be paid as a result of the unused entitlement as at the year end. Accumulated compensated absences, which are expected to be encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise."

Gratuity:

The Company has Defined Benefit plan, namely gratuity for employees (unfunded), the liability for which is determined on the basis of an actuarial valuation (using the Projected Unit Credit method) at the end of each annual reporting period. Remeasurements, comprising actuarial gains and losses, the effect of the changes to the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur.

(xxiv) Disclosure in respect of operating leases as per IND AS 116 'Leases'

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

(xxv) Related Party Transactions

Disclosure is being made separately for all the transactions with related parties as specified under IND AS 24 "Related Party Disclosure" issued by the Institute Chartered Accountants of India.

(xxvi) Dividend

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

(xxv) The figures appearing in the Financial Statements is rounded off to the nearest lakh or decimals thereof.

C. RECENT ACCOUNTING PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from 1st April, 2020.

Notes on Financial Statements for the Year ended 31st March, 2020

Note-2: Property Plant and Equipment

(₹ in Lakh)

	Freehold Land	Plant & Equipment	Buidings	Furniture & Fixtures	Office Equipment	Vehicle	Total
Gross Carrying Value							
As at March 31, 2019	2,436.27	4,888.52	1,067.28	38.16	180.44	288.93	8,899.60
Add : Addition	1,194.73	321.38	171.85	29.66	34.10	140.13	1,891.84
Less : Diposals	–	1.47	–	–	–	45.77	47.24
As at March 31, 2020	3,631.00	5,208.43	1,239.13	67.82	214.54	383.29	10,744.21
Accumulated Depreciation							
As at March 31, 2019	–	927.60	104.94	5.55	41.79	90.02	1,169.90
Add : Charge For the year	–	389.39	39.82	5.29	25.40	39.31	499.19
Less : Disposals	–	0	–	–	–	33.27	33.27
As at March 31, 2020	–	1,316.98	144.75	10.84	67.19	96.05	1,635.82
Net Block							
As at March 31, 2019	2,436.27	3,960.92	962.34	32.61	138.65	198.91	7,729.71
As at March 31, 2020	3,631.00	3,891.45	1,094.38	56.99	147.35	287.24	9,108.39
Capital Work-in-Progress							
As at March 31, 2019	–	–	–	–	–	–	–
Add : Addition	–	34.07	–	–	–	–	34.07
Less : Diposals	–	–	–	–	–	–	–
As at March 31, 2020	–	34.07	–	–	–	–	34.07

Notes on Financial Statements for the Year Ended 31st March 2020

(Rs. in Lakhs)

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Note 3: Investments		
Investment in Joint Venture (At Cost)		
Salasar - HPL JV	0.10	0.10
Sikka-Salasar-JV	0.49	0.49
Total	0.59	0.59
Note 4: Other Financial Assets		
Electricity Duty Refundable	55.98	–
Security Deposits	84.66	64.95
Unsecured, considered good		
Balances with banks to the extent held as margin money with more than 12 months maturity	1,276.72	755.51
Total	1,417.37	820.45
Note 5: Inventories		
Raw Materials	2,710.226	3,302.065
Work in Progress:		
Goods	4,639.697	4,824.147
Project	362.465	697.364
Finished Goods	1,423.331	2,558.127
Scrap	84.488	181.030
Stores, Spare Parts and Packing Materials	133.727	230.264
Total	9,353.93	11,793.00
(i) Inventories include goods in transit:		
Finished Goods	–	46.23
	–	46.23
(ii) Details of Raw Materials		
Shape & Section	719.48	1,060.04
Zinc	819.24	966.87
Nut & Bolt	322.72	404.51
Others	848.80	870.64
	2,710.23	3,302.07
(iii) Details of Finished Goods		
Galvanised and Non-galvanised M.S. Steel Structures	1,423.33	2,558.13
	1,423.33	2,558.13

(iv) Inventories have been offered as security against the working capital loans provided by the banks.

Notes on Financial Statements for the Year Ended 31st March 2020

(Rs. in Lakhs)

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Note 6: Investments		
Investments other than in Cold Coins measured at fair value through Profit and Loss		
Quoted:		
Investment in Equity Shares:		
4,000 (Previous Year 4,000) Equity Shares of Fourth Dimension solutions Ltd. of Rs. 10 each fully paid up.	0.28	1.08
13,338 (Previous Year 13,338) Equity Shares of Rama Steel Tubes Ltd. of Rs. 5 each fully paid up.	2.53	15.23
5,01,000 (Previous Year 5,01,000) Equity Shares of Rudrabhishek Enterprises Ltd. of Rs. 10 each fully paid up.	135.77	179.11
Investment in Bonds:	-	-
Gold Bond	1.45	1.45
Unquoted (At Cost)		
Gold Coin - Bullion (market value - 8.75 lacs)	8.56	8.56
Total	148.58	205.42
Aggregate book value of unquoted investments	10.00	10.00
Aggregate amount of quoted investments		
Cost	239.19	239.19
Market Value	138.58	195.42
Note 7: Trade Receivables		
Unsecured, considered good	21,524.43	21,660.72
Doubtful	186.01	186.01
	21,710.44	21,846.73
Less : Provision for Doubtful Debts	(186.01)	(186.01)
Total	21,524.43	21,660.72

(i) Retention money, with UP Power Transmission Corporation Ltd which will be receive on completion of the project, has been shown under other financial assets as "Security Deposit" (Refer Note-10)

(ii) Before accepting any new customer, the Company has appropriate levels of control procedures which ensure the potential customer's credit quality. Credit limits scoring attributed to customers are reviewed periodically by the Management.

(iii) Movement in allowance for doubtful debts

Particulars	As at 31 March, 2020	Year ended 31 March, 2019
Balance at the beginning of the year	186.01	186.01
Allowance for doubtful debts	-	-
Provision during the year	-	-
Reversal during the year	-	-
Balance at the end of the year	186.01	186.01

(iv) Trade receivables have been offered as security against the working capital loans provided by the banks.

Notes on Financial Statements for the Year Ended 31st March 2020

(Rs. in Lakhs)

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Note 8: Cash & Cash Equivalents		
Cash on hand	15.52	16.12
Balances with Banks		
Current Accounts	41.21	166.30
Total	56.73	182.42
Note 9: Other Bank Balances		
Balances with banks to the extent held as margin money*	835.76	989.26
Earmarked balance with bank - unpaid dividend account	13.35	0.87
Total	849.11	990.13
* Represents deposits with original maturity of more than 3 months having remaining maturity of less than 12 months from the Balance Sheet date.		
Note 10: Other Financial Assets		
Amount paid under protest:		
Income Tax	65.50	17.00
Sales Tax	24.88	24.88
Goods and Service Tax	6.80	5.10
Earnest Money Deposit	84.10	35.07
Interest Accrued on FDR	149.24	123.66
Security deposit*	846.42	842.74
Total	1,176.94	1,048.45
*Security Deposit includes Retention money with UP Power Transmission Corporation Ltd which will be receive on completion of the project.		
Note 11: Current Tax Assets (net)		
Current Tax Assets (net of provision)	90.71	-
Total	90.71	-
Note 12: Other Current Assets		
Advances to suppliers	845.26	847.90
Balance with tax authorities	259.36	165.47
Prepaid expenses	139.13	105.23
Advances to related parties	151.81	1,540.02
Other receivables	134.31	60.47
Total	1,529.87	2,719.09

Notes on Financial Statements for the Year Ended 31st March 2020

(In Lakhs)

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Note 13: Equity Share Capital		
Authorised Capital		
2,05,00,000 (2,05,00,000 previous year) Equity Shares of Rs. 10/- each	2,050.00	2,050.00
	<u>2,050.00</u>	<u>2,050.00</u>
Issued, Subscribed and Paid up Capital		
1,32,85,264 (1,32,85,264 previous year) Equity Shares of Rs. 10/- each fully paid up in cash	1,328.53	1,328.53
Total	<u>1,328.53</u>	<u>1,328.53</u>

A. Reconciliation of Shares outstanding at the beginning and at the end of year:

Particulars	As at 31 st March 2020		As at 31 st March 2019	
	Numbers	Amount	Numbers	Amount
Equity Shares outstanding at the beginning of the year	13,285,264	132,852,640	13,285,264	132,852,640
Add: Equity Shares Issued during the year	-	-	-	-
Equity Shares outstanding at the end of the year	13,285,264	132,852,640	13,285,264	132,852,640

B. Details of Shares held by Shareholders holding more than 5% of the aggregate shares in the Company.

Name of Shareholder	As at 31 st March 2020		As at 31 st March 2019	
	No. of Shares held	% of holding	No. of Shares held	% of holding
M/s Hill View Infrabuild Ltd	2,874,300	21.64%	2,874,300	21.64%
Sh. Shalabh Agarwal	1,280,592	9.64%	1,280,592	9.64%
M/s Shikhar Febtech (P) Ltd.	985,000	7.41%	985,000	7.41%
Sh. Alok Kumar	894,000	6.73%	894,000	6.73%
Sh. Shashank Agarwal	710,592	5.35%	710,592	5.35%

C. Equity Shares allotted as fully paid up Bonus Shares for the period of five years immediately preceding 31st March, 2020

Particulars	No. of Shares
	As at 31 st March 2017
Bonus Shares issued in FY 2016-17	4,978,150

D. Rights, Preferences and restrictions attached to shares

The company has only one class of equity shares having a par value of Rs. 10/- per share. Each Shareholder is eligible for one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

E. The Company has issued 33,28,964 Equity Shares at a premium of Rs. 98 per share in pursuant to IPO dated 25-July-2017.

Notes on Financial Statements for the Year Ended 31st March 2020

(In Lakhs)

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Note 14: Other Equity		
Securities Premium Account	5,488.89	5,488.89
General Reserves	-	-
Retained Earning*	13,837.06	12,095.79
Total	19,325.96	17,584.68
For movement during the year in Other Equity, refer 'Statement of Changes in Equity'. *Retained Earning includes Other Comprehensive Income.		
Note 15: Borrowings		
Secured		
Vehicle Loan from Banks	128.08	74.64
Less: Current Maturities transferred to other financial liabilities	46.40	25.84
Total (A)	81.68	48.80
Unsecured		
Loans & advances from Related parties	439.92	440.42
Total (B)	439.92	440.42
Total (A+B)	521.60	489.23

A. Nature of Security and terms of repayment for Long Term Secured Borrowings:-

Nature of Security	Repayment Terms
Various Vehicle Loans total amount Rs.128.08 Lakh (Previous Year Rs. 74.64 Lakh) secured by way of hypothecation of vehicles	Repayable in 36-84 monthly installments commencing from various date

Installment falling due in respect of all the above Loans upto 31.03.2021 have been grouped under "Current Maturities of long term debt" (Refer Note No. 22).

B. Long Term Borrowings from related parties:

Name of the Party	Nature of Borrowings	Relationship	As at 31 March, 2020	As at 31 March, 2019
Mrs. Taru Agarwal	Unsecured Loans	Relative of KMP	18.15	18.15
Mr. Shalabh Agarwal	Unsecured Loans	Director	12.00	-
Mr. Shashank Agarwal	Unsecured Loans	Jt. Managing Director		85.50
Hill View Infrabuild Ltd	Unsecured Loans	Associate	409.77	336.77
			439.92	440.42

Note 16: Other Financial Liabilities

Security Deposits from Contractor*	-	914.67
Deferred Income - EPCG Licence	10.76	11.53
Total	10.76	926.20

*Security deposit of ₹ 9.85 Crore received from Aarvans Buildwell and Infracon LLP (Contractor) against installation, erection and commission of transmission line project (Tender No.- PVVNL-MT/DDUGYJY/353/15-16 and PVVNL-MT/DDUGYJY/359/15-16).

Notes on Financial Statements for the Year Ended 31st March 2020

(In Lakhs)

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Note 17: Provisions		
Provision for Gratuity	228.07	127.74
Provision for Earned Leave Encashment	4.46	0.59
Total	232.53	128.33
Note 18: Deferred Tax Liabilities (net)		
Deferred Tax Liabilities:		
Opening Balance	638.23	426.65
Increase / (decrease) on account of Property, Plant and equipment	(164.28)	192.12
Increase / (decrease) on account of IND AS adjustments	(24.21)	19.46
Total (a)	449.74	638.23
Deferred Tax Assets :		
Opening Balance	128.47	229.57
Increase / (decrease) on account of Fair Valuation of Investment	14.31	15.29
Increase / (decrease) on account of Provisions	(0.63)	0.66
Increase / (decrease) on account of MAT Credit	-	(117.05)
Total (b)	142.14	128.47
Total (a-b)	307.60	509.76
Deferred Tax Assets Comprises:		
(i) Provisions		
Opening Balance	128.47	112.52
Increase / (decrease) during the year	13.67	15.95
	142.14	128.47
(ii) MAT Credit Entitlement		
Opening Balance	-	117.05
Increase / (decrease) during the year	-	(117.05)
	-	117.05
Total Deferred Tax Assets	142.14	128.47
Note 19: Other Non-current Liabilities		
Deferred Expenses	-	63.15
Total	-	63.15

Notes on Financial Statements for the Year Ended 31st March 2020

(In Lakhs)

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Note 20: Borrowings		
Secured Loans		
Loan repayable on demand from banks	15,404.37	13,434.14
Unsecured Loans		
Loan repayable on demand from banks	501.38	1,008.00
Loans & advances from Others	-	96.43
Total	15,905.75	14,538.57
Secured by the hypothecation of Raw Material, WIP, Finished Goods and Book Debts, pledge of cash margin money in the form of FDR and exclusive charges over the fixed assets. Mr. Alok Kumar, Mr. Gyanendra Kumar Agarwal, Mr. Shashank Agarwal and Mr. Shalabh Agarwal have given the personal guarantees and corporate guarantee of M/s. Shikhar Fabtech Pvt Ltd to the Banks for Working Capital facilities.		
Note 21: Trade Payables		
<i>Payable to Raw Materials Suppliers :</i>		
Total outstanding dues of micro enterprises and small enterprises	245.94	68.17
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,898.89	5,758.72
Total (a)	2,144.83	5,826.88
Note 22: Other Financial Liabilities		
Current Maturities of Long Term Borrowing	46.40	25.84
Unpaid/ unclaimed dividend	13.35	0.87
Total	59.75	26.71
Note 23: Provisions		
Provision for Gratuity	33.10	10.14
Provision for Earned Leave Encashment	0.61	4.45
Total	33.71	14.58
Note 24: Other Current Liabilities		
<i>Other Payables:</i>		
Total outstanding dues of micro enterprises and small enterprises	23.98	1.81
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,356.77	3,941.78
Advance from Customers	1,305.03	919.84
Capital Advance	50.00	165.00
Due to Employees	391.81	383.06
Statutory Dues	204.45	203.68
Other payable	87.68	34.90
Total	5,419.71	5,650.08

Notes on Financial Statements for the Year Ended 31st March 2020

(In Lakhs)

Dues to Micro and Small Enterprises

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). The disclosure pursuant to the said MSMED Act are as follows:

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
a) The principal amount remaining unpaid to any supplier at the end of the year (Refer Note No. 21 and Note No. 24)	269.93	69.98
b) Interest due remaining unpaid to any supplier at the end of the year	-	-
c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the	-	-

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made to these suppliers.

Note 25: Current Tax Liability (net)		
Provision for Tax (Net of Advance Tax / TDS)	-	63.27
Total	-	63.27

Notes on Financial Statements for the Year Ended 31st March 2020

(In Lakhs)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Note 26- Revenue from operations		
Sale of Products		
(a) Within India	42,333.65	53,963.83
(b) Outside India	2,781.43	2,690.86
Sale of Services	6,123.00	7,084.55
Other Operating Revenues	1,312.70	1,692.58
Total	52,550.78	65,431.82
Sale of Services Comprises:		
Erection Service	5,623.96	6,141.93
Others	499.04	942.62
	6,123.00	7,084.55
Other Operating Revenue Comprises:		
Sale of Scrap	1,035.81	1,560.76
Export Incentives	157.40	27.50
Others	119.49	104.32
	1,312.70	1,692.58
Note 27 - Other Income		
Interest on Bank Deposits	143.96	81.97
Interest on other financial assets	24.32	1.84
Dividend Income	2.51	2.51
Profit on sale of Property, Plant and Equipment	0.51	-
Total	171.29	86.31
Note 28 - Cost of Revenue Operations		
(a) Cost of Raw Material Consumed		
Opening Stock	3,302.07	1,422.62
Add : Purchases	31,699.62	48,019.97
	35,001.68	49,442.59
Less :- Closing Stock	2,710.23	3,302.07
Total (a)	32,291.46	46,140.53
(b) Cost of Other Revenue from Operations		
Consumption of Stores and spare parts	1,060.55	952.09
Power & Fuel	1,050.79	1,451.88
Labour Processing, Testing and Machinery Hire Charges	536.97	672.20
Installation and Erection Charges	4,771.41	4,147.79
Job Work Charges	47.04	41.57
Total (b)	7,466.75	7,265.52
Total	39,758.21	53,406.05

Notes on Financial Statements for the Year Ended 31st March 2020

(In Lakhs)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Details of Raw Material Consumed		
Shape and Section	21,145.74	32,581.83
Zinc	5,418.64	9,153.11
Nuts & Bolts	1,184.06	1,833.48
Other Material	4,543.02	2,572.11
Total	32,291.46	46,140.53
Note 29: Changes in Inventories of Finished goods, Work-in-progress and others		
Opening Stock		
Finished Goods	2,558.13	1,577.21
Work in Progress:		
Goods	4,824.15	5,529.19
Project	697.36	310.16
Scrap	181.03	40.30
Total (a)	8,260.67	7,456.85
Closing Stock		
Finished Goods	1,423.33	2,558.13
Work in Progress:		
Goods	4,639.70	4,824.15
Project	362.46	697.36
Scrap	84.49	181.03
Total (b)	6,509.98	8,260.67
(Increase) / Decrease in Stock (a-b)	1,750.69	(803.81)
Note 30: Employee benefits expenses		
Salary and Wages	2,863.02	2,598.70
Contribution to Provident Fund & ESI	189.66	163.87
Staff Welfare	50.48	40.82
Total	3,103.15	2,803.39
Note 31: Finance Costs		
Bank Interest	1,500.80	1,034.53
Bank Charges	306.03	246.86
Interest to Others	242.52	326.71
Interest on Unsecured Loan	7.97	23.81
Total	2,057.32	1,631.91

Notes on Financial Statements for the Year Ended 31st March 2020

(In Lakhs)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Note 32 : Other Expenses		
Repairs to Building	13.00	20.90
Repairs to Machinery	201.29	238.30
Insurance	65.73	36.70
Legal & Professional Charges	1,340.49	1,218.88
Security Expenses	116.30	85.21
Printing & Stationery	25.78	24.39
Conveyance & Travelling Exp	134.59	121.27
Repair & Maintenance others	95.04	86.44
Rent, Rates & Taxes	124.32	178.90
Corporate Social Responsibility Expenses	78.27	16.50
Postage & Telephone	22.43	26.45
Auditors' Remuneration	6.00	5.50
Freight & Forwarding (net)	271.51	299.11
Commission	24.74	25.09
Business Promotion	78.31	37.10
Packing Material	121.92	216.83
Advertisement	11.84	10.20
Miscellaneous Expenses	14.14	45.56
Provision for Diminution in value of investment	56.84	43.77
Total	2,802.54	2,737.11
Note 33 : Tax Expenses		
Current Tax		
In respect of the current year	727.70	1,811.32
In respect of the prior year	(4.80)	0.19
	722.91	1,811.51
Deferred Tax		
Incremental/ (Decremental) Deferred Tax Liability on account of Property, Plant and Equipment and Intangible Assets	(166.09)	191.48
Incremental/ (Decremental) Deferred Tax Assets on account of Fair Valuation of Investments	(14.31)	(15.29)
(Incremental)/Decremental Deferred Tax Assets on account of Provisions	0.63	(0.66)
	(179.76)	175.53
Total	543.15	1,987.04

Notes on Financial Statements for the Year Ended 31st March 2020

(In Lakhs)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Note 34 : Earnings per Share		
Profit for the period	2,207.81	3,296.24
Weighted average number of Equity Shares outstanding	13,285,264	13,285,264
Weighted average number of Diluted Shares outstanding	13,285,264	13,285,264
Face Value per share	10.00	10.00
Basic EPS (₹)	16.62	24.81
Diluted EPS (₹)	16.62	24.81

Note 35 : Segment Information in accordance to Ind AS-108- 'Operating Segments'

The Company primarily engaged in manufacturing of Galvanise M.S. Steel Structures and related activities. Information reported to and evaluated regularly by the Coperational Decision Maker (CODM) i.e. Managing Director for the purpose of resouce allocation and assessing performance focuses on the business as whole . The CODM reviews the Company's performance focuses on the analysis of profit before tax at an overall entity level. Accordingly, there is no other separte reportable segment as defined by Ind As 108 "Operating Segments". As the Company also prepares the Consolidated Financial Statements (CFS), other relevent segment information is disclose in the CFS.

Note 36 : Employee Benefit Obligations**(i) Defined Contribution Plans:**

The Company makes Provident Fund, Superannuation Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 136.03 Lakh (previous year Rs. 108.57 Lakh) for Provident Fund contributions, and Rs. 49.62 Lakh (previous year Rs. 52.01 Lakh) for Employee State Insurance Scheme contributions in the statement of profit and loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

(ii) Defined Benefit Plans (Unfunded):

(a) **Gratuity:** The Company has an unfunded defined benefit gratuity plan which entitles every employee who departs after the completion of 5 or more years of service to a gratuity calculated at fifteen days salary (last drawn salary) for each completed year of service, in accordance with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

(i) Change in present value of obligation

(₹ in Lakh)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Present value of obligation as at the beginning of the period	137.88	143.29
Acquisition adjustment	-	-
Interest cost	10.56	11.06
Past service cost	-	-
Current service cost	60.87	43.18
Curtailment cost/(Credit)	-	-
Settlement cost/(Credit)	-	-
Benefits paid	(37.17)	(2.13)
Actuarial (gain)/loss on obligation	89.03	(57.52)
Present value of obligation as at the end of period	261.17	137.88

Notes on Financial Statements for the Year Ended 31st March 2020

(ii) Assets and Liabilities recognised in the Balance Sheet (₹ in Lakh)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Present value of obligation as at the end of the period	261.17	137.88
Fair value of plan assets as at the end of the period	–	–
Funded status / Difference	(261.17)	(137.88)
Excess of actual over estimated	–	–
Unrecognized actuarial (gains)/losses	–	–
Net Asset/(Liability) recognised in Balance Sheet	(261.17)	(137.88)
Recognised Under :		
Long Term Provision	228.07	127.74
Short Term Provision	33.10	10.14
Total	261.17	137.88

(iii) Expense recognised in the Statement of Profit and Loss (₹ in Lakh)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Total service cost	60.87	43.18
Interest cost	10.56	11.06
Expected return on plan assets	–	–
Curtailment cost / (Credit)	–	–
Settlement cost / (credit)	–	–
Expenses recognised in the Statement of Profit & Losses	71.43	54.24

(iv) Other Comprehensive Income (OCI) (₹ in Lakh)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Net cumulative unrecognized actuarial gain/ (loss) opening	–	–
Actuarial gain/ (loss) for the year on PBO	(89.03)	57.52
Actuarial gain/ (loss) for the year on Assets	–	–
Unrecognized actuarial gain/ (loss) for the year	(89.03)	57.52

(v) Principal Actuarial assumptions (₹ in Lakh)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Discount Rate per annum	6.79%	7.66%
Salary Escalation rate per annum	5.50%	5.50%
Retirement age	58 Years	58 Years
Mortality tables	IALM (2012-14)	IALM (2006 - 08)
Estimate of amount of contribution in the immediate next year	93.01	66.63

(b) Leave Encashment : The employees are entitled for each year of service and part thereof and subject to the limits specified, the unavailed portion of such leaves can be accumulated or encashed during/at the end of the service period. The plan is not funded.

Notes on Financial Statements for the Year Ended 31st March 2020

The reconciliation of opening and closing balances of the present vale of the defined benefit obligations are as below:

(i) Change in present value of obligation (₹ in Lakh)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Present value of obligation as at the beginning of the period	5.04	8.53
Acquisition adjustment	-	-
Interest cost	0.39	0.66
Past service cost	-	-
Current service cost	1.20	1.21
Curtailement cost/(Credit)	-	-
Settlement cost/(Credit)	-	-
Benefits paid	(5.04)	(0.99)
Actuarial (gain)/loss on obligation	3.48	(4.38)
Present value of obligation as at the end of period	5.07	5.04

(ii) Assets and Liabilities recognised in the Balance Sheet (₹ in Lakh)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Present value of obligation as at the end of the period	5.07	5.04
Fair value of plan assets as at the end of the period	-	-
Funded status / Difference	(5.07)	(5.04)
Excess of actual over estimated	-	-
Unrecognized actuarial (gains)/losses	-	-
Net Asset/(Liability) recognised in Balance Sheet	(5.07)	(5.04)
Recognised Under :		
Long Term Provision	4.46	0.59
Short Term Provision	0.61	4.45
Total	(5.07)	(5.04)

(iii) Expense recognised in the Statement of Profit and Loss (₹ in Lakh)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Current service cost	1.20	1.21
Past service cost	-	-
Interest cost	0.39	0.66
Expected return on plan assets	-	-
Curtailement cost / (credit)	-	-
Settlement cost / (credit)	-	-
Net actuarial (gain)/ loss recognized in the period	3.48	(4.38)
Expenses recognised in the Statement of Profit & Losses	5.07	(2.51)

(iv) Principal Actuarial assumptions (₹ in Lakh)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Discount Rate per annum	6.79%	7.66%
Salary Escalation rate per annum	5.50%	5.50%
Retirement age	58 Years	58 Years
Mortality tables	IALM (2006 - 08)	IALM (2012 - 14)
Employee Turnover/Attrition Rate		
Upto 30 Years	3%	3%
From 31 to 44 Years	2%	2%
Above 44 Years	1%	1%

Notes on Financial Statements for the Year Ended 31st March 2020

Note 37 : Related Parties Disclosures

1. Name of Related Parties and Nature of Relationship:

Particulars

Where control exists

Jonit Venture	Sikka-Salasar-JV Salasar-HPL JV
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Other Related Parties with whom transactions have taken place during the year:

Associates : Hill View Infrabuild Ltd.
Capital Udyog

Key Management Personnels:

Mr. Alok Kumar	(Chairman and Managing Director)
Mr. Shashank Agrawal	(Joint Managing Director)
Mr. Shalabh Agrawal	(Director)
Ms. Tripti Gupta	(Director)
Mr. Anil Kumar Jain	(Independent Director)
Mr. Vijay Kumar Jain	(Independent Director)
Mr. Sanjay chandak	(Independent Director)
Mr. Amit Jain	(Independent Director)
Mr. Pramod Kr. Kala	(Chief Financial Officer)
Mr. Rahul Rastogi	(Company Secretary)
Relatives of Key Management Personnels	Mrs. Anshu Agrawal (Wife of Mr. Shashank Agarwal)
	Mrs. Kamlesh Gupta (Wife of Mr. Alok Kumar)
	Mr. Raghav Agarwal (Son of Mr. Shashank Agarwal)
	Mr. Shikhar Gupta (Son of Mr. Alok Kumar)
	Mrs. Taru Agrawal (Wife of Mr. Shalabh Agarwal)

2. Transaction Carried out with related parties referred to in (1) above, in ordinary course of business:

Nature of Transactions	Associates / Joint Ventures	Key Management Personnel	Relatives
Sale of goods			
Sikka-Salasar -JV	2,109.76 (1,947.67)	- (-)	- (-)
Salasar - HPL JV	3,499.34 (465.65)	- (-)	- (-)
Sale of Service			
Salasar - HPL JV	389.95 (-)	- (-)	- (-)
Purchase of goods			
Sikka-Salasar-JV	542.49 (-)	- (-)	- (-)
Capital Udyog	- (2.60)	- (-)	- (-)
Directors Remuneration			
Sh. Alok Kumar	- (-)	79.86 (72.60)	- (-)
Sh. Shashank Agarwal	- (-)	72.60 (66.00)	- (-)
Sh. Shalabh Agarwal	- (-)	58.08 (52.80)	- (-)
Ms. Tripti gupta	- (-)	50.82 (46.20)	- (-)

Notes on Financial Statements for the Year Ended 31st March 2020

Director's Sitting Fee			
Sh. Anil Kumar Jain	- (-)	1.03 (0.75)	- (-)
Sh. Vijay Kumar Jain	- (-)	1.03 (0.85)	- (-)
Sh. Sanjay Chandak	- (-)	0.60 (0.15)	- (-)
Mr. Amit Jain	- (-)	0.23 (0.55)	- (-)
Salary			
Mr. Pramod Kumar Kala	- (-)	32.00 (5.32)	- (-)
Mr. Rahul Rastogi	- (-)	6.95 (5.40)	- (-)
Mrs. Anshu Agarwal	- (-)	- (-)	28.46 (19.80)
Mrs. Taru Agarwal	- (-)	- (-)	28.46 (19.80)
Mrs. Kamlesh Gupta	- (-)	- (-)	34.50 (24.00)
Mr. G. K. Agarwal	- (-)	- (-)	- (25.00)
Mr. Shikhar Gupta	- (-)	- (-)	36.00 (30.00)
Mr. Raghav Agarwal	- (-)	- (-)	19.20 (24.00)
Lease Rent-Car			
Sh. Shashank Agarwal	- (-)	- (1.35)	- (-)
Sh. Shalabh Agarwal	- (-)	- (1.65)	- (-)
Mrs. Anshu Agarwal	- (-)	- (-)	- (0.75)
Mrs. Kamlesh Gupta	- (-)	- (-)	- (0.45)
Loans Received			
Sh. Shalabh Agarwal	- (-)	12.00 (-)	- (-)
Sh. Shashank Agarwal	- (-)	- (85.50)	- (-)
Loan and Advances Given			
Sikka-Salasar-JV	151.81 (264.01)	- (-)	- (-)

*Figures in braket represent previous year amount.

Notes on Financial Statements for the Year Ended 31st March 2020

3. Balance outstanding at the end of the year.

(Rs. in Lakh)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Payables		
Hillview Infrabuild Ltd.	409.77	336.77
Mrs. Taru Agarwal	18.15	18.15
Mr. Shashank Agarwal	–	85.50
Mr. Shalabh Agarwal	12.00	–
Receivables		
Salasar - HPL JV	2,156.27	784.85
Sikka- Salasar-JV	2,167.76	3,435.47

Note 38 : Disclosure of Merger

Effective April 1, 2018 being the appointed date, the Company completed the merger of Salasar Stainless Limited pursuant to a scheme of arrangement of merger as approved by the principal bench of National Company Law Tribunal, New Delhi on 9-Jan-2019. As Salasar Stainless Limited is a wholly owned subsidiary of the Company, the merger had been accounted in accordance with “Pooling of Interest Method” laid down by Appendix C of Indian Accounting Standard 103 (Ind AS 103);(Business Combination of entities under common control), notified under the Companies Act, 2013.

Accordingly, all assets, liabilities and reserves of Salasar Stainless Limited have been recorded in the books of accounts of the Company at their existing carrying amounts and in the same form. To the extent that there are inter company loans, advances, deposits, balances or other obligations as between Salasar Stainless Limited and the Company, had been eliminated. The differences, between the investments held by the company and all assets, liabilities and reserves of Salasar Stainless Limited, have been adjusted with reserves and surplus.

Note 39 : Corporate Social Responsibility (CSR)

As per Section 135 of Companies Act, 2013 the Company was require to spent an amount of Rs. 77.44 Lakhs in CSR activities, out of which Rs. 33.90 Lakhs remain unspent at the end of the year.

Note 40 : Contingent Liabilities and commitments (to the extent not provided for)

(Rs. in Lakh)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Bank Guarantee and LC for which FDR margin has been given to the bank as security	11,595.00	10,033.19
Income Tax, for the A. Y. 2011-12 (Petition is pending with ITAT, New Delhi)	84.06	84.06
Income Tax, for the A. Y. 2012-13 (Petition is pending with CIT (A) - 8, New Delhi)	242.37	–
Entry Tax, UP VAT and Central Sales Tax , for the FY 2012-13 (Petition is pending with Additional Commissioner (Appeals) Commercial Tax Ghaziabad (UP))	–	77.68

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Entry Tax, for the FY 2014-15 (Petition is pending with Additional Commissioner (Appeals) Commercial Tax Ghaziabad (UP))	5.39	5.39
Entry Tax, and Central Sales Tax , for the FY 2015-16 (Petition is pending with Additional Commissioner (Appeals) Commercial Tax Ghaziabad (UP))	21.10	21.10
Entry Tax, and Central Sales Tax , for the FY 2015-16 (Petition is pending with Additional Commissioner (Appeals) Commercial Tax Ghaziabad (UP))	-	74.54
UPGST, for the FY 2019-20 (Petition is pending with High Court of Allahabad)	4.34	-

The company does not expect any outflow of resources in respect of the above.

Note 41:

In the opinion of the Board of Directors, all the Known liabilities and expenses have been provided in the books of accounts.

Note 42:

Balances under the head loans and advances, sundry debtors, sundry creditors are relied upon and subject to reconciliation and confirmation.

For ARUN NARESH & CO.
Firm Registration No. 007127N
 Chartered Accountants

CA. Arun Kumar Jain
 Partner
 M. No. 084598

Place : Hapur (U.P.)
Date : 29-June-2020

For and on behalf of Board of Directors

Alok Kumar
 Managing Director

Shashank Agarwal
 Jt. Managing Director

Pramod Kr. Kala
 (Chief Financial Officer)

Rahul Rastogi
 (Company Secretary)

CONSOLIDATED PART

INDEPENDENT AUDITOR’S REPORT

TO THE MEMBERS of SALASAR TECHNO ENGINEERING LIMITED

Report on the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of **SALASAR TECHNO ENGINEERING LIMITED** (“hereinafter referred to as “ Company”) and its associates (the Company and its associates together referred to as “the Group”) which comprise the balance sheet as at March 31, 2020, and the statement of Profit and Loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the consolidated 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 consolidated financial statements give the information required by 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 Group as at March 31, 2020, and profits, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Emphasis of Matter

We draw your attention to Note - 1(C)(v) to the consolidated financial statements which explains the uncertainties and the management’s assessment of the financial impact due to the lock-downs and other restrictions and conditions related to the COVID -19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

KEY AUDIT MATTERS	AUDITOR’S RESPONSE
1. Recognition of contract revenue, margin and related receivables	
<p>The Company enters into Engineering Procurement and Construction (EPC) contracts, which are complex in nature and span over a number of reporting periods. The accounting standard requires an entity to select a single measurement method for the relevant performance obligation that depicts the entity’s performance in transferring goods or services or if a contract is onerous, present obligations are recognized and measured as provisions.</p> <p>The Company is recognizing contract revenue and margin for these contracts based on input method, in accordance with the requirement of the standard which relies on management’s</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> ● We selected a sample of contracts to test, using a risk based criteria which included individual contracts with: <ul style="list-style-type: none"> - significant revenue recognised during the year; - significant unbilled work in progress (WIP) balances held at the year end; or - low profit margins. ● Obtained an understanding of management’s process for reviewing long term contracts, the risk associated with the contract and any key judgments. ● Evaluating the design and implementation of key internal controls over the contract revenue and cost estimation process through the combination of procedures involving

<p>estimates of the final outcome of each contract, and involves the exercise of significant management judgment, particularly in forecasting the cost to complete a contract, in valuing contract variations, claims and liquidated damages. We identified contract accounting as a key audit matter because the estimation, of the total revenue and total cost to complete the contract, prepared based on the prevailing circumstances, is inherently subjective, complex and require significant management judgment and forecast of contract revenue and/or contract cost may get subsequently changed due to change in prevailing circumstances, assumptions, contract variations or any other factor, and could result in material variance in the revenue and profit or loss from contract for the reporting period.</p>	<p>inquiry and observations, re-performance and inspection of evidence in respect of operations of these controls.</p> <ul style="list-style-type: none"> ● Verified underlying documents such as original contract, and its amendments, if any, key contract terms and milestones, etc. for verifying the estimation of contract revenue and costs and /or any change in such estimation. ● Evaluating the outturn of previous estimates and agreeing the actual cost after the year end to the forecasted costs for the period. ● Evaluating the status of each of the material trade receivables past due as at year end, the Company's on-going business relationship with customer and past payment history of the customers through discussion with management.
<p>2. Related Party Transactions</p>	
<p>The Company has entered into several transactions with related parties during the year 2019-20. We identified related party transactions as a key audit matter because of risks with respect to completeness of disclosures made in the consolidated financial statements including recoverability thereof; compliance with statutory regulations governing relate party relationships such as the Companies Act, 2013 and SEBI Regulations and the judgement involved in assessing whether transactions with related parties are undertaken at arms' length. Refer Note 37 to the consolidated financial statements.</p>	<p>Our audit procedures on related party transactions included:</p> <ul style="list-style-type: none"> ● Assessed the key controls to identify and disclose related party relationships and transactions in accordance with the relevant accounting standard. ● Assessed compliances with the listing regulations and the regulations under Companies Act,2013 including checking of approvals/scrutiny as specified in Sections 177 and 188 of the Companies Act, 2013 with respect to the related party transactions. ● Considered the adequacy and appropriateness of the disclosures in the consolidated financial statements, including recoverability thereof, relating to the related party transactions. ● Inspected relevant ledgers, agreements and other information that may indicate the existence of related party relationships or transactions. Further, we also tested completeness of related parties with reference to the various registers maintained by the company statutorily. ● On a sample basis, tested Company's assessment of related party transactions for arms' length pricing.
<p>3. Provisions and contingent liabilities in relation to tax positions</p>	
<p>Company has received outstanding demands and show cause notices from various tax authorities.</p> <p>The Management have made judgements relating to the likelihood of an obligation arising and whether there is a need to recognize a provision or disclose a contingent liability. We therefore focused on this area as a result of uncertainty and potential material impact.</p> <p>Refer Note 40 to the consolidated financial statements.</p>	<p>We have involved our tax experts to gain an understanding of the current status of the tax cases and monitored changes in the disputes by reading external opinions received by the company if any, where relevant to establish that the tax provisions had been appropriately adjusted to reflect the latest external developments.</p> <p>For Legal, regulatory and tax matters our procedures included the following:</p> <ul style="list-style-type: none"> ➤ Testing key controls surrounding litigation, regulatory and tax procedures. ➤ Performing substantive procedures on the underlying calculations supporting the provisions recorded. ➤ Where relevant, reading external legal opinions obtained by the management

	<ul style="list-style-type: none"> ➤ Discussing open matters with the litigation, regulator, general counsel and tax teams ➤ Assessing management’s conclusions through understanding precedents set in similar cases. <p>Based on the evidence obtained, while noting the inherent uncertainty with such legal, regulatory and tax matters, we determined the level of provisioning and disclosure of contingent liabilities as at March 31, 2020 to be appropriate.</p>
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Information other than the Financial Statements and Auditor’s Report thereon

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

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information. We are required to report the fact. We have nothing to report in this regard.

Management’s Responsibility for the Consolidated Financial Statements

- (a) The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act read with rule 7 of the Companies (Account) rules, 2014.
- (b) This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.
- (c) In preparing the consolidated financial statements, the respective Board of Directors of the company and its associates included in the Group are responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate or to cease operations, or has no realistic alternative but to do so. The respective Board of Directors of the companies included in the Group are also responsible for overseeing the Group’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements

- (a) Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
- (b) As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate 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 Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- (c) Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonable knowledgeable user of the consolidated 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 consolidated financial statements.
- (d) 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.
- (e) 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.
- (f) From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would be reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements of one entity M/s Salasar HPL JV included in the consolidated financial results, whose financial statements reflect total assets of Rs. 2218.62 lacs, total revenues of Rs.3963.63 and total net profit after tax of Rs.30.19 lacs for the year ended 31.03.2020 as considered in the consolidated financial results. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these entity is based solely on the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

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 relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditor.

- c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, Statement of Changes in Equity and the statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid consolidated financial statements comply with the 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 Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, 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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements.
 - ii. The Group is not required to make any provision, as required under the applicable law or accounting standards, for material foreseeable losses on long-term contracts including derivative contracts.
 - iii. The Group is not required to transfer any amount to the Investor Education and Protection Fund.

For ARUN NARESH & COMPANY
Chartered Accountants,
ICAI Firm Registration Number: 007127N

Place : Hapur (U.P.)
Dated : June 29, 2020
UDIN : 20084598AAAABU2899

Arun Kumar Jain
Partner
M.No. 084598

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Salasar Techno Engineering Limited of even date)

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

We have audited the internal financial controls over financial reporting of **SALASAR TECHNO ENGINEERING LIMITED** ("hereinafter referred to as "Company") and its associates (the Company and its associates together referred to as "the Group") as of March 31, 2020 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective board of directors of the company and its associates are 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, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the auditor of the associates, in terms of their report referred to in other matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting of the company and its associates .

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 authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For ARUN NARESH & COMPANY
Chartered Accountants,
ICAI Firm Registration Number: 007127N

Place : Hapur (U.P.)
Dated : June 29, 2020
UDIN : 20084598AAAABU2899

Arun Kumar Jain
Partner
M.No. 084598

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2020

(₹ in Lakhs)

Particulars	Note No.	As at 31 st March, 2020	As at 31 st March, 2019
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2	9,108.39	7,729.71
Capital Work-in-Progress		34.07	-
Financial Assets			
(a) Investments	3	-	-
(b) Other financial asset	4	1,417.37	820.45
Current assets			
Inventories			
Financial Assets	5	9,353.93	11,793.00
(a) Investments	6	148.58	205.42
(b) Trade Receivables	7	21,409.72	21,724.14
(c) Cash and Cash Equivalent	8	65.48	182.61
(d) Bank balances other than (c) above	9	849.11	990.13
(e) Other financial assets	10	1,176.94	1,048.45
Current tax assets (Net)	11	158.35	-
Other current assets	12	1,630.55	2,719.09
Total Assets		45,352.50	47,213.00
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	13	1,328.53	1,328.53
Other Equity	14	19,386.23	17,615.08
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
(a) Borrowings	15	521.60	489.23
(b) Other Financial Liabilities	16	10.76	926.20
Provisions	17	232.53	128.33
Deferred Tax Liabilities (Net)	18	307.60	509.76
Other Non-current Liabilities	19	-	63.15
Current Liabilities			
Financial Liabilities			
(a) Borrowings	20	15,905.75	14,538.57
(b) Trade Payables	21	2,144.83	5,826.88
(c) Other Financial Liabilities	22	59.75	26.71
Provisions	23	33.71	14.58
Other Current Liabilities	24	5,421.21	5,666.79
Current Tax Liability (Net)	25	-	79.19
Total Equity & Liabilities		45,352.50	47,213.00

Notes referred to above and notes attached there to form an integral part of Balance Sheet.

This is the Balance Sheet referred to in our Report of even date.

For ARUN NARESH & CO.
Firm Registration No. 007127N
 Chartered Accountants

For and on behalf of Board of Directors

CA. Arun Kumar Jain
 Partner
 M. No. 084598
Place : Hapur (U.P.)
Date : 29-June-2020

Alok Kumar
 Managing Director

Shashank Agarwal
 Jt. Managing Director

Pramod Kr. Kala
 (Chief Financial Officer)

Rahul Rastogi
 (Company Secretary)

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2020
 (Rs. in Lakhs)

Particulars	Note No.	Year Ended 31 st March, 2020	Year Ended 31 st March, 2019
REVENUES			
Revenue from operations	26	52,625.13	65,488.08
Other Income	27	171.29	86.31
Total Revenue		52,796.42	65,574.39
Expenses			
Cost of revenue operations	28	39,758.21	53,406.05
Changes in inventories of finished goods, work-in-progress and others	29	1,750.69	(803.81)
Employee benefits expenses	30	3,103.15	2,803.39
Finance Costs	31	2,057.32	1,631.91
Depreciation and amortization expenses	2	499.19	460.19
Other Expenses	32	2,833.01	2,746.56
Total Expenses		50,001.57	60,244.29
Profit before Exceptional Items & Taxes		2,794.85	5,330.10
Exceptional Items		-	-
Profit before Tax		2,794.85	5,330.10
Tax Expenses	33		
(a) Current Tax		736.92	1,827.44
(b) Deferred Tax		(179.76)	175.53
Profit for the year		2,237.69	3,327.13
Other Comprehensive Income (OCI)			
(A) Items that will not be classified to profit or loss:			
Remeasurements of the defined benefit plans		(89.03)	57.52
Income tax relating to items that will not be classified to profit or loss		(22.41)	20.10
(B) Items that will be classified to profit or loss			
		-	-
Total Comprehensive Income for the year		2,171.06	3,364.55
Earning per Equity share of Rs. 10 each			
(1) Basic (in ₹)		16.84	25.04
(2) Diluted (in ₹)		16.84	25.04

Notes referred to above and notes attached there to form an integral part of Profit & Loss Statement.
 This is the Profit & Loss Statement referred to in our Report of even date.

For ARUN NARESH & CO.
Firm Registration No. 007127N
 Chartered Accountants

For and on behalf of Board of Directors

CA. Arun Kumar Jain
 Partner
 M. No. 084598
Place : Hapur (U.P.)
Date : 29-June-2020

Alok Kumar
 Managing Director

Shashank Agarwal
 Jt. Managing Director

Pramod Kr. Kala
 (Chief Financial Officer)

Rahul Rastogi
 (Company Secretary)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020
 (Rs. in Lakhs)

Particulars	Year Ended 31 st March 2020	Year Ended 31 st March 2019
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Income Tax	2,794.85	5,330.10
Adjustments for:		
Depreciation and amortization expenses	499.19	460.19
Dividend Income	(2.51)	(2.51)
Interest income	(168.27)	(83.81)
Finance costs	2,057.32	1,631.91
Electricity duty refundable	(55.98)	
Provision for employee benefits expense	34.29	4.85
(Gain)/ loss on fair valuation of assets	56.84	43.77
(Profit)/ loss on assets sold	(0.51)	-
Operating profit before working capital changes	5,215.22	7,384.51
Adjustments For Working Capital		
Adjustment for (increase) / decrease in operating assets		
Inventories	2,439.06	(2,891.77)
Trade receivables	314.42	(6,562.14)
Other financial assets	(102.91)	39.67
Other current assets	930.19	(239.43)
Adjustment for increase / (decrease) in operating liabilities		
Trade payables	(3,682.05)	2,625.63
Other current liabilities	(324.77)	261.11
Other financial liabilities	(882.40)	104.01
Other non-current liabilities	(63.15)	(84.20)
Cash Generated From Operations	3,843.62	637.38
Income Tax Paid	736.92	1,827.44
Net cash generated from operating activities (A)	3,106.70	(1,190.05)
CASH FLOW FROM INVESTING ACTIVITIES		
Sale (Purchase) of current investments	-	(164.84)
Interest Income	142.70	49.43
Dividend Income	2.51	2.51
Purchase of property, plant and equipment	(1,925.91)	(910.70)
Bank Balance (not consider as cash and cash equivalents)	141.02	(96.37)
Proceeds from sale of Property, Plant and Equipment	14.47	-
Net Cash flow from Other Financial Assets	(540.93)	(295.74)
Net Cash Used In Investing Activities (B)	(2,166.15)	(1,415.72)

Particulars	Year Ended 31 st March 2020	Year Ended 31 st March 2019
CASH FLOW FROM FINANCING ACTIVITIES		
Increase/(Decrease) in Long Term Borrowings	32.37	11.75
Increase/(Decrease) in Short Term Borrowings	1,367.18	4,113.70
Dividend Paid (including dividend distribution tax)	(399.91)	(320.33)
Finance Costs	(2,057.32)	(1,631.91)
Net Cash flow from Financing Activities (C)	(1,057.68)	2,173.20
Net Changes in Cash & Cash Equivalents (A + B + C)	(117.13)	(432.57)
Add : Opening Cash & Cash Equivalents	182.62	615.19
Closing Cash & Cash Equivalents	65.48	182.62

This is the Cash Flow Statement referred to in our Report of even date.

For ARUN NARESH & CO.

Firm Registration No. 007127N

Chartered Accountants

CA. Arun Kumar Jain

Partner

M. No. 084598

Place : Hapur (U.P.)

Date : 29-June-2020

For and on behalf of Board of Directors

Alok Kumar
Managing Director

Shashank Agarwal
Jt. Managing Director

Pramod Kr. Kala
(Chief Financial Officer)

Rahul Rastogi
(Company Secretary)

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

A. Equity share capital (Note-13)

(₹ in Lakhs)

Particulars	Balance at the beginning of the reporting period	Changes in equity share capital during the period	Balance at the end of the reporting period
For the year ended 31 st March, 2019	1,328.53	-	1,328.53
For the year ended 31 st March, 2020	1,328.53	-	1,328.53

B. Other Equity (Note - 14)

(₹ in Lakhs)

Particulars	Reserves and Surplus			Other Comprehensive Income		Total
	Securities Premium Reserve	General Reserve	Surplus	Equity Instruments through OCI	Remeasurement of defined benefit Plan	
Balance as at March 31, 2019	5,488.89	-	12,079.03	-	47.15	17,615.08
Profit for the period			2,237.69		(66.62)	2,171.06
Other Comprehensive Income (net of tax)						-
Total Comprehensive Income for the year	-	-	2,237.69	-	(66.62)	2,171.06
Issue of Equity Shares (net of transition cost)	-					-
Less : Final Dividend FY 2018-19			199.28			199.28
Less : Interim Dividend			132.85			132.85
Less: Dividend Distribution Tax on Dividend			67.78			67.78
Balance as at March 31, 2020	5,488.89	-	13,916.81	-	(19.48)	19,386.23

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Securities Premium Account: This Reserve represents the premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

Retained Earnings: This Reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

The Board of Directors has recommended a dividend of 10 % for the financial year 2019-20, on 29 June, 2020 amounting to ₹ 1.00 per share. This equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included in liability in the financial statements.

Notes referred to above and notes attached there to form an integral part of Profit & Loss Statement.

This is the Statement of Changes in Equity referred to in our Report of even date.

For ARUN NARESH & CO.

Firm Registration No. 007127N

Chartered Accountants

CA. Arun Kumar Jain

Partner

M. No. 084598

Place : Hapur (U.P.)

Date : 29-June-2020

For and on behalf of Board of Directors

Alok Kumar
Managing Director

Shashank Agarwal
Jt. Managing Director

Pramod Kr. Kala
(Chief Financial Officer)

Rahul Rastogi
(Company Secretary)

Notes on Financial Statements for the Year ended 31st March 2020

Notes to the Consolidated Financial Statements

Note -1 : Significant Accounting Policies

A. CORPORATE INFORMATION

Salasar Techno Engineering Limited (the 'Company') is a public limited company domiciled in India. Its shares are listed on two stock exchanges in India viz, the Bombay Stock Exchange ('BSE') and the National Stock Exchange ('NSE'). The Company is engaged in manufacturing and sale of Galvanized Steel Structure including Telecom Towers, Transmission Line Towers and Solar Panels. The Company has three manufacturing facilities one at Jindal Nagar, Hapur (UP) and two at Khera Dehat, Hapur (UP).

B. BASIS OF CONSOLIDATION

The CFS comprise the financial statements of the Company, its subsidiaries and the Group's interest in associate and jointly ventures as at the reporting date.

Subsidiary

Subsidiary include all the entity over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns through its involvement in the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are consolidated from the date on which Group attains control and are deconsolidated from the date that control ceases to exist.

Joint Venture

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Interests in joint venture are accounted for using the equity method of accounting.

The CFS have been prepared on the following basis

The financial statements of the Company and its subsidiary entity has been consolidated on a lineby-line basis by adding together of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions and resulting unrealised profit or losses, unless cost cannot be recovered, as per the applicable Accounting Standard in India. Accounting policies of the respective subsidiary entity are aligned wherever necessary, so as to ensure consistency with the accounting policies that are adopted by the Group under Ind AS.

The CFS include the share of profit / loss of the joint ventures and the associate company which are accounted as per the 'equity method'.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the postacquisition profits or losses of the investee in profit or loss, and the Group's share of movements in OCI of the investee in OCI.

The CFS are presented, to the extent applicable, in accordance with the requirements of Schedule III of the 2013 Act as applicable to the Company's separate financial statements.

C. SUMMARY OF BASIS OF COMPLIANCE, BASIS OF PREPARATION AND PRESENTATION, CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(i) Basis of compliance

The financial statements comply in all material aspects with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the 2013 Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

(ii) Basis of Preparation of Financial Statement

The financial statements have been prepared under the historical cost convention using the accrual method of accounting basis, except for certain financial instruments that are measured at fair values at the end of each reporting period as explained in the significant accounting polices below.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the 2013 Act.

(iii) Critical accounting estimates, assumptions and judgements

The preparation of the financial statements requires management to make estimates, assumptions and judgments that affect the reported balances of assets and liabilities and disclosures as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates considering different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Impact on account of revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below :

(i) Useful life of Property, Plant and Equipment

The cost of property, plant and equipment is depreciated over the useful life, which is based on expected usage of the assets, expected physical wear and tear, the repair and maintenance program and technological obsolescence arising from changes and residual value.

(ii) Income taxes

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the standalone financial statements.

(iii) Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/ litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

(iv) Allowance for uncollectable accounts receivable and advances

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible. Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

(iv) Use of estimates

The preparation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities as at the date of the Financial Statements and the reported amount of revenues and expenses during the reporting period/year.

The difference between the actual results and estimates are recognised in the year in which the results are known/materialise.

All Assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalent, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

(v) Global health pandemic on COVID-19

In view of the lockdown across the country due to the outbreak of COVID pandemic, operations in all of our manufacturing plants and offices which had suspend temporarily with effect from 23th March 2020 in compliance with the directives / orders issued by the local Panchayat / Municipal Corporation / State / Central Government authorities, have resumed operations in phased manner at different plants from May 6, 2020 onwards in accordance with the guidelines and norms prescribed by the respective Government authorities.

The Company has evaluated the impact of COVID pandemic on the operations of the Company, revenue, inventories, investments, property, plant & equipment, current borrowings and trade payables. The management has considered the possible effects, if any, on the carrying amounts of these assets and

liabilities up to the date of approval of these results. As per the management’s current assessment, no significant impact on carrying amounts of inventories, tangible assets, trade receivables, investments and other financial assets is expected, and management continue to monitor changes in future economic conditions.

(vi) Fair Value Measurement

Fair value is the price that would be received to sell an asset or settle a liability in an ordinary transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumption that market participants would use when pricing an asset or liability acting in their best economic interest. The Company used valuation techniques, which were appropriate in circumstances and for which sufficient data were available considering the expected loss/ profit in case of financial assets or liabilities.

(vii) Property, Plant & Equipment

On transition to IND AS, the Company has adopted optional exception under IND AS 101 to measure Property, Plant and Equipment at fair value. Consequently the fair value has been assumed to be deemed cost of Property, Plant and Equipment on the date of transition. Subsequently, Property, Plant and Equipment, other than land, are carried at cost less accumulated depreciation and accumulated impairment losses, if any.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation on PPE is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives. However, vehicles, being part of PPE are depreciated on a straight-line method over the shorter of their respective useful lives as prescribed in Schedule-II to the Companies Act, 2013 . Freehold land is not depreciated.

Schedule II to the Companies Act 2013 (‘Schedule’) prescribes the useful lives for various class of assets. For certain class of assets, based on technical evaluation and assessment, Management believes that, the useful lives adopted by it reflects the periods over which these assets are expected to be used. Accordingly for those assets, the useful lives estimated by the management are different from those prescribed in the Schedule. Management’s estimates of the useful lives for various class of fixed assets are as given below:

Assets	Useful Life
Plant & Machinery	15 years
Factory Buidings	30 years
Furniture and Fittings and Office Equipment	3-10 years
Vehicle	8 years

Useful lives and residual values of assets are reviewed at the end of each reporting period.

Losses arising from the retirement of, and gains or losses arising from disposal of PPE are recognised in the Statement of Profit and Loss.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

Intangible Asset under development includes cost of development of new intangible assets to complete the assets as at the balance sheet date.

Capital Expenditure on tangible assets for research and development is classified under property, plant and equipment and is depreciated on the same basis as other property, plant and equipment.

(vii) Intangible Assets

Intangible assets that are acquired by the Company, which have finite useful lives, are measured at cost less accumulated amortization and accumulated impairment losses (if any). Costs include expenditure that is directly attributable to the acquisition of the intangible assets.

Subsequent Expenditure:

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, are recognized in profit or loss as incurred.

Amortization of intangible assets with finite useful lives:

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use.

Computer Softwares are amortised on straight line basis over the estimated useful lives of 5 years.

(ix) Impairment of Non Financial Assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment and additionally whenever there is a triggering event for impairment. Assets that are subject to amortisation and depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount of cash generating units exceeds its recoverable amount.

(x) Inventories

(1) Inventories are valued at the lower of cost or net realisable value.

Costs incurred in bringing each product to its present location and condition is accounted for as follows:

- Raw materials: are valued at cost or net realisable value, whichever is lower.
- Finished goods and work in progress: are valued at cost or net realisable value, whichever is lower. In the case of finished goods and work in process cost comprises of material, direct labour and applicable overhead expenses.
- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. These are valued at cost or net realisable 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.

(2) Cost of Inventory of services being provided by the company.

The company measures its inventory of services at the costs of their production. These costs consist primarily of the labour and other costs of personnel directly engaged in providing the service, including supervisory personnel, and attributable overheads. Labour and other costs relating to sales and general administrative personnel are not included but are recognized as expenses in the period in which they are incurred. The cost of inventories of a service does not include profit margins or non-attributable overheads that are often factored into prices charged by service providers.

(xi) Financial Instruments-Initial Recognition, Subsequent Measurement and Impairment

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

Financial Assets

(a) Initial recognition and measurement:

All financial assets are recognised initially at fair value and, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

(b) Subsequent measurement

For purposes of subsequent measurement financial assets are classified in two broad categories:

- Financial assets at fair value
- Financial assets at amortised cost

(c) Classification:

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

(d) Financial assets measured at amortised cost:

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely for payments of principal and interest. Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The losses arising from impairment are recognised in the Statement of profit and loss. This category generally applies to trade and other receivables.

(e) Financial assets measured at fair value through other comprehensive income (FVTOCI):

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

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

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in profit or loss.

(g) Investment in Equity Instruments:

Equity instruments which are held for trading are classified as at FVTPL. All other equity instruments are classified as FVTOCI. Fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income. There is no recycling of the amounts from other comprehensive income to profit or loss.

(h) Derecognition of Financial assets:

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset, if an entity transfers a financial asset in a transfer that qualifies for derecognition in its entirety and retains the right to service the financial asset for a fee, it shall recognise either a servicing asset or a servicing liability for that servicing contract. If the fee to be received is not expected to compensate the entity adequately for performing the servicing, a servicing liability for the servicing obligation shall be recognised at its fair value. If the fee to be received is expected to be more than adequate compensation for the servicing, a servicing asset shall be recognised for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger financial asset.

(i) Impairment of Financial assets:

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments and trade receivables. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition.

Financial Liabilities

(a) Initial recognition and measurement:

All financial liabilities are recognised initially at fair value and, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

(b) Classification & Subsequent measurement:

If a financial instrument that was previously recognised as a financial asset is measured at fair value through profit or loss and its fair value decreases below zero, it is a financial liability measured in accordance with IND AS. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term.

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss.

(c) Loans and Borrowings:

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. After initial recognition Gain and Liabilities held for Trading are recognised in statement of profit and Loss Account.

(d) Derecognition of Financial Liabilities:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(e) Financial guarantee contract

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial Guarantee contracts issued by a company are initially measured at their fair values and, if not designated as FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109 'Financial Instruments'; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 'Revenue'

Offsetting financial instruments:

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis to realise the asset and settle the liability simultaneously.

Subsequent recoveries of amounts previously written off are credited to Other Income.

(xii) Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise 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 consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(xiii) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

(xiv) Borrowing Costs

Borrowing costs directly attributable to the acquisition, production or construction of qualifying assets is capitalized as part of the cost of such qualifying assets till the date of being ready for intended use. Other borrowing cost is recognized as expenditure in the period in which they are accrued.

(xv) Investments

Investments that are readily realisable and are intended to be held for not more than one year from the Reporting Date, are classified as Current Investments. All other investments are classified as Non Current Investments. Current Investments are valued at lower of Cost and Fair value. Non Current Investments are valued at cost, except in the case of other than temporary decline in value, in which case necessary provision is made.

(xv) Foreign Currency Transactions

Transactions in foreign exchange are accounted for at the closing rate of previous month. Monetary assets and liabilities denominated in foreign currency are translated at the rates of exchange at the balance sheet date and the resultant gain or loss is recognized in the Statement of Profit and Loss. Exchange difference arising on payment or translation of liabilities and receivables is recognized as income or expense in the year in which the same arises.

(xvii) Provisions , Contingent Liabilities, Contigent Assets and Commitments**(a) General**

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. If the effect of the time value of money is material, the amount of a provision shall be the present value of expense expected to be required to settle the obligation. Provisions are therefore discounted, when effect is material, The discount rate shall be pre-tax rate that reflects current market assessment of time value of money and risk specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. 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. Information on contingent liability is disclosed in the Notes to the Financial Statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity, Contingent assets are not recognised, but are disclosed in the notes. 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.

(xviii) Share capital and Share Premium

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Par value of the equity share is recorded as share capital and the amount received in excess of the par value is classified as share premium.

(xix) Revenue Recognition**(a) Sale of goods and Services**

The Company derives revenues primarily from sale of manufactured goods and services. Revenue is recognised on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

(b) Other Income

– Interest income

Interest income is recognised on a time proportion basis using the effective interest method. When a receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flows discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

– Dividends

Dividend is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

(xix) Taxation**Income tax**

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current tax

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961 that have been enacted or subsequently enacted at the end of the reporting period.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax

Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised only to the extent that it is probable that either future taxable profits or reversal of deferred tax liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when it relates to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities simultaneously.

During the year ended 31 March, 2020, the Government of India vide taxation Laws (Amendment) Tax Ordinance, 2019 has allowed an option to the domestic companies to switch to a lower tax rate structure of 22 % (25.168 % including surcharge and cess) from the earlier 30 % (34.944 % including surcharge and cess) subject to the condition that the Company will not avail any of the specified deductions/ incentives under the Income Tax Act, 1961. The Company has opted for this new rate structure and made current tax/deferred tax provision with the new rates.

(xxi) Provisions

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate of the amount can be made. Provisions are determined based on best estimate required to settle the obligation at the Balance Sheet date. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of the money is material). The increase in the provisions due to passage of time is recognised as interest expense. Provisions are reviewed as at each reporting date and adjusted to reflect the current best estimate.

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. Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

(xxii) Earnings per Share

As per Ind AS 33, Earning Per Share, Basic earnings per share are computed by dividing the net profit for the year attributable to the shareholders' and weighted average number of shares outstanding during the year. The weighted average numbers of shares also includes fixed number of equity shares that are issuable on conversion of compulsorily convertible preference shares, debentures or any other instrument, from the date consideration is receivable (generally the date of their issue) of such instruments. Diluted earnings per share is computed using the net profit for the year attributable to the shareholder' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per

share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

(xxiii) Employee Benefits

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

Provident Fund:

The Company has Defined Contribution plan for the post employment benefits namely Provident Fund which is recognised by the income tax authorities. These funds are administered through the Regional Provident Fund Commissioner and the Company's contributions thereto are charged to Statement of Profit and Loss every year.

Compensated Absences:

"Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. Accumulated compensated absences, which are expected to be encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise."

Gratuity:

The Company has Defined Benefit plan, namely gratuity for employees (unfunded), the liability for which is determined on the basis of an actuarial valuation (using the Projected Unit Credit method) at the end of each annual reporting period. Remeasurements, comprising actuarial gains and losses, the effect of the changes to the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur.

(xxiv) Disclosure in respect of operating leases as per IND AS 116 'Leases'

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

(xxv) Related Party Transactions

Disclosure is being made separately for all the transactions with related parties as specified under IND AS 24 "Related Party Disclosure" issued by the Institute Chartered Accountants of India.

(xxvi) Dividend

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

(xxvii) The figures appearing in the Financial Statements is rounded off to the nearest lakh or decimals thereof.

C. Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from 1st April, 2020.

Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2020

Note-2: Property Plant and Equipment

(₹ in Lakh)

	Freehold Land	Plant & Equipment	Buidings	Furniture & Fixtures	Office Equipment	Vehicle	Total
Gross Carrying Value							
As at March 31, 2019	2,436.27	4,888.52	1,067.28	38.16	180.44	288.93	8,899.60
Add : Addition	1,194.73	321.38	171.85	29.66	34.10	140.13	1,891.84
Less : Diposals	-	1.47	-	-	-	45.77	47.24
As at March 31, 2020	3,631.00	5,208.43	1,239.13	67.82	214.54	383.29	10,744.21
Accumulated Depreciation							
As at March 31, 2019	-	927.60	104.94	5.55	41.79	90.02	1,169.90
Add : Charge For the year	-	389.39	39.82	5.29	25.40	39.31	499.19
Less : Disposals	-	-	-	-	-	33.27	33.27
As at March 31, 2019	-	1,316.98	144.75	10.84	67.19	96.05	1,635.82
Net Block							
As at March 31, 2019	2,436.27	3,960.92	962.34	32.61	138.65	198.91	7,729.71
As at March 31, 2020	3,631.00	3,891.45	1,094.38	56.99	147.35	287.24	9,108.39
Capital Work-in-Progress							
As at March 31, 2019	-	-	-	-	-	-	-
Add : Addition	-	34.07	-	-	-	-	34.07
Less : Diposals	-	-	-	-	-	-	-
As at March 31, 2020	-	34.07	-	-	-	-	34.07

Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2020

(Rs. in Lakhs)

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Note 3: Investments		
Investment in Joint Venture (At Cost)		
Salasar - HPL JV	-	-
Sikka-Salasar-JV	-	-
Total	-	-

Following are details of investment in joint venture:

Particulars	Country of Incorporation	Percentage of ownership interest
Salasar - HPL JV	India	100.00%
Sikka-Salasar-JV	India	49.00%

The Group had no contingent liabilities or capital commitments relating to its interest in joint ventures as at 31 March, 2020.

Carrying amount of investment in joint venture

Particulars	As at 31 March, 2020	As at 31 March, 2019
Opening Carrying value	-	-
Group's share of profit for the year*	-	-
Closing Carrying value	-	-

*The Group has impaired 100% investment during the year ended 31 March 2018.

Note 4: Other Financial Assets

Electricity Duty Refundable	55.98	
Security Deposits	84.66	64.95
Unsecured, considered good		
Balances with banks to the extent held as margin money with more than 12 months maturity	1,276.72	755.51
Total	1,417.37	820.45

Note 5: Inventories

Raw Materials	2,710.23	3,302.065
Work in Progress:		
Goods	4,639.70	4,824.147
Project	362.46	697.364
Finished Goods	1,423.33	2,558.127
Scrap	84.49	181.030
Stores, Spare Parts and Packing Materials	133.73	230.264
Total	9,353.93	11,793.00

Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2020

(Rs. in Lakhs)

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
(i) Inventories include goods in transit:		
Finished Goods	-	46.23
	-	46.23
(ii) Details of Raw Materials		
Shape & Section	719.48	1,060.04
Zinc	819.24	966.87
Nut & Bolt	322.72	404.51
Others	848.80	870.64
	2,710.23	3,302.07
(iii) Details of Finished Goods		
Galvanised and Non-galvanised M.S. Steel Structures	1,423.33	2,558.13
	1,423.33	2,558.13

(iv) Inventories have been offered as security against the working capital loans provided by the banks.

Note 6: Investments**Investments other than in Cold Coins measured at fair value through Profit and Loss****Quoted:****Investment in Equity Shares:**

4,000 (Previous Year 4,000) Equity Shares of Fourth Dimension solutions Ltd. of Rs. 10 each fully paid up.

13,338 (Previous Year 13,338) Equity Shares of Rama Steel Tubes Ltd. of Rs. 5 each fully paid up.

5,01,000 (Previous Year 5,01,000) Equity Shares of Rudrabhishek Enterprises Ltd. of Rs. 10 each fully paid up.

Investment in Bonds:

Gold Bond

Unquoted (At Cost)

Gold Coin - Bullion (market value - 8.75 lacs)

Total

Aggregate book value of unquoted investments

Aggregate amount of quoted investments

Cost

Market Value

0.28	1.08
2.53	15.23
135.77	179.11
1.45	1.45
8.56	8.56
148.58	205.42
10.00	10.00
239.19	239.19
138.58	195.42

Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2020

(Rs. in Lakhs)

Particulars	As at 31 March, 2020	As at 31 March, 2019
Note 7: Trade Receivables		
Unsecured, considered good	21,409.72	21,724.14
Doubtful	186.01	186.01
	<u>21,595.73</u>	<u>21,910.15</u>
Less : Provision for Doubtful Debts	(186.01)	(186.01)
Total	<u><u>21,409.72</u></u>	<u><u>21,724.14</u></u>

- (i) Retention money, with UP Power Transmission Corporation Ltd which will be receive on completion of the project, has been shown under other financial assets as "Security Deposit" (Refer Note -10).
- (ii) Before accepting any new customer, the Company has appropriate levels of control procedures which ensure the potential customer's credit quality. Credit limits scoring attributed to customers are reviewed periodically by the Management.

(iii) Movement in allowance for doubtful debts

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Balance at the beginning of the year	186.01	186.01
Allowance for doubtful debts	-	-
Provision during the year	-	-
Reversal during the year	-	-
Balance at the end of the year	<u><u>186.01</u></u>	<u><u>186.01</u></u>

- (iv) Trade receivables have been offered as security against the working capital loans provided by the banks.

Note 8: Cash & Cash Equivalents

Cash on hand	15.62	16.22
Balances with Banks		
Current Accounts	49.86	166.40
Total	<u><u>65.48</u></u>	<u><u>182.61</u></u>

Note 9: Other Bank Balances

Balances with banks to the extent held as margin money*	835.76	989.26
Earmarked balance with bank - unpaid dividend account	13.35	0.87
Total	<u><u>849.11</u></u>	<u><u>990.13</u></u>

*Represents deposits with original maturity of more than 3 months having remaining maturity of less than 12 months from the Balance Sheet date.

Note 10: Other Financial Assets

Amount paid under protest:		
Income Tax	65.50	17.00
Sales Tax	24.88	24.88
Goods and Service Tax	6.80	5.10
Earnest Money Deposit	84.10	35.07
Interest Accrued on FDR	149.24	123.66
Security deposit*	846.42	842.74
Total	<u><u>1,176.94</u></u>	<u><u>1,048.45</u></u>

*Security Deposit includes Retention money with UP Power Transmission Corporation Ltd which will receive on completion of the project.

Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2020

(Rs. in Lakhs)

Particulars	As at	As at
	31 st March, 2020	31 st March, 2019
Note 11: Current Tax Assets (net)		
Advance Tax/TDS (net)	158.35	-
Total	158.35	-
Note 12: Other Current Assets		
Advances to suppliers	845.26	847.90
Balance with tax authorities	357.66	165.47
Prepaid expenses	139.13	105.23
Advances to related parties	151.81	1,540.02
Other receivables	136.69	60.47
Total	1,630.55	2,719.09
Note 13: Equity Share Capital		
Authorised Capital		
2,05,00,000 (2,05,00,000 previous year) Equity Shares of Rs. 10/- each	2,050.00	2,050.00
	2,050.00	2,050.00
Issued, Subscribed and Paid up Capital		
1,32,85,264 (1,32,85,264 previous year) Equity Shares of Rs. 10/- each fully paid up in cash	1,328.53	1,328.53
Total	1,328.53	1,328.53

A. Reconciliation of Shares outstanding at the beginning and at the end of year:

Particulars	As at 31 st March 2020		As at 31 st March 2019	
	Numbers	Amount	Numbers	Amount
Equity Shares outstanding at the beginning of the year	13,285,264	132,852,640	13,285,264	132,852,640
Add: Equity Shares Issued during the year	-	-	-	-
Equity Shares outstanding at the end of the year	13,285,264	132,852,640	13,285,264	132,852,640

B. Details of Shares held by Shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholder	As at 31 st March 2020		As at 31 st March 2019	
	No. of Shares held	% of holding	No. of Shares held	% of holding
M/s Hill View Infrabuild Ltd	2,874,300	21.64%	2,874,300	21.64%
Sh. Shalabh Agarwal	1,280,592	9.64%	1,280,592	9.64%
M/s Shikhar Febtech (P) Ltd.	985,000	7.41%	985,000	7.41%
Sh. Alok Kumar	894,000	6.73%	894,000	6.73%
Sh. Shashank Agarwal	710,592	5.35%	710,592	5.35%

C. Equity Shares allotted as fully paid up Bonus Shares for the period of five years immediately preceding 31st March, 2020

Particulars	No. of Shares
	As at 31 st March 2017
Bonus Shares issued in FY 2016-17	4,978,150

Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2020

(Rs. in Lakhs)

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
-------------	---------------------------------------	---------------------------------------

D. Rights, Preferences and restrictions attached to shares

The company has only one class of equity shares having a par value of Rs. 10/- per share. Each Shareholder is eligible for one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

E. The Company has issued 33,28,964 Equity Shares at a premium of Rs. 98 per share in pursuant to IPO dated 25-July-2017.

Note 14: Other Equity

Securities Premium Account	5,488.89	5,488.89
General Reserves	-	-
Retained Earning*	13,897.33	12,126.18
Total	19,386.23	17,615.08

For movement during the year in Other Equity, refer 'Statement of Changes in Equity'.

*Retained Earning includes Other Comprehensive Income.

Note 15: Borrowings

Secured

Vehicle Loan from Banks	128.08	74.64
Less: Current Maturities transferred to other financial liabilities	46.40	25.84
Total (A)	81.68	48.80

Unsecured

Loans & advances from Related parties	439.92	440.42
Total (B)	439.92	440.42
Total (A+B)	521.60	489.23

A. Nature of Security and terms of repayment for Long Term Secured Borrowings:-

Nature of Security	Repayment Terms
Various Vehicle Loans total amount Rs.128.08 Lakh (Previous Year Rs. 74.64 Lakh) secured by way of hypothecation of vehicles.	Repayable in 36-84 monthly installments commencing from various dates.

Installment falling due in respect of all the above Loans upto 31.03.2021 have been grouped under "Current Maturities of long term debt" (Refer Note No. 22).

B. Long Term Borrowings from related parties:

Name of the Party	Nature of Borrowings	Relationship	As at 31 March, 2020	As at 31 March, 2019
Mrs. Taru Agarwal	Unsecured Loans	Relative of KMP	18.15	18.15
Mr. Shalabh Agarwal	Unsecured Loans	Director	12.00	-
Mr. Shashank Agarwal	Unsecured Loans	Jt. Managing Director	-	85.50
Hill View Infrabuild Ltd	Unsecured Loans	Associate	409.77	336.77
			439.92	440.42

Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2020

(Rs. in Lakhs)

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Note 16: Other Financial Liabilities		
Security Deposits from Contractor*	-	914.67
Deferred Income - EPCG Licence	10.76	11.53
Total	10.76	926.20
*Security deposit of ₹ 9.85 Crore received from Aarvanss Buildwell and Infracon LLP (Contractor) against installation, erection and commission of transmission line project (Tender No.- PWNL-MT/DDUGYJY/353/15-16 and PWNL-MT/DDUGYJY/359/15-16).		
Note 17: Provisions		
Provision for Gratuity	228.07	127.74
Provision for Earned Leave Encashment	4.46	0.59
Total	232.53	128.33
Note 18: Deferred Tax Liabilities (net)		
Deferred Tax Liabilities:		
Opening Balance	638.23	426.65
Increase / (decrease) on account of Property, Plant and equipment	(164.28)	192.12
Increase / (decrease) on account of IND AS adjustments	(24.21)	19.46
Total (a)	449.74	638.23
Deferred Tax Assets :		
Opening Balance	128.47	229.57
Increase / (decrease) on account of Fair Valuation of Investment	14.31	15.29
Increase / (decrease) on account of Provisions	(0.63)	0.66
Increase / (decrease) on account of MAT Credit	-	(117.05)
Total (b)	142.14	128.47
Total (a-b)	307.60	509.76
Deferred Tax Assets Comprises:		
(i) Provisions		
Opening Balance	128.47	112.52
Increase / (decrease) during the year	13.67	15.95
	142.14	128.47
(ii) MAT Credit Entitlement		
Opening Balance	-	117.05
Increase / (decrease) during the year	-	(117.05)
	-	-
Total Deferred Tax Assets	142.14	128.47

Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2020

(Rs. in Lakhs)

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Note 19: Other Non-current Liabilities		
Deferred Expenses	-	63.15
Total	-	63.15
Note 20: Borrowings		
Secured Loans		
Loan repayable on demand from banks	15,404.37	13,434.14
Unsecured Loans		
Loan repayable on demand from banks	501.38	1,008.00
Loans & advances from Others	-	96.43
Total	15,905.75	14,538.57
Secured by the hypothecation of Raw Material, WIP, Finished Goods and Book Debts, pledge of cash margin money in the form of FDR and exclusive charges over the fixed assets. Mr. Alok Kumar, Mr. Gyanendra Kumar Agarwal, Mr. Shashank Agarwal and Mr. Shalabh Agarwal have given the personal guarantees and corporate guarantee of M/s. Shikhar Fabtech Pvt Ltd to the Banks for Working Capital facilities.		
Note 21: Trade Payables		
<i>Payable to Raw Materials Suppliers:</i>		
Total outstanding dues of micro enterprises and small enterprises	245.94	68.17
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,898.89	5,758.72
Total (a)	2,144.83	5,826.88
Note 22: Other Financial Liabilities		
Current Maturities of Long Term Borrowing	46.40	25.84
Unpaid/ unclaimed dividend	13.35	0.87
Total	59.75	26.71
Note 23: Provisions		
Provision for Gratuity	33.10	10.14
Provision for Earned Leave Encashment	0.61	4.45
Total	33.71	14.58
Note 24: Other Current Liabilities		
Other Payables:		
Total outstanding dues of micro enterprises and small enterprises	23.98	1.81
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,356.77	3,942.59
Advance from Customers	1,305.03	919.84
Capital Advance	50.00	165.00
Due to Employees	391.81	383.06
Statutory Dues	205.74	219.38
Expenses payable	87.88	35.10
Total	5,421.21	5,666.79

Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2020

(Rs. in Lakhs)

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Dues to Micro and Small Enterprises		
The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). The disclosure pursuant to the said MSMED Act are as follows:		
a) The principal amount remaining unpaid to any supplier at the end of the year (Refer Note No. 21 and Note No. 24)	269.93	69.98
b) Interest due remaining unpaid to any supplier at the end of the year	-	-
c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the	-	-
Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made to these suppliers.		
Note 25: Current Tax Liability (net)		
Provision for Tax (Net of Advance Tax / TDS)	-	79.19
Total (a)	-	79.19

Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2020

(In Lakhs)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Note 26- Revenue from operations		
Sale of Products		
(a) Within India	42,797.95	54,020.09
(b) Outside India	2,781.43	2,690.86
Sale of Services	5,733.05	7,084.55
Other Operating Revenues	1,312.70	1,692.58
Total	52,625.13	65,488.08
Sale of Services Comprises:		
Erection Service	5,234.01	6,141.93
Others	499.04	942.62
	5,733.05	7,084.55
Other Operating Revenue Comprises:		
Sale of Scrap	1,035.81	1,560.76
Export Incentives	157.40	27.50
Others	119.49	104.32
	1,312.70	1,692.58
Note 27 - Other Income		
Interest on Bank Deposits	143.96	81.97
Interest on other financial assets	24.32	1.84
Dividend Income	2.51	2.51
Profit on sale of Property, Plant and Equipment	0.51	-
Total	171.29	86.31
Note 28 - Cost of Revenue Operations		
(a) Cost of Raw Material Consumed		
Opening Stock	3,302.07	1,422.62
Add : Purchases	31,699.62	48,019.97
	35,001.68	49,442.59
Less :- Closing Stock	2,710.23	3,302.07
Total (a)	32,291.46	46,140.53
(b) Cost of Other Revenue from Operations		
Consumption of Stores and spare parts	1,060.55	952.09
Power & Fuel	1,050.79	1,451.88
Labour Processing, Testing and Machinery Hire Charges	536.97	672.20
Installation and Erection Charges	4,771.41	4,147.79
Job Work Charges	47.04	41.57
Total (b)	7,466.75	7,265.52
Total	39,758.21	53,406.05

Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2020

(In Lakhs)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Details of Raw Material Consumed		
Shape and Section	21,145.74	32,581.83
Zinc	5,418.64	9,153.11
Nuts & Bolts	1,184.06	1,833.48
Other Material	4,543.02	2,572.11
Total	32,291.46	46,140.53
Note 29: Changes in Inventories of Finished goods, Work-in-progress and others		
Opening Stock		
Finished Goods	2,558.13	1,577.21
Work in Progress:		
Goods	4,824.15	5,529.19
Project	697.36	310.16
Scrap	181.03	40.30
Total (a)	8,260.67	7,456.85
Closing Stock		
Finished Goods	1,423.33	2,558.13
Work in Progress:		
Goods	4,639.70	4,824.15
Project	362.46	697.36
Scrap	84.49	181.03
Total (b)	6,509.98	8,260.67
(Increase) / Decrease in Stock (a-b)	1,750.69	(803.81)
Note 30: Employee benefits expenses		
Salary and Wages	2,863.02	2,598.70
Contribution to Provident Fund & ESI	189.66	163.87
Staff Welfare	50.48	40.82
Total	3,103.15	2,803.39
Note 31: Finance Costs		
Bank Interest	1,500.80	1,034.53
Bank Charges	306.03	246.86
Interest to Others	242.52	326.71
Interest on Unsecured Loan	7.97	23.81
Total	2,057.32	1,631.91

Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2020

(In Lakhs)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Note 32 : Other Expenses		
Repairs to Building	13.00	20.90
Repairs to Machinery	201.29	238.30
Insurance	65.73	36.70
Legal & Professional Charges	1,340.69	1,219.83
Security Expenses	116.30	85.21
Printing & Stationery	25.78	24.39
Conveyance & Travelling Exp	134.59	121.27
Repair & Maintenance others	95.04	86.44
Rent, Rates & Taxes	154.58	187.39
Corporate Social Responsibility Expenses	78.27	16.50
Postage & Telephone	22.43	26.45
Auditors' Remuneration	6.00	5.50
Freight & Forwarding (net)	271.51	299.11
Commission	24.74	25.09
Business Promotion	78.31	37.10
Packing Material	121.92	216.83
Advertisement	11.84	10.20
Miscellaneous Expenses	14.14	45.56
Provision for Diminution in value of investment	56.84	43.77
Total	2,833.01	2,746.56
Note 33 : Tax Expenses		
Current Tax		
In respect of the current year	741.40	1,827.25
In respect of the prior year	(4.48)	0.19
	736.92	1,827.44
Deferred Tax		
Incremental/ (Decremental) Deferred Tax Liability on account of Property, Plant and Equipment and Intangible Assets	(166.09)	191.48
Incremental/ (Decremental) Deferred Tax Assets on account of Fair Valuation of Investments	(14.31)	(15.29)
(Incremental)/ Decremental Deferred Tax Assets on account of Provisions	0.63	(0.66)
	(179.76)	175.53
Total	557.16	2,002.97

Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2020

(In Lakhs)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Note 34 : Earnings per Share		
Profit for the period	2,237.69	3,327.13
Weighted average number of Equity Shares outstanding	13,285,264	13,285,264
Weighted average number of Diluted Shares outstanding	13,285,264	13,285,264
Face Value per share	10.00	10.00
Basic EPS (₹)	16.84	25.04
Diluted EPS (₹)	16.84	25.04

Note 35 : Segment Information in accordance to Ind AS- 108 - 'Operating Segments'

The Company primarily engaged in manufacturing of Galvanise M.S. Steel Structures and related activities. Information reported to and evaluated regularly by the Coperational Decision Maker (CODM) i.e. Managing Director for the purpose of resouce allocation and assessing performance focuses on the business as whole . The CODM reviews the Company's performance focuses on the analysis of profit before tax at an overall entity level. Accordingly, there is no other seperate reportable segment as defined by Ind As 108 "Operating Segments". As the Company also prepares the Consolidated Financial Statements (CFS), other relevent segment information is disclose in the CFS.

Note 36 : Employee Benefit Obligations**(i) Defined Contribution Plans:**

The Company makes Provident Fund, Superannuation Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 136.03 Lakh (previous year Rs. 108.57 Lakh) for Provident Fund contributions, and Rs. 49.62 Lakh (previous year Rs. 52.01 Lakh) for Employee State Insurance Scheme contributions in the statement of profit and loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

(ii) Defined Benefit Plans (Unfuded):

(a) **Gratuity:** The Company has an unfunded defined benefit gratuity plan which entitles every employee who departs after the completion of 5 or more years of service to a gratuity calculated at fifteen days salary (last drawn salary) for each completed year of service, in accordance with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

(i) Change in present value of obligation

(₹ in Lakh)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Present value of obligation as at the beginning of the period	137.88	143.29
Acquisition adjustment	-	-
Interest cost	10.56	11.06
Past service cost	-	-
Current service cost	60.87	43.18
Curtailement cost/(Credit)	-	-
Settlement cost/(Credit)	-	-
Benefits paid	(37.17)	(2.13)
Actuarial (gain)/loss on obligation	89.03	(57.52)
Present value of obligation as at the end of period	261.17	137.88

Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2020

(ii) Assets and Liabilities recognised in the Balance Sheet (₹ in Lakh)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Present value of obligation as at the end of the period	261.17	137.88
Fair value of plan assets as at the end of the period	-	-
Funded status / Difference	(261.17)	(137.88)
Excess of actual over estimated	-	-
Unrecognized actuarial (gains)/losses	-	-
Net Asset/(Liability) recognised in Balance Sheet	(261.17)	(137.88)
Recognised Under :		
Long Term Provision	228.07	127.74
Short Term Provision	33.10	10.14
Total	261.17	137.88

(iii) Expense recognised in the Statement of Profit and Loss (₹ in Lakh)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Total service cost	60.87	43.18
Interest cost	10.56	11.06
Expected return on plan assets	-	-
Curtailment cost / (Credit)	-	-
Settlement cost / (credit)	-	-
Expenses recognised in the Statement of Profit & Losses	71.43	54.24

(iv) Other Comprehensive Income (OCI) (₹ in Lakh)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Net cumulative unrecognized actuarial gain/ (loss) opening	-	-
Actuarial gain/ (loss) for the year on PBO	(89.03)	57.52
Actuarial gain/ (loss) for the year on Assets	-	-
Unrecognized actuarial gain/ (loss) for the year	(89.03)	57.52

(v) Principal Actuarial assumptions (₹ in Lakh)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Discount Rate per annum	6.79%	7.66%
Salary Escalation rate per annum	5.50%	5.50%
Retirement age	58 Years	58 Years
Mortality tables	IALM (2012-14)	IALM (2006 - 08)
Estimate of amount of contribution in the immediate next year	93.01	66.63

- (b) **Leave Encashment:** The employees are entitled for each year of service and part thereof and subject to the limits specified, the unavailed portion of such leaves can be accumulated or encashed during/at the end of the service period. The plan is not funded.

The reconciliation of opening and closing balances of the present vale of the defined benefit obligations are as below:

Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2020

(i) Change in present value of obligation (₹ in Lakh)		
Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Present value of obligation as at the beginning of the period	5.04	8.53
Acquisition adjustment	-	-
Interest cost	0.39	0.66
Past service cost	-	-
Current service cost	1.20	1.21
Curtailement cost/(Credit)	-	-
Settlement cost/(Credit)	-	-
Benefits paid	(5.04)	(0.99)
Actuarial (gain)/loss on obligation	3.48	(4.38)
Present value of obligation as at the end of period	5.07	5.04
(ii) Assets and Liabilities recognised in the Balance Sheet (₹ in Lakh)		
Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Present value of obligation as at the end of the period	5.07	5.04
Fair value of plan assets as at the end of the period	-	-
Funded status / Difference	(5.07)	(5.04)
Excess of actual over estimated	-	-
Unrecognized actuarial (gains)/losses	-	-
Net Asset/(Liability) recognised in Balance Sheet	(5.07)	(5.04)
Recognised Under :		
Long Term Provision	4.46	0.59
Short Term Provision	0.61	4.45
Total	5.07	5.04
(iii) Expense recognised in the Statement of Profit and Loss (₹ in Lakh)		
Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Current service cost	1.20	1.21
Past service cost	-	-
Interest cost	0.39	0.66
Expected return on plan assets	-	-
Curtailement cost / (Credit)	-	-
Settlement cost / (credit)	-	-
Net actuarial (gain)/ loss recognized in the period	3.48	(4.38)
Expenses recognised in the Statement of Profit & Losses	5.07	(2.51)
(iv) Principal Actuarial assumptions (₹ in Lakh)		
Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Discount Rate per annum	6.79%	7.66%
Salary Escalation rate per annum	5.50%	5.50%
Retirement age	58 Years	58 Years
Mortality tables	IALM (2006 - 08)	IALM (2006 - 08)
Employee Turnover/Attrition Rate		
Upto 30 Years	3%	3%
From 31 to 44 Years	2%	2%
Above 44 Years	1%	1%

Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2020

Note 37 : Related Parties Disclosures

1. Name of Related Parties and Nature of Relationship:

Particulars

Where control exists

Jonit Venture Sikka-Salasar-JV
Salasar-HPL JV

Other Related Parties with whom transactions have taken place during the year:

Associates : Hill View Infrabuild Ltd.
Capital Udyog

Key Management Personnels: Mr. Alok Kumar (Chairman and Managing Director)
Mr. Shashank Agrawal (Joint Managing Director)
Mr. Shalabh Agrawal (Director)
Ms. Tripti Gupta (Director)
Mr. Anil Kumar Jain (Independent Director)
Mr. Vijay Kumar Jain (Independent Director)
Mr. Sanjay Chandak (Independent Director)
Mr. Amit Jain (Independent Director)
Mr. Pramod Kr. Kala (Chief Financial Officer)
Mr. Rahul Rastogi (Company Secretary)

Relatives of Key Management Personnels

Mrs. Anshu Agrawal (Wife of Mr. Shashank Agarwal)
Mrs. Kamlesh Gupta (Wife of Mr. Alok Kumar)
Mr. Raghav Agarwal (Son of Mr. Shashank Agarwal)
Mr. Shikhar Gupta (Son of Mr. Alok Kumar)
Mrs. Taru Agrawal (Wife of Mr. Shalabh Agrawal)

2. Transaction Carried out with related parties referred to in (1) above, in ordinary course of business:

Nature of Transactions	Associates / Joint Ventures	Key Management Personnel	Relatives
Sale of goods			
Sikka-Salasar -JV	2,109.76 (1,947.67)	- (-)	- (-)
Purchase of goods			
Sikka-Salasar -JV	542.49 (-)	- (-)	- (-)
Capital Udyog	- (2.60)	- (-)	- (-)
Directors Remuneration			
Sh. Alok Kumar	- (-)	79.86 (72.60)	- (-)
Sh. Shashank Agarwal	- (-)	72.60 (66.00)	- (-)
Sh. Shalabh Agarwal	- (-)	58.08 (52.80)	- (-)
Ms. Tripti gupta	- (-)	50.82 (46.20)	- (-)
Director's Sitting Fee			
Sh. Anil Kumar Jain	- (-)	1.03 (0.75)	- (-)
Sh. Vijay Kumar Jain	- (-)	1.03 (0.85)	- (-)

Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2020

Sh. Sanjay Chandak		- (-)	0.60 (0.15)	- (-)
Mr. Amit Jain		- (-)	0.23 (0.55)	- (-)
Salary				
Mr. Pramod Kumar Kala		- (-)	32.00 (5.32)	- (-)
Mr. Rahul Rastogi		- (-)	6.95 (5.40)	- (-)
Mrs. Anshu Agarwal		- (-)	- (-)	28.46 (19.80)
Mrs. Taru Agarwal		- (-)	- (-)	28.46 (19.80)
Mrs. Kamlesh Gupta		- (-)	- (-)	34.50 (24.00)
Mr. G. K. Agarwal		- (-)	- (-)	- (25.00)
Mr. Shikhar Gupta		- (-)	- (-)	36.00 (30.00)
Mr. Raghav Agarwal		- (-)	- (-)	19.20 (24.00)
Lease Rent-Car				
Sh. Shashank Agarwal		- (-)	- (1.35)	- (-)
Sh. Shalabh Agarwal			- (1.65)	- (-)
Mrs. Anshu Agarwal		- (-)	- (-)	- (0.75)
Mrs. Kamlesh Gupta		- (-)	- (-)	- (0.45)
Loans Received				
Sh. Shalabh Agarwal		- (-)	12.00 (-)	- (-)
Sh. Shashank Agarwal		- (-)	- (85.50)	- (-)
Loan and Advances Given				
Sikka-Salasar-JV		- (264.01)	- (-)	- (-)

* Figures in braket represent previous year amount.

Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2020

3. Balance outstanding at the end of the year.

(Rs. in Lakh)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Payables		
Hillview Infrabuild Ltd.	409.77	336.77
Mrs. Taru Agarwal	18.15	18.15
Mr. Shashank Agarwal	-	85.50
Mr. Shalabh Agarwal	12.00	-
Receivables		
Sikka- Salasar-JV	2,167.76	3,435.47

Note 38 : Disclosure of Merger

Effective April 1, 2018 being the appointed date, the Company completed the merger of Salasar Stainless Limited pursuant to a scheme of arrangement of merger as approved by the principal bench of National Company Law Tribunal, New Delhi on 9-Jan-2019. As Salasar Stainless Limited is a wholly owned subsidiary of the Company, the merger had been accounted in accordance with "Pooling of Interest Method" laid down by Appendix C of Indian Accounting Standard 103 (Ind AS 103); (Business Combination of entities under common control), notified under the Companies Act, 2013.

Accordingly, all assets, liabilities and reserves of Salasar Stainless Limited have been recorded in the books of accounts of the Company at their existing carrying amounts and in the same form. To the extent that there are inter company loans, advances, deposits, balances or other obligations as between Salasar Stainless Limited and the Company, had been eliminated. The differences, between the investments held by the company and all assets, liabilities and reserves of Salasar Stainless Limited, have been adjusted with reserves and surplus.

Note 39 : Corporate Social Responsibility (CSR)

As per Section 135 of Companies Act, 2013 the Company was require to spent an amount of Rs. 77.44 Lakhs in CSR activities, out of which Rs. 33.90 Lakhs remain unspent at the end of the year.

Note 40 : Contingent Liabilities and commitments (to the extent not provided for)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Bank Guarantee and LC for which FDR margin has been given to the bank as security	11,595.00	10,033.19
Income Tax, for the A. Y. 2011-12 (Petition is pending with ITAT, New Delhi)	84.06	84.06
Income Tax, for the A. Y. 2012-13 (Petition is pending with CIT (A) - 8, New Delhi)	242.37	-
Entry Tax, UP VAT and Central Sales Tax , for the FY 2012-13 (Petition is pending with Additional Commissioner (Appeals) Commercial Tax Ghaziabad (UP))	-	77.68
Entry Tax, for the FY 2014-15 (Petition is pending with Additional Commissioner (Appeals) Commercial Tax Ghaziabad (UP))	5.39	5.39
Entry Tax, and Central Sales Tax , for the FY 2015-16 (Petition is pending with Additional Commissioner (Appeals) Commercial Tax Ghaziabad (UP))	21.10	21.10
Entry Tax, UP VAT and Central Sales Tax , for the FY 2016-17 (Petition is pending with Additional Commissioner (Appeals) Commercial Tax Ghaziabad (UP))	-	74.54
UPGST, for the FY 2019-20 (Petition is pending with High Court of Allahabad)	4.34	-

The company does not expect any outflow of resources in respect of the above.

Note 41:

In the opinion of the Board of Directors, all the Known liabilities and expenses have been provided in the books of accounts.

Note 42:

Balances under the head loans and advances, sundry debtors, sundry creditors are relied upon and subject to reconciliation and confirmation.

For ARUN NARESH & CO.**Firm Registration No. 007127N**

Chartered Accountants

CA. Arun Kumar Jain

Partner

M. No. 084598

Place : Hapur (U.P.)**Date :** 29-June-2020**For and on behalf of Board of Directors****Alok Kumar**
Managing Director**Shashank Agarwal**
Jt. Managing Director**Pramod Kr. Kala**
(Chief Financial Officer)**Rahul Rastogi**
(Company Secretary)



SALASAR TECHNO ENGINEERING LTD.
ISO 9001 : 14001 : 2015 OHSAS 18001 : 2007



SALASAR TECHNO ENGINEERING LTD.

ISO 9001 : 2015 14001 : 2015 OHSAS 18001 : 2007

Unit-I: Khasra No. 265, 281-283, Vill-Parsaun Dasna,

P.O.- Jindal Nagar, Distt. Hapur - 201313 (U.P.)

Unit-II: Khasra No. 1184, 1185, Vill.-Khera,

P.O. Pilkhuwa, Tehsil Dhaulana, Distt. Hapur-245304 (U.P.)

Unit-III: Khasra No. 686/6, Village-Khera, P.O. Pilkhuwa,
Dhaulana, Distt. Hapur-245304 (U.P.)

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