



HINDUSTHAN UDYOG LTD.

Registered Office :
" TRINITY PLAZA" 3rd Floor
84/1A, Topsia Road, (South)
Kolkata- 700 046, India
Phone : (033) 4055 6800
Fax : (033) 4055 6863
E-mail : hulho@hul.net.in
CIN No. : L27120WB1947PLC015767

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 74th Annual General Meeting (AGM) of the Members of the Company will be held on Wednesday, the 29th day of September, 2021 at 10.00 a.m. at the Registered Office of the Company at Trinity Plaza, 3rd Floor, 84/1A, Topsia Road (South), Kolkata-700046 to transact the following business:-

ORDINARY BUSINESS:-

1. To receive, consider and adopt:
 - a. the Audited Financial Statements of the Company for the year ended 31st March, 2021 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 year ended 31st March, 2021 together with the Reports of the Auditors thereon.
2. To appoint a Director in place of Mr. Prakash Agarwal (DIN 00249468), who retires by rotation at this Meeting and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:-

3. To consider and if thought fit, to pass with or without modification(s), the following resolutions as **SPECIAL RESOLUTION**:

RE-APPOINTMENT OF MR. V.N. AGARWAL AS MANAGING DIRECTOR

"**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 and other applicable provisions, if any, of The Companies Act, 2013 (the Act) read with Schedule V of the Act and the Rules made thereunder or any amendment or re-enactment thereof and such other approval as may be necessary, approval be and is hereby accorded to the re-appointment of Mr. V. N. Agarwal (DIN 00408731), aged 82 years, as Managing Director of the Company for a period of three years with effect from 1st January, 2021 on the terms and conditions and payment of remuneration as recommended by the Nomination and Remuneration Committee of Directors and as set out in the Explanatory Statement under this item to the Notice convening this Meeting."

"**RESOLVED FURTHER THAT** in the event of any statutory amendment, modification or relaxation by the Central Government to Schedule V to the Act, the Board of Directors be and are hereby authorised to alter and vary the terms and conditions of re-appointment including remuneration, if necessary, in such manner and as may be agreed to by and between the Board and Mr. V. N. Agarwal within such prescribed

limit(s) or ceiling without any further reference to the members of the Company in General Meeting."

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

APPOINTMENT OF MR. S.K. ROYCHOWDHURY AS AN INDEPENDENT DIRECTOR

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') read with The Companies (Appointment and Qualification of Directors) Rules, 2014, Schedule IV of The Companies Act, 2013 and Regulation 25 of the SEBI (LODR) Regulations, 2015 (including any statutory modification or re-enactment thereof), Mr. S.K. Roychowdhury (DIN: 09116850), who has submitted a declaration of independence in terms of Section 149(6) of the Act, the Companies (Appointment and Qualification of Directors) Second Amendment Rules, 2018 and Regulation 16(1)(b) of SEBI (LODR) Regulations, 2015 and is eligible for appointment as such, be and is hereby appointed as an Independent Director of the Company to hold office for an initial period of five years commencing from the date of his appointment on Board i.e. 2nd April, 2021."

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CIN: L27120WB1947PLC015767
DATE: 30TH JUNE, 2021

BY ORDER OF THE BOARD
FOR HINDUSTHAN UDYOG LIMITED


[SHIKHA BAJAJ]
COMPANY SECRETARY

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Proxies in order to be effective must be received at the registered office of the company not less than 48 hours before the commencement of the meeting. Members are requested to note that a person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights.
2. The AGM will be held by strictly adhering to the Social Distancing Norms and other Safety Protocols/SOPs (including use of face masks and hand sanitizers) issued by the Ministry of Health & Family Welfare, Government of India in view of the prevailing Covid Pandemic. Entry to the Venue shall be on a '*first come first serve basis*' in view of the maximum permissible limit, as applicable at that time, for a gathering at a place.

3. The Register of Members and Share Transfer Books will remain closed from 27.09.2021 (Monday) to 29.09.2021 (Wednesday) (both days Inclusive).
4. Relevant Statement pursuant to Section 102(1) of The Companies Act, 2013 in respect of special business is annexed hereto.
5. In terms of MCA Circulars and SEBI Circulars and amendments made thereon dispensing with the requirements of sending physical copies of Annual Reports to the Shareholders in view of the Covid Pandemic, the Notice of AGM is being sent by mail only to those Shareholders who have registered their e-mail addresses with the Company/Depositories. Members who have not registered their mail addresses are therefore requested to register/update the same with the Company's Registrar and Share Transfer Agent/Depositories. The Notice of the Meeting will be available on the Company's website www.hul.net.in and the websites of the Stock Exchanges and National Securities Depository Limited (NSDL).
6. 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 and Regulation 44(1) of SEBI (LODR) Regulations, 2015, the Company is providing Members the facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by NSDL.
7. The facility for voting through Ballot Paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through Ballot Paper.
8. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
9. The remote e-voting period shall commence on 26th September, 2021 (9:00 am) and end on 28th September, 2021 (5:00 pm). During this period the Members of the Company as on the cut-off date of 22nd September, 2021, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
10. The procedure to login to e-voting website consists of two steps as detailed hereunder:-

Step 1 : Log-in to NSDL e-voting system

- a) Visit the e-Voting website of NSDL. Open web browser by typing the URL: <https://www.evoting.nsdl.com>.
- b) Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

- c) A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at <https://eservices.nSDL.com/> with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
- d) Your User ID details are given below:
- i) For Members who hold shares in demat account with NSDL.
8 Character DP ID followed by 8 Digit Client ID (For example if your DP ID is IN300*** and Client ID is 12***** then your User ID is IN300***12*****).
 - ii) For Members who hold shares in demat account with CDSL.
16 Digit Beneficiary ID (For example if your Beneficiary ID is 12***** then your user ID is 12*****).
 - iii) For Members holding shares in Physical Form. EVEN Number followed by Folio Number registered with the company (For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***).
- e) Your password details are given below:
- i) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - ii) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.
 - iii) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
- f) If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- i) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nSDL.com.
 - ii) "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nSDL.com.

- iii) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
- iv) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting System of NSDL.
- g) After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- h) Now, you will have to click on "Login" button.
- i) After you click on the "Login" button, Home page of e-Voting will open.

Step 2 : Cast your vote electronically on NSDL e-voting system


- a) After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- b) After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
- c) Select "EVEN" of the Company.
- d) Now you are ready for e-Voting as the Voting page opens.
- e) Cast your vote by selecting appropriate option i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- f) Upon confirmation, the message "Vote cast successfully" will be displayed.
- g) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- h) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- i) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to guptarinku123@gmail.com with a copy marked to evoting@nsdl.co.in.
- j) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-1020-990 or send a request at evoting@nsdl.co.in.

11. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 22nd September, 2021.
12. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 22nd September, 2021, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or to Issuer at kkg@hul.net.in.
13. A person, whose name is recorded in the Register of Members as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
14. Ms. Rinku Gupta, Company Secretary in Practice (Membership No. FCS-9248) has been appointed as the Scrutinizer for providing facility to the Members of the Company and to scrutinize the voting and remote e-voting process in a fair and transparent manner.
15. The Chairman of Meeting shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
16. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than forty eight hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith. The Results declared along with the report of the Scrutinizer shall be placed on the Company's website and on the website of NSDL immediately after its declaration and shall also be communicated to the Stock Exchanges.

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**BY ORDER OF THE BOARD
FOR HINDUSTHAN UDYOG LIMITED**


[SHIKHA BAJAJ]
COMPANY SECRETARY

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

ITEM NO. 3:

Mr. V.N. Agarwal was re-appointed as the Managing Director for a period of three years with effect from 01.01.2018 and his term of office was due to expire on 31.12.2020. Keeping in mind his experience and contribution towards performance of the Company during the said tenure, the Board of Directors at its meeting held on 19.12.2020, approved the re-appointment of Mr. V.N. Agarwal as the Managing Director for a further period of three years with effect from 01.01.2021. The terms of his re-appointment including remuneration as approved by the Nomination and Remuneration Committee and the Board subject to the approval of the Members to be obtained at this Meeting are as follows:-

1. PERIOD

Three years commencing from 01.01.2021.

2. REMUNERATION

Subject to overall limit laid down under the Act, Mr. V.N. Agarwal shall be entitled to receive from the Company following remuneration:-

(a) Salary : Rs. 2,50,000/- per month

(b) Perquisites : In addition to the above, he shall be entitled to Perquisites like Furnished Accommodation, gas, electricity, water and soft furnishings, medical reimbursement and leave travel concession for self and family, club fees, medical insurance, personal accident insurance, leave encashment, benefits of Provident Fund, Gratuity Fund, Car and telephone etc. in accordance with the Rules of the Company. In case, no accommodation is provided, he may be paid House Rent Allowance @ 60% of his basic salary. The aforesaid perquisites other than benefits of Provident Fund, Gratuity Fund and Leave Encashment shall be restricted to the annual salary of Mr. V. N. Agarwal.

Provided that the Total Remuneration payable to him by way of Salary, Perquisites, Contributions towards Provident Fund and Gratuity Fund on his account shall not exceed 5% of the Net Profits of the Company calculated in accordance with the provisions of the Act.

Notwithstanding anything contained hereinabove, where in any financial year during his tenure, the Company has no profits or profits of the Company are inadequate or in the event of loss, the Company will pay remuneration to him by way of Salary, allowances, benefits, Perquisites etc., as specified above as minimum remuneration.

3. TERMINATION

This re-appointment may be terminated by any party herein, by giving to the other party, a six months notice in writing.

4. The Managing Director shall not be entitled to any Sitting Fees for attending Board/Committee Meetings and shall not be liable to retire by rotation.
5. The re-appointment of Mr. V. N. Agarwal as Managing Director and remuneration payable to him are in line with Schedule V to the Act subject to the approval of Members to be obtained at this AGM and to the extent any of the provisions herein are inconsistent or contrary to the terms of such approval, the latter will prevail.
6. As required under the Act, the following further particulars pertaining to the Company and the appointee are set out herein:-

I General Information

(a) Nature of Industry

The Company is engaged in the manufacturing of Alloy and Stainless Steel Castings with stringent quality requirements required in Turbines, Metal Shredding, Earth Moving and Mining Equipment, Power Plants, Pumps, Valves, Compressors and other Heavy Engineering Industries.

(b) Date or expected date of commencement of commercial production

The Company commenced its business on 3rd September, 1947.

(c) Financial Performance

Performance of the Company during the last three years is set out as under:-

	(Rs. In Lakhs)		
	2019-20	2018-19	2017-18
Total Revenue	1,809.08	2,108.76	3,011.79
Profit/(Loss) before Tax	133.70	(161.55)	103.72
Provision for Taxes	0.20	---	---
Profit/(Loss) after Tax	133.50	(161.55)	103.72
Equity Share Capital	717.67	717.67	717.67
Other Equity	2,588.35	2,445.37	2,615.43
Non-Current Liabilities	884.73	864.71	848.74
Current Liabilities	6,499.61	5,524.24	5,680.35
Property, Plant & Equipment	1,144.89	1,237.90	1,341.55
Investments	1,013.76	994.63	994.55
Other Non-Current Assets	120.20	110.85	96.59
Current Assets	8,411.51	7,208.61	7,429.50

- (d) **Foreign Investments or collaborators, if any**

None

II. Information about the Appointee

- (a) **Background Details**

Mr. V. N. Agarwal is a Graduate in Mechanical Engineering from Banaras Hindi University. He has got in depth exposure to and involvement in steering diverse business activities and has considerable experience and expertise in the marketing, management and operations of Engineering Industries.

- (b) **Past Remuneration**

The remuneration drawn by Mr. V.N. Agarwal during the Financial Year ended 31st March, 2021 has been mentioned in the Corporate Governance Report.

- (c) **Recognition or awards**

None

- (d) **Job Profile and his suitability**

Subject to the superintendence, control and direction of the Board, Mr. Agarwal will manage and superintend the business affairs of the Company and do all such lawful acts and things in relation to such management and superintendence as he shall think fit and reasonable.

Mr. Agarwal has been in the Engineering Industry for more than 48 years and is well conversant with the business operations of the Company as he is associated with it since its takeover in the year 1972 and has been its Managing Director for more than 28 years.

- (e) **Remuneration proposed**

As mentioned in foregoing pages.

- (f) **Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates, the relevant details would be w.r.t. the country of origin)**

The remuneration structure of Mr. V.N. Agarwal is not higher than what is drawn by his peers in comparable Companies.

- (g) **Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any**

Mr. Agarwal being the Promoter Managing Director will not be entitled to remuneration under any other head. No relative of his is employed by the Company.

III Disclosures

- (a) The remuneration package of Mr. V. N. Agarwal is already set out above.
- (b) The necessary disclosure as required under Paragraph B (IV) of Section II, Part II of Schedule V of the Act has been made in the Report of Corporate Governance.
- (c) The Board considers that having regard to the contribution made by Mr. V.N. Agarwal towards the operations of the Company during his current tenure, his re-appointment as Managing Director for a further period of three years is fully justified. As such, the Board recommends the Special Resolution as set out in Item No. 3 for approval of the Shareholders.
- (d) Except Mr. V.N. Agarwal and Mr. Prakash Agarwal, no other Director or Key Managerial Personnel or their relatives are concerned or interested in the said resolution.

ITEM NO. 4:

The Board of Directors of the Company at their Meeting held on 2nd April, 2021 had appointed Mr. S.K. Roychowdhury (DIN: 09116850) as an Additional Director on the Board of the Company in terms of Section 161(1) of The Companies Act, 2013 ('the Act'), the Company's Articles of Association and the recommendation of Nomination and Remuneration Committee. In terms of the appointment, Mr. S.K. Roychowdhury is liable to hold office upto the date of ensuing AGM. Declaration has been received from Mr. S.K. Roychowdhury that he meets the criteria of Independence as prescribed under Section 149(6) of the Act read with the Rules made thereunder and Regulation 16(1)(b) of SEBI(LODR) Regulations, 2015. Accordingly, the Board is of the opinion that Mr. S.K. Roychowdhury fulfils the conditions as specified in the Act and the Listing Regulations for appointment as an Independent Director. The Directors are of the opinion that considering the knowledge and experience of Mr. S.K. Roychowdhury, his appointment as an Independent Director will be beneficial for the interest of the Company. Hence, the Board recommends that the Ordinary Resolution as set out in Item No. 4 of the Notice be approved by the Shareholders.

Except Mr. S.K. Roychowdhury, no other Director or Key Managerial Personnel or their relatives are concerned or interested in the said resolution .

DISCLOSURE OF DETAILS OF DIRECTOR SEEKING APPOINTMENT/RE-APPOINTMENT AT THE AGM PURSUANT TO REGULATION 36(3) OF SEBI (LODR) REGULATIONS, 2015

Name of the Director	MR. PRAKASH AGARWAL	MR. S.K. ROYCHOWDHURY
Date of Birth	14.07.1971	01.12.1947
Date of 1 st Appointment	09.12.1998	02.04.2021
Qualifications	B.E. (Mechanical)	B Tech (Metallurgical) from IIT Kharagpur
No. of shares held	5,16,200 (7.19%)	---
Relationship with other Directors	Mr. Prakash Agarwal is son of Mr. V.N. Agarwal	---
Nature of Expertise	Having professional expertise in the Operations of Engineering Industry and wide experience in Global Marketing & Overall Business Management including acquisitions and turnarounds	Having experience in the Operations and Management of Engineering Industries (including Foundry) specially experience and expertise in Marketing Management
Other Directorships in Indian Companies	<ol style="list-style-type: none"> 1. WPIL Limited 2. Bengal Steel Industries Limited 3. V.N. Enterprises Limited 4. HSM Investments Limited 5. Hindusthan Parsons Limited 6. Macneill Electricals Limited 7. Spaans Babcock India Limited 8. Morgan Finvest Pvt. Limited 9. Live-Life Buildcon Pvt. Limited 10. Clyde Pumps India Pvt. Limited 	<ol style="list-style-type: none"> 1. Asutosh Enterprises Ltd. 2. Bengal Steel Industries Ltd. 3. Neptune Exports Limited 4. Tea Time Limited
Other Committee Memberships/ Chairmanships	<p><u>In WPIL Limited</u></p> <p>(a) Risk Management Committee - Chairman</p> <p>(b) Stakeholders Relationship Committee – Member</p> <p>(c) Share Transmission and Issue of Duplicate Share Committee – Member</p> <p>(d) Corporate Social Responsibility Committee - Member</p>	<p><u>In Tea Time Limited</u></p> <p>(a) Audit Committee – Chairman</p> <p>(b) Nomination and Remuneration Committee – Chairman</p> <p>(c) Stakeholders Relationship Committee - Member</p> <p><u>In Neptune Exports Limited</u></p> <p>(a) Audit Committee – Chairman</p> <p>(b) Nomination and Remuneration Committee – Chairman</p> <p>(c) Stakeholders Relationship Committee - Member</p>

		<p><u>In Bengal Steel Industries Ltd</u> (a) Audit Committee – Chairman (b) Nomination and Remuneration Committee – Member</p> <p><u>In Asutosh Enterprises Ltd</u> (a) Audit Committee - Member (b) Nomination and Remuneration Committee – Member</p>
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DIRECTORS' REPORT

TO THE MEMBERS OF HINDUSTHAN UDYOG LIMITED

Your Directors have pleasure in presenting their 74th Annual Report together with the Audited Accounts of the Company for the financial year ended 31st March, 2021.

COMPANY PERFORMANCE:

	<u>2020-21</u>	<u>2019-20</u>
FINANCIAL RESULTS	RS. IN LAKHS	RS. IN LAKHS
Revenue from Operations	980.42	1,249.09
Total Revenue	1,530.14	1,809.08
EBITDA	27.67	275.10
Less: Finance Costs	47.22	43.67
Depreciation	86.56	97.73
Profit before Tax (PBT)	(106.11)	133.70
Less: Tax Expense	-	0.20
Profit after Tax (PAT)	(106.11)	133.50

The Total Revenue of the Company declined during the year ended 31st March, 2021 by around 15% on account of the impact in the economy caused due to the outbreak of the Covid-19 Pandemic and the consequential lockdowns/restrictions imposed by the Government Authorities to control the pandemic during the said year. The reduction in turnover and the fixed overheads incurred by the Company led to a decrease in its EBITDA Margins, compared to its previous year.

DIVIDEND

In view of the brought forward unabsorbed accumulated losses, the Directors express their inability to recommend any dividend for the year under review.

COVID-19 PANDEMIC

The Company's operations were impacted during April 2020 due to the lockdown announced by the Government of India on account of COVID-19 outbreak. There was a temporary suspension of the Company's operations at its Nagpur Facility. However, post the permission for operations of certain activities by the Government of India, the Company had resumed operations at its Nagpur Facility from May 2020. The Company is taking adequate steps and precautionary measures to ensure smooth functioning of its operations and the safety and well-being of all its employees.

The Board of your Company monitors the situation and makes assessment of the likely impact of the pandemic on overall economic environment and its operations. In the prevailing circumstances, the Company does not anticipate any challenge in meeting its future obligations and as such does not expect any impact of COVID 19 outbreak on its ability to continue as a going concern.

SCHEME OF AMALGAMTION

The proposed Scheme of Amalgamation in terms of Section 230-232 of The Companies Act, 2013 involving (a) Neptune Exports Limited (b) Northern Projects Limited (c) Tea Time Limited and (d) Orient International Limited with the Company has received the NOC from the Stock Exchanges during the year ended 31st March, 2021. The Company is in the process of obtaining other necessary approvals/consents including that of the Shareholders and the National Company Law Tribunal, Kolkata Bench.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review is appended below:-

A. BUSINESS

The Company is engaged in the manufacturing of Alloy and Stainless Steel Castings with stringent quality requirements required in Turbines, Metal Shredding, Earth Moving and Mining Equipment, Power Plants, Pumps, Valves, Compressors and other Heavy Engineering Industries. The Company's manufacturing unit is located in Nagpur.

B. REVIEW OF OPERATIONS & FUTURE PROSPECTS

The key operational highlights of the Company have been:-

- Development of Pump Casings in Super Duplex Stainless Steel grade.
- Impellers, Bowl and bell in CD4MCuN Grade developed.
- Development of 9.5 M/T single piece Discharge Bowl in Grey Cast Iron.
- Increase in Line molding capacities by modification of existing line.
- Successful development of Creep Steel Castings.
- Development of Duplex Stainless Steel Grade 5A Castings.
- Concentration on making of only High Alloy Steel Castings (H.A.S.) with good margins.

C. OPPORTUNITIES AND THREATS, RISKS AND CONCERNS

Opportunities for these Industries exist (a) in the development and supply of high contribution items and (b) catering to the requirements of export markets.

The risks and areas of concern for your Company are:-

- (i) Demand for Company's products in few critical segments only.
- (ii) Uncertainty in the business environment on account of Covid-19 pandemic
- (iii) Heavy Dependence on Few Customers in the Export Market.
- (iv) Currency Fluctuations in adverse direction.
- (v) Fluctuations in raw material prices that can affect orders with no price variation clause.
- (vi) Pressure on Pricing.

D. INTERNAL CONTROL SYSTEM

The Company has internal control procedures commensurate with the nature of its business and size of its operations. The objective of these procedures are to ensure efficient use and protection of the Company's resources, accuracy in financial reports and due compliance of statutes and Company policies and procedures. The Internal Audit function is conducted by a Senior Management Team of the Company.

The adequacy of internal control systems are reviewed by the Audit Committee of the Board in its periodical meetings.

E. HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Industrial Relations were cordial during the year under review. There was no industrial relation related problem during the year.

F. SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

There were no significant change (in terms of the Listing Regulations) in the Key Financial Ratios of the Company except for the Debtors Turnover Ratio which increased during the year on account of lower collection made from Debtors, as compared to previous financial year, in view of the prevailing pandemic.

CORPORATE GOVERNANCE

The principles of good Corporate Governance through professionalism, accountability, transparency, trusteeship and control have always been followed by your Company and it has complied with all the applicable provisions of Corporate Governance as per the Listing Regulations. A separate Report on Corporate Governance forms part of the Annual Report 2020-21 along with the Auditors' Certificate on its compliance in **Annexure B**.

DIRECTORS

Mr. Prakash Agarwal, Director retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

Mr. S.K. Roychowdhury (DIN 09116850) was appointed as an Additional Director (in the capacity of Independent Director) on the Company's Board with effect from 2nd April, 2021 in terms of Section 161 of The Companies Act, 2013 and is liable to hold office till the ensuing Annual General Meeting (AGM) of the Company. Necessary resolution for appointing him as an Independent Director for a period of five years forms part of the Notice of the ensuing AGM.

The Brief Resumes of the Directors seeking appointment/reappointment at the ensuing AGM is attached to the Notice of the said Meeting.

NO. OF BOARD MEETINGS HELD

During the year 2020-21, Seven (7) Board Meetings were held on 6th July, 2020, 31st July, 2020, 18th August, 2020, 15th September, 2020, 13th November, 2020, 19th December, 2020 and 13th February, 2021.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 134(5) of The Companies Act, 2013, the Directors state as follows that:-

- (i) in the preparation of the Annual Accounts for the financial year ended 31st March, 2021, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the financial year and of the profit or loss of your Company for that period;
- (iii) the Directors had 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;
- (iv) the Directors had prepared the accounts for the financial year ended 31st March, 2021 on a "going concern" basis;
- (v) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (vi) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such were adequate and operating effectively.

POLICY FOR DIRECTORS APPOINTMENT

The Company believes that in order to ensure that the Board of Directors can discharge their duties and responsibilities effectively; it aims to have a Board with optimum combination of experience and commitment with the presence of Independent Directors. Such Board can provide a long term plan for the Company's growth, improve the quality of governance and increase the confidence of its shareholders.

The Company has a policy in terms of Section 178(3) of The Companies Act, 2013 on directors' appointment and remuneration including the criteria for determining their qualifications, positive attributes and independence.

BOARD EVALUATION

The Board evaluated the effectiveness of its functioning and that of the Committees and of Individual Directors by seeking inputs on various aspects of Board/Committee Governance and considered and discussed in details the inputs received from the Directors.

The aspects covered in the evaluation included the contribution to and monitoring of corporate governance practices, participation in strategic planning and fulfillment of their obligations including but not limited to their participation in the Board/Committee Meetings.

INDEPENDENT DIRECTORS DECLARATION

The Independent Directors meet the criteria of being Independent (as prescribed in The Companies Act, 2013 and the Listing Regulations) and an Independency Certificate from them have been obtained.

ANNUAL RETURN

As provided under Section 92(3) read with Section 134(3)(a) of The Companies Act, 2013, the Annual Return as on 31st March, 2021 in Form MGT-7 is available on the Website of the Company at: www.hul.net.in/investor.php.

STATUTORY AUDITORS

M/s Salarpuria & Partners, Chartered Accountants (Firm Registration No. 302113E) continue to be the Statutory Auditors of the Company as they were appointed as such for a term of 5 years commencing from the Financial Year 2017-18.

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Rules there under, the Board of Directors of the Company has appointed a Practicing Company Secretary to conduct the Secretarial Audit of the Company for the financial year 2020-21. The Secretarial Audit Report for the financial year ended 31.03.2021 is annexed herewith as **Annexure C**, as part of this Report.

COST AUDIT

The Company is not required to maintain cost records in terms of Section 148(1) of The Companies Act, 2013.

RELATED PARTY TRANSACTIONS

All contracts/arrangements/transactions entered by the Company with its Related Parties during the financial year were on arm's length basis and in the ordinary course of business. Hence, the provisions of Section 188 of The Companies Act, 2013 and disclosure in Form AOC-2 are not applicable. The transactions with Related Parties are disclosed in the Notes to the Financial Statements.

PARTICULARS OF LOANS, INVESTMENTS AND GUARANTEES

Details of Loans, Investments and Guarantees, if any, given/made by the Company are disclosed in the Notes to the Financial Statements.

VIGIL MECHANISM

Pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism of Directors and Employees has been established, details of which are given in the Corporate Governance Report.

RISK MANAGEMENT

Risk Management is the process of identification, assessment and prioritization of risks to minimize/mitigate/monitor the probability and/or impact of unfortunate events. Risk Management Policy enables the Company to manage such uncertainties and changes in the internal and external environment to reduce their negative impact. The Board of Directors of the Company, as and when needed, develops such policies for assessing and managing the risks in accordance with the requirements of the Companies Act, 2013.

PARTICULARS OF EMPLOYEES

Information required to be given pursuant to the provisions of section 197(12) of The Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure D**.

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

Particulars relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo, as required under section 134(3)(m) of The Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are given in the **Annexure A**.

CODE OF CONDUCT

Your Company has formulated a Code of Conduct which applies to Board Members and Senior Management Personnel of the Company. Confirmations towards adherence to the Code during the Financial Year 2020-21 have been obtained from all the Board Members and Senior Management Personnel in terms of the Listing Regulations and a declaration relating to compliance of this code during the year by all Board Members and Senior Management Personnel has been given by the Managing Director of the Company which accompanies this report.

MATERIAL CHANGES AND COMMITMENT

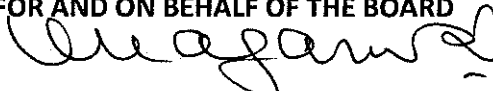

There were no material changes and commitments affecting the financial position of the Company which has occurred between the financial year to which these Financial Statements relate and date of this report.

ACKNOWLEDGEMENTS

Your Directors would like to thank shareholders, customers, suppliers, bankers, employees and all other business associates for the support given by them to the Company and their confidence in its management.

PLACE: KOLKATA
DATE: 30TH JUNE, 2021

FOR AND ON BEHALF OF THE BOARD



DIRECTORS

ANNEXURE-A

PARTICULARS AS REQUIRED UNDER SECTION 134(3) OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (ACCOUNTS) RULES, 2014

ENERGY CONSERVATION MEASURES TAKEN:

The Company endeavors to control and reduce the energy consumption per unit of production. Energy Conservation Measures taken by the Company are:-

- i) Replacement of motors/ pumps/ lighting with energy efficient models.
- ii) Optimization of electrical distribution system.
- iii) Use of mostly Induction Furnaces for melting instead of Electric ARC Furnace.
- iv) Rationalization of Pump Capacities and use of pumps with lower power ratings with the same efficiency.
- v) Use of duplex billets instead of Loose Scrap for manufacturing of Duplex Steel Castings.

TECHNOLOGY ABSORPTION:

Research and Development, as required, is carried on for improvement in the quality of the existing products and production process so as to bring them in line with the requirements of Customers or Industry Standards. Expenditure on Research and Development are charged under primary heads of accounts.

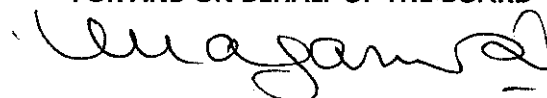
The Company has not imported any new technology during the last three years reckoned from the beginning of the Current Financial Year i.e. 1st April, 2020.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

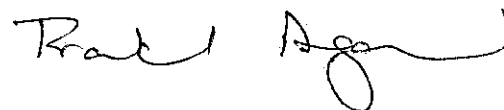
Foreign Exchange earned	Rs. 92.34 Lakhs
Foreign Exchange used	----

PLACE: KOLKATA
DATE: 30TH JUNE, 2021

FOR AND ON BEHALF OF THE BOARD



DIRECTORS



REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance:-

1) THE COMPANY'S GOVERNANCE PHILOSOPHY

Corporate Governance is based on the principles of integrity, fairness, equity, transparency, accountability and commitment to values. Good Governance practices stem from culture and mind set of the organization. As stakeholders across the country evidence keen interest in the practices and performance of Companies, Corporate Governance has emerged on the centre stage.

The Company has always believed in conducting its affairs in a fair and transparent manner and in maintaining the highest ethical standards in its dealings with all its constituents. It aims to constantly review its systems and procedures at all levels to achieve the highest level of Corporate Governance in the overall interest of all the Shareholders.

The details of compliances made by the Company for the year ended 31st March, 2021 are as follows:

2) BOARD OF DIRECTORS

- The Board of Directors is the apex body constituted by the shareholders for overseeing the overall functioning of the Company. The Board provides and evaluates the strategic direction of the Company, management policies and their effectiveness and ensures that long term interests of the shareholders are being served.
- The Company's policy is to maintain an optimum combination of Executive and Non-Executive Directors. As on 31.03.2021 the Company's Board consisted of Four Directors who are eminent Professionals with experience and expertise in Business, Industry, Finance and Law.
- Criteria for identification of core skill/expertise/competence of Board Members

The Company aims to have a Board with an ideal combination of experience and commitment to ensure that it discharges its duties and responsibilities effectively. In this regards, the Board of Directors have identified the following core skills/expertise/competencies that shall enable it to function effectively and are actually available with it:-

- (i) Leadership
- (ii) Familiarities with the business of the Company
- (iii) Exposure on various laws
- (iv) Expertise in Operations
- (v) Analytical skills
- (vi) Experience of administration and finance functions

The Board is satisfied that the current Board composition meets the requirements of skills/expertise/competencies, as identified above.

- The Composition of the Board as on 31.03.2021 are as follows:-

Sl. No.	Category	No. of Directors	% of Total
1.	Executive Director & Promoter - Managing Director	1	25.00
2.	Non-Executive Director & Promoter	1	25.00
3.	Non-Executive & Independent Director	2	50.00
	TOTAL	4	100.00

- Details relating to the Composition of the Board as on 31.03.2021 are as follows:-

Sl.	Name of the Board Members	Category	No. of other Directorships In Indian Companies	No. of other Board Committee(s) of which he/she is a Member	No. of other Board Committee(s) of which he/she is a Chairperson
1.	Mr. V. N. Agarwal DIN:00408731	Managing Director & Promoter	7	7	---
2.	Mr. Prakash Agarwal DIN:00249468	Non - Executive & Promoter	10	1	--
3.	Mr. B.K. Mawandia DIN:08770046	Non - Executive & Independent	4	4	2
4.	Mrs. Kiran Darolia DIN:08240886	Non - Executive & Independent (Woman Director)	1	--	--

- The Committee Memberships/Chairmanships considers Audit Committee and Stakeholders Relationship Committee only.
- Mr. Prakash Agarwal is the son of Mr. V.N. Agarwal
- The Non-Executive Directors do not hold any shares in the Company except for Mr. Prakash Agarwal who holds 5,16,200 shares in the Company.

- In the opinion of the Board of Directors the Independent Directors fulfill the conditions as specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of management.
- Mr. S.K. Roychowdhury (DIN: 09116850) was appointed as an Independent Director on the Board with effect from 2nd April, 2021.

- Details regarding the directorships of the Board Members in Listed Entities as on 31st March, 2021 are given below:-

SL.	DIRECTOR NAME	LISTED ENTITY NAME	CATEGORY OF DIRECTORSHIP
1.	Mr. V.N. Agarwal	a) Hindusthan Udyog Limited b) Asutosh Enterprises Limited c) Bengal Steel Industries Limited d) Tea Time Limited e) Neptune Exports Limited f) Northern Projects Limited	Managing Director Non-Executive & Promoter Non-Executive & Promoter Non-Executive & Promoter Non-Executive & Promoter Non-Executive & Promoter
2.	Mr. Prakash Agarwal	a) WPIL Limited b) Hindusthan Udyog Limited c) Bengal Steel Industries Limited	Managing Director Non-Executive & Promoter Non-Executive & Promoter
3.	Mr. B.K. Mawandia	a) Hindusthan Udyog Limited b) Tea Time Limited c) Northern Projects Limited d) Orient International Limited	Independent Independent Independent Independent
4.	Mrs. Kiran Darolia	a) Hindusthan Udyog Limited	Independent

3) BOARD MEETINGS & AGM HELD DURING THE FINANCIAL YEAR 2020 - 21

(i) During the Financial Year 2020-21 Seven Board Meetings were held on:-

6th July, 2020, 31st July, 2020, 18th August, 2020, 15th September, 2020, 13th November, 2020, 19th December, 2020 and 13th February, 2021.

(ii) Attendance record of the Directors at the Board Meetings and the last AGM are as follows:-

Name of the Board Members	No. of Board Meetings Attended	Attendance at the last AGM held on 28.09.2020
Mr. V. N. Agarwal	7	Yes
Mr. Prakash Agarwal	7	Yes
Mr. B.K. Mawandia	7	Yes
Mrs. Kiran Darolia	7	No

4) BOARD MEETINGS

- i) The Company's Governance policy requires the Board to meet at least four times in a year with a time gap between any two Board Meetings not exceeding one hundred and twenty days.
- ii) In terms of Company's Corporate Governance Policy, all statutory, significant and material information (including compliance reports of all laws applicable to the Company as well as steps taken by the Company to rectify instances of non-compliances) are placed before the Board to enable it to discharge its responsibility.
- iii) The Internal Guidelines for Board Meetings facilitate the decision making process at the Meeting of the Board in an informed and efficient manner.

5) BOARD AGENDA

Meetings are governed by structured Agenda. The Board Members in consultation with the Chairman may bring up any matter for the consideration of the Board.

6) BOARD PROCEDURE

- (i) The Members of the Board are provided with the requisite information as required by Part A of Schedule II read with Regulation 17(7) of SEBI (LODR) Regulations 2015 well before the Board Meetings and the same were dealt with appropriately.
- (ii) All Directors who are in various committees are within the permissible limits in terms of Regulation 26(1) of SEBI (LODR) Regulations, 2015. The Directors from time to time have intimated to the Company their Memberships/ Chairmanships in various Committees in other Companies.

7) POST MEETING FOLLOWUP SYSTEM

The Governance process in the Company includes an effective post-meeting follow up, review and reporting process for action taken/pending on decision of the Board/Board Committees.

8) SEPARATE MEETING OF INDEPENDENT DIRECTORS

The Independent Directors held a Meeting on 13th February, 2021 without the presence of any Non-Independent Directors and Members of Management wherein they (i) reviewed the performance of Non-Independent Directors and the Board as a whole and (ii) assessed the quality, quantity and timelines of flow of information between the Company Management and Board that was necessary for the Board to effectively and reasonably perform their duties.

9) VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has established a vigil mechanism for the Directors and Employees which enable them to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The mechanism also provides for adequate safeguards against victimization of Directors/Employees who avail the mechanism.

This functioning of this Policy is reviewed by the Audit Committee and it is ensured that no employee is denied access to the Committee. During the year ended 31st March, 2021, there was no instance where an Employee was denied access to the Audit Committee in this regards.

10) COMMITTEES OF THE BOARD

Currently there are three Board Committees - the Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee. The Terms of reference of the Board Committees are determined by the Board from time to time. Meetings of each Board Committee are convened by the respective Committee Chairman. Signed Minutes of Board Committee Meetings are placed at the Board Meetings for the information of the Board.

i) AUDIT COMMITTEE

Audit Committee of the Board, inter alia provides re-assurance to the Board on the existence of an effective internal control environment that ensures:-

- (a) Overseeing the Company's financial reporting process and the disclosures of its financial information to ensure that the financial statements are correct, sufficient and credible.
- (b) Compliance with Listing and legal requirements concerning financial statements.
- (c) Recommending to the Board the appointment/re-appointment of Statutory Auditors, fixation of their Audit Fees and approving payments made for any other services rendered by them.
- (d) Reviewing with the Management the Quarterly and the Annual Financial Statements before submission to the Board for approval.
- (e) Reviewing with the management the performance of the Statutory Auditors and the adequacy of internal control function.
- (f) Discussion with the Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussions to ascertain any area of concern.

- (g) Reviewing the Internal Audit function and the progress in the implementation of recommendations contained in the Internal Audit Report.
- (h) Efficiency and effectiveness of operations.
- (i) Valuation of undertakings or assets of the Company, wherever it is necessary.
- (j) Reliability of financial and other management information and adequacy of disclosures
- (k) Compliance with all relevant statutes.
- (l) Approval of Company's Related Parties Transactions.
- (m) Reviewing the functioning of Whistle Blower mechanism.
- (n) Approval of appointment of Chief Financial Officer after considering his/her qualifications, experience, background etc.

The composition of the Audit Committee as on 31.03.2021 was as follows:-

Name of the Director	Chairman/ Member	Category
Mr. B.K. Mawandia	Chairman	Non-Executive & Independent
Mr. Prakash Agarwal	Member	Non-Executive & Promoter
Mrs. Kiran Darolia	Member	Non-Executive & Independent

During the Financial Year 2020-21 Four Audit Committee Meetings were held and the Attendance of the Members at the said Meetings is given below:-

Name of the Director	No. of meetings attended
Mr. B.K. Mawandia	4
Mr. Prakash Agarwal	4
Mrs. Kiran Darolia	4

ii) **STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Stakeholders Relationship Committee oversees redressal of Shareholders grievances relating to transfer/transmission of shares, non-receipt of Annual Report etc.

The said Committee as on 31st March, 2021 consisted of Mr. B.K. Mawandia, Mr. Prakash Agarwal and Mrs. Kiran Darolia with Mr. B.K. Mawandia as the Chairman of the Committee.

Ms. Shikha Bajaj, Company Secretary acts as the Compliance Officer of the Company.

A Meeting of the Members of Stakeholders Relationship Committee was held on 13th February, 2021.

During the year ended 31st March 2021, no complaints/queries were received and no complaint/query was pending to be resolved as on 31st March, 2021.

iii) **NOMINATION AND REMUNERATION COMMITTEE**

The terms of reference of Nomination and Remuneration Committee involves:-

- (a) Formulation of criteria for determining qualifications, positive attributes and independence of Director and recommend to the Board a policy relating to the remuneration of the Directors and Key Managerial Personnel.
- (b) Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board their appointment and removal.
- (c) Formulation of criteria for evaluation of performance of Independent Directors and Board of Directors.

The Composition of the Nomination and Remuneration Committee as on 31.03.2021 was as follows:-

Name of Director	Chairman/Member
Mrs. Kiran Darolia	Chairman
Mr. Prakash Agarwal	Member
Mr. B.K. Mawandia	Member

During the Financial Year 2020-21 two Nomination and Remuneration Committee Meetings were held on 6th July, 2020 and 19th December, 2020 which were attended by all of its Committee Members.

The Criteria for performance evaluation of Independent Directors is given below:-

- (a) Updated on skills, knowledge, familiarity with the Company, its business and the external environment in which it operates.
- (b) Participates in development of strategies.
- (c) Committed to the fulfillment of Directors obligations and fiduciary responsibilities.

- (d) Quality of analysis and judgment related to progress, opportunities and need for changes.
- (e) Contributes adequately to address the top management issues.
- (f) Considers adequately before approving any Related Party Transactions.
- (g) Acts within authority and assists in protecting the legitimate interests of Company, Shareholders and its employees.
- (h) Ensures that vigil mechanism has been properly implemented and monitored.
- (i) Reports concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy.
- (j) Does not disclose confidential information, commercial secrets, technologies, unpublished price sensitive information unless such disclosure is approved by the Board or required by law.

Mr. V.N. Agarwal was re-appointed as the Managing Director of the Company, subject to the approval of Shareholders to be obtained at the ensuing AGM, for a period of three years with effect from 1st January, 2021.

Details of Remuneration paid to Mr. V.N. Agarwal as Managing Director during the year 2020-21 are as follows:-

Salary	Perquisites	Total
Rs. 30,00,000/-	-----	Rs. 30,00,000/-

Apart from Sitting Fees, no other remuneration is paid/payable to the Non-Executive Directors. Sitting fees paid to the Non-Executive Directors for the financial year ended 31st March 2021 were as follows:-

Name of the Director	Sitting Fees paid
Mr. Prakash Agarwal	Rs. 7,000/-
Mr. B.K. Mawandia	Rs. 7,000/-
Mrs. Kiran Darolia	Rs. 7,000/-

11) GENERAL MEETINGS

i) Details of Annual General Meeting (AGM) held in the last three years are as under:-

Financial Year	Location	Date	Time
2019 – 2020	Registered Office at : Trinity Plaza, 3 rd Floor, 84/1A, Topsia Road (South), Kolkata-700046.	28 th September, 2020	10.00 a.m.
2018 – 2019		30 th September, 2019	10.00 a.m.
2017 – 2018		28 th September, 2018	10.00 a.m.

- ii) Whether any Special Resolutions were : Yes.
passed in the previous Three AGMs

At AGM held on 28.09.2020

a) Granting of Loans, Guarantee and Security in terms of Section 185 of The Companies Act, 2013

At AGM held on 30.09.2019

a) Reappointment of Mr. A.K. Ghosh as an Independent Director for a further period of five years from the conclusion of said AGM.

b) Postponement of date of redemption of 10% Cumulative Redeemable Preference Shares of Rs. 10/- each.

At AGM held on 28.09.2018

Reappointment of Mr. V.N. Agarwal as Managing Director for a period of 3 years commencing from 01.01.2018

- iii) Whether Special Resolutions were put : No
through Postal Ballot last year

- iv) Are Special Resolutions proposed to be put : No
through Postal Ballot this year

- v) Procedure to be followed for Postal Ballot : In accordance with the applicable
(if applicable) provisions of the Companies Act, 2013 read with the Rules made thereunder.

12) DISCLOSURES

- i) There are no materially significant transactions with the Related Parties that may have potential conflict with the interests of the Company at large, except as disclosed in the Notes to the Financial Statements. The policy on dealing with Related Parties is available on the website of the Company.
- ii) No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any Statutory Authority on any matter related to the capital markets during the last three years.

- iii) Your Company has a well laid out Code of Conduct and Business Ethics for the Board of Directors and Senior Management Personnel. It is one of the best means for increasing the transparency in the working of the Companies. The Board Members and the Senior Management Personnel of the Company adhere to this principle and compliance with the same is affirmed by each of them annually.
- iv) The Company is in compliance with the requirements of the Corporate Governance, which reflects in this Report.
- v) The Members of the Company at their AGM held on 26.09.2017 had authorized the Board of Directors to fix the remuneration payable to the Statutory Auditors in consultation with them. Based on the recommendation of the Audit Committee and after consulting the Statutory Auditors, the Board of Directors have approved Rs. 4,60,000/- towards remuneration payable to the Statutory Auditors for the services rendered by them during the Financial Year 2020-21.
- vi) In line with the amended SEBI regulations, a Certificate from a Company Secretary in Practice has been obtained by the Company confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Company by SEBI/Ministry of Corporate Affairs or any other statutory authority.

13) MEANS OF COMMUNICATIONS

- (i) **Quarterly Results:** - Quarterly Results are generally announced within a period of 45 days from the end of the relevant Quarter (except for the last quarter) and are published in The Financial Express (English) and Ekdin (Bengali) Newspapers. In place of the results for the last quarter, the Company opts to submit the Audited Financial results for the entire financial year.
- (ii) **Annual Reports:** - Audited Annual Accounts, Directors' Report, Auditors' Report and other important information are circulated to members and others entitled thereto.
- (iii) **Website:** - The Quarterly Results are displayed on the Website of the Company (www.hul.net.in).
- (iv) **Official News Releases:** - Official News Releases, if any, are displayed on the Website of the Company.
- (v) **Displays, Presentations etc:** - Displays, presentations etc are not made to Institutional Investors/Analysts and hence not displayed on the Company's Website.

14) GENERAL SHAREHOLDERS' INFORMATION

(i) Company Registration Details

The Company is registered in the State of West Bengal. The Corporate Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs is **L27120WB1947PLC015767**.

(ii) Annual General Meeting to be held – Day, Date, Time and Venue:

Sl. No.	Particulars	Remark
A.	Day	Wednesday
B.	Date	29 th day of September, 2021
C.	Time	10.00 a.m.
D.	Venue	Registered Office at: Trinity Plaza, 3 rd Floor, 84/1A, Topsia Road (South), Kolkata-700046.

(iii) Financial Calendar for the Year 2021 - 22

Sl.	Particulars	Remarks
A.	1 st Quarter ending 30 th June, 2021	Before 14 th August, 2021
B.	2 nd Quarter and Half-year ending 30 th September, 2021	Before 14 th November, 2021
C.	3 rd Quarter ending 31 st December, 2021	Before 14 th February, 2022
D.	4 th Quarter & Year ending 31 st March, 2022	Before 30 th May, 2022

The above dates may be extended in view of the timeframes, if any, extended by the Appropriate Authorities due to the prevailing Covid-19 Pandemic.

- (iv) Dates of Book Closure:** 27.09.2021 to 29.09.2021
(Both days inclusive for the purpose of AGM)
- (v) Dividend payment date:** Not applicable since no dividend has been recommended for the year ended 31st March, 2021.
- (vi) Name of the Stock Exchanges at which Equity Shares are listed and Scrip Code assigned to the Company's shares at the respective Stock Exchanges:**

The Equity Shares of the Company are listed on the following Stock Exchanges:-

1. BSE Limited (BSE)
P.J. Towers, 25th Floor,
Dalal Street, Mumbai – 400001
Scrip Code: 513039
2. The Calcutta Stock Exchange Limited (CSE)
7, Lyons Range, Kolkata – 700001
Scrip Code: 18142

The listing fees for the Financial Year 2021-22 are being paid to both the Stock Exchanges.

(vii) Market Price Data:

There was no trading of the shares of the Company at the BSE and CSE during the year ended 31st March, 2021.

(viii) Registrars and Share Transfer Agents:

M/s Link Intime India Private Limited are the Registrar and Share Transfer Agents (RTA) of the Company.

Shareholders may address all their correspondences/queries relating to Dematerialization of Shares, transfer/transmission of physical securities, change of address, non-receipt of dividend or any other query relating to the Shares of the Company to them at the below mentioned Address:-

LINK INTIME INDIA PRIVATE LIMITED
Vaishno Chambers, 5th Floor,
6, Brabourne Road, Flat Nos. 502 & 503,
Kolkata – 700001
Tel : 033 4004 9728
Fax No: 033 4073 1698
E-mail ID : kolkata@linkintime.co.in

(ix) Share Transfer System:

All work relating to transfer/transmission of Physical Shares are processed by the Company's RTA at their above mentioned Address.

The same are registered and returned within a period of 15 days from the date of receipt if the documents are clear in all respects.

In terms of the Listing Regulations, the Company obtains half yearly Certificates from a Company Secretary in practice for due compliance of share transfer formalities.

(x) Dematerialization of Equity Shares:-

The Equity Shares of the Company are admitted with Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL) for enabling the Investors to hold and trade in the shares of the Company in dematerialized form.

The ISIN Number as activated by both CDSL and NSDL in respect of our Equity Shares is INE582K01018.

As on 31st March, 2021, 57,50,760 Equity Shares representing 80.13% of the Company's Total Equity Shares were held in dematerialized form.

(xi) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion dates and like impact on Equity:

NOT APPLICABLE [The Company has not issued any GDRs/ADRs/ Warrants or any other Convertible Instruments].

(xii) Distribution Schedule:

The Distribution Pattern of the Equity Shares of the Company as on 31st March, 2021 is given below:-

Sl. No.	No. of Equity Shares held	No. of Holders	% of total holders	No. of Shares	% of Shareholding
1.	1 - 5000	11	21.15	5,313	0.07
2.	5001 - 10000	2	3.84	19,052	0.27
3.	10001 - 50000	25	48.08	6,69,593	9.33
4.	50001 - 100000	2	3.84	1,15,267	1.61
5.	100001 - 500000	5	9.62	11,76,225	16.39
6.	500001 - above	7	13.47	51,91,275	72.33
	Total	52	100.00	71,76,725	100.00

(xiii) Shareholding Pattern as on 31st March, 2021:-

	Category	No. of Equity Shares held	Percentage of holding
A.	Promoters' holding :		
	1. Indian Promoters	53,79,910	74.96
	Sub-Total	53,79,910	74.96
B.	Non-Promoters' holding :		
	1. Institutional Investors	----	----
	2. Others :		
	-- Corporate Bodies	1,73,117	2.41
	-- Indian Public	16,23,698	22.63
	Sub-Total	17,96,815	25.04
	GRAND TOTAL	71,76,725	100.00

(xiv) Commodity price risk or foreign exchange risk and hedging activities

NOT APPLICABLE [The Company has got no significant exposure in respect of commodity price risk or foreign exchange risk and has not undertaken any hedging activity]

(xv) Credit Ratings obtained by the Company on its debt instruments or any fixed deposit programme or any scheme or proposal involving mobilization of funds

NOT APPLICABLE [The Company has no debt instruments or any fixed deposit programme or any scheme or proposal involving mobilization of funds]

(xvi) Plant Locations:

A-1/2, Butibori Industrial Area, Ruikhairi, MIDC-Butibori, Dist Nagpur - 441122

(xvii) Address for correspondence:

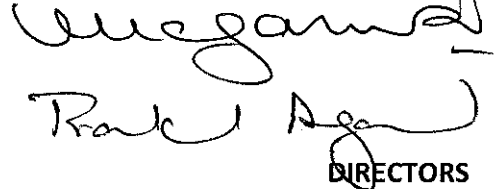
Shareholders should address their correspondence to Company's RTA at their above mentioned Address or to Secretarial Department of Company at the following address:-

HINDUSTHAN UDYOG LIMITED

Trinity Plaza, 3rd Floor,
84/1A, Topsia Road (South),
Kolkata – 700046
Tel : 033 4055 6800/6808
Fax No: 033 4055 6863
E-mail ID : kkg@hul.net.in

The above report has been placed before the Board at its Meeting held on 30th June, 2021 and the same was approved.

FOR AND ON BEHALF OF THE BOARD



DIRECTORS

PLACE: KOLKATA
DATE: 30TH JUNE, 2021

DECLARATION BY THE MANAGING DIRECTOR ON THE CODE OF CONDUCT

I hereby confirm that the Company has obtained from all Board Members and Senior Management Personnel affirmation that they have complied with Code of Business Conduct and Ethics for Directors and Senior Management Personnel in respect of the Financial Year 2020-21.

FOR HINDUSTHAN UDYOG LIMITED



[V. N. AGARWAL]
MANAGING DIRECTOR

PLACE: KOLKATA
DATE: 30TH JUNE, 2021



Salarpuria & Partners

CHARTERED ACCOUNTANTS

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AUDITORS' CERTIFICATE

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

TO
THE MEMBERS OF HINDUSTHAN UDYOG LIMITED

We have examined the compliance of conditions of Corporate Governance by HINDUSTHAN UDYOG LIMITED for the year ended 31st March 2021, as stipulated in Regulations 17 to 27 and clause (a) to (i) and (t) of Regulation 46(2) and para C, D & E of Schedule V to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of Management. Our examination was limited to the procedures and the implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an 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 and the representation made by the Directors and the Management, 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 future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

FOR SALARPURIA & PARTNERS

CHARTERED ACCOUNTANTS

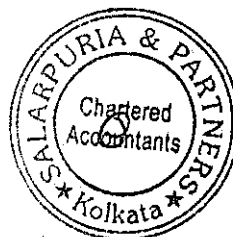
FRN REG. NO.302113E

Nihar Ranjan Nayak

N. R. Nayak

Chartered Accountant
Membership No.-57076
Partner

UDIN - 21057076 AAAADD2611
PLACE: KOLKATA
DATE: 30.06.2021



Rinku Gupta & Associates

Company Secretaries

Office : Todi Mansion,
1 Lu Shun Sarani, 13th floor
Room no.1311 , Kol-73, Mob -
9883046454/8910259510
Email:csrinku.gupta@gmail.com

ANNEXURE C

Form MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

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

TO
THE MEMBERS OF
HINDUSTHAN UDYOG LIMITED
TRINITY PLAZA, 3RD FLOOR,
84/1A, TOPSIA ROAD (SOUTH),
KOLKATA -700046

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices by **HINDUSTHAN UDYOG 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 our 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 audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2021** complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:-

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 according to the applicable provisions of:-
 - (i) The Companies Act, 2013 (the Act) and the Rules made there under;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
 - (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under (Not applicable to the Company during audit period);
 - (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 (Not applicable to the Company during audit period);
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during audit period);
 - d. The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014 (Not applicable to the Company during audit period);
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during audit period);
 - 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 audit period);
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during audit period);
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during audit period);
- (vi) There are no such laws that are specifically applicable to the Company with respect to the sector in which it is operating.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and The Calcutta Stock Exchange Limited read with The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the amendments thereto.

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

3. We further report that:

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

- (b) Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation of the meeting;
- (c) Majority decision is carried through while the dissenting members views, if any, are captured and recorded as part of the minutes.
4. We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
5. We further report that during the year ended 31st March, 2021 the proposed Scheme of Amalgamation in terms of Section 230-232 of The Companies Act, 2013 of Neptune Exports Limited, Northern Projects Limited, Tea Time Limited and Orient International Limited with Hindusthan Udyog Limited had received the NOC from the Stock Exchanges and the same is in process of obtaining others necessary approval/consent including that of the Shareholders and The National Company Law Tribunal, Kolkata Bench.

**FOR RINKU GUPTA & ASSOCIATES
COMPANY SECRETARIES**


RINKU GUPTA
Company Secretary in Practise,
C. P. No. 9248

PLACE: KOLKATA

DATE: 30TH JUNE, 2021

**RINKU GUPTA
COMPANY SECRETARY IN PRACTISE
FCS-9237, CP NO. 9248**

UDIN : F009237C000549381



PARTICULARS OF EMPLOYEE AND RELATED DISCLOSURES

- (a) Ratio of remuneration of each Director to the median remuneration of Company's employees for the financial year.

SL.	DIRECTOR NAME	DESIGNATION	RATIO TO MEDIAN REMUNERATION
1	Mr. V.N. Agarwal	Managing Director	6.65

The Other Directors of the Company only received Sitting Fees for attending the Board Meetings and accordingly their remuneration and ratio of same to median remuneration are very negligible, hence not reported separately.

- (b) Percentage increase in remuneration of each Director and KMP during the Financial Year



Sl.	Name	Designation	Remuneration paid FY 2020-21 (Rs. In Lakhs)	Remuneration paid FY 2019-20 (Rs. In Lakhs)	Increase in remuneration (Rs. In Lakhs)
1	Mr. V.N. Agarwal	Managing Director	30.00	30.00	---
2	Ms. Shikha Bajaj	Company Secretary	11.88	11.55	0.33

There was no increase in the remuneration of the Other Directors of the Company as they are not paid any remuneration except for Sitting Fees for attending the Board Meetings.

- (c) The percentage increase in the median remuneration of employee during the Financial Year was around 5%
- (d) The number of Permanent employees on the rolls of the Company is 110.
- (e) Average percentile increase already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and whether there are any exceptional circumstances for increase in managerial remuneration.

The average annual increase in the salaries of employees is around 5% and the same is on account of yearly increments. However, there was no increase in managerial remuneration during the year. Same is not done annually and is taken up at the time of reappointment which is generally once in three years.

FOR AND ON BEHALF OF THE BOARD



 DIRECTORS

PLACE: KOLKATA
 DATE: 30TH JUNE, 2021

SALARPURIA & PARTNERS
7, CHITTARANJAN AVENUE,
Kolkata 700 072
Phone No.2237 5400 / 5401
Fax No. : (033) 2225 0992
E-mail : salarpuria.jajodia@rediffmail.com

HINDUSTHAN UDYOG LIMITED

**BALANCE SHEET, STATEMENT OF PROFIT &
LOSS, CASH FLOW STATEMENT AND STATEMENT
OF CHANGES IN EQUITY FOR THE YEAR ENDED
31ST MARCH, 2021**



Salarpuria & Partners

CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To The Members of Hindusthan Udyog Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the Standalone Ind AS Financial Statements of **Hindusthan Udyog Limited ("the Company")**, which comprise the Balance Sheet as at 31st March, 2021, 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 Standalone Ind AS 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 Ind AS Financial Statements give the information required by the Companies Act, 2013 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, 2021, and its **Loss**, changes in equity and its cash flows for the year ended on that date.

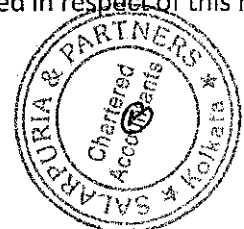
Basis for Opinion

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 Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Ind AS 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.

Emphasis of Matter

We draw attention to the following matters in the Notes to the Financial Statements:

- (a) Note No. 2 to the Financial Statements which describes that no provision for amortization has been made for long term Leasehold Land at Durgapur.
- (b) The company filed a lawsuit against Mahanadi Coalfields Ltd. For recovery of ` 91.93 lacs at Cuttack High court for which no provision has been made in the accounts.
- (c) Note 24.10 to the standalone Ind AS financial statements which, describes the assessment and impact of ongoing pandemic and various restrictions imposed by State Governments as well as Central Government on Company's operations and results. The Company has also completed assessments regarding future economic outflow, uncertainty and potential impact. The actual results may differ from such estimates depending on future developments. Our opinion is not modified in respect of this matter.





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Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the, Board's Report including Annexures to Board's Report, and Shareholder's Information, but does not include the Standalone Ind AS Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Standalone Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Ind AS Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

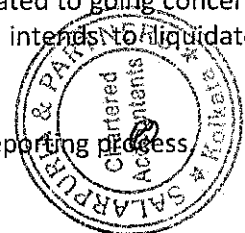
If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS Financial Statement.

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 Ind AS 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 Indian Accounting Standard specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 of the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Ind AS Financial Statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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





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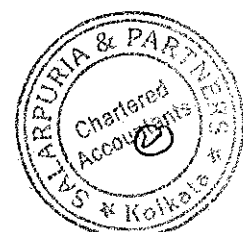
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Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Standalone Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Ind AS Financial Statements, including the disclosures, and whether the Standalone Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.





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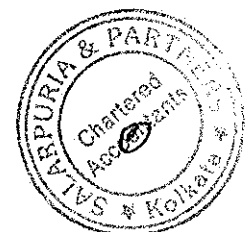
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We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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 the 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 Standalone Balance Sheet, the Standalone Statement of Profit and Loss including Other Comprehensive Income, Standalone Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Ind AS 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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 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".





Salarpuria & Partners

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- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS Financial Statements – Refer Note 24.1 to the Standalone Ind AS Financial Statements.
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (iii) There were no amount which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Salarpuria & Partners
Chartered Accountants
Firm ICAI Reg. No. 302113E

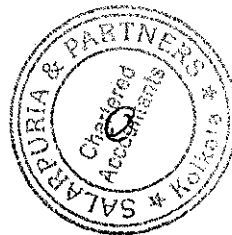
Nihar Ranjan Nayak

N. R. Nayak
Chartered Accountant
Membership No.-57076
Partner

UDIN: 21057076A A A D B 5866

Place: Kolkata

Date: 30th June, 2021





Salarpuria & Partners

CHARTERED ACCOUNTANTS

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ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

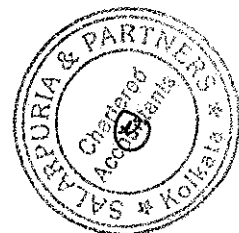
(Referred to in Paragraph 1 of Report on Other Legal and Regulatory Requirements of our Report of even date to the members)

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that:

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

(b) As explained to us, the Fixed Asset, according to the practice of the Company, are been physically verified by the management at reasonable intervals, in as phased verification programme, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the programme, a portion of the Fixed Assets has been physically verified by the management during the year and no material discrepancies between the books records and the physical Fixed Asset has been noticed.

(c) The title deeds of Immovable Properties are held in the name of the Company.
- ii) The Management has conducted the physical verification of inventory at reasonable interval, no material discrepancies have been noticed on physical verification of Inventory as compared to the book records.
- iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, limited liability partnerships, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence comment on paragraph (iii) of the said Order is not applicable.
- iv) In our opinion and according to the information and explanations given to us by the management, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013, where applicable, with respect to the loans, investments, guarantees and security made.
- v) According to the information and explanations given to us, there are no such deposits taken by the Company, for which directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposit) Rules, 2015, with regard to deposits accepted from the public are not applicable.
- vi) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub section (1) of Section 148 of the Companies Act, 2013, in respect of the activities carried on by the company. Hence, a comment on paragraph (vi) of the said Order is not applicable.





Salarpuria & Partners

CHARTERED ACCOUNTANTS

7, C. R. AVENUE, KOLKATA - 700 072

Phone : 2237 5400 / 5401, 4014 5400 - 5410

website : www.salarpuriajajodia.com

e-mail : salarpuria.jajodia@rediffmail.com

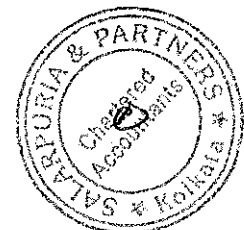
office@salarpuriajajodia.com

Branches at New Delhi & Bangalore

- vii) (a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed Statutory Dues like Provident Fund, Employees' State Insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, Goods & Service Tax and other statutory dues applicable to it with the appropriate authorities and there is no outstanding statutory dues as at 31.03.2021 for the period of more than six months from the date they became payable.
- (b) According to information and explanation given to us by the management, there were no statutory dues payable in respect of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of dispute save and except:

Name of the statute	Nature of dues	Amount (₹ in lacs)	Related Year	Forum in which Dispute is Pending
West Bengal Sales Tax Act,1994	Assessed Dues	414,263	2004-2005	WBCT(A/R) Board
Central Sales Tax Act,1956	Assessed Dues	181,067	2004-2005	WBCT(A/R) Board
Central Sales Tax Act,1956	Assessed Dues	1,634,285	1998-1999	Registrar Maharashtra Sales Tax Tribunal, Mumbai
Central Sales Tax Act,1956	Assessed Dues	5,926,481	1999-2000	Deputy Commissioner of Sales Tax(Appeal), Nagpur
Bombay Sales Tax Act,1959	Assessed Dues	1,044,631	2000-2001	Deputy Commissioner of Sales Tax(Appeal), Nagpur
Central Sales Tax Act,1956	Assessed Dues	1,389,004	2000-2001	Deputy Commissioner of Sales Tax(Appeal), Nagpur
Central Sales Tax Act,1956	Assessed Dues	1,202,194	2001-2002	Registrar Maharashtra Sales Tax Tribunal, Mumbai
Bombay Sales Tax Act,1959	Assessed Dues	949,067	2002-2003	Deputy Commissioner of Sales Tax(Appeal), Nagpur
Central Sales Tax Act,1956	Assessed Dues	390,538	2002-2003	Deputy Commissioner of Sales Tax(Appeal), Nagpur
Central Sales Tax Act,1956	Assessed Dues	62,70,042	2007-2008	Maharashtra Sales Tax Tribunal, Nagpur
Total		1,94,01,572		

- viii. According to the information and explanations given to us and on basis of examination of records of the company, the company has not defaulted in repayment of loans or borrowings to financial institutions, banks. The Company has not taken any loan from government and has not issued debentures.
- ix. According to the audit procedures performed and information and explanation given to us by the management, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loans during the year. Hence, comment on paragraph (ix) of the said Order is not applicable.





Salarpuria & Partners

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- x. According to the information and explanations given to us by the management, no fraud by the Company or on the Company by its officer or employees has been noticed or reported during the course of our audit. Hence, comment on paragraph (x) of the said Order is not applicable.
- xi. According to the information and explanations given to us and on the basis of examination of records of the company, the company has paid or provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act, 2013.
- xii. In our Opinion, the company is not a Nidhi Company. Hence, paragraph (xii) of the said Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, all the transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable and such transactions have been disclosed in the Standalone Ind AS Financial Statements as required by the applicable Indian Accounting Standards.
- xiv. According to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. So, a comment on paragraph (xiv) of the said order is not applicable.
- xv. The company has not entered into any non-cash transactions with the directors or persons connected with him. Hence, a comment on paragraph (xv) of the said Order is not applicable.
- xvi. The Company is not required to obtain registration under section 45-IA of the Reserve Bank of India Act, 1934.

For Salarpuria & Partners

Chartered Accountants

Firm ICAI Reg. No. 302113E

Nihar Ranjan Nayak

N.R. Nayak

Chartered Accountant

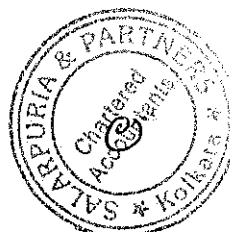
Membership No.-57076

Partner

UDIN: 21027076 AAAAD B5866

Place: Kolkata

Date: 30th June, 2021





Salarpuria & Partners

CHARTERED ACCOUNTANTS

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ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

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

(Referred to Paragraph 2(f) of Report on Other Legal and Regulatory Requirements of our Report of even date).

We have audited the internal financial controls over financial reporting of **HINDUSTHAN UDYOG LIMITED** ("the Company") as of 31st March, 2021 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

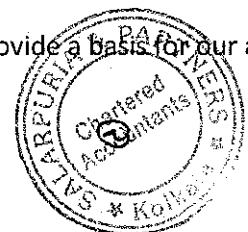
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial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

Auditors' Responsibility

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

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

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





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Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the 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 31st March 2021, 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 Salarpuria & Partners

Chartered Accountant

Firm ICAI Reg. No. 302113E

Nihar Ranjan Nayak

N. R. Nayak

Chartered Accountant

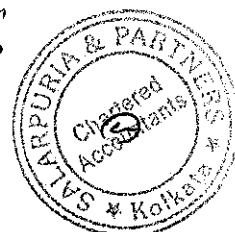
Membership No. 57076

Partner

UDIN: 21057076AAAA B5866

Place: Kolkata

Date: 30th June, 2021



HINDUSTHAN UDYOG LTD
STANDALONE BALANCE SHEET AS AT 31ST MARCH 2021
CIN No.: L27120WB1947PLC015767

ASSETS	Notes	Rs in Lacs	
		As At 31.03.2021	As At 31.03.2020
(1) NON CURRENT ASSETS			
(a) Property, Plant and Equipment	2	1,061.99	1,144.89
(c) Financial Assets			
(i) Investments	3(a)	977.70	1,013.76
(ii) Trade Receivables	3(b)	-	-
(iii) Others	3(c)	41.55	28.79
(d) Deferred Tax Assets (Net)	4	-	-
(e) Other Non- Current Assets	5	91.41	91.41
Total (a)		2,172.65	2,278.85
(2) CURRENT ASSETS			
(a) Inventories	6	694.04	961.18
(b) Financial Assets			
(i) Trade Receivables	3(b)	477.75	469.57
(ii) Cash & Cash Equivalents	7(a)	29.34	19.33
(iii) Others	7(b)	24.06	41.82
(c) Current Tax Asset (Net)	8	191.42	152.45
(d) Other Current Assets	9	5,904.26	6,763.33
Total (b)		7,320.87	8,407.68
Total Assets		9,493.52	10,686.53

EQUITY AND LIABILITIES	Notes	Rs in Lacs	
		As At 31.03.2021	As At 31.03.2020
(1) EQUITY			
(a) Share Capital	10(A)	717.67	717.67
(b) Other Equity	10(B)	2,501.93	2,588.35
Total Equity		3,219.60	3,306.02
(2) LIABILITIES			
Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	11(a)	562.26	515.93
(iii) Other Financial Liabilities	11(c)	-	34.28
(b) Provisions	12	230.41	234.26
(c) Deferred Tax Liabilities (Net)	4	57.27	100.25
		849.94	884.72
(3) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	13(a)	-	3.75
(ii) Trade Payables	11(b)		
Total Outstanding dues of Micro, Small and Medium Enterprise		5.50	6.90
Total Outstanding dues of creditors other than Micro, Small and Medium Enterprise		313.75	354.98
(iii) Other Financial Liabilities	13(b)	163.46	203.87
(b) Other Current Liabilities	14	4,906.43	5,906.82
(c) Provisions	15	34.84	19.46
		5,423.98	6,495.78
Total Liabilities		6,273.92	7,380.50
Total Equity and Liabilities		9,493.52	10,686.53

Significant Accounting Policies & Other Notes

1 & 24

The accompanying notes are an integral part of the Financial Statements

As per our report of even date

For SALARPURIA & PARTNERS

For and on behalf of the Board of Directors

Chartered Accountants

Firm ICAI Reg. No.302113E

Mihar Ranjan Nayak

Ulegam

N.R. Nayak
 Chartered Accountant
 Membership No. 570



Company Secretary

Directors

Place : Kolkata

Date : 30th June ,2021

HINDUSTHAN UDYOG LTD**STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH 2021**

GIN No.: L27120WB1947PLC015767

Rs. in Lacs except EPS

Particulars	Notes	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
I. Revenue from Operations	16	980.42	1,249.09
II. Other Income	17	549.72	559.99
III. Total Revenue (I + II)		1,530.14	1,809.08
IV. Expenses:			
Cost of Materials Consumed	18	669.09	795.43
Excise Duty & GST		-	-
Changes in Inventories of Finished Goods, Stock in Trade and Work in Progress	19	78.78	(132.62)
Employee Benefit Expenses	20	513.47	532.68
Finance Costs	21	47.22	43.67
Depreciation and Amortization Expense	22	86.55	97.73
Other Expenses	23	241.13	338.49
IV. Total Expenses		1,636.25	1,675.38
V. Profit/(Loss) before Tax & Exceptional Items and Tax (III - IV)		(106.10)	133.70
VI. Exceptional Item		-	-
VII. Profit/(Loss) before Tax (V - VI)		(106.10)	133.70
VIII. Tax Expense:			
1 Current Tax		-	-
2 Tax for earlier years (Net)		-	0.20
3 Deferred Tax		-	-
Net Current Tax (VIII)		-	0.20
IX. Profit/(Loss) for the Period (VII - VIII)		(106.10)	133.50
X. Other Comprehensive Income for the period			
(A) (i) Item that will not be reclassified to Profit or Loss			
→ Changes in Fair Valuation of Equity Instrument		(34.59)	19.13
→ Net Gain/(Loss) on disposal of investments in equity shares		13.53	-
→ Remeasurement of Defined benefit Plans		(2.23)	(23.06)
(ii) Income Tax relating to items that will not be reclassified to Profit or Loss		42.97	13.41
(B) (i) Items that will be reclassified to Profit or Loss			
(ii) Income Tax relating to items that will be reclassified to Profit or Loss			
XI. Total Comprehensive Income for the period (IX + X)		(86.42)	142.98
Earnings per Equity Share (for Continuing Operation):	24.7		
(1) Basic		(1.48)	1.86
(2) Diluted		(1.48)	1.86

Significant Accounting Policies & Other Notes

1&24

The accompanying notes are an integral part of the Financial Statements

As per our report of even date

For SALARPURIA & PARTNERS

Chartered Accountants

Firm ICAI Reg. No.302113E

For and on behalf of the Board of Directors

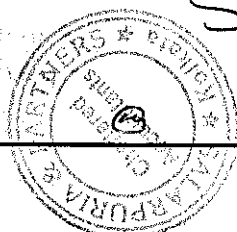
Nihar Ranjan Mishra

N. R. Mishra

Chartered Accountant
Membership No. 2211

Place : Kolkata

Date : 30th June, 2021

Suresh Singh
Company Secretary

Rakesh Aggarwal
Directors

HINDUSTHAN UDYOG LTD*Statement of Standalone Cash Flows for the year ended 31.03.2021*

PARTICULARS	Rs in Lacs	
	For the year ended 31.03.2021	For the year ended 31.03.2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before Tax & Extra-Ordinary Items	(106.10)	133.70
Adjustment for :		
Depreciation & Amortisation	86.55	97.73
Interest Expense	47.22	43.67
Interest Income	(48.71)	(50.20)
Provisions	9.30	16.13
Dividend Income	(289.62)	(289.62)
(Profit)/Loss on Sale of Property, Plant and Equipment	-	(3.92)
Operating Profit before Working Capital Changes	(301.36)	(52.53)
Movements In Working Capital :		
Increase/(Decrease) in Trade Payables	(43.45)	(74.37)
Increase/(Decrease) in Other Current Liabilities	(1,000.39)	1,036.99
(Increase)/ Decrease in Inventories	267.14	(18.21)
(Increase)/ Decrease in Trade Receivables	(8.18)	213.03
Increase/ (Decrease) in Other Current Financial Liabilities	(29.13)	18.33
(Increase)/Decrease in Other Current Assets	859.07	(2,113.42)
(Increase)/Decrease in Other Non-Current Financial Assets	(12.76)	(9.24)
(Increase)/Decrease in Other Non-Current Assets	-	(0.11)
(Increase)/Decrease in Other Current Financial Assets	17.59	4.38
Cash generated from/(used in) Operations	(251.47)	(995.13)
Direct Taxes Paid (Net)	(38.97)	(13.29)
Net Cash from Operating Activities	(290.44)	(1,008.42)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Sale of Property, Plant and Equipment	-	9.61
Interest Received	3.32	4.64
Dividend Received	289.62	289.62
(Purchase)/Sale of Investments (Net)	15.00	-
Purchase of Property, Plant and Equipment	(3.66)	(10.40)
Increase/Decrease in Bank Deposits	-	-
Net Cash from Investing Activities	304.28	293.48



HINDUSTHAN UDYOG LTD

Statement of Standalone Cash Flows for the year ended 31.03.2021

Rs in Lacs

PARTICULARS	For the year ended 31.03.2021	For the year ended 31.03.2020
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Interest paid	(0.08)	(0.73)
Repayment :		
Proceeds/(Repayment) of Long Term Borrowings	-	-
Proceeds/(Repayment) of Short Term Borrowings	(3.75)	(8.74)
Net Cash from Financing Activities	(3.83)	(9.47)
Net (Decrease)/ Increase in Cash and Cash Equivalents (A+B+C)	10.01	(724.41)
Cash and Cash Equivalents at the beginning of the year	19.33	743.74
Cash and Cash Equivalents at end of the year	29.34	19.32

PARTICULARS	As At 31.03.2021	As At 31.03.2020
Cash & Cash Equivalents :		
Balances with Bank		
Current Account	20.74	9.29
Bank Book Overdraft	(8.79)	(3.72)
Bank Deposits with Maturity less than 3 months	0.23	-
Cash on Hand	17.16	13.76
Total	29.34	19.33

Note :

- (a) Previous year's figures have been regrouped/recasted wherever necessary.
- (b) The above cash flow has been prepared under "Indirect Method" as per Ind AS 7, "Statement of Cash Flows", as prescribed under section 133 of the Companies Act, 2013 ("the Act"), as notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

FOR SALARPURIA & PARTNERS
 CHARTERED ACCOUNTANTS
 Firm ICAI Reg. No.302113E

For and on behalf of the Board of Directors

Nihar Ranjan Nayak

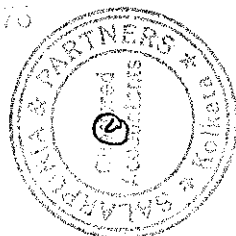


N. R. Nayak
 Chartered Accountant

Place: Kolkata Firm No. 67070
 Date: 30th June 2021

Sukh Bajaj
 Company Secretary

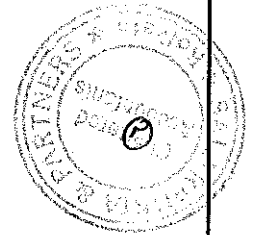
Prak Ash
 Directors



HINDUSTHAN UDYOG LTD

Notes to Standalone Financial Statement As At 31.03.2021

STATEMENT OF CHANGES IN EQUITY	Note No.	RESERVES & SURPLUS						OTHER COMPREHENSIVE INCOME		Total Equity Attributable to Equity Holders of the Company
		Securities Premium	Revaluation Surplus	General Reserve	Special Capital Incentive	Capital Reserve	Retained Earnings	Fair Value Gain/(Loss) on Equity Instruments	Remeasurement of Defined Benefit Plans	
Balance as on 01.04.2019		138.41	48.45	121.62	30.00	3,908.28	(2,219.56)	437.00	(18.83)	2,445.37
Transfer to Retained Earning		-	-	-	-	-	-	-	-	-
Earlier adjusted from Revaluation Reserve		-	-	-	-	-	-	-	-	-
Profit for the year 2019-20		-	-	-	-	-	133.51	-	-	133.51
Rectification of Errors		-	-	-	-	-	-	-	-	-
Changes in Accounting Policies		-	-	-	-	-	-	-	-	-
Prior Period Errors		-	-	-	-	-	-	-	-	-
Remeasurement of Net Defined (Liability)/Asset		-	-	-	-	-	-	-	(23.06)	(23.06)
Changes in Fair Value of Investment		-	-	-	-	-	-	19.13	-	19.13
Tax Effect on Fair Value of Investment		-	-	-	-	-	-	13.41	-	13.41
Restated Balance at 31st March, 2020		138.41	48.45	121.62	30.00	3,908.28	(2,086.05)	469.54	(41.89)	2,588.95
Profit for the year 2020-2021		-	-	-	-	-	(106.10)	-	-	(106.10)
Total Comprehensive Income for the year		-	-	-	-	-	-	-	-	-
Adjusted during the year		-	-	-	-	-	-	-	-	-
Dividend Paid		-	-	-	-	-	-	-	-	-
Tax on Dividend		-	-	-	-	-	-	-	-	-
Transfer to Retained Earnings		-	-	-	-	-	-	-	-	-
Remeasurement of Net Defined (Liability)/Asset		-	-	-	-	-	-	(14.80)	-	(14.80)
Changes in Fair Value of Investment		-	-	-	-	-	-	(34.59)	-	(34.59)
Net Gain/(Loss) on disposal of investments in equity shares		-	-	-	-	-	-	13.53	-	13.53
Tax Effect on Fair Value of Investment		-	-	-	-	-	-	42.97	-	42.97
Balance as at 31st March, 2021		138.41	48.45	121.62	30.00	3,908.28	(2,177.36)	476.65	(44.12)	2,501.93



NOTE 1 (A) : CORPORATE INFORMATION

The Company ("Hindusthan Udyog Limited") is an existing public company incorporated on 3rd September, 1947 under the Indian Companies Act, and deemed to exist within the purview of the Companies Act, 2013, having its registered office at Trinity Plaza, 3rd floor, 84/1A, Topsia Road (South), Kolkata - 700046. The Company is engaged in manufacturing of Alloy and Stainless Steel Castings with stringent quality requirements required in Turbines, Metal Shredding, Heavy Earth Equipments, Pumps, Valves and Compressors and other Heavy Engineering Industries. It is also engaged in manufacturing of Material Handling Equipments of varied nature required in the Mines, Cement Plants, Power Plants and Other General Engineering Sectors. The manufacturing units are located in Kolkata and Nagpur. The Equity Shares of the Company are listed on BSE Limited ("BSE") and Calcutta Stock Exchange ("CSE"). The Financial Statements are presented in Indian Rupees.

NOTE 1 (B) : SIGNIFICANT ACCOUNTING POLICIES.

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

1) BASIS OF PREPARATION

The financial statements of Hindusthan Udyog Ltd ("the Company") comply in all material aspects with Indian Accounting Standards ("Ind-AS") as prescribed under section 133 of the Companies Act, 2013 ("the Act"), as notified under the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standard) Amendment Rules 2016 and other accounting principles generally accepted in India.

The Company follows the mercantile system of accounting and recognises income and expenditure on an accrual basis. The Financial Statements are prepared under the historical cost convention, except in case of significant uncertainties and except for the following:

- 1 Certain financial assets and liabilities that are measured at fair value.
- 2 Assets held for sale which are measured at lower of carrying value and fair value less cost to sell.
- 3 Defined benefit plans where plan assets are measured at fair value.

The financial statements for the year ended 31st March, 2021 have been approved by the Board of Directors of the Company in their meeting held on 30th June, 2021.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle. An operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. As set out in the Schedule III to the Companies Act, 2013, the normal operating cycle cannot be identified and hence it is assumed to have a duration of twelve months.

Use of Estimates and Management Judgement

In preparing the financial statements in conformity with accounting principles generally accepted in India, management is required to make estimates and assumptions that affect reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of the financial statements and the amounts of revenue and expenses during the reported period. Actual results could differ from those estimates. Any revision to such estimates is recognised in the period in which the same is determined.



II) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, allowances, rebates, value added taxes, goods and services tax and amounts collected on behalf of third parties. The company recognizes revenue when the amount of Revenue can be reliably measured and it is probable that future economic benefits will flow to the company.

- 1 Sales are recognised when significant risks and rewards are transferred to the buyer as per the contractual terms or on dispatch where such dispatch coincides with transfer of significant risks and rewards to the buyer.
- 2 Export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are fulfilled.

III) Other Income:

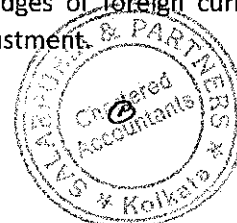
- 1 Interest Income on Financial Assets is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to the gross carrying amount of the Financial Asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instruments.
- 2 Dividends are recognized in the statement of profit and loss only when the right to receive payments is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.
- 3 Profit/Loss on sale of Investments is recognised on the contract date.
- 4 Others: The Company recognizes other income (including rent and misc receipts) on accrual basis. However, where the ultimate collection of the same lacks reasonable certainty, revenue recognition is postponed to the extent of uncertainty.

IV) Property, Plant and Equipment**a) Asset Class:**

- i) Freehold Land is carried at historical cost including cost that is directly attributable to the acquisition of the land.
- ii) All other items of property, plant and equipment are stated at historical cost less accumulated depreciation/ amortization. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The initial cost at cash price equivalence of property, plant and equipment acquired comprises its purchase price, including import duties and non-refundable purchase taxes, any directly attributable costs of bringing the assets to its working condition and location and present value of any obligatory decommissioning costs for its intended use. Cost may also include effective portion on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment recycled from hedge reserve as basis adjustment.



In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of overheads, directly attributable borrowing costs and effective portion of cash flow hedges of foreign currency recycled from the hedge reserve as basis adjustment.

Subsequent expenditure on major maintenance or repairs includes the cost of the replacement of parts of assets and overhaul costs. Where an asset or part of an asset is replaced and it is probable that future economic benefits associated with the item will be available to the Company, the expenditure is capitalised and the carrying amount of the item replaced is derecognised. Similarly, overhaul costs associated with major maintenance are capitalised and depreciated over their useful lives where it is probable that future economic benefits will be available and any remaining carrying amounts of the cost of previous overhauls are derecognised. All other costs are expensed as incurred except the amortisation value of durgapur leasehold land is not material.

Depreciation

Depreciation is charged so as to write off the cost or value of assets, over their estimated useful lives or, in the case of leased assets (including leasehold improvements), over the lease term if shorter. The lease period is considered by excluding any lease renewals options, unless the renewals are reasonably certain. Depreciation is recorded using the straight line basis. The estimated useful lives and residual values are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis. Each component of an item of property, plant and equipment with a cost that is significant in relation to the total cost of that item is depreciated separately if its useful life differs from the others components of the asset.

Depreciation commences when the assets are ready for their intended use. Depreciated assets in property and accumulated depreciation accounts are retained fully until they are removed from service.

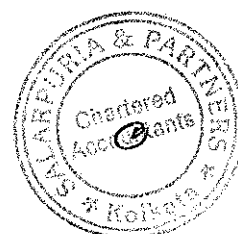
The useful life of the items of PPE estimated by the management for the current and comparative period are in line with the useful life as per **Schedule II of the Companies Act, 2013**.

V) Disposal of Assets

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

VI) Investment Property

Investment properties held to earn rentals or for capital appreciation or both are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognised in the statement of profit and loss. Transfer to, or from, investment property is done at the carrying amount of the property.



VII) Foreign currency Transactions

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in India Rupee which is HUL's functional and presentation currency.

- a) On initial recognition, all foreign currency transaction are recorded at foreign exchange rate on the date of transaction.
- b) Monetary items of current assets and liabilities in foreign currency outstanding at the close of financial year are revalued at the appropriate exchange rates prevailing at the close of the year.
- c) The gain or loss on decrease/increase in reporting currency due to fluctuation in foreign exchange rate, in case of monetary current assets and liabilities in foreign currency, are recognised in the Statement of Profit and Loss

VIII) Inventories

Inventories are stated at the lower of cost and net realizable value. The cost of finished goods and work in progress includes raw materials, direct labour, other direct costs and related production overheads. Costs of inventories include the transfer from equity any gains/losses on qualifying cash flow hedges for purchases of raw materials.

Cost is determined using the weighted average cost for Nagpur Unit and FIFO for Kolkata Unit. However, the same cost basis is applied to all inventories of a particular class. Inventories of stores and spare parts are valued at weighted average cost basis after providing for cost of obsolescence and other anticipated losses, wherever considered necessary.

However, materials and other supplies held for use in the production of inventories (finished goods, work-in-progress) are not written down below the cost if the finished products in which they will be used are expected to sell at or below the cost.

Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

IX) Financial Instruments

All financial assets are recognised on trade date when the purchase of a financial asset is under a contract whose term requires delivery of the financial asset within the timeframe established by the market concerned. Financial assets are initially measured at fair value, plus transaction costs, except for those financial assets which are classified as at fair value through profit or loss (FVTPL) at inception. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value.

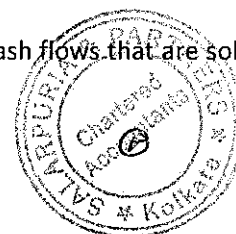
Classification of Financial Assets

Financial assets are classified as 'equity instrument' if it is a non-derivative and meets the definition of 'equity' for the issuer. All other non-derivative financial assets are 'debt instruments'.

Financial assets at amortised cost and the effective interest method

Debt instruments are measured at amortised cost if both of the following conditions are met:

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at amortised cost using the effective interest method less any impairment, with interest recognised on an effective yield basis in investment income.

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

The Company may irrevocably elect at initial recognition to classify a debt instrument that meets the amortised cost criteria above as at FVTPL if that designation eliminates or significantly reduces an accounting mismatch had the financial asset been measured at amortised cost.

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

Debt instruments are measured at FVTOCI if both of the following conditions are met:

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows and selling assets; and
- The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

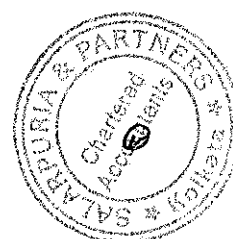
Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on Remeasurement recognised in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognised in the statement of profit and loss in investment income. When the debt instrument is derecognised the cumulative gain or loss previously recognised in other comprehensive income is reclassified to the statement of profit and loss account as a reclassification adjustment.

At initial recognition, an irrevocable election is made (on an instrument-by-instrument basis) to designate investments in equity instruments other than held for trading purpose at FVTOCI.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income. Where the asset is disposed of, the cumulative gain or loss previously accumulated in the other comprehensive income is directly reclassified to retained earnings.



For equity instruments measured at fair value through other comprehensive income no impairments are recognised in the statement of profit and loss.

Dividends on these investments in equity instruments are recognised in the statement of profit and loss in investment income when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity; and the amount of the dividend can be measured reliably.

Financial Assets at Fair Value through Profit and Loss (FVTPL)

Financial assets that do not meet the criteria of classifying as amortised cost or fair value through other comprehensive income described above, or that meet the criteria but the entity has chosen to designate as at FVTPL at initial recognition, are measured at FVTPL.

Investments in equity instruments are classified as at FVTPL, unless the Company designates an investment that is not held for trading at FVTOCI at initial recognition.

Financial assets classified at FVTPL are initially measured at fair value excluding transaction costs.

Financial assets at FVTPL are subsequently measured at fair value, with any gains or losses arising on remeasurement recognised in the statement of profit and loss.

Dividend income on investments in equity instruments at FVTPL is recognised in the statement of profit and loss in investment income when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity; and the amount of the dividend can be measured reliably.

Impairment of financial assets

On initial recognition of the financial assets, a loss allowance for expected credit loss is recognised for debt instruments at amortised cost and FVTOCI. For debt instruments that are measured at FVTOCI, the loss allowance is recognised in other comprehensive income in the statement of profit and loss and does not reduce the carrying amount of the financial asset in the balance sheet.

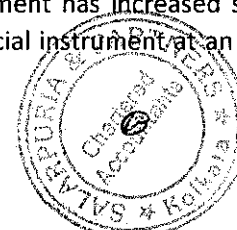
Expected credit losses of a financial instrument is measured in a way that reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

At each reporting date, the Company assesses whether the credit risk on a financial instrument has increased significantly since initial recognition.

When making the assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

If, at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. If, the credit risk on that financial instrument has increased significantly since initial recognition, the Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses.



The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the statement of profit and loss.

Financial Liabilities and equity instruments issued by the Company**Classification as debt or equity**

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Compound instruments

The component parts of compound instruments (convertible instruments) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible instrument. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date. The equity component is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured.

Financial Liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Financial Liabilities at FVTPL

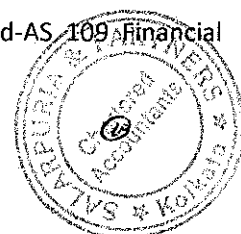
Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been acquired or incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and for which there is evidence of a recent actual pattern of short-term profit taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may also be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a Company of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the Company is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind-AS 109 financial Instruments permits the entire combined contract to be designated as at FVTPL.



Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in the statement of profit and loss, except for the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability which is recognised in other comprehensive income.

The net gain or loss recognised in the statement of profit and loss incorporates any interest paid on the financial liability.

Other Financial Liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

X) Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If the receivable is expected to be collected within a period of 12 months or less from the reporting date (or in the normal operating cycle of the business, if longer), they are classified as current assets otherwise as non-current assets.

Trade receivables are measured initially at fair value, and subsequently at amortised cost using effective interest method, less provision for impairment.

Loss allowance for expected life time credit loss is recognised on initial recognition.

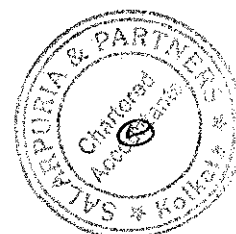
XI) Trade Payables

Trade Payables are liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. They are initially recognised at their fair value and subsequently measured at amortised cost using the effective interest method.

XII) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowing using the effective interest method. Fees paid on the establishment of loan facilities are recognised at transaction costs of the loan to the extent it is probable that some or all of the facility will be drawn down. In the case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a repayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the statement of profit and loss as other gains/(losses).



Borrowings are classified as current financial liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes repayable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

XIII) Foreign Currency Transactions

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in Indian National Rupee (₹), which is the company's functional and presentation currency.

- a) On initial recognition, all foreign currency transactions are recorded at the foreign exchange rate on the date of transaction.
- b) Monetary items of current assets and liabilities in foreign currency outstanding at the close of the financial year are revalored at the appropriate exchange rates prevailing at the close of the year.
- c) the gain or loss on decrease/increase in reporting currency due to fluctuations in foreign exchange rates, in case of monetary current assets and liabilities in foreign currency, are recognised in the statement of Profit and Loss.

XIV) Income Tax

The income tax expense or credit for the period is the tax payable on current period's taxable income based on the applicable income tax rates for the jurisdiction.

Current tax and deferred tax are recognised in the Statement of Profit and Loss except to the extent it relates to items recognised directly in equity or other comprehensive income.

Current Income Tax

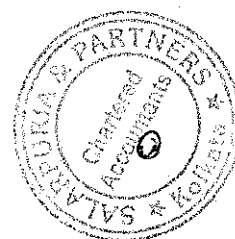
The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company operates and generates taxable income. Management evaluates periodically positions taken with respect to situations in which applicable tax regulations is subject to interpretation. It establishes provisions, wherever appropriate, on the basis of amounts expected to be paid to the tax authorities.

XIV) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised if

- i) the business has present legal or constructive obligation as a result of a past event;
- ii) it is probable that an outflow of resources will be required to settle the obligation; and
- iii) the amount of obligation has been reliably estimated

Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. If the effect of time value of money is material, provisions are discounted to reflect its current value using a current pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to passage of time is recognised as a finance cost.



Contingent Liabilities

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 the obligation or a reliable estimate of the amount cannot be made.

Contingent Assets

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 Company.

A contingent asset is not recognised but disclosed where an inflow of economic benefit is probable.

XVI) Employees Benefit Expenses***a) Short Term Obligations***

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet.

b) Long Term Employee Benefit Obligations

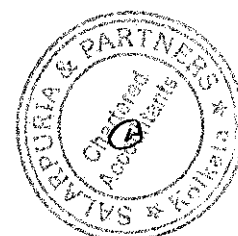
The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees rendered the related service. They are, therefore, measured at the present value of the expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Remeasurements as a result of experience adjustments and changes in the actuarial assumptions are recognised in the Statement of Profit and Loss.

Under Ind AS, re-measurements of defined benefit plan are recognised in the Balance Sheet with a corresponding debit or credit to equity through Other Comprehensive Income (OCI). Under Ind AS, an entity is permitted to transfer amounts recognized in Other Comprehensive Income within equity. The Company has taken recourse of the said provision and has transferred as at the date of transition to Ind AS.

XVII) Dividend

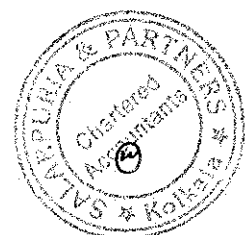
Provision is made for the amount of any final dividend declared, being appropriately authorised in the Annual General Meeting and no longer at the discretion of the Company.

Interim Dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.



XVIII) Earnings Per Share

Earnings Per Share is calculated by dividing the net profit or loss of the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's Earnings Per Share is the net profit or loss for the period. The weighted average number of equity shares outstanding during the period and all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.



HINDUSTHAN UDYOG LTD

Notes to Standalone Financial Statements As At 31.03.2021

NOTE: PROPERTIES, PLANT & EQUIPMENT

Particulars	PROPERTY, PLANT & EQUIPMENT							Total	
	Freehold Land	Lease Hold Land **	Building & Structures	Plant & Equipments	Electronic Data Processing Machines	Electric Installations	Vehicles		Furniture & Fixings
Gross block									
Gross Carrying Amount As At 1st April, 2020	193.63	166.84	571.37	506.53	1.02	37.67	27.46	51.42	1,555.94
Additions during the year	-	-	-	0.40	-	-	0.66	2.60	3.66
Reclassification made during the year	-	-	-	-	-	-	-	-	-
Disposals/deductions during the year	-	-	-	-	-	-	-	-	-
Gross carrying amount as at 31st March, 2021	193.63	166.84	571.37	506.93	1.02	37.67	28.12	54.02	1,559.60
Depreciation /Amortisation									
Accumulated depreciation/amortisation as at 1st April, 2020	-	5.84	115.18	223.09	0.97	29.52	7.92	28.54	411.05
Depreciation/ amortisation for the year	-	1.46	27.05	45.13	0.03	1.34	6.09	5.45	86.55
Reclassification made during the year	-	-	-	-	-	-	-	-	-
Disposals/deductions during the year	-	-	-	-	-	-	-	-	-
Accumulated depreciation as at 31st March, 2021	-	7.30	142.23	268.22	1.00	30.86	14.01	33.99	497.61
Net carrying amount as at 31st March, 2021	193.63	159.54	429.14	238.71	0.02	6.81	14.11	20.04	1,061.99

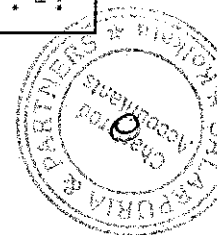
The changes in the carrying value of property, plant and equipment for the year ended March 31, 2020 were as follows:

Particulars	PROPERTY, PLANT & EQUIPMENT							Total	
	Freehold Land	Lease Hold Land **	Building & Structures	Plant & Equipments	Electronic Data Processing Machines	Electric Installations	Vehicles		Furniture & Fixings
Gross block									
Gross Carrying Amount As At 1st April, 2019	193.63	166.84	569.52	515.16	1.02	31.92	70.78	49.31	1,598.19
Additions during the year	-	-	1.85	0.69	-	5.75	-	2.12	10.40
Reclassification made during the year	-	-	-	-	-	-	-	-	-
Disposals/deductions during the year	-	-	-	(9.32)	-	-	(43.33)	-	(52.65)
Gross carrying amount as at 31st March, 2020	193.63	166.84	571.37	506.53	1.02	37.67	27.46	51.42	1,555.95
Depreciation /Amortisation									
Opening accumulated depreciation/amortisation as at 1st April, 2019	-	4.38	87.50	175.82	0.87	27.97	41.62	22.12	360.29
Depreciation/ amortisation for the year	-	1.46	27.68	51.48	0.09	1.55	9.04	6.42	97.73
Reclassification made during the year	-	-	-	-	-	-	-	-	-
Disposals/deductions during the year	-	-	-	(4.21)	-	-	(42.75)	-	(46.96)
Accumulated depreciation as at 31st March, 2020	-	5.84	115.18	223.09	0.97	29.52	7.92	28.54	411.06
Net carrying amount as at 31st March, 2020	193.63	161.00	456.18	283.44	0.06	8.15	19.54	22.89	1,144.89

* Cost of Leasehold Land at Nagpur is amortized over the period of the Lease of 95 Years.

Provision for amortisation of Long term Leasehold land at Durgapur has not been made.

** Certain portions of the Factory premises have been given on lease.



HINDUSTHAN UDYOG LTD

Notes to Standalone Financial Statement As At 31.03.2021

Note : 3 FINANCIAL ASSETS	Face Value	No. of Shares	As At 31.03.2021	No. of Shares	Rs in Lacs	
					As At 31.03.2021	As At 31.03.2020
(A) INVESTMENTS						
(a) Measured at fair value through Other Comprehensive Income						
(i) Investment in Equity Instrument (Quoted)						
1) Tea Time Ltd.	10	1,14,000	95.64	1,14,000		96.77
2) Phosphate Co. Ltd.	10	26,400	16.30	26,400		52.00
3) Northern Projects Ltd.	10	1,39,900	106.66	1,39,900		110.97
4) Asutosh Enterprises Ltd.	10	1,50,000	70.68	1,50,000		61.84
5) Neptune Exports Ltd.	10	2,30,500	143.00	2,30,500		141.02
6) Orient International Ltd.	10	1,65,000	46.77	1,65,000		47.13
7) Bengal Steel Industries Ltd.	10	3,45,000	64.26	3,45,000		63.03
Total (i)			543.30			572.76
(ii) Investment in Equity Instrument (Unquoted)						
1) Hindusthan Parsons Ltd.	10	5,00,000	57.65	5,00,000		59.72
2) H. S. M. International Pvt. Ltd.	10	1,52,500	7.23	1,52,500		7.26
3) Tamilnadu Alkaline Batteries Ltd.	10	3,00,000	3.00	3,00,000		3.00
5) Bengal Central Building Society Ltd.	10	10,000	0.48	10,000		0.52
6) Kabini Papers Ltd.,(in Liquidation)	10	42,135	-	42,135		-
7) AKA Washeries India Pvt. Ltd.	10	2,000	0.02	2,000		0.02
8) Huwood Hindusthan Pvt. Ltd.	10	-	-	2,000		1.47
9) Macneill Electricals Ltd.	100	918	5.87	918		8.88
Total (ii)			74.26			80.87
Total (a)			617.57			653.63
(b) Measured at Cost (Associates)						
(i) Investment in Equity Instrument (Quoted)						
WPIL Ltd.	10	38,61,659	357.48	38,61,659		357.48
(ii) Investment in Equity Instrument (Unquoted)						
Spaans Babcock India Ltd.	10	25,000	2.50	25,000		2.50
Total (b)			359.98			359.98
(c) Investment in Govt. Securities (NSC)						
Total (a+b+c)			977.70			1,013.76

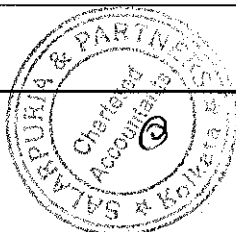
	Rs in Lacs			
	As at 31st March 2021		As at 31st March 2020	
	Cost	Market Value	Cost	Market Value
Aggregate value of Quoted Investments	400	22,907.37	389	10,845.48
Aggregate value of Unquoted investments	37	76.76	37	83.37

(B) TRADE RECEIVABLES	Rs in Lacs	
	As At 31.03.2021	As At 31.03.2020
Current Portion	477.75	469.57
Non- Current Portion	-	-
	477.75	469.57
Considered Good - Secured		
Considered Good - Unsecured	477.75	469.57
Having Significant increase in Credit Risk	-	-
Credit Impaired	-	-
Doubtful	44.46	44.46
Total	522.21	514.03
Loss Allowance	(44.46)	(44.46)
Total Unsecured Trade Receivable	477.75	469.57

*Receivable from WPIL (Associate) Rs. 127.14 Lacs(P.Y. Rs.17.49 Lacs)

(C) OTHER NON CURRENT FINANCIAL ASSETS	Rs in Lacs	
	As At 31.03.2021	As At 31.03.2020
Bank Deposits with Maturity more than 12 months*	41.55	28.79
Total Non Current Other Non Financial Assets	41.55	28.79

* Kept as margin money against Bank guarantees Rs. 23.03 Lacs (P Y. Rs. 28.79 Lacs).



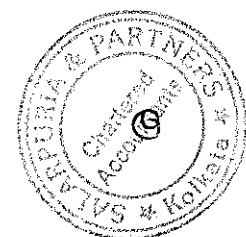
HINDUSTHAN UDYOG LTD

Notes to Standalone Financial Statement As At 31.03.2021

Note : 4 DEFERRED TAX (NET)	Rs in Lacs	
	As At 31.03.2021	As At 31.03.2020
Deffered Tax Asset / (Liability)	(57.27)	(100.25)
Total	(57.27)	(100.25)

Note : 5 OTHER NON CURRENT ASSETS	Rs in Lacs	
	As At 31.03.2021	As At 31.03.2020
Advances - Non Current	1.27	1.27
Mat Credit Entitlement	11.47	11.47
Security Deposits	78.67	78.67
Total	91.41	91.41

Note : 6 INVENTORIES	Rs in Lacs	
	As At 31.03.2021	As At 31.03.2020
Raw Material	146.36	326.93
Work In Progress	373.27	452.05
Finished Goods	-	-
Tools & Implements	174.41	182.20
Total	694.04	961.18



HINDUSTHAN UDYOG LTD

Notes to Standalone Financial Statement As At 31.03.2021

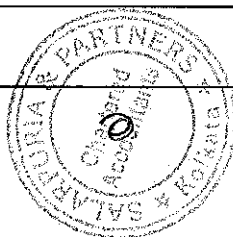
Note : 7(A) CASH AND CASH EQUIVALENT	Rs in Lacs	
	As At 31.03.2021	As At 31.03.2020
Balances with Bank		
- In Current Account	20.74	9.29
- Bank Book Overdraft	(8.79)	(3.72)
Cash on Hand	17.16	13.76
Bank Deposits with Maturity less than 3 months	0.23	-
Total	29.34	19.33

Note : 7(B) OTHER CURRENT FINANCIAL ASSETS	Rs in Lacs	
	As At 31.03.2021	As At 31.03.2020
Accrued Interest on NSC	0.14	0.14
Bank Deposits with Maturity more than 3 months less than 12 months*	21.57	39.16
Interest Accrued on Fixed Deposit with Bank	2.35	2.52
Total	24.06	41.82

* Kept as margin money against Bank guarantees Rs. 5 Lacs (P.Y. Rs. 5 Lacs).

Note : 8 CURRENT TAX ASSET (NET)	Rs in Lacs	
	As At 31.03.2021	As At 31.03.2020
Advance payment of Income Tax (Net)	188.86	149.88
Advance Sales Tax	2.57	2.57
Total	191.42	152.45

Note : 9 OTHER CURRENT ASSETS	Rs in Lacs	
	As At 31.03.2021	As At 31.03.2020
Advances to Staff (Unsecured- Considered Good)	4.95	6.25
Advances to Others	5,860.21	6,706.73
GST Receivable	23.11	34.44
Security Deposit	12.82	12.49
Prepaid Expenses	3.18	3.42
Total	5,904.26	6,763.33



HINDUSTHAN UDYOG LTD

Notes to Standalone Financial Statement As At 31.03.2021

Note : 10 (A) STATEMENT OF CHANGES IN EQUITY	Rs in Lacs	
	As At 31.03.2021	As At 31.03.2020
(A) Equity Share Capital		
Authorised Shares		
485,00,000 Equity Shares of ` 10/- each	4,850.00	4,850.00
60,00,000 10% Cumulative Redeemable Preference shares of ` 10/- each	600.00	600.00
	5,450.00	5,450.00
Issued, Subscribed & Paid-Up Shares		
71,76,725 Equity Shares of ` 10/- each, fully paid	717.67	717.67
Total	717.67	717.67

a. Reconciliation of shares outstanding at the beginning & at the end of the reporting period

Rs in Lacs

Equity Shares	Nos.	As At 31.03.2021	Nos.	As At 31.03.2020
At the beginning of the period	71,76,725	717.67	71,76,725	717.67
Issued during the period	-	-	-	-
Outstanding at the end of the period	71,76,725	717.67	71,76,725	717.67

b. Terms/Rights attached to Equity Shares

The Company has one Class of Shares issued, Equity Shares having a par value of ` 10/- each. Each Equity Shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to approval of the shareholders at the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Equity Shareholders are eligible to receive the assets of the Company after distribution of all preferential amounts, in proportion of their shareholding.

c. The Company does not have any Holding Company, ultimate Holding Company or Subsidiary Company.

d. Details of Shareholders holding more than 5% of Shares in the Company

Particulars	Nos.	As at 31.03.2021 % Holding in the Class	Nos.	As at 31.03.2020 % Holding in the Class
Equity Shares of ` 10/- Each				
1. V.N. Enterprises Limited	16,59,625	23.13	16,59,625	23.13
2. Poonam Jhaver	10,00,000	13.93	10,00,000	13.93
3. Bengal Steel Industries Limited	5,98,600	8.34	5,98,600	8.34
4. Tea Time Limited	5,94,600	8.29	5,94,600	8.29
5. Neptune Exports Limited	5,90,400	8.23	5,90,400	8.23
6. Orient International Limited	5,46,850	7.62	5,46,850	7.62
7. Asutosh Enterprises Limited	4,57,500	6.37	4,57,500	6.37
8. Prakash Agarwal	5,16,200	7.19	5,16,200	7.19

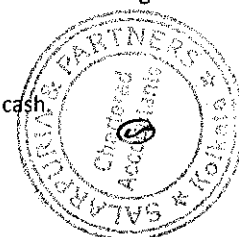
e. No Shares reserved for issue under options and contract/commitments for the sale of shares/disinvestment including the terms and amounts.

f. For the period of five years immediately preceding the date as at the Balance Sheet is prepared:

No Shares have been allotted as fully paid up pursuant to contract(s) without payment being received in cash.

No Shares have been allotted as fully paid up by way of Bonus Shares.

No Shares has been bought back by the Company.



HINDUSTHAN UDYOG LTD

Notes to Standalone Financial Statement As At 31.03.2021

Rs in Lacs

Note : 10 (B) OTHER EQUITY	As At 31.03.2021	As At 31.03.2020
(a) Security Premium		
As per Last Balance Sheet	138.41	138.41
(b) Revaluation Surplus		
As per Last Balance Sheet	48.45	48.45
Less : Transferred to Retained Earnings	-	-
Closing Balance	48.45	48.45
(c) General Reserve		
As per Last Balance Sheet	121.62	121.62
(d) Special Capital Incentive		
As per Last Balance Sheet	30.00	30.00
(e) Capital Reserve		
As per Last Balance Sheet	3,908.28	3,908.28
(f) Retained Earnings		
As per Last Balance Sheet	(2,086.05)	(2,219.56)
Add: Transfer from Revaluation Surplus	-	-
Profit for the Year	(106.10)	133.50
Closing Balance	(2,192.16)	(2,086.06)
(g) Other Comprehensive Income		
As per Last Balance Sheet	427.65	418.17
Effect of Conversion to Ind AS		
Movement in OCI during the year	19.68	9.48
Closing Balance	447.33	427.65
Total	2,501.93	2,588.35

Nature and Purpose of Reserve**a) Securities Premium**

Securities Premium is the premium on issue of equity shares. The reserve will be utilised in accordance with the provision of the Act.

b) Revaluation Surplus

Revaluation Reserve arises on account of revaluation of Land.

c) General reserve

General reserves is part of retained earnings of company which are kept aside out of company's profits to meet future obligations.

d) Special Capital Incentive

Special Capital arises on account of Business Comination.

e) Capital Reserve

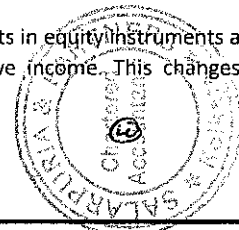
Capital Reserve arises on account of Business Combination.

f) Retained Earnings

Retained Earnings is the present accumulated profits/(losses) earned the Company and remaining undistributed as on date.

g) FVTOCI Reserve

The Company has elected to recognise changes in the fair value of investments in equity instruments along with remeasurement of Defined Benefit plans through other comprehensive income. This changes are accumulated within the FVTOCI Reserve.



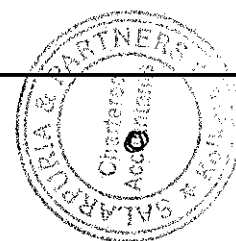
HINDUSTHAN UDYOG LTD

Notes to Standalone Financial Statement As At 31.03.2021

NOTE 11 : FINANCIAL LIABILITIES (NON CURRENT)	Rs in Lacs	
	As At 31.03.2021	As At 31.03.2020
(A) BORROWINGS		
Unsecured		
Preference Shares	561.09	514.76
Deferred Sales Tax Loan	1.17	1.17
Total	562.26	515.93

NOTE 11 : FINANCIAL LIABILITIES (NON CURRENT)	Rs in Lacs	
	As At 31.03.2021	As At 31.03.2020
(B) TRADE PAYABLES		
CURRENT		
Trade Payables		
~ Total Outstanding Dues to Micro and Small Enterprises *	5.50	6.90
~ Total Outstanding dues of Creditors other than Micro Enterprise & Small Enterprises*	313.75	354.98
Total	319.25	361.89
NON-CURRENT		
Retention Payable to Contractor	-	-
Total	-	-

Particulars	As At 31.03.2021	As At 31.03.2020
Principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year (but within due date as per the MSMED Act).	5.50	5.44
The amount of interest paid by the Company in terms of Section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year.	NIL	NIL
the amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	NIL	NIL
The amount of interest accrued and remaining unpaid at the end of accounting year	0.81	0.52
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	NIL	NIL

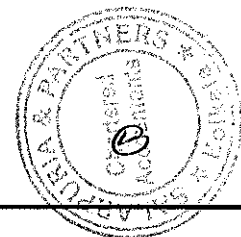


HINDUSTHAN UDYOG LTD

Notes to Standalone Financial Statement As At 31.03.2021

NOTE 11 : FINANCIAL LIABILITIES (NON CURRENT)	Rs in Lacs	
	As At 31.03.2021	As At 31.03.2020
(C) OTHER FINANCIAL LIABILITIES		
Deferred Liability of Preference Shares	-	34.28
Total	-	34.28

Note : 12 LONG TERM PROVISIONS	Rs in Lacs	
	As At 31.03.2021	As At 31.03.2020
Provision for Employee Benefits		
– Provision for Gratuity	202.33	198.14
– Provison for Leave Encashment	28.08	36.12
Total	230.41	234.26



HINDUSTHAN UDYOG LTD

Notes to Standalone Financial Statement As At 31.03.2021

Rs in Lacs

NOTE 13 : FINANCIAL LIABILITIES (CURRENT)	As At 31.03.2021	As At 31.03.2020
(A) BORROWINGS		
Loans Repayable on demand (Unsecured)		
•From Banks		
– Cash Credit Facilities (Secured)	-	-
Inter Corporate Deposits (Unsecured)	-	-
Vehicle Loan		
(i) From Banks *	-	3.75
Total	-	3.75

* The Loan is secured by hypothecation of Motor vehicles and is repayable in monthly instalments.

Rate of Interest :

Car Loan - 08.50% (Repayable in 5 Monthly Installments)

Rs in Lacs

NOTE 13 : FINANCIAL LIABILITIES (CURRENT)	As At 31.03.2021	As At 31.03.2020
(B) OTHER FINANCIAL LIABILITIES		
Deferred Liability of Preference Shares	34.28	45.56
Interest on ICD Payable	90.88	90.88
Other Payables	2.75	2.75
Payable to Employees	35.55	64.68
Total	163.46	203.87

Rs in Lacs

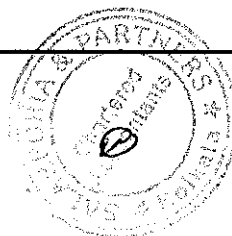
Note : 14 OTHER CURRENT LIABILITIES	As At 31.03.2021	As At 31.03.2020
Advance from Customers*	260.01	1,076.07
Deposits From Contractors	4.99	4.99
Statutory Dues Payable		-
– Provident Fund	14.85	2.61
– Employee State Insurance Fund & Labour Welfare Fund	1.63	0.16
– Tax Deducted At Source	4.30	3.36
– Professional Tax	2.62	1.48
Advance From Others *	4,618.03	4,818.14
Total	4,906.43	5,906.82
* Includes from WPIL Limited (Associate)	4,457	5,276



HINDUSTHAN UDYOG LTD*Notes to Standalone Financial Statement As At 31.03.2021*

Rs in Lacs

Note : 15 SHORT TERM PROVISIONS	As At 31.03.2021	As At 31.03.2020
Provision for Employee Benefits – Provision for Gratuity – Provison for Leave Encashment	27.66 7.18 -	14.54 4.92 -
Total	34.84	19.46



HINDUSTHAN UDYOG LTD

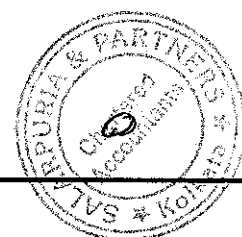
Notes to the Standalone Financial Statement for the Year Ended 31.03.2021

Rs in Lacs

Note : 16 REVENUE FROM OPERATIONS	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
A) Revenue from Sale of Products	868.18	1,121.19
Sub Total (A)	868.18	1,121.19
B) Other Operating Revenues		
Recovery towards Pattern charges	49.81	83.65
Sale of Export Licence	-	38.05
Duty Drawback	3.14	6.20
Scrap Sales	59.29	-
Sub Total (B)	112.24	127.90
Total (A + B)	980.42	1,249.09

Rs in Lacs

Note : 17 OTHER INCOME	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
(a) <u>Interest Income</u>		
– Of Preference Share amortised through FVTPL	45.56	45.56
(b) <u>Dividend Income</u>		
– Dividends from quoted equity investments measured at fair value through OCI*	-	-
– Dividends from Associate Company	289.62	289.62
(c) <u>Other Non Operating Income</u>		
– Income From Fixed Deposit	3.15	4.65
– Profit From Sale of Property Plant & Equipment (Net)	-	3.92
– Rent	211.32	213.56
– Sundry Balances Written Back (Net)	-	0.14
(d) <u>Other Gains & Losses</u>		
– Profit on Sale of Shares measured at FVTPL	-	-
Total	549.72	559.99



HINDUSTHAN UDYOG LTD

Notes to the Standalone Financial Statement for the Year Ended 31.03.2021

Rs in Lacs

Note : 18 COST OF MATERIALS CONSUMED & OTHER MANUFACTURING EXPENSES	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
Raw Material Consumed	384.43	361.97
Stores Consumed	138.00	207.55
Power & Fuel	146.66	225.91
Total	669.09	795.43

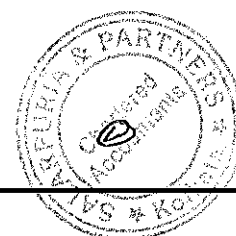
Rs in Lacs

Note : 19 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND SALEABLE SCRAP	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
Stock at the Beginning of the Year		
Finished Goods	-	-
Work-in-Progress	452.05	319.43
Saleable Scrap	-	-
Total	452.05	319.43
Stock at the End of the year		
Finished Goods	-	-
Work-in-Progress	373.27	452.05
Saleable Scrap	-	-
	373.27	452.05
Changes in Inventories of Finished Goods, Work In Progress and Saleable Scrap	78.78	(132.62)

Rs in Lacs

Note : 20 EMPLOYEE BENEFIT EXPENSES	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
Salary, Wages, Bonus & Allowances *	426.40	452.26
Contribution to Provident Fund, Gratuity, ESI & Other Fund	74.90	68.03
Staff Welfare Expenses	12.17	12.39
Total	513.47	532.68

* Includes Director's Remuneration of ₹ 30,00,000 (P.Y. - ₹ 30,00,000)



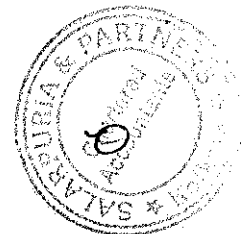
HINDUSTHAN UDYOG LTD*Notes to the Standalone Financial Statement for the Year Ended 31.03.2021*

Rs in Lacs

Note : 21 FINANCE COSTS	Rs in Lacs	
	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
Interest		
(i) <u>Interest cost on Financial Liabilities measured at amortized cost</u>		
– on borrowings from banks	0.08	0.73
– on MSME dues	0.81	0.33
– on preference shares calculated as per Effective Interest Method	46.33	42.61
Total	47.22	43.67

Rs in Lacs

Note : 22 DEPRECIATION & AMORTISATION EXPENSE	Rs in Lacs	
	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
Depreciation on Property, Plant & Equipment	86.55	97.73
Total	86.55	97.73

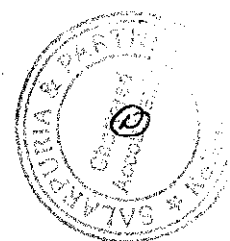


HINDUSTHAN UDYOG LTD

Notes to the Standalone Financial Statement for the Year Ended 31.03.2021

Rs in Lacs

Note : 23 OTHER EXPENSES	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
Component Processing Expense	79.00	70.50
Selling & Distribution Expenses		
Freight & Transportation	4.19	24.14
Advertisement & Sales Promotion	0.39	0.49
Rates & Taxes	0.59	8.62
Repairs & Maintenance		
Repairs to Plant & Machinery	29.06	37.26
Repairs to Factory Building	-	5.95
Repairs to Others Assets	4.91	0.04
Travelling Expenses		
Inland Travelling	3.91	6.01
Auditors' Remuneration		
- Audit Fees	2.75	2.75
- Tax Audit Fees	0.25	0.25
- Certification/Limited Review Fees	1.60	1.90
Legal & Professional	3.35	10.47
Director Meeting Fees	0.21	0.27
Service Charges	25.90	23.81
Liquidated Damages	36.66	3.92
Electricity Charges	3.72	-
Factory Electric Charges	0.56	1.00
Rent	1.42	14.46
Factory Godown Rent	3.16	3.16
Bank Charges	0.73	1.32
Conveyance Charges	2.84	2.73
Vehicle Maintenance	3.62	9.84
Printing & Stationery	1.19	1.17
Postage, Telegram & Telephone	3.38	1.88
Insurance	6.86	3.15
Listing Fees	4.93	19.81
Loss on Foreign Exchange Fluctuation	0.23	0.24
Donation & Subscription	0.31	0.86
Miscellaneous Expenses	15.41	82.49
Total	241.13	338.49



HINDUSTHAN UDYOG LTD

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Note: 24 NOTES**24.1 Contingent Liabilities**

- a) Letters of Guarantee outstanding as at 31.03.2021 is ` 28.03 Lacs (Previous Year - ` 32.09 Lacs) against which Fixed Deposit of Rs. 28.03 Lacs kept as margin.
- b) Claim not acknowledged as debts: - Disputed demand for Sales Tax ` 131.32 Lacs (Previous Year - ` 131.32 Lacs) appealed against.
- c) VAT Case filled for the year 2007-08 of Rs 62.70 Lacs (Previous Year - ` 62.70 Lacs)

24.2 Related Party Disclosures:i) **Relationship****Key Managerial Personnel (KMP) & their Relatives**

- a) Mr. V.N. Agarwal Managing Director
- b) Mr. Prakash Agarwal Director - Son of Mr. V.N. Agarwal
- c) Ms. Kiran Darulia Director
- d) Mr. Bal Krishna Mawandia* Director
- e) Mr. Sanjib Kumar Roychowdhury** Director
- f) Mr. Asim Kumar Ghosh *** Director

V.N. Enterprise Limited (Enterprise Having Significant Influence)
Macneill Electricals Limited (MEL)(Director having significant influence)

Associate Company

WPIL Limited (WPIL)
Spaans Babcock India Ltd.

* Appointed as a director with effect from 06.07.2020

** Appointed as a director with effect from 02.04.2021

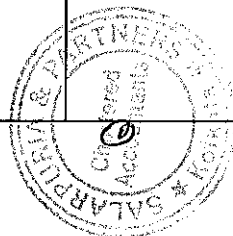
*** Ceased to be director of the Company due to his death on 17.05.2020

ii) **Transactions with Related Parties**

	Rs in Lacs		
	MEL	WPIL	KMP
Sales & Services		388.88 (609.31)	-
Purchases		15.42 (4.77)	-
Dividend Receipts		289.62 (289.62)	-
Rent Receipts	- (2.16)	210.00 (210.00)	-
Rent Paid	- (1.20)		
Managerial Remuneration - Mr. V.N. Agarwal		-	30.00 (30.00)
Directors Sitting Fees		-	0.21 (0.27)
Trade Receivables		127.14 (17.49)	-
Advance from Debtors		257.01 (1,076.07)	

* All receivables and payables are subject to confirmation.

** Figures in bracket reflect previous year balance



HINDUSTHAN UDYOG LTD

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Details of Advances Given and Received During the year from Related Parties

Name	Transactions	Rs in Lacs	
		As At 31.03.2021	As At 31.03.2020
WPIL Limited	Opening Balance	4,200.00	4,200.00
	Capital Advance Taken	-	-
	Advance Refunded	-	-
	Closing Balance	4,200.00	4,200.00
V.N. Enterprises Limited	Opening Balance	6,288.00	4,300.00
	Performance Deposit Given		2,010.25
	Advance Refunded	1,100.00	22.25
	Closing Balance	5,188.00	6,288.00
Spaans Babcock India Ltd.	Opening Balance	-	-
	Advance Given	-	1.00
	Advance Refunded	-	1.00
	Closing Balance	-	-
Macneill Electricals Limited	Opening Balance	80.00	-
	Advance Given	225.50	80.00
	Advance Refunded	-	-
	Closing Balance	305.50	80.00

24.3 Segment Reporting

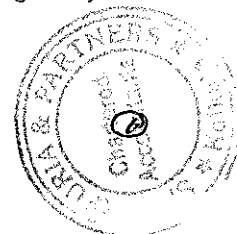
The operation of the Company relates to Single Primary Business Segment i.e. Engineering (Steel Castings & Alloys). Accordingly, there is no primary business segment. However, information about Segment based on geographical location of the Customers i.e. Domestic & Export Sales have been provided:-

Information about Secondary Segments - Geographical

PARTICULARS	Rs in Lacs	
	As At 31.03.2021	As At 31.03.2020
(i) Revenue by Geographical Market		
- India	859.65	911.36
- Outside India	120.77	337.73
	<u>980.42</u>	<u>1,249.09</u>

24.4 Considering the external and internal impairment indicators, the management is of the opinion that no asset has been impaired as at 31st March, 2021. Consequently, no impairment loss has been recognized in the Statement of Profit & Loss for the year ended 31st March, 2021.

24.5 The company has received an advance of ` 4200 Lacs from WPIL Limited for acquisition of its Alloy and Stainless Steel Casting foundry unit in Nagpur. The necessary approval and formalities for the acquisition is pending no adjustment has been made in the financials.



HINDUSTHAN UDYOG LTD

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

24.6 FAIR VALUE MEASUREMENTS**(I) Financial instruments by category**

	Particulars	Rs in Lacs	
		As At 31.03.2021	As At 31.03.2020
A. Financial Assets			
I. Measured at fair value through other comprehensive income (FVTOCI)			
	Investments	617.57	653.63
II. Measured at amortised cost			
	Investments	360.13	360.13
	Trade Receivables	477.75	469.57
	Cash & Cash Equivalents	29.34	19.33
	Other	65.61	70.61
B. Financial Liabilities			
I. Measured at amortised cost			
	Borrowings	562.26	519.68
	Trade Payables	319.25	361.89
	Other Financial Liabilities	163.46	238.15

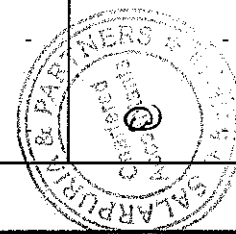
(II) This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which the fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the entity has classified its financial instruments into 3 levels prescribed under the accounting standard.

Level 1: Level 1 hierarchy includes financial instruments measure quoted prices

Level 2: The fair value of financial instruments that are not traded in an active market are determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity - specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Particulars	Carrying Value	Rs in Lacs		
		Level 1	Level 2	Level 3
Measured at fair value through Other Comprehensive Income (FVTOCI)				
As at 31st March 2021				
Investments	617.57	-	-	617.57
As at 31st March 2020				
Investments	653.63	-	-	653.63
Measured at amortised cost for which fair value is disclosed				
As at 31st March 2021				
Deferred Sales Tax Loan	1.17	-	-	1.17
As at 31st March 2020				
Deferred Sales Tax Loan	1.17	-	-	1.17



HINDUSTHAN UDYOG LTD**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021**

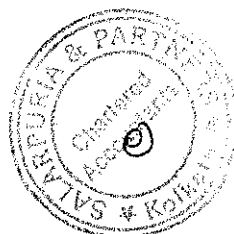
24.7 No Preference Dividend is payable to Preference Shareholders in respect of aforesaid 10% Cumulative Redeemable Preference Shares as they have waived their right in respect of any Preference dividend from the date of allotment of these Shares till the date of their redemption and measured at amortised cost. These Preference Shares are due for redemption on 9th January, 2019 but have been extended for a period of 3 Years i.e, 9th January, 2022.

24.8 Earnings Per Share

Particulars	2020-2021	2019-2020
(A) Earnings available for Equity Shareholder(Rs in lacs)	(106.10)	133.50
(B) Weighted Average Number of Equity Shares	71,76,725	71,76,725
(C) Earnings Per Share (basic/diluted)(A/B)	(1.48)	1.86

24.9 The Board of Directors of the company, have approved a Scheme of Amalgamation\Merger at their meeting held on 21st March 2020 of the following Listed entities, i.e., a) Neptune Exports Limited, b)Northern Projects Limited, c)Tea Time Limited and d) Orient International Limited with the company with effect from 1st April 2019, the scheme is filed with NCLT with kolkata bench and subject to approval.

24.10 The outbreak of COVID-19 globally and in India has caused significant disturbances and slow-down of economic activity. The Company's operations have also been impacted in the months of March 2020 and April 2020 due to temporary suspension of manufacturing facilities, sales and distribution following nationwide lockdown announced by the Government of India in view of COVID-19. However, post the permission for operations of certain activities by the Government of India in non containment zones, the Company has resumed operations at its manufacturing unit at Nagpur branch. In assessing the recoverability of carrying amount of Company's assets such as investments, loans and advances, trade receivables, inventories etc., the Company has considered various internal and external information up to the date of approval of these financial results. Based on such evaluation, including current indicators of future economic conditions, the Company has concluded that the carrying amounts of the assets are recoverable. However, since the impact assessment of COVID-19 is a continuing process, the eventual impact may be different from the estimates made as of the date of approval of these results.



HINDUSTHAN UDYOG LTD

Notes to the Standalone Financial Statements for the year ended 31.03.2021

24.11 Disclosures as required under Indian Accounting Standard 19 on "Employee Benefits"

A. Defined Benefit Plan

The Company has unfunded scheme for payment of gratuity to all eligible employees calculated at specified number of days of last drawn salary depending upon tenure of service for each year of completed service subject to minimum five years of service payable at the time of separation upon superannuation or on exit otherwise.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the Post - retirement benefit plans .

Rs in Lacs

PARTICULARS	31st March 2021	31st March 2020	31st March 2021	31st March 2020
	Gratuity	Gratuity	Leave Encashment	Leave Encashment
1. Change in the Defined Benefit Obligation				
- Defined Benefit Obligation as at the beginning	212.67	178.37	41.05	36.15
- Current Service Cost	10.76	10.00	1.96	2.48
- Interest Expense or Cost	13.61	13.02	2.63	2.64
- Actuarial (gains) / losses arising from:	-	-	-	-
change in demographic assumptions	-	(0.07)	-	(0.01)
change in financial assumptions	2.90	12.38	0.32	1.79
experience variance	(0.67)	10.74	(9.17)	(0.16)
- Past Service Cost	-	-	-	-
- Effect of change in foreign exchange rates	-	-	-	-
- Benefits paid	(9.29)	(11.79)	(1.52)	(1.84)
- Acquisitions Adjustment	-	-	-	-
- Effect of business combinations or disposals	-	-	-	-
- Present Value of Obligation as at the end	229.99	212.67	35.26	41.05
2. Expenses recognised in the statement of Profit & Loss				
- Current Service Cost	10.76	10.00	1.96	2.48
- Interest Expense or Cost	13.61	13.02	2.63	2.64
- Actuarial (gains) / losses arising from:	-	-	-	-
change in demographic assumptions	-	-	-	(0.01)
change in financial assumptions	-	-	0.32	1.79
experience variance	-	-	(9.17)	(0.16)
- Past Service Cost	-	-	-	-
- Effect of change in foreign exchange rates	-	-	-	-
- Acquisitions Adjustment	-	-	-	-
- Effect of business combinations or disposals	-	-	-	-
Total	24.38	23.02	(4.26)	67.38
3. Other Comprehensive Income				
- Actuarial (gains) / losses arising from:				
change in demographic assumptions	-	(0.07)	-	-
change in financial assumptions	2.90	12.38	-	-
experience variance	(0.67)	10.74	-	-
Total	2.23	23.06	-	-
4. Actuarial Assumptions				
(a) Financial Assumptions				
Discount rate p.a	6.20%	6.40%	6.20%	7.30%
Salary growth rate p.a	5.00%	5.00%	5.00%	5.00%

24.12 Previous years' figures have been regrouped and rearranged, wherever necessary.

For SALARPURIA & PARTNERS

Chartered Accountants

Firm ICAI Reg. No. 302113E

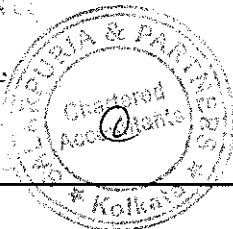
Nihar Ranjan Nayak

N. R. Nayak

Place: Kolkata

Date: 30th June 2021

Partner



Silika Bajor

For and on behalf of the Board of Directors

[Signature]

[Signature]

Directors

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E-mail : salarpuria.jajodia@rediffmail.com

HINDUSTHAN UDYOG LIMITED

**CONSOLIDATED BALANCE SHEET,
CONSOLIDATED STATEMENT OF PROFIT & LOSS,
AND CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH, 2021**



Salarpuria & Partners

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INDEPENDENT AUDITOR'S REPORT

To The Members of Hindusthan Udyog Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying Consolidated Ind AS financial statements of **Hindusthan Udyog Limited** (hereinafter referred to as the "Parent Company"), and its associates, which comprise the consolidated Balance Sheet as at March 31, 2021, the consolidated statement of Profit and Loss(including Other comprehensive income), the consolidated cash flows Statement and the consolidated changes in equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of their consolidated state of affairs of the Company, and its associates as at March 31, 2021, of consolidated **profit**, consolidated changes in equity and its consolidated cash flows for the year then ended.

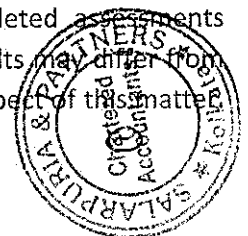
Basis for Opinion

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 Ind AS Financial Statements section of our report. We are independent of the Company, and its associates in accordance with the ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements in India in terms of the Code of Ethics issued by ICAI and we have fulfilled our other ethical responsibilities in accordance with the relevant provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to the following matters in the Notes to the Financial Statements:

- (a) Note No. 2 to the Financial Statements which describes that no provision for amortization has been made for long term Leasehold Land at Durgapur.
- (b) The company filed a lawsuit against Mahanadi Coalfields Ltd. For recovery of ₹ 91.93 lacs at Cuttack High court for which no provision has been made in the accounts.
- (c) Note 24.10 to the Consolidated Ind AS financial statements which, describes the assessment and impact of ongoing pandemic and various restrictions imposed by State Governments as well as Central Government on Company's operations and results. The Company has also completed assessments regarding future economic outflow, uncertainty and potential impact. The actual results may differ from such estimates depending on future developments. Our opinion is not modified in respect of this matter.





Salarpuria & Partners

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Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the, Board's Report including Annexures to Board's Report, and Shareholder's Information, but does not include the Consolidated Ind AS Financial Statements and our auditor's report thereon.

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

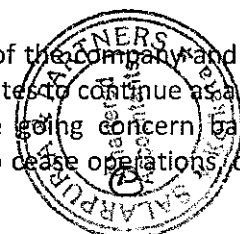
In connection with our audit of the Consolidated Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Ind AS Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statement.

The Parent Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the parent Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the company and of its associates entities are responsible for assessing the ability of Company and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.





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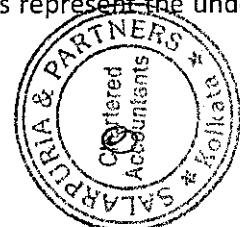
The respective Board of Directors of the company and of its associates are responsible for overseeing the financial reporting process of the Company and of its associates.

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

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

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

- Identify and assess the risks of material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Ind AS Financial Statements, including the disclosures, and whether the Consolidated Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.





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- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company and its associates to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

Other Matters

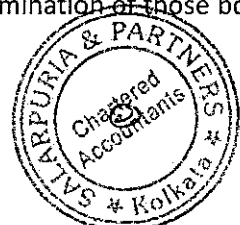
(a) The consolidated Ind AS financial statements also include the Parent company's share of net profit after tax of Rs 08.38 lakhs for the year ended 31st March 2021, as considered in the consolidated financial statements, in respect of 01 (one) associate, whose financial information have not been audited by us. These financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid associate, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Parent company.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial information provided & certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS financial statements.
- (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 and the reports of the other auditors.





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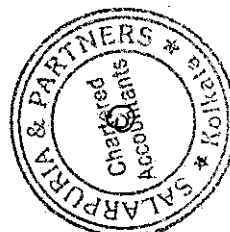
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the preparation of the Consolidated Ind AS financial statements.
- (d) In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Ind AS 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 of the Company as on 31st March, 2021 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its associate company incorporated in India, none of the directors of the company, its associate company incorporated in India is disqualified as on 31st March, 2021 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 -A".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company has disclosed the impact of pending litigations on its financial position in its Consolidated Ind AS Financial Statements – Refer Note 24.1 to the Consolidated Ind AS Financial Statements.
- (ii) The Company and its associates did not have any material foreseeable losses on long-term contracts including derivative contracts.
- (iii) There were no amount which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Salarpuria & Partners
Chartered Accountants
Firm ICAI Reg. No. 302113E

Nihar Ranjan Nayak

N. R. Nayak
Chartered Accountant
Membership No. 57076
Partner

UDIN: 21057076 AAAA 25071
Place : Kolkata
Date : 30th June, 2021





Salarpuria & Partners

CHARTERED ACCOUNTANTS

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ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2103 ("the Act")

(Referred to Paragraph 2(f) of Report on Other Legal and Regulatory Requirements of our Report of even date to the members of Hindusthan Udyog Limited for the year ended 31st March, 2021)

We have audited the internal financial controls over financial reporting of **Hindusthan Udyog Limited** ("the Parent Company") and its associates as of 31st March, 2021 in conjunction with our audit of the Consolidated Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

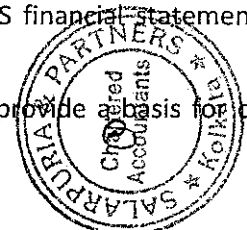
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial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

Auditors' Responsibility

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

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

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





Salarpuria & Partners

CHARTERED ACCOUNTANTS

7, C. R. AVENUE, KOLKATA - 700 072

Phone : 2237 5400 / 5401, 4014 5400 - 5410

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Branches at New Delhi & Bangalore

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Parent Company, its Associates 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 31st March, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 2 Associate company, which are company incorporated in India, is based on the corresponding reports of the auditor of such company incorporated in India.

For Salarpuria & Partners

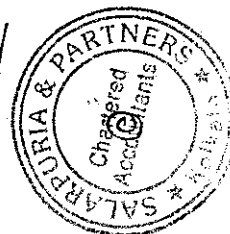
Chartered Accountants

Firm ICAI Regn. No. 302113E

Nihar Ranjan Nayak

N. R. Nayak
Chartered Accountant
Membership No.-57076
Partner

UDIN: 21057076 AAAADC5071
Place: Kolkata.
Date: 30th June, 2021



HINDUSTHAN UDYOG LTD
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2021
CIN No.: L27120WB1947PLC015767

ASSETS	Notes	Rs in Lacs	
		As At 31.03.2021	As At 31.03.2020
(1) NON CURRENT ASSETS			
(a) Property, Plant and Equipment	2	1,062.00	1,144.89
(c) Financial Assets			
(i) Investments	3(a)	21,110.51	17,749.45
(ii) Trade Receivables	3(b)	-	-
(iii) Others	3(c)	41.54	28.79
(d) Deferred Tax Assets (Net)	4	-	-
(e) Other Non- Current Assets	5	91.41	91.41
Total (a)		22,305.46	19,014.54
(2) CURRENT ASSETS			
(a) Inventories	6	694.04	961.18
(b) Financial Assets			
(i) Trade Receivables	3(b)	477.75	469.57
(ii) Cash & Cash Equivalents	7(a)	29.34	19.33
(iii) Others	7(b)	24.06	41.82
(c) Current Tax Asset (Net)	8	191.42	152.45
(d) Other Current Assets	9	5,904.26	6,763.33
Total (b)		7,320.87	8,407.68
Total Assets		29,626.33	27,422.22

EQUITY AND LIABILITIES	Notes	As At	
		31.03.2021	As At 31.03.2020
(1) EQUITY			
(a) Share Capital	10(A)	717.67	717.67
(b) Other Equity	10(B)	22,634.74	19,324.05
Total Equity		23,352.41	20,041.72
(2) LIABILITIES			
Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	11(a)	562.26	515.93
(iii) Other Financial Liabilities	11(c)	-	34.28
(b) Provisions	12	230.41	234.26
(c) Deferred Tax Liabilities (Net)	4	57.27	100.25
		849.94	884.72
(3) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	13(a)	-	3.75
(ii) Trade Payables	11(b)		
Total Outstanding dues of Micro, Small and Medium Enterprise		5.50	6.91
Total Outstanding dues of creditors other than Micro, Small and Medium Enterprise		313.74	354.98
(iii) Other Financial Liabilities	13(b)	163.46	203.87
(b) Other Current Liabilities	14	4,906.44	5,906.81
(c) Provisions	15	34.84	19.46
		5,423.98	6,495.78
Total Liabilities		6,273.92	7,380.50
Total Equity and Liabilities		29,626.33	27,422.22

Significant Accounting Policies & Other Notes

1 & 24

The accompanying notes are an integral part of the Financial Statements

As per our report of even date

For SALARPURIA & PARTNERS

Chartered Accountants

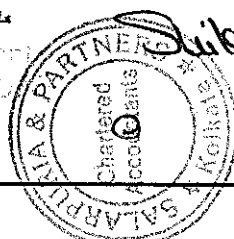
Firm ICAI Reg. No.302113E

Nihar Ranjan Nayak

For and on behalf of the Board of Directors

Umesh Kumar

N. R. Nigam
 Chartered Accountant
 Membership No. 57/2010
 Partner



Umesh Kumar
 Company Secretary

Directors

Place : Kolkata

Date : 30th June ,2021

HINDUSTHAN UDYOG LTD**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH 2021**

CIN No. : L27120WB1947PLC015767

Rs in Lacs except EPS

Particulars	Notes	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
I. Revenue from Operations	16	980.42	1,249.09
II. Other Income	17	260.10	270.36
III. Total Revenue (I +II)		1,240.52	1,519.45
IV. Expenses:			
Cost of Materials Consumed	18	669.09	795.43
Excise Duty & GST		-	-
Changes in Inventories of Finished Goods, Stock in Trade and Work in Progress	19	78.78	(132.62)
Employee Benefit Expenses	20	513.47	532.68
Finance Costs	21	47.22	43.67
Depreciation and Amortization Expense	22	86.56	97.73
Other Expenses	23	241.13	338.49
IV. Total Expenses		1,636.25	1,675.38
V. Profit/(Loss) before Tax (III - IV)		(395.73)	(155.93)
VI. Profit/(Loss) from Associate Companies		3,336.83	2,194.48
VII. Profit/(Loss) before Tax (V +VI)		2,941.09	2,038.56
VIII. Tax Expense:			
1 Current Tax		-	-
2 Tax for earlier years (Net)		-	0.20
3 Deferred Tax		-	-
Net Current Tax (VIII)		-	0.20
IX. Profit/(Loss) for the Period (VII- VIII)		2,941.09	2,038.36
X. Other Comprehensive Income for the period			
(A) (i) Item that will not be reclassified to Profit or Loss			
→ Changes in Fair Valuation of Equity Instrument		(34.59)	19.13
→ Net Gain/(Loss) on disposal of investments in equity shares		13.53	-
→ Remeasurement of Defined benefit Plans		(2.23)	(23.06)
Share of OCI of Associates		349.91	(72.33)
(ii) Income Tax relating to items that will not be reclassified to Profit or Loss		42.97	13.41
(B) (i) Items that will be reclassified to Profit or Loss			
(ii) Income Tax relating to items that will be reclassified to Profit or Loss			
XI. Total Comprehensive Income for the period (IX +X)		3,310.69	1,975.50
Earnings per Equity Share (for Continuing Operation):	24.7		
(1) Basic		40.98	28.40
(2) Diluted		40.98	28.40

Significant Accounting Policies & Other Notes

1824

The accompanying notes are an integral part of the Financial Statements

As per our report of even date

For SALARPURIA & PARTNERS

Chartered Accountants

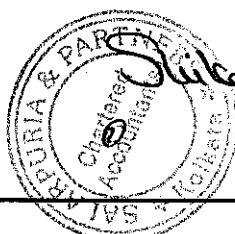
Firm ICAI Reg. No.302113E

Nihar Ranjan Nayak

N. R. Nayak
Chartered Accountant
Membership No. 57076
Partner

Place : Kolkata

Date : 30th June , 2021



Dilip Bajaj
Company Secretary

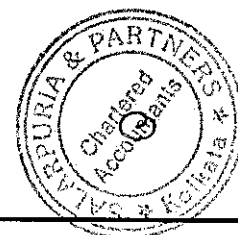
For and on behalf of the Board of Directors

Pratibha Ag
Directors

HINDUSTHAN UDYOG LTD*Statement of Consolidated Cash Flows for the year ended 31.03.2021*

Rs in Lacs

PARTICULARS	Rs in Lacs	
	For the year ended 31.03.2021	For the year ended 31.03.2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before Tax & Extra-Ordinary Items	2,941.09	2,038.56
Adjustment for :		
Depreciation & Amortisation	86.56	97.73
Profit from Associate Company	(3,336.83)	(2,194.48)
Interest Expense	47.22	43.67
Interest Income	(48.71)	(50.20)
Provisions	9.30	16.13
(Profit)/Loss on Sale of Property, Plant and Equipment	-	(3.92)
Operating Profit before Working Capital Changes	(301.36)	(52.53)
Movements In Working Capital :		
Increase/(Decrease) in Trade Payables	(43.45)	(74.37)
Increase/(Decrease) in Other Current Liabilities	(1,000.38)	1,036.99
(Increase)/ Decrease in Inventories	267.14	(18.21)
(Increase)/ Decrease in Trade Receivables	(8.18)	213.03
Increase/ (Decrease) in Other Current Financial Liabilities	(29.14)	18.33
(Increase)/Decrease in Other Current Assets	859.06	(2,113.42)
(Increase)/Decrease in Other Non-Current Financial Assets	(12.75)	(9.24)
(Increase)/Decrease in Other Non-Current Assets	-	(0.11)
(Increase)/Decrease in Other Current Financial Assets	17.59	4.38
Cash generated from/(used in) Operations	(251.46)	(995.13)
Direct Taxes Paid (Net)	(38.97)	(13.29)
Net Cash from Operating Activities	(290.43)	(1,008.42)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Sale of Property, Plant and Equipment	-	9.61
Interest Received	3.32	4.64
Dividend Received	289.62	289.62
(Purchase)/Sale of Investments (Net)	15.00	-
Purchase of Property, Plant and Equipment	(3.67)	(10.40)
Increase/Decrease in Bank Deposits	-	-
Net Cash from Investing Activities	304.27	293.48



HINDUSTHAN UDYOG LTD

Statement of Consolidated Cash Flows for the year ended 31.03.2021

Rs in Lacs

PARTICULARS	For the year ended 31.03.2021	For the year ended 31.03.2020
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Interest paid	(0.08)	(0.73)
Repayment :		
Proceeds/(Repayment) of Long Term Borrowings	-	-
Proceeds/(Repayment) of Short Term Borrowings	(3.75)	(8.74)
Net Cash from Financing Activities	(3.83)	(9.47)
Net (Decrease)/ Increase in Cash and Cash Equivalents (A+B+C)	10.00	(724.41)
Cash and Cash Equivalents at the beginning of the year	19.33	743.74
Cash and Cash Equivalents at end of the year	29.34	19.33

PARTICULARS	As At 31.03.2021	As At 31.03.2020
Cash & Cash Equivalents :		
Balances with Bank		
Current Account	20.74	9.29
Bank Deposits with Maturity less than 3 months	0.23	-
Bank Book Overdraft	(8.79)	(3.72)
Cash on Hand	17.16	13.76
Total	29.33	19.33

Note :

- (a) Previous year's figures have been regrouped/recasted wherever necessary.
- (b) The above cash flow has been prepared under "Indirect Method" as per Ind AS 7, "Statement of Cash Flows", as prescribed under section 133 of the Companies Act, 2013 ("the Act"), as notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

FOR SALARPURIA & PARTNERS
 CHARTERED ACCOUNTANTS
 Firm ICAI Reg. No.302113E

For and on behalf of the Board of Directors

Nihar Ranjan Nay



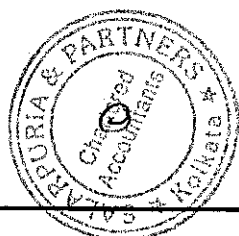
N. R. Nayak
 Chartered Accountant
 Membership No.-57076
 Partner

Sudhakar Prasad Nayak
 Company Secretary

Directors

Place : Kolkata

Date : 30th June , 2021



HINDUSTHAN UDYOG LTD

Notes to Consolidated Financial Statement As At 31.03.2021

STATEMENT OF CHANGES IN EQUITY		RESERVES & SURPLUS							OTHER COMPREHENSIVE INCOME				Total Equity Attributable to Equity Holders of the Company
		Note No.	Securities Premium	Revaluation Surplus	General Reserve	Special Capital Incentive	Capital Reserve	Retained Earnings	Fair Value Gain/(Loss) on Equity Instruments	Remeasurement of Defined Benefit Plans	Share of OCI of associates	Total Other Equity	
Balance as on 01.04.2019			138.41	48.45	121.62	30.00	3,908.28	13,083.26	437.00	(18.83)	(399.65)	17,348.54	
Transfer to Retained Earning			-	-	-	-	-	-	-	-	-	-	
Profit from Associate Company			-	-	-	-	-	2,194.48	-	-	(72.33)	2,122.15	
Profit for the year 2019-20			-	-	-	-	-	(156.12)	-	-	-	(156.12)	
Rectification of Errors			-	-	-	-	-	-	-	-	-	-	
Changes in Accounting Policies			-	-	-	-	-	-	-	-	-	-	
Prior Period Errors			-	-	-	-	-	-	-	-	-	-	
Remeasurement of Net Defined (Liability)/Asset			-	-	-	-	-	-	-	(23.06)	-	(23.06)	
Changes in Fair Value of Investment			-	-	-	-	-	-	19.13	-	-	19.13	
Tax Effect on Fair Value of Investment			-	-	-	-	-	-	13.41	-	-	13.41	
Restated Balance at 31st March, 2020			138.41	48.45	121.62	30.00	3,908.28	15,121.63	469.54	(41.89)	(471.99)	19,324.05	
Profit for the year 2020-2021			-	-	-	-	-	(395.73)	-	-	-	(395.73)	
Total Comprehensive Income for the year			-	-	-	-	-	3,336.83	-	-	349.91	3,686.74	
Profit from Associate Company			-	-	-	-	-	-	-	-	-	-	
Adjusted during the year			-	-	-	-	-	-	-	-	-	-	
Dividend Paid			-	-	-	-	-	-	-	-	-	-	
Tax on Dividend			-	-	-	-	-	-	-	-	-	-	
Transfer to Retained Earnings			-	-	-	-	-	14.80	(14.80)	-	-	-	
Remeasurement of Net Defined (Liability)/Asset			-	-	-	-	-	-	-	-	-	-	
Changes in Fair Value of Investment			-	-	-	-	-	-	-	(2.23)	-	(2.23)	
Net Gain/(Loss) on disposal of investments in equity shares			-	-	-	-	-	-	(34.59)	-	-	(34.59)	
Tax Effect on Fair Value of Investment			-	-	-	-	-	-	13.53	-	-	13.53	
Balance as at 31st March, 2021			138.41	48.45	121.62	30.00	3,908.28	18,077.52	476.65	(44.12)	(122.07)	22,634.74	



NOTE 1 (A) : CORPORATE INFORMATION

The Company ("Hindusthan Udyog Limited") is an existing public company incorporated on 3rd September, 1947 under the Indian Companies Act, and deemed to exist within the purview of the Companies Act, 2013, having its registered office at Trinity Plaza, 3rd floor, 84/1A, Topsia Road (South), Kolkata - 700046. The Company is engaged in manufacturing of Alloy and Stainless Steel Castings with stringent quality requirements required in Turbines, Metal Shredding, Heavy Earth Equipments, Pumps, Valves and Compressors and other Heavy Engineering Industries. It is also engaged in manufacturing of Material Handling Equipments of varied nature required in the Mines, Cement Plants, Power Plants and Other General Engineering Sectors. The manufacturing units are located in Kolkata and Nagpur. The Equity Shares of the Company are listed on BSE Limited ("BSE") and Calcutta Stock Exchange ("CSE"). The Financial Statements are presented in Indian Rupees.

NOTE 1 (B) : SIGNIFICANT ACCOUNTING POLICIES.

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

i) BASIS OF PREPARATION

The consolidated financial statements of Hindusthan Udyog Ltd ("the Company") comply in all material aspects with Indian Accounting Standards ("Ind-AS") as prescribed under section 133 of the Companies Act, 2013 ("the Act"), as notified under the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standard) Amendment Rules 2016 and other accounting principles generally accepted in India.

The Company follows the mercantile system of accounting and recognises income and expenditure on an accrual basis. The Financial Statements are prepared under the historical cost convention, except in case of significant uncertainties and except for the following:

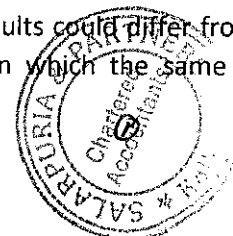
- 1 Certain financial assets and liabilities that are measured at fair value.
- 2 Assets held for sale which are measured at lower of carrying value and fair value less cost to sell.
- 3 Defined benefit plans where plan assets are measured at fair value.

The financial statements for the year ended 31st March, 2021 have been approved by the Board of Directors of the Company in their meeting held on 30th June, 2021.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle. An operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. As set out in the Schedule III to the Companies Act, 2013, the normal operating cycle cannot be identified and hence it is assumed to have a duration of twelve months.

Use of Estimates and Management Judgement

In preparing the financial statements in conformity with accounting principles generally accepted in India, management is required to make estimates and assumptions that affect reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of the financial statements and the amounts of revenue and expenses during the reported period. Actual results could differ from those estimates. Any revision to such estimates is recognised in the period in which the same is determined.



BASIS OF CONSOLIDATION

The consolidated financial statements includes financial statements of Hindusthan Udyog Limited and results of two associates, consolidated in accordance with Ind AS 28 - Investments in associate. The Consolidation has been done by following the Equity Method.

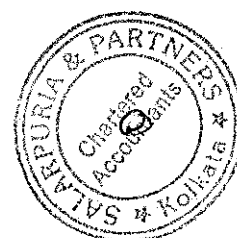
Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and other events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies. The financial statement of all entities used for the purpose of consolidation are drawn upto same reporting date as that of the parent company i.e year ended 31st March . An associate is an entity in which the group has significant influence, but not control or joint control, over the financial and operating policies. Interest in associate and joint ventures are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to intial recognition the consolidated financial statements include the groups share of profit and loss and OCI of equity accounted investee until the date on which significant influence or joint control ceases When the group's share of losses in an equityaccounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the other entity. Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.



II) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, allowances, rebates, value added taxes, goods and services tax and amounts collected on behalf of third parties. The company recognizes revenue when the amount of Revenue can be reliably measured and it is probable that future economic benefits will flow to the company.

- 1 Sales are recognised when significant risks and rewards are transferred to the buyer as per the contractual terms or on dispatch where such dispatch coincides with transfer of significant risks and rewards to the buyer.
- 2 Export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are fulfilled.

III) Other Income:

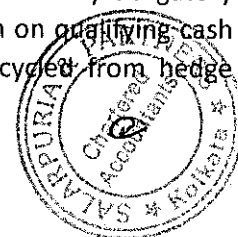
- 1 Interest Income on Financial Assets is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to the gross carrying amount of the Financial Asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instruments.
- 2 Dividends are recognized in the statement of profit and loss only when the right to receive payments is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.
- 3 Profit/Loss on sale of Investments is recognised on the contract date.
- 4 Others: The Company recognizes other income (including rent and misc receipts) on accrual basis. However, where the ultimate collection of the same lacks reasonable certainty, revenue recognition is postponed to the extent of uncertainty.

IV) Property, Plant and Equipment

- a) Asset Class:
 - i) Freehold Land is carried at historical cost including cost that is directly attributable to the acquisition of the land.
 - ii) All other items of property, plant and equipment are stated at historical cost less accumulated depreciation/ amortization. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The initial cost at cash price equivalence of property, plant and equipment acquired comprises its purchase price, including import duties and non-refundable purchase taxes, any directly attributable costs of bringing the assets to its working condition and location and present value of any obligatory decommissioning costs for its intended use. Cost may also include effective portion on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment recycled from hedge reserve as basis adjustment.



In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of overheads, directly attributable borrowing costs and effective portion of cash flow hedges of foreign currency recycled from the hedge reserve as basis adjustment.

Subsequent expenditure on major maintenance or repairs includes the cost of the replacement of parts of assets and overhaul costs. Where an asset or part of an asset is replaced and it is probable that future economic benefits associated with the item will be available to the Company, the expenditure is capitalised and the carrying amount of the item replaced is derecognised. Similarly, overhaul costs associated with major maintenance are capitalised and depreciated over their useful lives where it is probable that future economic benefits will be available and any remaining carrying amounts of the cost of previous overhauls are derecognised. All other costs are expensed as incurred except the amortisation value of durgapur leasehold land is not material.

Depreciation

Depreciation is charged so as to write off the cost or value of assets, over their estimated useful lives or, in the case of leased assets (including leasehold improvements), over the lease term if shorter. The lease period is considered by excluding any lease renewals options, unless the renewals are reasonably certain. Depreciation is recorded using the straight line basis. The estimated useful lives and residual values are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis. Each component of an item of property, plant and equipment with a cost that is significant in relation to the total cost of that item is depreciated separately if its useful life differs from the others components of the asset.

Depreciation commences when the assets are ready for their intended use. Depreciated assets in property and accumulated depreciation accounts are retained fully until they are removed from service.

The useful life of the items of PPE estimated by the management for the current and comparative period are in line with the useful life as per **Schedule II of the Companies Act, 2013**.

V) Disposal of Assets

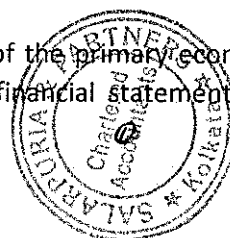
An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between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

VI) Investment Property

Investment properties held to earn rentals or for capital appreciation or both are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognised in the statement of profit and loss. Transfer to, or from, investment property is done at the carrying amount of the property.

VII) Foreign currency Transactions

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in India Rupee which is HUL's functional and presentation currency.



- a) On initial recognition, all foreign currency transaction are recorded at foreign exchange rate on the date of transaction.
- b) Monetary items of currents assets and liabilities in foreign currency outstanding at the close of financial year are revalorised at the appropriate exchange rates prevailing at the close of the year.
- c) The gain or loss on decrease/increase in reporting currency due to fluctuation in foreign exchange rate, in case of monetary current assets and liabilities in foreign currency, are recognised in the Statement of Profit and Loss

VIII) Inventories

Inventories are stated at the lower of cost and net realizable value. The cost of finished goods and work in progress includes raw materials, direct labour, other direct costs and related production overheads. Costs of inventories include the transfer from equity any gains/losses on qualifying cash flow hedges for purchases of raw materials.

Cost is determined using the weighted average cost for Nagpur Unit and FIFO for Kolkata Unit. However, the same cost basis is applied to all inventories of a particular class. Inventories of stores and spare parts are valued at weighted average cost basis after providing for cost of obsolescence and other anticipated losses, wherever considered necessary.

However, materials and other supplies held for use in the production of inventories (finished goods, work-in-progress) are not written down below the cost if the finished products in which they will be used are expected to sell at or below the cost.

Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

IX) Financial Instruments

All financial assets are recognised on trade date when the purchase of a financial asset is under a contract whose term requires delivery of the financial asset within the timeframe established by the market concerned. Financial assets are initially measured at fair value, plus transaction costs, except for those financial assets which are classified as at fair value through profit or loss (FVTPL) at inception. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value.

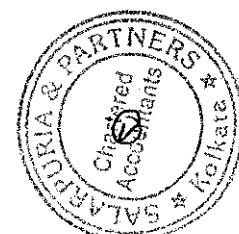
Classification of Financial Assets

Financial assets are classified as 'equity instrument' if it is a non-derivative and meets the definition of 'equity' for the issuer. All other non-derivative financial assets are 'debt instruments'.

Financial assets at amortised cost and the effective interest method

Debt instruments are measured at amortised cost if both of the following conditions are met:

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at amortised cost using the effective interest method less any impairment, with interest recognised on an effective yield basis in investment income.

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

The Company may irrevocably elect at initial recognition to classify a debt instrument that meets the amortised cost criteria above as at FVTPL if that designation eliminates or significantly reduces an accounting mismatch had the financial asset been measured at amortised cost.

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

Debt instruments are measured at FVTOCI if both of the following conditions are met:

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows and selling assets; and
- The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on Remeasurement recognised in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognised in the statement of profit and loss in investment income. When the debt instrument is derecognised the cumulative gain or loss previously recognised in other comprehensive income is reclassified to the statement of profit and loss account as a reclassification adjustment.

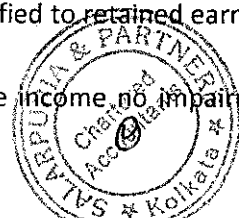
At initial recognition, an irrevocable election is made (on an instrument-by-instrument basis) to designate investments in equity instruments other than held for trading purpose at FVTOCI.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income. Where the asset is disposed of, the cumulative gain or loss previously accumulated in the other comprehensive income is directly reclassified to retained earnings.

For equity instruments measured at fair value through other comprehensive income no impairments are recognised in the statement of profit and loss.



Financial Assets at Fair Value through Profit and Loss (FVTPL)

Financial assets that do not meet the criteria of classifying as amortised cost or fair value through other comprehensive income described above, or that meet the criteria but the entity has chosen to designate as at FVTPL at initial recognition, are measured at FVTPL.

Investments in equity instruments are classified as at FVTPL, unless the Company designates an investment that is not held for trading at FVTOCI at initial recognition.

Financial assets classified at FVTPL are initially measured at fair value excluding transaction costs.

Financial assets at FVTPL are subsequently measured at fair value, with any gains or losses arising on remeasurement recognised in the statement of profit and loss.

Dividend income on investments in equity instruments at FVTPL is recognised in the statement of profit and loss in investment income when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity; and the amount of the dividend can be measured reliably.

Impairment of financial assets

On initial recognition of the financial assets, a loss allowance for expected credit loss is recognised for debt instruments at amortised cost and FVTOCI. For debt instruments that are measured at FVTOCI, the loss allowance is recognised in other comprehensive income in the statement of profit and loss and does not reduce the carrying amount of the financial asset in the balance sheet.

Expected credit losses of a financial instrument is measured in a way that reflects:

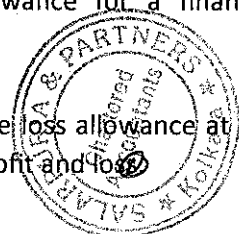
- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

At each reporting date, the Company assesses whether the credit risk on a financial instrument has increased significantly since initial recognition.

When making the assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

If, at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. If, the credit risk on that financial instrument has increased significantly since initial recognition, the Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses.

The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the statement of profit and loss.



Financial Liabilities and equity instruments issued by the Company**Classification as debt or equity**

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Compound instruments

The component parts of compound instruments (convertible instruments) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible instrument. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date. The equity component is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured.

Financial Liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Financial Liabilities at FVTPL

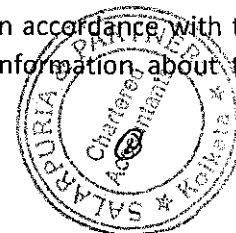
Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been acquired or incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and for which there is evidence of a recent actual pattern of short-term profit taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may also be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a Company of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the Company is provided internally on that basis; or



- it forms part of a contract containing one or more embedded derivatives, and Ind-AS 109 Financial Instruments permits the entire combined contract to be designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in the statement of profit and loss, except for the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability which is recognised in other comprehensive income.

The net gain or loss recognised in the statement of profit and loss incorporates any interest paid on the financial liability.

Other Financial Liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

X) Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If the receivable is expected to be collected within a period of 12 months or less from the reporting date (or in the normal operating cycle of the business, if longer), they are classified as current assets otherwise as non-current assets.

Trade receivables are measured initially at fair value, and subsequently at amortised cost using effective interest method, less provision for impairment.

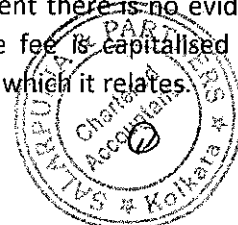
Loss allowance for expected life time credit loss is recognised on initial recognition.

XI) Trade Payables

Trade Payables are liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. They are initially recognised at their fair value and subsequently measured at amortised cost using the effective interest method.

XII) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowing using the effective interest method. Fees paid on the establishment of loan facilities are recognised at transaction costs of the loan to the extent it is probable that some or all of the facility will be drawn down. In the case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a repayment for liquidity services and amortised over the period of the facility to which it relates.



Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the statement of profit and loss as other gains/(losses).

Borrowings are classified as current financial liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes repayable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

XIII) Foreign Currency Transactions

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in Indian National Rupee (), which is the company's functional and presentation currency.

- a) On initial recognition, all foreign currency transactions are recorded at the foreign exchange rate on the date of transaction.
- b) Monetary items of current assets and liabilities in foreign currency outstanding at the close of the financial year are revalored at the appropriate exchange rates prevailing at the close of the year.
- c) the gain or loss on decrease/increase in reporting currency due to fluctuations in foreign exchange rates, in case of monetary current assets and liabilities in foreign currency, are recognised in the statement of Profit and Loss.

XIV) Income Tax

The income tax expense or credit for the period is the tax payable on current period's taxable income based on the applicable income tax rates for the jurisdiction.

Current tax and deferred tax are recognised in the Statement of Profit and Loss except to the extent it relates to items recognised directly in equity or other comprehensive income.

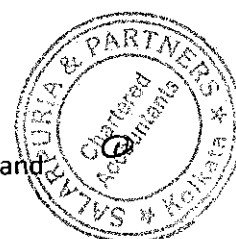
Current Income Tax

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company operates and generates taxable income. Management evaluates periodically positions taken with respect to situations in which applicable tax regulations is subject to interpretation. It establishes provisions, wherever appropriate, on the basis of amounts expected to be paid to the tax authorities.

XIV) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised if

- i) the business has present legal or constructive obligation as a result of a past event;
- ii) it is probable that an outflow of resources will be required to settle the obligation; and
- iii) the amount of obligation has been reliably estimated



Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. If the effect of time value of money is material, provisions are discounted to reflect its current value using a current pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to passage of time is recognised as a finance cost.

Contingent Liabilities

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 the obligation or a reliable estimate of the amount cannot be made.

Contingent Assets

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
A contingent asset is not recognised but disclosed where an inflow of economic benefit is probable.

XVI) Employees Benefit Expenses**a) Short Term Obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet.

b) Long Term Employee Benefit Obligations

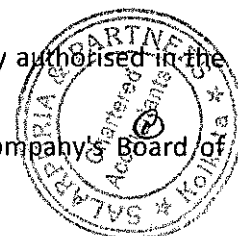
The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees rendered the related service. They are, therefore, measured at the present value of the expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Remeasurements as a result of experience adjustments and changes in the actuarial assumptions are recognised in the Statement of Profit and Loss.

Under Ind AS, re-measurements of defined benefit plan are recognised in the Balance Sheet with a corresponding debit or credit to equity through Other Comprehensive Income (OCI). Under Ind AS, an entity is permitted to transfer amounts recognized in Other Comprehensive Income within equity. The Company has taken recourse of the said provision and has transferred as at the date of transition to Ind AS.

XVII) Dividend

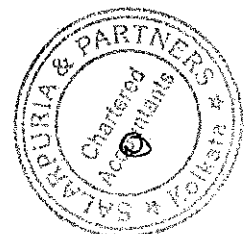
Provision is made for the amount of any final dividend declared, being appropriately authorised in the Annual General Meeting and no longer at the discretion of the Company.

Interim Dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.



XVIII) Earnings Per Share

Earnings Per Share is calculated by dividing the net profit or loss of the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's Earnings Per Share is the net profit or loss for the period. The weighted average number of equity shares outstanding during the period and all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.



NOTE 22: PROPERTY, PLANT & EQUIPMENT

Particulars	PROPERTY, PLANT & EQUIPMENT							Rs in Lacs	
	Freehold Land	Lease Hold Land **	Building & Structures	Plant & Equipments	Electronic Data Processing Machines	Electric Installations	Vehicles	Furniture & Fittings	Total
Gross block									
Gross Carrying Amount As At 1st April, 2020	193.63	166.84	571.37	506.53	1.02	37.67	27.46	51.42	1,555.95
Additions during the year	-	-	-	0.40	-	-	0.67	2.60	3.67
Reclassification made during the year	-	-	-	-	-	-	-	-	-
Disposals/deductions during the year	-	-	-	-	-	-	-	-	-
Gross carrying amount as at 31st March, 2021	193.63	166.84	571.37	506.93	1.02	37.67	28.12	54.02	1,559.61
Depreciation /Amortisation									
Accumulated depreciation/amortisation as at 1st April, 2020	-	5.84	115.18	223.09	0.97	29.52	7.92	28.54	411.06
Depreciation/ amortisation for the year	-	1.46	27.05	45.13	0.03	1.34	6.09	5.45	86.56
Reclassification made during the year	-	-	-	-	-	-	-	-	-
Disposals/deductions during the year	-	-	-	-	-	-	-	-	-
Accumulated depreciation as at 31st March, 2021	-	7.31	142.23	268.22	1.00	30.86	14.01	33.99	497.62
Net carrying amount as at 31st March, 2021	193.63	159.54	429.13	238.71	0.02	6.81	14.12	20.04	1,062.00

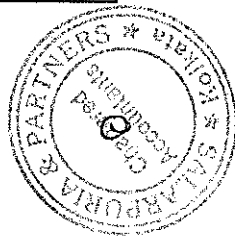
The changes in the carrying value of property, plant and equipment for the year ended March 31, 2020 were as follows:

Particulars	PROPERTY, PLANT & EQUIPMENT							Rs in Lacs	
	Freehold Land	Lease Hold Land **	Building & Structures	Plant & Equipments	Electronic Data Processing Machines	Electric Installations	Vehicles	Furniture & Fittings	Total
Gross block									
Gross Carrying Amount As At 1st April, 2019	193.63	166.84	569.52	515.16	1.02	31.92	70.78	49.31	1,598.19
Additions during the year	-	-	1.85	0.69	-	5.75	-	2.12	10.40
Reclassification made during the year	-	-	-	-	-	-	-	-	-
Disposals/deductions during the year	-	-	-	(9.32)	-	-	(43.33)	-	(52.65)
Gross carrying amount as at 31st March, 2020	193.63	166.84	571.37	506.53	1.02	37.67	27.46	51.42	1,555.95
Depreciation /Amortisation									
Opening accumulated depreciation/amortisation as at 1st April, 2019	-	4.38	87.50	175.82	0.87	27.97	41.62	22.12	360.29
Depreciation/ amortisation for the year	-	1.46	27.68	51.48	0.09	1.55	9.04	6.42	97.73
Reclassification made during the year	-	-	-	-	-	-	-	-	-
Disposals/deductions during the year	-	-	-	(4.21)	-	-	(42.75)	-	(46.96)
Accumulated depreciation as at 31st March, 2020	-	5.84	115.18	223.09	0.97	29.52	7.92	28.54	411.06
Net carrying amount as at 31st March, 2020	193.63	161.00	456.18	283.44	0.06	8.15	19.54	22.89	1,144.89

* Cost of Leasehold Land at Nagpur is amortized over the period of the Lease of 95 Years.

Provision for amortisation of Long term Leasehold land at Durgapur has not been made.

** Certain portions of the Factory premises have been given on lease.



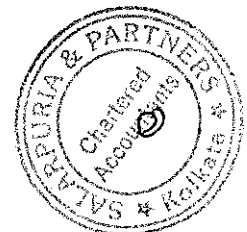
HINDUSTHAN UDYOG LTD

Notes to Consolidated Financial Statement As At 31.03.2021

Note - 3 FINANCIAL ASSETS	No. of Shares	As At 31.03.2021	Rs in Lacs	
			No. of Shares	As At 31.03.2020
(A) INVESTMENTS				
(a) Measured at fair value through Other Comprehensive Income				
(i) Investment in Equity Instrument (Quoted)				
1) Tea Time Ltd.	1,14,000	95.64	1,14,000	96.77
2) Phosphate Co. Ltd.	26,400	16.30	26,400	52.00
3) Northern Projects Ltd.	1,39,900	106.66	1,39,900	110.97
4) Asutosh Enterprises Ltd.	1,50,000	70.68	1,50,000	61.84
5) Neptune Exports Ltd.	2,30,500	143.00	2,30,500	141.02
6) Orient International Ltd.	1,65,000	46.77	1,65,000	47.13
7) Bengal Steel Industries Ltd.	3,45,000	64.26	3,45,000	63.03
Total (i)		543.31		572.76
(ii) Investment in Equity Instrument (Unquoted)				
1) Hindusthan Parsons Ltd.	5,00,000	57.65	5,00,000	59.72
2) H. S. M. International Pvt. Ltd.	1,52,500	7.24	1,52,500	7.26
3) Tamilnadu Alkaline Batteries Ltd.	3,00,000	3.00	3,00,000	3.00
5) Bengal Central Building Society Ltd.	10,000	0.48	10,000	0.52
6) Kabin Papers Ltd., in Liquidation.	42,135	-	42,135	-
7) AKA Washeries India Pvt. Ltd.	2,000	0.02	2,000	0.02
8) Huwood Hindusthan Pvt. Ltd.	2,000	-	2,000	1.47
9) Macneill Electricals Ltd.	918	5.87	918	8.88
Total (ii)		74.26		80.87
Total (a)		617.57		653.63
(b) Measured at Cost				
(i) Investment in Associate				
1) WPIL Limited (39.54%)	38,61,659		38,61,659	
Carrying Value of the Group's Interest in Associate		17,062.38		15,233.33
Add: Current Year Profit/(Loss)		3,678.36		2,118.68
Less: Dividend		(289.62)		(289.63)
Total		20,451.12		17,062.38
2) Spaans Babcock India Ltd (25%)	25,000		25,000	
Carrying Value of the Group's Interest in Associate		33.30		29.82
Add: Current Year Profit/(Loss)		8.37		3.48
Total		41.67		33.30
(ii) Investment in Govt. Securities (NSC)		0.15		0.15
Total (b)		20,492.94		17,095.83
Total (a + b)		21,110.51		17,749.45

	Rs in Lacs			
	As at 31st March 2021		As at 31st March 2020	
	Cost	Market Value	Cost	Market Value
Aggregate value of Quoted Investments	388.85	23,450.67	388.85	11,418.23
Aggregate value of Unquoted Investments	37.00	76.76	37.20	83.37

(B) TRADE RECEIVABLES	As At 31.03.2021	Rs in Lacs	
		As At 31.03.2020	
Current Portion	477.75		469.57
Non- Current Portion	-		-
	477.75		469.57
Considered Good - Secured			
Considered Good - Unsecured	477.75		469.57
Having Significant Increase in Credit Risk	-		-
Credit Impaired	-		-
Doubtful	44.46		44.46
Total	522.21		514.03
Loss Allowance	(44.46)		(44.46)
Total Unsecured Trade Receivable	477.75		469.57



HINDUSTHAN UDYOG LTD

Notes to Consolidated Financial Statement As At 31.03.2021

(C) OTHER NON CURRENT FINANCIAL ASSETS	Rs in Lacs	
	As At 31.03.2021	As At 31.03.2020
Bank Deposits with Maturity more than 12 months	41.54	28.79
Total Non Current Other Non Financial Assets	41.54	28.79

* Kept as margin money against Bank guarantees Rs. 23.03 Lacs (P.Y. Rs. 28.79 Lacs).

Note : 4 DEFERRED TAX (NET)	Rs in Lacs	
	As At 31.03.2021	As At 31.03.2020
Deferred Tax Asset / (Liability)	(57.27)	(100.25)
Total	(57.27)	(100.25)

Note : 5 OTHER NON CURRENT ASSETS	Rs in Lacs	
	As At 31.03.2021	As At 31.03.2020
Advances - Non Current	1.27	1.27
Mat Credit Entitlement	11.47	11.47
Security Deposits	78.67	78.67
Total	91.41	91.41

Note : 6 INVENTORIES	Rs in Lacs	
	As At 31.03.2021	As At 31.03.2020
Raw Material	146.36	326.93
Work In Progress	373.27	452.05
Finished Goods	-	-
Tools & Implements	174.41	182.20
Total	694.04	961.18



HINDUSTHAN UDYOG LTD

Notes to Consolidated Financial Statement As At 31.03.2021

Rs in Lacs

Note : 7(A) CASH AND CASH EQUIVALENT	As At 31.03.2021	As At 31.03.2020
Balances with Bank		
- In Current Account	20.74	9.29
- Bank Book Overdraft	(8.79)	(3.72)
Cash on Hand	17.16	13.76
Bank Deposits with Maturity less than 3 months	0.23	-
Total	29.34	19.33

Rs in Lacs

Note : 7(B) OTHER CURRENT FINANCIAL ASSETS	As At 31.03.2021	As At 31.03.2020
Accrued Interest	0.14	0.14
Bank Deposits with Maturity more than 3 months less than 12 months*	21.57	39.16
Interest Accrued on Fixed Deposit with Bank	2.35	2.52
Total	24.06	41.82

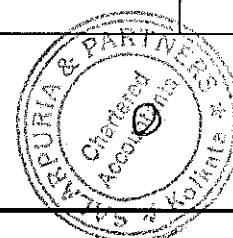
* Kept as margin money against Bank guarantees Rs. 5 Lacs (P Y. Rs. 5 Lacs).

Rs in Lacs

Note : 8 CURRENT TAX ASSET (NET)	As At 31.03.2021	As At 31.03.2020
Advance payment of Income Tax (Net)	188.85	149.88
Advance Sales Tax	2.57	2.57
Total	191.42	152.45

Rs in Lacs

Note : 9 OTHER CURRENT ASSETS	As At 31.03.2021	As At 31.03.2020
Advances to Staff (Unsecured- Considered Good)	4.95	6.25
Advances to Others	5,860.21	6,716.46
GST Receivable	23.11	24.72
Security Deposit	12.82	12.49
Prepaid Expenses	3.17	3.41
Total	5,904.26	6,763.33



HINDUSTHAN UDYOG LTD

Notes to Consolidated Financial Statement As At 31.03.2021

Note : 10 (A) STATEMENT OF CHANGES IN EQUITY	Rs in Lacs	
	As At 31.03.2021	As At 31.03.2020
(A) I Equity Share Capital		
Authorised Shares		
485,00,000 Equity Shares of ` 10/- each	4,850.00	4,850.00
60,00,000 10% Cumulative Redeemable Preference shares of ` 10/- each	600.00	600.00
	5,450.00	5,450.00
Issued, Subscribed & Paid-Up Shares		
71,76,725 Equity Shares of ` 10/- each, fully paid	717.67	717.67
Total	717.67	717.67

a. Reconciliation of shares outstanding at the beginning & at the end of the reporting period

Equity Shares	Nos.	Rs in Lacs		
		As At 31.03.2021	Nos.	As At 31.03.2020
At the beginning of the period	71,76,725	717.67	71,76,725	717.67
Issued during the period	-	-	-	-
Outstanding at the end of the period	71,76,725	717.67	71,76,725	717.67

b. Terms/Rights attached to Equity Shares

The Company has one Class of Shares issued, Equity Shares having a par value of ` 10/- each. Each Equity Shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to approval of the shareholders at the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Equity Shareholders are eligible to receive the assets of the Company after distribution of all preferential amounts, in proportion of their shareholding.

c. The Company does not have any Holding Company, ultimate Holding Company or Subsidiary Company.

d. Details of Shareholders holding more than 5% of Shares in the Company

Particulars	Nos.	As at 31.03.2021 % Holding in the Class	Nos.	As at 31.03.2020 % Holding in the Class
Equity Shares of ` 10/- Each				
1. V.N. Enterprises Limited	16,59,625	23.13	16,59,625	23.13
2. Poonam Jhaver	10,00,000	13.93	10,00,000	13.93
3. Bengal Steel Industries Limited	5,98,600	8.34	5,98,600	8.34
4. Tea Time Limited	5,94,600	8.29	5,94,600	8.29
5. Neptune Exports Limited	5,90,400	8.23	5,90,400	8.23
6. Orient International Limited	5,46,850	7.62	5,46,850	7.62
7. Asutosh Enterprises Limited	4,57,500	6.37	4,57,500	6.37
8. Prakash Agarwal	5,16,200	7.19	5,16,200	7.19

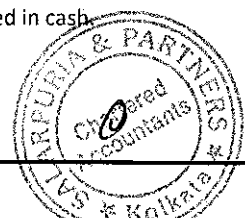
e. No Shares reserved for issue under options and contract/commitments for the sale of shares/disinvestment including the terms and amounts.

f. For the period of five years immediately preceding the date as at the Balance Sheet is prepared:

No Shares have been allotted as fully paid up pursuant to contract(s) without payment being received in cash.

No Shares have been allotted as fully paid up by way of Bonus Shares.

No Shares has been bought back by the Company.



HINDUSTHAN UDYOG LTD

Notes to Consolidated Financial Statement As At 31.03.2021

Rs in Lacs

Note : 10 (B) OTHER EQUITY	As At 31.03.2021	As At 31.03.2020
(a) Security Premium		
As per Last Balance Sheet	138.41	138.41
(b) Revaluation Surplus		
As per Last Balance Sheet	48.45	48.45
Less : Transferred to Retained Earnings	-	-
Closing Balance	48.45	48.45
(c) General Reserve		
As per Last Balance Sheet	121.62	121.62
(d) Special Capital Incentive		
As per Last Balance Sheet	30.00	30.00
(e) Capital Reserve		
As per Last Balance Sheet	3,908.28	3,908.28
(f) Retained Earnings		
As per Last Balance Sheet	15,121.63	13,083.26
Add: Transfer from Revaluation Surplus	-	-
Profit for the Year	2,941.09	2,038.36
Closing Balance	18,062.72	15,121.62
(g) Other Comprehensive Income		
As per Last Balance Sheet	(44.34)	18.52
Effect of Conversion to Ind AS		
Movement in OCI during the year	369.60	(62.86)
Closing Balance	325.26	(44.34)
Total	22,634.74	19,324.04

Nature and Purpose of Reserve**a) Securities Premium**

Securities Premium is the premium on issue of equity shares. The reserve will be utilised in accordance with the provision of the Act.

b) Revaluation Surplus

Revaluation Reserve arises on account of revaluation of Land.

c) General reserve

General reserves is part of retained earnings of company which are kept aside out of company's profits to meet future obligations.

d) Special Capital Incentive

Special Capital arises on account of Business Combination.

e) Capital Reserve

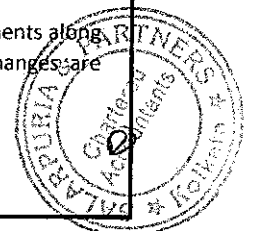
Capital Reserve arises on account of Business Combination.

f) Retained Earnings

Retained Earnings is the present accumulated profits/(losses) earned the Company and remaining undistributed as on date.

g) FVTOCI Reserve

The Company has elected to recognise changes in the fair value of investments in equity instruments along with remeasurement of Defined Benefit plans through other comprehensive income. This changes are accumulated within the FVTOCI Reserve.



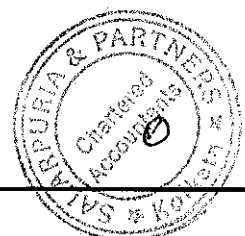
HINDUSTHAN UDYOG LTD

Notes to Consolidated Financial Statement As At 31.03.2021

NOTE 11 : FINANCIAL LIABILITIES (NON CURRENT)	Rs in Lacs	
	As At 31.03.2021	As At 31.03.2020
(A) BORROWINGS		
Unsecured		
Preference Shares	561.09	514.76
Deferred Sales Tax Loan	1.17	1.17
Total	562.26	515.93

NOTE 11 : FINANCIAL LIABILITIES (NON CURRENT)	Rs in Lacs	
	As At 31.03.2021	As At 31.03.2020
(B) TRADE PAYABLES		
CURRENT		
Trade Payables		
~ Total Outstanding Dues to Micro and Small Enterprises *	5.50	6.91
~ Total Outstanding dues of Creditors other than Micro Enterprise & Small Enterprises*	313.74	354.98
Total	319.24	361.89
NON-CURRENT		
Retention Payable to Contractor	-	-
Total	-	-

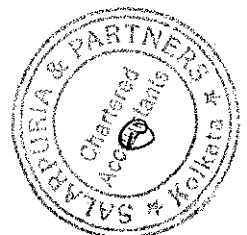
Particulars	As At 31.03.2021	As At 31.03.2020
Principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year (but within due date as per the MSMED Act).	5.50	5.44
The amount of interest paid by the Company in terms of Section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year.	NIL	NIL
the amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	NIL	NIL
The amount of interest accrued and remaining unpaid at the end of accounting year	0.81	0.52
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	NIL	NIL



HINDUSTHAN UDYOG LTD*Notes to Consolidated Financial Statement As At 31.03.2021*

NOTE 11 : FINANCIAL LIABILITIES (NON CURRENT)	Rs in Lacs	
	As At 31.03.2021	As At 31.03.2020
(C) OTHER FINANCIAL LIABILITIES		
Deferred Liability of Preference Shares	-	34.28
Total	-	34.28

Note : 12 LONG TERM PROVISIONS	Rs in Lacs	
	As At 31.03.2021	As At 31.03.2020
Provision for Employee Benefits		
– Provision for Gratuity	202.33	198.14
– Provison for Leave Encashment	28.08	36.12
Total	230.41	234.26



HINDUSTHAN UDYOG LTD

Notes to Consolidated Financial Statement As At 31.03.2021

Rs in Lacs

NOTE 13 : FINANCIAL LIABILITIES (CURRENT)	As At 31.03.2021	As At 31.03.2020
(A) BORROWINGS		
Loans Repayable on demand (Unsecured)		
• From Banks		
– Cash Credit Facilities (Secured)	-	-
Inter Corporate Deposits (Unsecured)	-	-
Vehicle Loan		
(i) From Banks *	-	3.75
Total	-	3.75

* The Loan is secured by hypothecation of Motor vehicles and is repayable in monthly instalments.

Rate of Interest :

Car Loan - 08.50% (Repayable in 5 Monthly Installments)

Rs in Lacs

NOTE 13 : FINANCIAL LIABILITIES (CURRENT)	As At 31.03.2021	As At 31.03.2020
(B) OTHER FINANCIAL LIABILITIES		
Deferred Liability of Preference Shares	34.28	45.56
Interest on ICD Payable	90.88	90.88
Other Payables	2.75	2.75
Payable to Employees	35.55	64.68
Total	163.46	203.87

Rs in Lacs

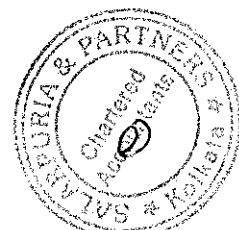
Note : 14 OTHER CURRENT LIABILITIES	As At 31.03.2021	As At 31.03.2020
Advance from Customers*	260.02	1,076.07
Deposits From Contractors	4.99	4.99
Statutory Dues Payable		-
– Provident Fund	14.85	2.61
– Employee State Insurance Fund & Labour Welfare Fund	1.63	0.16
– Tax Deducted At Source	4.30	3.36
– Professional Tax	2.62	1.48
Advance From Others *	4,618.03	4,818.14
Total	4,906.44	5,906.81
* Includes from WPIL Limited (Associate)	4,457.01	5,276.07



HINDUSTHAN UDYOG LTD

Notes to Consolidated Financial Statement As At 31.03.2021

Note : 15 SHORT TERM PROVISIONS	Rs in Lacs	
	As At 31.03.2021	As At 31.03.2020
Provision for Employee Benefits		
– Provision for Gratuity	27.66	14.54
– Provison for Leave Encashment	7.18	4.92
	-	-
Total	34.84	19.46



HINDUSTHAN UDYOG LTD

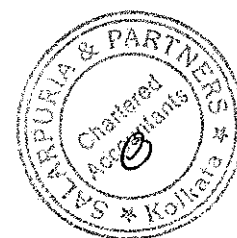
Notes to the Consolidated Financial Statement for the Year Ended 31.03.2021

Rs in Lacs

Note : 16 REVENUE FROM OPERATIONS	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
A) Revenue from Sale of Products	868.18	1,121.19
Sub Total (A)	868.18	1,121.19
B) Other Operating Revenues		
Recovery towards Pattern charges	49.81	83.65
Sale of Export Licence	3.14	38.05
Duty Drawback	-	6.20
Scrap Sales	59.29	-
Sub Total (B)	112.24	127.90
Total (A + B)	980.42	1,249.09

Rs in Lacs

Note : 17 OTHER INCOME	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
(a) <u>Interest Income</u>		
– Of Preference Share amortised through FVTPL	45.56	45.56
(b) <u>Other Non Operating Income</u>		
– Income From Fixed Deposit	3.15	4.64
– Profit From Sale of Property Plant & Equipment (Net)	-	3.92
– Rent	211.32	213.56
– Sundry Balances Written Back (Net)	-	0.14
– Misc. Receipts	0.07	2.54
Total	260.10	270.36



HINDUSTHAN UDYOG LTD

Notes to the Consolidated Financial Statement for the Year Ended 31.03.2021

Rs in Lacs

Note : 18 COST OF MATERIALS CONSUMED & OTHER MANUFACTURING EXPENSES	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
Raw Material Consumed	384.43	361.97
Stores Consumed	138.00	207.55
Power & Fuel	146.66	225.91
Total	669.09	795.43

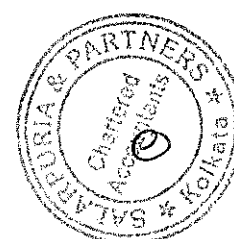
Rs in Lacs

Note : 19 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND SALEABLE SCRAP	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
Stock at the Beginning of the Year		
Finished Goods	-	-
Work-in-Progress	452.05	319.43
Saleable Scrap	-	-
Total	452.05	319.43
Stock at the End of the year		
Finished Goods	-	-
Work-in-Progress	373.27	452.05
Saleable Scrap	-	-
	373.27	452.05
Changes in Inventories of Finished Goods, Work In Progress and Saleable Scrap	78.78	(132.62)

Rs in Lacs

Note : 20 EMPLOYEE BENEFIT EXPENSES	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
Salary, Wages, Bonus & Allowances *	426.40	452.26
Contribution to Provident Fund, Gratuity, ESI & Other Fund	74.90	68.03
Staff Welfare Expenses	12.17	12.39
Total	513.47	532.68

* Includes Director's Remuneration of ₹ 30,00,000 (P.Y. - ₹ 30,00,000)



HINDUSTHAN UDYOG LTD

Notes to the Consolidated Financial Statement for the Year Ended 31.03.2021

Note : 21 FINANCE COSTS	Rs in Lacs	
	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
Interest		
(i) <u>Interest cost on Financial Liabilities measured at amortized cost</u>		
– on borrowings from banks	0.08	0.73
– on MSME dues	0.81	0.33
– on preference shares calculated as per Effective Interest Method	46.33	42.61
Total	47.22	43.67

Note : 22 DEPRECIATION & AMORTISATION EXPENSE	Rs in Lacs	
	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
Depreciation on Property, Plant & Equipment	86.56	97.73
Total	86.56	97.73

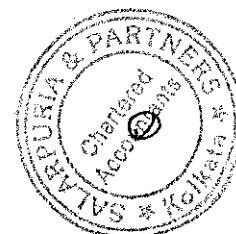


HINDUSTHAN UDYOG LTD

Notes to the Consolidated Financial Statement for the Year Ended 31.03.2021

Rs in Lacs

Note : 23 OTHER EXPENSES	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
Component Processing Expense	79.00	70.50
Selling & Distribution Expenses		
Freight & Transportation	4.19	24.14
Advertisement & Sales Promotion	0.39	0.49
Rates & Taxes	0.59	8.62
Repairs & Maintenance		
Repairs to Plant & Machinery	29.06	37.26
Repairs to Factory Building	-	5.95
Repairs to Others Assets	4.91	0.04
Travelling Expenses		
Inland Travelling	3.91	6.01
Auditors' Remuneration		
- Audit Fees	2.75	2.75
- Tax Audit Fees	0.25	0.25
- Certification/Limited Review Fees	1.60	1.90
Legal & Professional	3.35	10.47
Director Meeting Fees	0.21	0.27
Service Charges	25.90	23.81
Liquidated Damages	36.66	3.92
Electricity Charges	3.72	-
Factory Electric Charges	0.56	1.00
Rent	1.42	14.46
Factory Godown Rent	3.16	3.16
Bank Charges	0.73	1.32
Conveyance Charges	2.84	2.73
Vehicle Maintenance	3.62	9.84
Printing & Stationery	1.19	1.17
Postage, Telegram & Telephone	3.38	1.88
Insurance	6.86	3.15
Listing Fees	4.93	19.81
Loss on Foreign Exchange Fluctuation	0.23	0.24
Donation & Subscription	0.31	0.86
Miscellaneous Expenses	15.41	82.49
Total	241.13	338.49



HINDUSTHAN UDYOG LTD

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Note: 24 NOTES

24.1 Contingent Liabilities

- a) Letters of Guarantee outstanding as at 31.03.2021 is ` 28.03 Lacs (Previous Year - ` 32.09 Lacs)
- b) Claim not acknowledged as debts: - Disputed demand for Sales Tax ` 131.32 Lacs (Previous Year - ` 131.32 Lacs) appealed against.
- c) VAT Case filed for the year 2007-08 of Rs 62,70,042

24.2 Related Party Disclosures:i) **Relationship****Key Managerial Personnel (KMP) & their Relatives**

- a) Mr. V.N. Agarwal Managing Director
- b) Mr. Prakash Agarwal Director - Son of Mr. V.N. Agarwal
- c) Ms. Kiran Darulia Director
- d) Mr. Bal Krishna Mawandia* Director
- e) Mr. Sanjib Kumar Roychowdhury** Director
- f) Mr. Asim Kumar Ghosh *** Director

V.N. Entreprise Limited (Entreprise Having Significant Influence)
Macneill Electricals Limited (MEL)(Director having significant influence)

* Appointed as a director with effect from 06.07.2020

** Appointed as a director with effect from 02.04.2021

*** Ceased to be director of the Company due to his death 17.05.2020

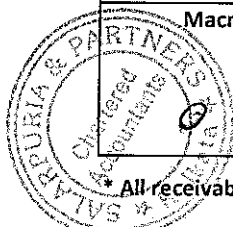
ii) **Transactions with Related Parties**

	Rs in Lacs	
	MEL	KMP
Rent Receipts	-	-
	(2.16)	-
Rent Paid	-	-
	(1.20)	-
Managerial Remuneration - Mr. V.N. Agarwal	-	30.00
	-	(30.00)
Directors Sitting Fees	-	0.21
	-	(0.27)

Details of Advances Given and Recieved During the year from Related Parties

Name	Transactions	Rs in Lacs	
		As At 31.03.2021	As At 31.03.2020
V.N. Enterprises Limited	Opening Balance	6,288.00	4,300.00
	Performance Deposit Given		2,010.25
	Avance Refunded	-	22.25
	Closing Balance	6,288.00	6,288.00
Macneill Electricals Limited	Opening Balance	80.00	-
	Advance Given	225.50	80.00
	Avance Refunded	-	-
	Closing Balance	305.50	80.00

* All receivables and payables are subject to confirmation.



24.3 Segment Reporting

The operation of the Company relates to Single Primary Business Segment i.e. Engineering (Steel Castings & Alloys). Accordingly, there is no primary business segment. However, information about Segment based on geographical location of the Customers i.e. Domestic & Export Sales have been provided:-

Information about Secondary Segments - Geographical

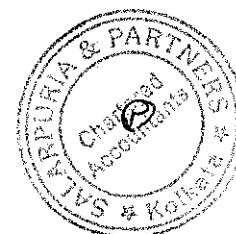
	PARTICULARS	Rs in Lacs	
		As At 31.03.2021	As At 31.03.2020
(i)	Revenue by Geographical Market		
	- India	859.65	911.36
	- Outside India	120.77	337.73
		<u>980.42</u>	<u>1,249.09</u>

24.4 Considering the external and internal impairment indicators, the management is of the opinion that no asset has been impaired as at 31st March, 2021. Consequently, no impairment loss has been recognized in the Statement of Profit & Loss for the year ended 31st March, 2021.

24.5 The company has received an advance of Rs 42,00 Lacs from WPIL Limited for acquisition of its Alloy and Stainless Steel Casting foundry unit in Nagpur. The necessary approval and formalities for the acquisition is pending no adjustment has been made in the financials.

24.6 FAIR VALUE MEASUREMENTS**(I) Financial instruments by category**

	Particulars	Rs in Lacs	
		As At 31.03.2021	As At 31.03.2020
A. Financial Assets			
I. Measured at fair value through other comprehensive income (FVTOCI)			
	Investments	617.58	653.63
II. Measured at amortised cost			
	Investments	20,492.94	17,095.83
	Trade Receivables	477.75	469.57
	Cash & Cash Equivalents	29.34	19.33
	Others	65.60	
B. Financial Liabilities			
I. Measured at amortised cost			
	Borrowings	562.26	519.68
	Trade Payables	319.24	361.89
	Other Financial Liabilities	163.46	238.15



HINDUSTHAN UDYOG LTD

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

- (ii) This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which the fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the entity has classified its financial instruments into 3 levels prescribed under the accounting standard.

Level 1: Level 1 hierarchy includes financial instruments measure quoted prices

Level 2: The fair value of financial instruments that are not traded in an active market are determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity - specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

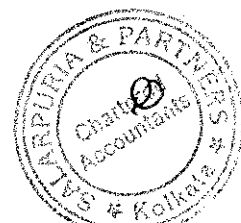
Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Particulars	Carrying Value	Rs in Lacs		
		Level 1	Level 2	Level 3
Measured at fair value through Other Comprehensive Income (FVTOCI)				
As at 31st March 2021 Investments	617.58	-	-	617.58
As at 31st March 2020 Investments	653.63	-	-	653.63
Measured at amortised cost for which fair value is disclosed				
As at 31st March 2021 Deferred Sales Tax Loan	1.17	-	-	1.17
As at 31st March 2020 Deferred Sales Tax Loan	1.17	-	-	1.17

- 24.7 No Preference Dividend is payable to Preference Shareholders in respect of aforesaid 10% Cumulative Redeemable Preference Shares as they have waived their right in respect of any Preference dividend from the date of allotment of these Shares till the date of their redemption and measured at amortised cost. These Preference Shares were due for redemption on 9th January, 2019 but have been extended for a period of 3 Years i.e, 9th January, 2022.

24.8 **Earnings Per Share**

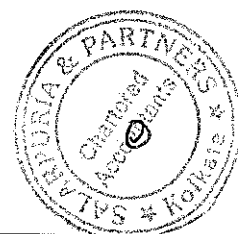
Particulars	2020-21	2019-20
Earnings available for Equity Shareholder(Rs in lacs)	2,941.09	2,038.36
Weighted Average Number of Equity Shares	7176725	7176725
Earnings Per Share (basic/diluted)	40.98	28.40



HINDUSTHAN UDYOG LTD

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

- 24.9 The Board of Directors of the company, have approved a Scheme of Amalgamation\Merger at their meeting held on 21st March 2020 of the following Listed entities, i.e., a) Neptune Exports Limited, b)Northern Projects Limited, c)Tea Time Limited and d) Orient International Limited with the company with effect from 1st April 2019, the scheme is subject to approval of statutory authorities which is still pending.
- 24.10 The outbreak of COVID-19 globally and in India has caused significant disturbances and slow-down of economic activity. The Company's operations have also been impacted in the months of March 2020 and April 2020 due to temporary suspension of manufacturing facilities, sales and distribution following nationwide lockdown announced by the Government of India in view of COVID-19. However, post the permission for operations of certain activities by the Government of India in non containment zones, the Company has resumed operations at its manufacturing unit at Nagpur branch.
- In assessing the recoverability of carrying amount of Company's assets such as investments, loans and advances, trade receivables, inventories etc., the Company has considered various internal and external information up to the date of approval of these financial results.
- Based on such evaluation, including current indicators of future economic conditions, the Company has concluded that the carrying amounts of the assets are recoverable. However, since the impact assessment of COVID-19 is a continuing process, the eventual impact may be different from the estimates made as of the date of approval of these results.



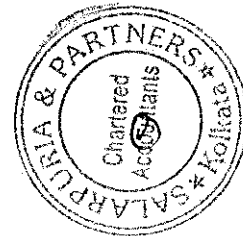
HINDUSTHAN UDYOG LTD

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

24.11 Additional Information
As at and for the year ended 31st March, 2021

(Rs. In Lacs)

Name of the entity in the Group	Net Asset i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent	13.79	3,219.60	-13.46	-395.73	5.33	19.69	-11.36	-376.04
Associates (Investment as per the equity method)								
<u>INDIAN</u>								
WPIL Limited	86.04	20,098.63	113.17	3328.45	94.67	349.91	111.11	3678.36
Spans Babcock India Ltd.	0.17	39.18	0.28	8.38	0	0.00	0.25	8.38
TOTAL	100.00	23,352.41	100.00	2941.10	100.00	369.60	100.00	3310.69



HINDUSTHAN UDYOG LTD

Notes to the Consolidated Financial Statements for the year ended 31.03.2021

24.12 Disclosures as required under Indian Accounting Standard 19 on "Employee Benefits"**A. Defined Benefit Plan**

The Company has unfunded scheme for payment of gratuity to all eligible employees calculated at specified number of days of last drawn salary depending upon tenure of service for each year of completed service subject to minimum five years of service payable at the time of separation upon superannuation or on exit otherwise.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the Post - retirement benefit plans .

PARTICULARS	Rs in Lacs			
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
	Gratuity	Gratuity	Leave Encashment	Leave Encashment
1. Change in the Defined Benefit Obligation				
- Defined Benefit Obligation as at the beginning	212.67	178.37	41.05	36.15
- Current Service Cost	10.76	10.00	1.96	2.48
- Interest Expense or Cost	13.61	13.02	2.63	2.64
- Actuarial (gains) / losses arising from:	-	-	-	-
change in demographic assumptions	-	(0.07)	-	(0.01)
change in financial assumptions	2.90	12.38	0.32	1.79
experience variance	(0.67)	10.74	(9.17)	(0.16)
- Past Service Cost	-	-	-	-
- Effect of change in foreign exchange rates	-	-	-	-
- Benefits paid	(9.29)	(11.79)	(1.52)	(1.84)
- Acquisitions Adjustment	-	-	-	-
- Effect of business combinations or disposals	-	-	-	-
- Present Value of Obligation as at the end	229.99	212.67	35.26	41.05
2. Expenses recognised in the statement of Profit & Loss				
- Current Service Cost	10.76	10.00	1.96	2.48
- Interest Expense or Cost	13.61	13.02	2.63	2.64
- Actuarial (gains) / losses arising from:	-	-	-	-
change in demographic assumptions	-	-	-	(0.01)
change in financial assumptions	-	-	0.32	1.79
experience variance	-	-	(9.17)	(0.16)
- Past Service Cost	-	-	-	-
- Effect of change in foreign exchange rates	-	-	-	-
- Acquisitions Adjustment	-	-	-	-
- Effect of business combinations or disposals	-	-	-	-
Total	24.38	23.02	(4.26)	6.74
3. Other Comprehensive Income				
- Actuarial (gains) / losses arising from:				
change in demographic assumptions	-	(0.07)	-	-
change in financial assumptions	2.90	12.38	-	-
experience variance	(0.67)	10.74	-	-
Total	2.23	23.06	-	-
4. Actuarial Assumptions				
(a) Financial Assumptions				
Discount rate p.a	6.20%	6.40%	6.20%	7.30%
Salary growth rate p.a	5.00%	5.00%	5.00%	5.00%

24.13 Previous years' figures have been regrouped and rearranged, wherever necessary.

For SALARPURIA & PARTNERS

Chartered Accountants

Firm No. 302113E

For and on behalf of the Board of Directors

Umeshwar

M. R. Nayak

Shikha Bajaj

Pradeep Aggarwal

Directors

Place: Kolkata

Date: 30th June, 2021

Partner

