

**ANNUAL  
REPORT 2019-20**



**Uniphos Enterprises Limited**



<http://www.uelonline.com/investors.html>

## BOARD OF DIRECTORS

Mr. RAJNIKANT DEVIDAS SHROFF <i>Chairman &amp; Managing Director</i>	(DIN: 00180810)
Mrs. SANDRA RAJNIKANT SHROFF <i>Non-Executive Vice Chairman</i>	(DIN: 00189012)
Mr. JAIDEV RAJNIKANT SHROFF <i>Non-Executive Director</i>	(DIN: 00191050)
Mr. ARUN CHANDRASEN ASHAR <i>Independent Director</i>	(DIN: 00192088)
Mr. PRADEEP VEDPRAKASH GOYAL <i>Independent Director</i>	(DIN: 00008370)
Mrs. SWATI SANDESH MAYEKAR <i>Independent Director</i>	(DIN: 00245261)

## COMPANY SECRETARY

Mr. K. M. THACKER  
(ICSI Membership No. ACS 6843)

## CHIEF FINANCIAL OFFICER

Mr. B. P. CHHEDA  
(ICAI Membership No. ACA 101820)

## AUDITORS

B S R & Co. LLP  
Chartered Accountants

## BANKERS

Canara Bank  
Axis Bank Ltd.  
HDFC Bank Ltd.

## ADMINISTRATIVE OFFICE

Uniphos House, C.D. Marg,  
11th Road, Madhu Park  
Khar (West), Mumbai- 400 052.  
Tel. : 91-22-2646 8000 Fax : 91-22-2604 1010

## REGISTERED OFFICE

11, G.I.D.C., Vapi,  
Dist. Valsad, Gujarat.  
Pin - 396 195.  
Tel. : 0260-2400717 Fax : 0260-2401823

## SECRETARIAL DEPARTMENT

Uniphos House, C.D. Marg,  
11th Road, Madhu Park  
Khar (West), Mumbai- 400 052.  
Tel. : 91-22-2646 8009/10 Fax : 91-22-2604 1010

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## COMMUNICATION TO SHAREHOLDERS

In view of the COVID-19 pandemic and resultant difficulties involved in dispatch of physical copies of the Annual Report, the Ministry of Corporate Affairs (MCA), vide its General Circular No 20/2020 dated May 5, 2020 and Circular No. SEBI/HO/CFD/ CMD1/CIR/P/2020/79 dated 12th May, 2020 issued by the Securities and Exchange Board of India (SEBI), have dispensed with the requirement of dispatch of physical copies of the Annual Report. Accordingly, the Notice of the 51st Annual General Meeting (AGM) along with the Annual Report 2019-20 is being sent only by electronic mode to those Members whose email addresses are registered with the Company or the Depositories or Registrar and Transfer Agent. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website [www.uelonline.com](http://www.uelonline.com), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and on the website of NSDL <https://www.evoting.nsdl.com>. For any communication, the shareholders may also send requests to the Company's dedicated investor email-id: [uel.investors@upl-ltd.com](mailto:uel.investors@upl-ltd.com).

For assistance regarding share transposition, transmission, change of address, duplicate/loss of shares and other related matters, please write to the Registrar & Share Transfer Agents:

### Link Intime India Pvt. Ltd.

### Unit : Uniphos Enterprises Limited

C 101, 247 Park, L B S Marg  
Vikhroli West  
Mumbai 400 083.  
Tel. : 91-22-49186270  
Fax No.: 91-22-49186060  
E-mail id: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)  
Website: [www.linkintime.co.in](http://www.linkintime.co.in)

## BOARD OF DIRECTORS



**Mr. RAJNIKANT DEVIDAS SHROFF**  
(DIN: 00180810)  
Chairman & Managing Director



**Mrs. SANDRA RAJNIKANT SHROFF**  
(DIN: 00189012)  
Non-Executive Vice Chairman



**Mr. JAIDEV RAJNIKANT SHROFF**  
(DIN: 00191050)  
Non-Executive Director



**Mr. ARUN CHANDRASEN ASHAR**  
(DIN: 00192088)  
Independent Director



**Mr. PRADEEP VEDPRAKASH GOYAL**  
(DIN: 00008370)  
Independent Director



**Mrs. SWATI SANDESH MAYEKAR**  
(DIN: 00245261)  
Independent Director

## NOTICE OF THE 51<sup>ST</sup> ANNUAL GENERAL MEETING

NOTICE is hereby given that the **51<sup>ST</sup> ANNUAL GENERAL MEETING ("AGM")** of the Shareholders of **UNIPHOS ENTERPRISES LIMITED ("Company")** will be held on Monday, September 28, 2020 at 3.00 p.m. (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), to transact the following business:

### ORDINARY BUSINESS:

To consider and if thought fit to pass resolution nos. 1 and 2 as Ordinary Resolutions:

1. To receive, consider and adopt the audited financial statement of the Company comprising of audited Balance Sheet as at 31st March, 2020, Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.

**"RESOLVED THAT** the audited financial statement of the Company comprising of audited Balance Sheet as at 31st March, 2020, Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and Auditors thereon as circulated to the members with the notice of the 51st Annual General Meeting and submitted to this meeting be and are hereby considered and adopted."

2. To appoint a Director in place of Mr. Jaidev Rajnikant Shroff (DIN: 00191050), Non-Executive Director, who retires by rotation and being eligible, offers himself for re-appointment.

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 and Regulation 17(1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Jaidev Rajnikant Shroff (DIN: 00191050), Non-Executive Director, who retires by rotation at this meeting be and is hereby re-appointed as Non-Executive Director of the Company, liable to retire by rotation."

Mumbai  
26th June, 2020

By Order of the Board of Directors  
For **UNIPHOS ENTERPRISES LTD.**

Registered Office:

11, G.I.D.C., Vapi,  
Dist. Valsad, Gujarat,  
Pin- 396 195.

Tel. No.: 0260-2400717;  
Fax: 0260-2401823

Website: www.uelonline.com  
E-mail: uel.investors@upl-ltd.com  
CIN: L24219GJ1969PLC001588

**K. M. THACKER**

Company Secretary  
(ICSI Membership No. ACS-6843)

### NOTES:

1. In view of the global outbreak of unprecedented Covid-19 pandemic and pre-requisite social distancing measures, the Ministry of Corporate Affairs ("MCA") has vide its General Circular No. 20/2020 dated May 5, 2020 read with General Circular No. 14/2020 dated April 8, 2020 and General Circular No. 17/2020 dated April 13, 2020 and the Securities and Exchange Board of India ("SEBI") vide Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 (collectively referred to as "the applicable Circulars") have allowed the companies to conduct the Annual General Meeting ("AGM") through Video Conferencing (VC) or Other Audio Visual Means (OAVM) without the physical presence of the members at a common venue. Hence, in compliance with the provisions of the Companies Act, 2013 ("the Act"), The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the applicable Circulars, the AGM of the Company is being held through VC facility.
2. Additional information, pursuant to Regulations 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India (ICSI), in respect of Director seeking re-appointment at this AGM as mentioned in Item No. 2 of this AGM Notice is annexed hereto.
3. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE, THIS AGM IS BEING HELD PURSUANT TO THE APPLICABLE CIRCULARS THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE APPLICABLE CIRCULARS, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.** However, Corporate/institutional members intending to authorise their representative to attend the Meeting through VC/OAVM facility and participate thereat and cast their votes through e-voting are requested to send to the Company a scanned certified true copy of the Board Resolution with attested specimen signature of the duly authorized signatory(ies) who are authorized to attend and vote on their behalf at the AGM. The said Resolution / Authorization shall be sent to the Scrutinizer by e-mail through its registered email address to uel.scrutinizer@gmail.com with a copy marked to

- evoting@nsdl.co.in and uel.investors@upl-ltd.com
4. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.
  5. The attendance of the Members attending the AGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
  6. The Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of the Act and the Register of Contracts or Arrangements in which the directors are interested, maintained under section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. September 28, 2020. Members seeking to inspect such documents can send an e-mail to uel.investors@upl-ltd.com.
  7. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to Link Intime India Pvt. Ltd., Registrar and Share Transfer Agents of the Company ("Link Intime"), Unit: Uniphos Enterprises Limited, C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai, Contact No.: 91-22-49186270, Fax No.: 91-22-49186060, E-mail: rnt.helpdesk@linkintime.co.in for shares held in physical form, with relevant documents that may be required.
  8. In view of the COVID-19 pandemic and resultant difficulties involved in dispatch of physical copies of the Annual Report, the MCA, vide its General Circular No 20/2020 dated May 5, 2020 and Circular No. SEBI/HO/CFD/ CMD1/CIR/P/2020/79 dated 12th May, 2020 issued by the Securities and Exchange Board of India (SEBI), have dispensed with the requirement of dispatch of physical copies of the Annual Report. Accordingly, the Notice of the AGM along with the Annual Report 2019-20 is being sent only by electronic mode to those Members whose email addresses are registered with the Company or the Depositories or Link Intime. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.uelonline.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of NSDL <https://www.evoting.nsdl.com>. For any communication, the shareholders may also send requests to the Company's dedicated investor email-id: uel.investors@upl-ltd.com.
  9. To support the 'Green Initiative', members holding shares in physical mode and who have not yet registered their e-mail addresses / not updated their email addresses with the Company are requested to update their email addresses by writing to Link Intime along with the copy of the signed request letter mentioning the name and address of the Member, scanned copy of the share certificate (front and back), self- attested copy of the PAN card, and self-attested copy of any document (e.g.: Driving License, Election Identity Card, Passport) in support of the address of the Member. Members holding shares in dematerialized mode are requested to register / update their e-mail addresses with the relevant Depository Participant(s). In case of any queries / difficulties in registering the e-mail address, Members may write to rnt.helpdesk@linkintime.co.in
  10. Shareholders can avail the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Act read with the Rules made thereunder. Members desiring to avail of this facility may send their nomination in the prescribed Form No. SH-13 duly filled-in to Link Intime. Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.
  11. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in dematerialized form are, therefore, requested to submit their PAN to the Depository Participant(s) with whom they are maintaining their dematerialized accounts. Members holding shares in physical form can submit their PAN details to Link Intime.
  12. SEBI has mandated that the securities of listed companies can be transferred only in dematerialized form from 1st April, 2019, except in case of transmission and transposition of securities. In view of the same and to avail various benefits of dematerialization to eliminate all risks associated with physical shares and for ease of portfolio management, Members are advised to dematerialize shares held by them in physical form. Shareholders can contact the Company or Link Intime for assistance in this regard.  
  
Shareholders holding shares in more than one folio in the same name(s) are requested to send the details of their folios along with share certificates so as to enable the Company to consolidate their holding into one folio.
  13. Shareholders are requested to send in their queries at least a week in advance to the Company Secretary at uel.investors@upl-ltd.com to facilitate clarifications during the AGM.
  14. The venue of the 51st AGM shall be deemed to be the Registered Office of the Company at 11, G.I.D.C., Vapi, Dist. Valsad, Gujarat – 396 195.



**15. INSTRUCTIONS FOR E-VOTING AND JOINING THE AGM:**

**(A) VOTING THROUGH ELECTRONIC MEANS**

- a) Pursuant to the 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 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), the Circulars issued by the Ministry of Corporate Affairs (MCA) and Secretarial Standard-2 (SS-2) on "General Meetings" issued by the Institute of Company Secretaries of India, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM.

For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a Shareholder using remote e-voting system as well as e-voting during the AGM will be provided by NSDL.

- b) The Shareholders who wish to 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, and if casted again, then the same will not be counted.
- c) The remote e-voting period shall commence on Friday, September 25, 2020 (at 9.00 a.m. IST) and ends on Sunday, September 27, 2020 (at 5.00 p.m. IST). During this period, the Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date, i.e., Monday, September 21, 2020, may cast their votes 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 Shareholder, the Shareholder shall not be allowed to change it subsequently.
- d) The voting rights of Members shall be in proportion to their share in the Paid-up Equity Share Capital of the Company as on the cut-off date i.e., Monday, September 21, 2020.
- e) Any person, who acquires Shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/

her existing User ID and password for casting the vote.

**INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING:-**

**Manner of Voting Electronically using NSDL e-Voting system:**

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

**Step 1:** Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

**Step 2:** Cast your vote electronically on NSDL e-Voting system.

**Details on Step 1 are mentioned below:**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. 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 eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) 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*****.
b) 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*****

c) For Members holding shares in Physical Form.	<p>EVEN Number followed by Folio Number registered with the company</p> <p>For example, if your folio number is 001*** and EVEN is 113733 then user ID is 113733001***</p>
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5. Your password details are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) 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 to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - ◇ 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 by NSDL in your mailbox. Open the attachment in the e-mail 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'.
    - ◇ If your email ID is not registered, please follow steps mentioned below in **"process for those shareholders whose email ids are not registered"**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) 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](http://www.evoting.nsdl.com).
  - b) "Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

#### Details on Step 2 are given below:

#### How to cast your vote electronically on NSDL e-Voting system?

1. 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.
2. 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.
3. Select "EVEN" of Company, i.e., 113733 for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options 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.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### General Guidelines for the Shareholders:

1. 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 [uel.scrutinizer@gmail.com](mailto:uel.scrutinizer@gmail.com) with a copy marked to the Company at [uel.investors@upl-ltd.com](mailto:uel.investors@upl-ltd.com) and to NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. 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](http://www.evoting.nsdl.com) to reset the password.



3. 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](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request to Mr. Sagar Ghosalkar, Assistant Manager, NSDL at the designated email ID: [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [sagar.ghosalkar@nsdl.co.in](mailto:sagar.ghosalkar@nsdl.co.in) or at telephone number 022-42165506.

**Process for those Shareholders whose e-mail ID are not registered with the Depositories, for procuring User ID and Password and registration of e-mail ID on E-voting for the Resolutions set out in the Notice of AGM:**

1. In case shares are held in physical mode, please provide Folio No., Name of shareholder, scanned copy of the Share Certificate (front and back), Permanent Account Number (PAN) Card (self-attested scanned copy of PAN card), Aadhaar (self-attested scanned copy of Aadhaar Card) by e-mail to [uel.investors@upl-ltd.com](mailto:uel.investors@upl-ltd.com).
2. In case shares are held in demat mode, please provide DPID- CLID (16 digit DPID + CLID or 16 digit Beneficiary ID), Name, client master or copy of Consolidated Account Statement, PAN (self-attested scanned copy of PAN card), Aadhaar (self-attested scanned copy of Aadhaar Card) to your Depository Participant (DP).

**INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-Voting.
2. Only those Shareholders, who will be present at the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for remote e-Voting.

**(B) INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM:**

1. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting

credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the Notice to avoid last minute rush. Further, Members can also use the OTP based login for logging into the e-Voting system of NSDL.

2. The Members can join the AGM in the VC/OAVM mode 30 (Thirty) minutes before and after the scheduled time of commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for members on first come first served basis.
3. Members are encouraged to join the Meeting through Laptops for better experience.
4. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the Meeting.
5. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
6. Shareholders, who would like to express their views / have questions may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at [uel.investors@upl-ltd.com](mailto:uel.investors@upl-ltd.com). The same will be replied by the Company suitably either in advance or at the time of AGM.
7. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered e-mail address mentioning their name, DPID and Client ID / folio number, PAN, mobile number at [uel.investors@upl-ltd.com](mailto:uel.investors@upl-ltd.com) from September 18, 2020 (9.00 a.m. IST) to September 24, 2020 (5.00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.



8. Members who need assistance before or during the AGM, can contact Mr. Sagar Ghosalkar, Assistant Manager, NSDL at the designated email ID: [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [sagar.ghosalkar@nsdl.co.in](mailto:sagar.ghosalkar@nsdl.co.in) or at telephone number 022-42165506.
9. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated 8th April, 2020 and MCA Circular No. 17/2020 dated 13th April, 2020 and MCA Circular No. 20/2020 dated 5th May, 2020.
16. Mr. Jawahar Thacker, Chartered Accountant (Membership No. FCA030646) has been appointed as the Scrutinizer to scrutinize the remote e-voting as well as the e-voting process to be conducted at the 51st AGM, in a fair and transparent manner.
17. The Scrutinizer shall immediately after 15 minutes from the conclusion of voting at the Meeting, will unblock and count the votes cast during the meeting and through remote e-voting, in the presence of at least two witnesses not in the employment of the Company and shall make a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a Director or Company Secretary authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
18. The Results shall be declared not later than 48 (forty-eight) hours from conclusion of the AGM. The Results declared along with the Scrutinizer's Report will be placed on the website of the Company at [www.uelonline.com](http://www.uelonline.com) immediately after the Result is declared by the Chairman and will simultaneously be forwarded to BSE Limited and National Stock Exchange of India Limited, where Equity Shares of the Company are listed.
19. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. **Monday, September 28, 2020.**

Mumbai  
26th June, 2020

Registered Office:

11, G.I.D.C., Vapi,  
Dist. Valsad, Gujarat,  
Pin- 396 195.  
Tel. No.: 0260-2400717;  
Fax: 0260-2401823  
Website: [www.uelonline.com](http://www.uelonline.com)  
E-mail: [uel.investors@upl-ltd.com](mailto:uel.investors@upl-ltd.com)  
CIN: L24219GJ1969PLC001588

By Order of the Board of Directors  
For **UNIPHOS ENTERPRISES LTD.**

**K. M. THACKER**  
Company Secretary  
(ICSI Membership No. ACS-6843)

**BRIEF RESUME OF DIRECTOR SEEKING RE-APPOINTMENT AT THE 51ST ANNUAL GENERAL MEETING OF UNIPHOS ENTERPRISES LIMITED**

[Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015]

Name of Director	Mr. Jaidev Rajnikant Shroff (Non - Executive Director)
Director Identification Number (DIN)	00191050
Date of Birth (DD/MM/YYYY)	04/10/1965
Age (in years)	55
Nationality	United Kingdom
Date of Appointment (DD/MM/YYYY)	03/02/1994
Qualification	Science Graduate
Nature of expertise in specific functional areas	Mr. Jaidev Rajnikant Shroff is a science graduate. He is a well-recognised global leader in the Chemical & Agri-Inputs industry with over 30 years experience in India and internationally.  Skills/expertise/ competencies: Global business and Strategic Planning, Management and Leadership, Chemical Engineering, Finance, Risk, Compliance and Governance.
No. of shares held in the Company as on March 31, 2020	Nil
Number of Board Meetings attended during the Financial Year 2019-20	4
Directorships held in other listed companies	1. UPL Limited 2. Nivi Trading Limited 3. Ventura Guaranty Limited
Chairmanships of Committees in other listed companies	None
Memberships of Committees in other listed companies	None
Relationships between Directors of the Company inter-se	Mr. Jaidev Rajnikant Shroff is a son of Mr. Rajnikant Devidas Shroff (Chairman and Managing Director) and Mrs. Sandra Rajnikant Shroff (Vice Chairman)
Terms and conditions of appointment / re-appointment along with details of remuneration sought to be paid and remuneration last drawn by such person.	Non-Executive Director liable to retire by rotation.

## DIRECTORS' REPORT

To,  
The Members of  
**UNIIPHOS ENTERPRISES LIMITED**

Your Directors have pleasure in presenting their report and audited accounts for the year ended 31st March, 2020.

### FINANCIAL RESULTS

	(₹ in lakhs)	
	Year ended 31st March, 2020	Year ended 31st March, 2019
Profit before taxation	2042.70	2118.46
Less: Provision for taxation	35.26	42.00
Profit after taxation	2007.44	2076.46
Add: Balance brought forward	7759.86	5683.40
Balance carried forward	9767.30	7759.86

### OPERATIONAL PERFORMANCE

During the year, the Company traded in chemical of Ethylenediamine totaling to ₹22.68 lakhs. Other income was ₹2341.81 lakhs as compared to ₹2403.49 lakhs in the previous year.

The Company has earned profit of ₹2007.44 lakhs after tax as compared to profit of ₹2076.46 lakhs in the previous year.

The Company is engaged only in trading in chemicals. Though Company had some sales even during lockdown, the Company's revenue is mainly from other income consisting of dividend on equity shares and interest on loans., the revenue of the Company is not likely to be impacted by COVID-19 pandemic. However, the financial assets of the Company are mainly investments in listed securities and accordingly, any material volatility in the capital market may impact the market value of the investment.

### FUTURE OUTLOOK

The Company continues to look at new opportunities of trading in chemicals in India.

### MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report forms an integral part of this Report.

### DIVIDEND

Your Directors do not recommend any dividend for the year under review.

### TRANSFER TO RESERVES

No amount is appropriated from Profit and Loss Account and transferred to any Reserve Account. An amount of ₹9767.30 lakhs is proposed to be retained in the statement of Profit and Loss.

### SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2020 was ₹1390.92 lakhs.

#### i) Issue of Equity Shares with differential rights, Issue of Sweat Equity shares and Issue of Employee Stock Options

During the year under review, the Company has not issued any shares with differential voting rights, Issue of Sweat Equity shares and Issue of Employee Stock Options- (ESOS).

#### ii) Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees

The Company has no scheme of provision of money for purchase of its own shares by employees or by trustees for the benefit of employees.

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Investments covered under the provisions of Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are given in the notes to the Financial Statements. The details of loan given are provided in the notes to Financial Statements. There are no guarantees issued by the Company.

### AUDITORS AND AUDITORS' REPORT

#### a) Statutory Auditors

At the 48th Annual General Meeting of the Company held on 8th July, 2017, the Members of the Company have approved the appointment of M/s. B S R & Co. LLP, Chartered Accountants (ICAI Firm Registration Number 101248W/W-100022) as the Statutory Auditors of the Company pursuant to Section 139 of the Companies Act, 2013 for a term of 5 (five) years from the Company's financial year 2017-18, to hold office from the conclusion of 48th Annual General Meeting of the Company.

The report of the Statutory Auditors along with the Notes to Schedules forms part of the Annual Report and contains an Unmodified Opinion without any qualification, reservation or adverse remark.

#### b) Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed Messrs N. L. Bhatia & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the financial year 2019-20. The report of the Secretarial Auditor for the financial year 2019-20 and Annual Secretarial Compliance Report are

unmodified and do not contain any qualification, reservation or adverse remark. The Report of the Secretarial Auditor and Annual Secretarial Compliance Report are annexed herewith as Annexure to Board's Report.

The Board of Directors of the Company has re-appointed M/s. N. L. Bhatia & Associates a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the year 2020-21. They have confirmed their eligibility for the appointment.

## **DIRECTORS**

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Jaidev Rajnikant Shroff (DIN: 00191050), Non-Executive Director of the Company, retires by rotation at the ensuing Annual General Meeting of the Company, and being eligible, offers himself for re-appointment.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, all Independent Directors of the Company have successfully registered their name for inclusion in the 'Independent Directors Data Bank' maintained by the Indian Institute of Corporate Affairs.

Details of the familiarization programme of the independent directors are available on the website of the Company <http://www.uelonline.com/investors>

None of the Directors of the Company has incurred any disqualification.

Pursuant to the provisions of the Companies Act, 2013, Regulations 17(10) and 25(4)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, annual performance evaluation was carried out of the performance of the Board, various Board Committees and the directors individually. Various parameters were considered for evaluation and after receiving the inputs from the Directors, the performance evaluation exercise was carried out. The parameters included Business and Economics, Management and Leadership, Strategic Planning, Mergers & Acquisitions, Chemical Engineering, Finance, Risk, Compliance and Governance of directors, Board's monitoring of various compliances, laying down and effective implementation of various policies, level of engagement and contribution of the directors, safeguarding the interest of all stakeholders etc.

During the year under review, all the Independent Directors met on 7th February, 2020 to discuss evaluation of the performance of

Non Independent Directors and the Board of Directors as a whole, evaluation of the performance of Chairman of the Company, taking into account the views of the Directors and evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties. The performance of evaluation of each Independent Director was carried out by the Board. The Directors expressed their satisfaction with the evaluation process.

The information of Director seeking re-appointment as required pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India, is provide in the notice convening the 51st AGM of the Company.

## **REMUNERATION POLICY**

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed and adopted the policy for selection and appointment of Directors, Senior management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report which forms part of this Report. The policy lays down criteria for selection of directors and senior management such as expertise, experience and integrity of the directors, independent nature of the directors, personal and professional standing, diversity of the Board, etc. At present no Director of the Company receives any remuneration from the Company except payment of sitting fess to some of the Independent Directors for attending the Board and Committee meetings. The Senior management employees are working for the Company on deputation basis.

## **FAMILIARIZATION PROGRAMME FOR THE INDEPENDENT DIRECTORS**

Pursuant to the Regulation 25(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has worked out a Familiarization programme for the Independent Directors, with a view to familiarize them with their role, rights and responsibilities in the Company, nature of Industry in which the Company operates, business model of the Company, etc.

Through the Familiarization programme, the Company apprises the independent directors about the financial performance, internal control system, statutory compliances and corporate governance practices.

At the time of appointment of independent director, a formal letter of appointment is given which explains role, responsibility and rights in the Company.

Details of Familiarization programme of Independent Directors with the Company are available on the website of the Company <http://www.uelonline.com/investors>.

## NUMBER OF MEETINGS OF THE BOARD AND BOARD COMMITTEES

The details of the number of Board and Board Committees meetings of the Company are set out in the Corporate Governance Report which forms part of this Report.

## COMPOSITION OF BOARD COMMITTEES

### • Audit Committee

Pursuant to the provisions of Section 177(1) of the Companies Act, 2013, Rule 6 of the Companies (Meetings of Board & Its Powers) Rules, 2014 and Regulation 18 read with Part C of Schedule II to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted an Audit Committee of the Board of Directors consisting of three Independent Directors. The details of the composition of the Audit Committee is provided in the Corporate Governance Report which forms part of this Report. During the Financial Year 2019-20, all recommendations made by the Audit Committee to the Board of Directors were accepted by the Board and there were no instances where the recommendations were not accepted.

### • Nomination and Remuneration Committee

Pursuant to the provisions of Section 178 of the Companies Act, 2013, Rule 6 of the Companies (Meetings of Board & Its Powers) Rules, 2014 and Regulation 19 read with Part D of Schedule II to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted a Nomination and Remuneration Committee of the Board of Directors consisting of three Independent Directors. The details of the composition of the Nomination and Remuneration Committee is provided in the Corporate Governance Report which forms part of this Report.

### • Stakeholders' Relationship Committee

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 read with Part D of Schedule II to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has constituted a Stakeholders' Relationship Committee of the Board of Directors, comprising of three Independent Directors. The details of the composition of the Stakeholders' Relationship Committee is provided in the Corporate Governance Report which forms part of this Report.

## KEY MANAGERIAL PERSONNEL

Mr. Rajnikant Devidas Shroff (DIN 00180810), Chairman and Managing Director, Mr. K. M. Thacker (Membership No. ACS 6843), Company Secretary and Mr. Bipin P. Chheda, Chief Financial Officer are the Key Managerial Personnel of your

Company in accordance with the provisions of Sections 2(51), 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES

As none of the Directors of your Company receives remuneration from the Company and the Senior management employees are working for the Company on deputation basis, the information required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, in respect of Directors/ employees of your Company is not given.

The Company has no employee who- (i) if employed throughout the financial year, was in receipt of remuneration, in aggregate, more than ₹one crore and two lakh, or (ii) if employed for a part of the financial year, was in receipt of remuneration, in aggregate, more than ₹eight lakh and fifty thousand per month. Hence, the information required to be given pursuant to the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, is not applicable and hence not attached.

## RELATED PARTY TRANSACTIONS

All Related Party Transactions entered into during the year were on arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are approved by the Audit Committee. Prior omnibus approval is obtained from the Audit Committee in respect of the transactions which are repetitive in nature. The transactions entered into pursuant to the omnibus approval so granted are reviewed on a quarterly basis by the audit committee.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website. The same can be accessed on [www.uelonline.com/investors](http://www.uelonline.com/investors)

Since there were no materially significant related party transactions entered into during the year, the Form AOC- 2 pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is not attached to this Report.

## VIGIL MECHANISM / WHISTLEBLOWER POLICY

The Company has formed whistleblower policy to deal with any fraud, irregularity or mismanagement in the Company. The policy enables any employee or director to directly communicate to the

Chairman of the Audit Committee to report any fraud, irregularity or mismanagement in the Company. The policy ensures strict confidentiality while dealing with concerns and also that no discrimination or victimization is meted out to any whistleblower. The policy is also posted on the website of the Company <http://www.uelonline.com/investors>

#### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has an internal control system, commensurate with the size, scale and complexity of its operation. The Group has an inhouse internal audit team headed by a qualified professional, which undertakes internal audit and ensures that all transactions are authorized and recorded in the books of the Company. The internal audit department monitors the efficacy and adequacy of internal control. Significant audit observations, if any, are presented to the Audit Committee and action taken to correct any deficiency is informed to them. The report prepared by internal audit team forms the basis of utilization by the Managing Director and Chief Financial Officer for financial reporting as required under Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **Internal Controls over Financial Reporting:**

The Company has adequate internal financial controls in place, commensurate with the size, scale and complexity of its operations.

The Company is complying with all the applicable Accounting Standards. The accounting records are maintained in accordance with generally accepted accounting principles in India. This ensures that the financial statements reflect true and fair financial position of the Company.

#### **RISK MANAGEMENT FRAMEWORK**

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has prepared Risk Management Framework for identifying and evaluating various major business risks faced by the Company. Risk Management Framework aims to lay down the procedure for risk assessment and risk minimization. Risk Management Framework is prepared to ensure internal controls and effectively respond to any changes in the business environment so as to achieve high degree of business performance, limit any negative impact on its working and avail of benefits arising out of any business opportunities. There are standard practices in place to ensure that strong financial controls are in place.

The audit committee has additional oversight in the area of financial risks and controls.

Key business risks perceived by the Company and mitigating initiatives are as under:

- Funding risk: As there are no much activities in the Company, the Company may not be able to mobilize adequate funds, if

any, in time. The mitigating factors are that the Company has good investment in the quoted shares, so raising additional funds, if any, will not be difficult for the Company.

- Regulatory risk: Any change in Government / Regulators Policy / Rules / Regulations will require fresh compliances. The mitigating factors are that the group has very strong and dedicated team consisting of professionals to study regulatory changes and fresh requirement.
- Foreign currency fluctuation risk: – The Company is engaged in the trading activities, which may subject to risk of less profit / loss on account of volatility in foreign currency exchange. The mitigating factors are that the management ensures to enters in trading transactions in such a way that there are minimal risks of volatility in foreign currency exchange or the Company may take adequate forward cover for foreign exchange fluctuations.
- Risks due to disruption and unprecedented uncertainty due to Covid-19 pandemic and Impact on Business: - Products may not be available as per demand. Also, supplier/customer may not be available and there may be delay in receipt of money from customer. Further, the Company's revenue is mainly from other income consisting of dividend on equity shares and interest on loans. The financial assets of the Company are mainly investments in listed securities and accordingly, any material volatility in the capital market may impact the market value of the investment. The mitigating factors are that the Company's trading operations are at very miniscule level compared to overall income. The Company seals a deal only when customer and supplier are available at negotiated price and there is reasonable assurance of availability of products. The customers are also chosen based on their financial strengths. Till now, the Company has not experienced any issue in any of the deals. Hence, the revenue of the Company is not likely to be impacted by COVID-19 pandemic.

#### **REPORTING OF FRAUD:**

The Auditors of the Company have not reported any fraud as specified under section 143 (12) of the Companies Act, 2013.

#### **DEPOSITORY SYSTEM**

99.24 % of the total paid up equity shares of the Company are dematerialized as on 31st March, 2020.

#### **INFORMATION REGARDING CONSERVATION OF ENERGY ETC.**

The particulars relating to energy conservation, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under sections 134(3)(m) of the Companies Act, 2013 read with the Rule 8(3) of the Companies (Accounts) Rules, 2014, for the year 31st March, 2020 is furnished here below.

**I. CONSERVATION OF ENERGY** – Not Applicable**II. TECHNOLOGY ABSORPTION** – Not Applicable**III. FOREIGN EXCHANGE EARNING AND OUTGO**

₹ in Lakhs.

(a) Foreign Exchange earned	-
(b) Foreign Exchange outgo	3.06

**DIRECTORS RESPONSIBILITY**

To the best of their knowledge and belief and according to the information and explanations obtained by them, the directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- That in the preparation of the annual financial statements for the year ended 31st March, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
- That such accounting policies as mentioned in Note 2.1 of the Notes to the Financial Statements have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the profit of the Company for the year ended on that date.
- That proper and sufficient care has been taken 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.
- That the annual financial statements have been prepared on a going concern basis.
- That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

**CORPORATE GOVERNANCE**

Your Company and its Board has been complying with Corporate Governance to the extent set out in this respect as a separate report, in pursuance of requirement of para C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable. A Certificate from Auditors regarding compliance of the conditions of Corporate Governance as stipulated under para E of Schedule V SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached and forms integral part of this Report.

**BUSINESS RESPONSIBILITY REPORTING**

A separate section of Business Responsibility is attached and forms part of this Annual Report as required under Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**COMPLIANCE WITH SECRETARIAL STANDARDS**

The Board of Directors state that applicable Secretarial Standards, i.e., SS-1 and SS-2, issued by the Institute of Companies Secretaries of India, relating to "Meetings of the Board of Directors" and "General Meetings" respectively, have been duly followed by the Company.

**DEALING WITH SECURITIES WHICH HAVE REMAINED UNCLAIMED**

Members are hereby informed that as per Regulation 39(4) read with Schedule VI of the SEBI Regulations, the Company is in the process of sending reminders to those Members whose share certificates have remained unclaimed, to contact the Company immediately in the matter. The Registrar and Transfer Agent M/s. Link Intime India Pvt. Ltd. is in the process of compiling the data for unclaimed shares. The Company, now after following the prescribed procedure will dematerialize unclaimed shares which are retained with the Company. These shares would be held by the Company on behalf of the holders of such shares in an "Unclaimed Suspense Account" to be opened with a depository. At the end of seven years, hereof, these shares shall be transferred by the Company to the IEPF.

Members may note that the lawful claimant in respect of these shares will be able to claim such shares from the Company till such time they remain in the unclaimed suspense account as aforesaid.

**EXTRACT OF ANNUAL RETURN**

Pursuant to the Section 92(3) of the Companies Act, 2013 a copy of Annual Return has been placed on the website of the Company and the web link of such Annual Return is [www.uelonline.com](http://www.uelonline.com)/investors

**LISTING OF THE COMPANY'S EQUITY SHARES / GDR**

The Equity Shares of your Company continue to be listed at the BSE Ltd. and National Stock Exchange of India Ltd. There is no default in paying annual listing fees.

The Board of Directors at its meeting held on 7th February, 2020 has resolved to terminate the GDR program. The notice of termination of GDR program was sent to all holders of GDR on 14th February 2020 by Bank of New York Mellon, Custodian of GDR. The notice was open for 120 days, subsequent to which Bank of New York Mellon, Custodian has terminated the program. Subsequent to termination of GDRs programme, the Luxemburg Stock Exchange has delisted the GDRs.



### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

### **EVENTS AFTER BALANCE SHEET DATE**

There have been no material changes and commitments, affecting the financial position of the Company, which have occurred between the end of the financial year of the Company to which the balance sheet relates and the date of this Report.

### **GENERAL**

No disclosure or reporting is required in respect of the following points as there were no transactions on these items or were not applicable to your Company during the year under review.

- a) The Company has no subsidiary as on 31st March, 2020;
- b) The Company has not accepted any deposits from public.
- c) Details about the policy developed and implemented by the Company on corporate social responsibility initiatives taken during the year.
- d) Disclosure as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

### **ACKNOWLEDGEMENT**

Your Directors are thankful to all the stakeholders and various government agencies and ministries for their continued support.

Your Directors are deeply pained and regret the loss of life due to COVID-19 pandemic and are deeply grateful towards the Corona Warriors who are working tirelessly to fight this pandemic crisis.

### **CAUTIONARY STATEMENT**

Statements in the Director's Report and the Management Discussion and Analysis describing the Company's objectives, expectations or predictions, may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include: changes in government policies and tax laws, economic development of the country, and other factors which are material to the business operations of the Company.

Mumbai  
26th June, 2020

By Order of the Board of Directors  
For **UNIPHOS ENTERPRISES LTD.**

### **Registered Office:**

11, G.I.D.C., Vapi,  
Dist. Valsad, Gujarat,  
Pin- 396 195.  
CIN: L24219GJ1969PLC001588

**Rajnikant Devidas Shroff**  
Chairman & Managing Director  
(DIN: 00180810)



**SECRETARIAL AUDIT REPORT FORM NO. MR-3**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

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

To,

The Members,

Uniphos Enterprises Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Uniphos Enterprises 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 secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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 March 31, 2020 according to the provisions of:

- 1) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- 3) The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
- 4) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015.
  - d) The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
  - e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, Not Applicable.
  - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, Not Applicable.
- 5) Other Laws applicable to the Company;
  - a) Payment of Bonus Act 1965, & Rules, 1965
  - b) Employees PF & Miscellaneous Provisions Act, 1952
  - c) Indian Contract Act, 1872
  - d) Payment of Gratuity Act, 1972
  - e) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
  - f) The States Shops and Establishments Act.

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India.

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

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.

The members of the Company have at their Annual General Meeting held on 20th September, 2019:

1. Re-appointed Mr. Rajnikant Devidas Shroff (DIN: 00180810) as Chairman and Managing Director of the Company for period of Five years w.e.f. 1st April, 2020;
2. Re-appointed Mr. Pradeep Goyal (DIN: 00008370), Ms. Swati Mayeker (DIN: 00245261) and Mr. Arun Ashar (DIN: 00192088) for another term of five years w.e.f. 20th September, 2019

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

Majority decision is carried through unanimously at the Board meeting and there are no dissenting views which are required to be captured and recorded as part of the minutes. All the decisions have been taken unanimously and with requisite majority in the General Meetings and the views expressed by the dissenting members are captured and recorded as part of the minutes.

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.

We further report that during the audit period, no specific event has taken place which has major bearing on the Company's affairs.

**Date:** 05th May, 2020

**Place:** Mumbai

**For M/s N. L. Bhatia & Associates**

**Practicing Company Secretaries**

**UIN:P1996MH055800**

**UDIN:F001176B000204918**

**N L Bhatia**  
**Managing Partner**

**FCS:1176**

**CP.No.422**

To,

The Members

Uniphos Enterprises Limited

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

Maintenance of Secretarial record is the responsibility of the management of the company.

Our responsibility is to express an opinion on these secretarial records based on our audit.

We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices , we followed provide a reasonable basis for our opinion

We have not verified the correctness and appropriate of financial records and Books of Accounts of the company.

Where ever require we have obtained the Management representation about the compliance of laws,rules and regulations and happening of events etc.

The compliance of the provisions of Corporate and other applicable laws,rules,regulations, standard is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

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

**Date:** 05th May, 2020

**Place:** Mumbai

**For M/s N. L. Bhatia & Associates**  
**Practicing Company Seetaries**  
**UIN:P1996MH055800**  
**UDIN:F001176B000204918**

**N L Bhatia**  
**Managing Partner**  
**FCS:1176**  
**CP.No.422**

## CORPORATE GOVERNANCE

### 1. Company's Philosophy on Code of Corporate Governance

The Company's philosophy on Corporate Governance relates to providing maximum service to all its stakeholders. It intends to enhance shareholder value by undertaking the best possible Corporate Governance practices. A high standard of Corporate Governance is maintained by being transparent, accountable and being in continuous interaction with shareholders, employees, lending institutions, banks, governmental agencies and all the dealers.

The Company is conscious of the fact that the management and the employees need to work ethically to achieve success.

### 2. Board of Directors

The Board of Directors consists of 6 Directors.

During the year, five Board Meetings were held on 17th May, 2019, 9th August, 2019, 7th November, 2019, 7th February, 2020 and 24th March, 2020.

Composition and other details of Directors are as follows:

Name of the Director	Category	Attendance Particulars		Names of the listed entities where the person is a director and the category of directorship and Committee memberships/ chairmanships			No. of Shares and Convertible Instruments held by non-executive directors
		Board Meeting	Last AGM	Directorships	Committee Memberships@	Committee Chairmanships@	
Mr. Rajnikant. Devidas Shroff \$ DIN: 00180810	Promoter and Chairman and Managing Director	5	Absent	1. Uniphos Enterprises Limited	-	-	N.A.
				2. UPL Limited	-	-	
				3. Nivi Trading Limited.	1	-	
Mrs. Sandra Rajnikant Shroff \$ DIN: 00189012	Promoter and Non-Executive Vice Chairman	5	Absent	1. Uniphos Enterprises Limited	-	-	Nil
				2. UPL Limited	1	-	
				3. Nivi Trading Limited	-	-	
				4. Ventura Guaranty Limited.	-	-	
Mr. Jaidev Rajnikant Shroff \$ DIN: 00191050	Promoter and Non-Executive Director	4	Absent	1. Uniphos Enterprises Limited	-	-	Nil
				2. UPL Limited	-	-	
				3. Nivi Trading Limited	-	-	
				4. Ventura Guaranty Limited	-	-	
Mr. Arun Chandrasen Ashar DIN: 00192088	Independent Director	4	Present	1. Uniphos Enterprises Limited	2	-	9,85,000
				2. UPL Limited	1	-	
Mr. Pradeep Vedprakash Goyal DIN: 00008370	Independent Director	4	Absent	1. Uniphos Enterprises Limited	-	2	Nil
				2. UPL Limited	2	-	
				3. Pradeep Metals Limited	-	-	
				4. Hind Rectifiers Limited	2	-	
Mrs. Swati Sandesh Mayekar DIN: 00245261	Independent Director	5	Absent	1. Uniphos Enterprises Limited	2	-	3,014
				2. FDC Limited	-	1	

Notes: @ Membership and Chairmanship of the Audit Committee and Stakeholders Relationship Committee are only considered.

\$ Mr. Rajnikant Devidas Shroff and Mrs. Sandra Rajnikant Shroff are spouse of each other and father and mother respectively of Mr. Jaidev Rajnikant Shroff. Mr. Jaidev Rajnikant Shroff is son of Mr. Rajnikant Devidas Shroff and Mrs. Sandra Rajnikant Shroff.

The details of familiarization programmes imparted to Independent Directors have been disclosed on the Company's website [www.uelonline.com](http://www.uelonline.com)

The table below summarizes the list of core skills/expertise/competencies identified by the Board of Directors of the Company as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board.

Skills/expertise/competencies required	Skills/expertise/competencies available
Business and Economics	Experience and driving business success in market around the globe with an understanding of diverse business environment, economic and political conditions, cultures and regulatory framework, and a broad perspective on open market opportunities.
Management and Leadership	General know-how of supply chain, talent management & development including succession planning.
Strategic Planning, Mergers & Acquisitions	Examining and critically evaluating deals for growth in line with the Company's growth strategy and seizing business opportunities in the domain.
Chemical Engineering	Experience and knowledge with respect to trading in chemicals in which the Company operates and expert knowledge of Chemical Engineering.
Finance	Proficiency in financial management, financial reporting process, capital allocation, budgeting & treasury operations, capital raising and evaluation of project viability.
Risk, Compliance and Governance	Understanding and identifying key risks to the business / Company including operational risks, legal & compliance risks, cyber risks, developing / discussing mitigation plans for them and following best governance practices.

#### The name of Directors who have such skills / expertise / competence

Skills/expertise/ competencies / ⇔ Directors ↓	Global business and Economics	Management and Leadership	Strategic Planning	Chemical Engineering	Finance	Risk, Comp- liance and Governance
Mr. Rajnikant. Devidas Shroff DIN: 00180810	✓	✓	✓	✓	✓	✓
Mrs. Sandra Rajnikant Shroff DIN: 00189012	✓	✓	✓	✓	✓	✓
Mr. Jaidev Rajnikant Shroff DIN: 00191050	✓	✓	✓	✓	✓	✓
Mr. Arun Chandrasen Ashar DIN: 00192088	✓	✓	✓	✓	✓	✓
Mr. Pradeep Vedprakash Goyal DIN: 00008370	✓	✓	✓	-	✓	✓
Mrs. Swati Sandesh Mayekar DIN: 00245261	✓	✓	✓	-	✓	✓

#### Confirmation of Independence

All the Independent Directors have provided a declaration of their independence for the year 2019-20 to the Board. The Board after undertaking due assessment of the veracity of the declaration is of the opinion that each Independent Director fulfills the conditions of independence as specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is independent of the management.

No Independent Director has resigned during the year 2019-20 before the expiry of tenure.

### 3. Audit Committee

The Board of the Company has constituted an Audit Committee, comprising three Independent Directors. Five meetings of the Audit Committee were held on 16th May, 2019, 9th August, 2019, 7th November, 2019, 7th February, 2020 and 24th March, 2020.

**Composition of members of Audit Committee is as follows:**

Composition	Mr. Pradeep Vedprakash Goyal Chairman	Mr. Arun Chandrasen Ashar	Mrs. Swati Sandesh Mayekar
Meetings attended during the year	4	4	5

**Terms of reference of Audit Committee:**

The terms of reference of Audit Committee are as specified in Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013. The broad terms of reference of Audit Committee as adopted by the Board are as under:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by the management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions;
  - g. Modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of the audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

16. Discussion with statutory auditors, before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. Reviewing the functioning of the Whistle Blower mechanism;
19. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee shall also mandatorily review the following information:

- i. Management discussion and analysis of financial condition and results of operations;
- ii. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- iii. Management letters/letters of internal control weaknesses issued by the statutory auditors;
- iv. Internal audit reports relating to internal control weaknesses; and
- v. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
- vi. Statement of deviations:
  - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to Stock Exchange(s) in terms of Regulation 32(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
  - (b) Annual Statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All the members of Audit Committee are financially literate and Mr. Pradeep Vedprakash Goyal who has accounting and financial management expertise has been nominated as the Chairman of the Audit Committee.

The role and terms of reference stipulated by the Board to the Audit Committee covers areas specified in Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013 besides other terms as may be referred by the Board of Directors.

Mr. K. M. Thacker, Company Secretary acts as the Secretary to the Audit Committee.

#### 4. Nomination and Remuneration Committee

The Board of the Company has constituted a Nomination and Remuneration Committee, comprising three Independent Directors. Two meetings of the Nomination and Remuneration Committee were held on 16th May, 2019 and 7th February, 2020.

**Composition of members of Nomination and Remuneration Committee is as follows:**

Composition	Mr. Pradeep Vedprakash Goyal Chairman	Mr. Arun Chandrasen Ashar	Mrs. Swati Sandesh Mayekar
Meetings attended during the year	2	2	2

#### **Terms of reference of Nomination and Remuneration Committee:**

The role and terms of reference stipulated by the Board of Directors of the Company to the Nomination and Remuneration Committee covers areas specified in Para A. of Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013 besides other terms as may be referred by the Board of Directors. The broad terms of reference of Nomination and Remuneration Committee as adopted by the Board are as under:

- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, key managerial personnel and other employees;
- ii. Formulation of criteria for evaluation of Independent Directors and the Board;
- iii. Devising a policy on diversity of Board of Directors;
- iv. Identifying qualified candidates for Directorship, who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.
- v. Whether to extend or continue the terms of appointment of Independent directors, on the basis of report of performance evaluation of Independent Directors.
- vi. Recommend to the board, all remuneration, in whatever form, payable to senior management.

Mr. K. M. Thacker, Company Secretary acts as the Secretary to the Nomination and Remuneration Committee.

#### **Performance evaluation criteria for independent director:**

Qualifications, meeting the independence criteria, observing ethical standards, integrity, exercise of responsibilities, safeguarding interest of all stakeholders, skills and knowledge updation, adhering to Company's Code of conduct, regular attendance and active participation at the meetings of the Company, maintaining confidentiality, transparency, assistance in implementing best corporate governance practices and absence of conflict of interest with business of the Company.

#### **5. Remuneration of Directors:**

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed and adopted the policy for selection and appointment of Directors, senior management and their remuneration. The policy lays down criteria for selection of Directors and senior management such as expertise, experience and integrity of the Directors, independent nature of the Directors, personal and professional standing, diversity of the Board, etc. The remuneration policy lays down the entitlements of remuneration to Non-Executive Directors such as sitting fees, commission, if any, and other reimbursement. Remuneration, if any, to the Managing Director and other Executive Directors will consist of monthly salary, allowances, perquisites, bonus, commission and other retiral benefits. In respect of senior management, the remuneration will be based on the performance, working of the Company, targets achieved, KPI, industry benchmark and current compensation trends in the industry.

#### **Details of the remuneration to all the Directors for the year:**

No Director was paid salary and/or perquisites for the year ended 31st March, 2020.

The Company has paid the sitting fees for the year ended 31st March, 2020 to two Independent Directors for attending Board Meetings and Board Committees Meetings as follows:

Mr. Pradeep Vedprakash Goyal ₹65,000/- and Mrs. Swati Sandesh Mayekar ₹80,000/-.

#### **Performance evaluation criteria for Independent Director:**

The Company has laid down evaluation criteria for Independent Directors. The criteria for evaluation of Directors includes parameters such as attendance, maintaining effective relationship with fellow Board members, providing quality and valuable contribution during meetings, successfully bringing their knowledge and experience for formulating strategy of the Company etc. Based on such criteria, the evaluation is done in a structured manner through consultation and discussion.

The appointment of executive director is for a period of five years. The service agreement provides for a notice period of three months on either side. The Managing Director is appointed without any payment of remuneration.

There are no stock options or performance linked incentive to the Directors.

#### **6. Stakeholders Relationship Committee**

The Board of the Company has constituted a Stakeholders Relationship Committee, comprising three Independent Directors. One meeting of the Stakeholders Relationship Committee was held on 7th February, 2020.



**Composition of members of Stakeholders Relationship Committee is as follows:**

Composition	Mr. Pradeep Vedprakash Goyal Chairman	Mr. Arun Chandrasen Ashar	Mrs. Swati Sandesh Mayekar
Meetings attended during the year	1	1	1

**Terms of reference of Stakeholders Relationship Committee:**

The role and terms of reference stipulated by the Board to the Stakeholders Relationship Committee covers areas specified in Para B of Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013 besides other terms as may be referred by the Board of Directors. The broad terms of reference of Stakeholders Relationship Committee as adopted by the Board are as under:

- Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

**Compliance Officer:**

Mr. K. M. Thacker – Company Secretary

The Company also has its separate shares transfer approval committee consisting of Mrs. Sandra Rajnikant Shroff and Mr. Arun Chandrasen Ashar, Directors and two other senior executives. This committee normally meets weekly to approve transfer of shares, issue of duplicate certificates, redressal of Stakeholders Grievances, among others. Share certificates submitted for dematerialization and request for dematerialization were also approved by the committee.

The total numbers of complaints received during the year under review were three and all the complaints were addressed to the satisfaction of shareholders on or before 31st March, 2020.

One requests for transfers was pending for approval as on 31st March, 2020, which was processed under objection on 16th May, 2020 and was pending for dispatch as on the date of this report due to lockdown.

**7. General Body Meetings****Annual General Meetings:**

Location and time for last three Annual General Meetings were:

Year	AGM	Location	Date	Time
2016-17	48th AGM	11, G. I. D. C., Vapi, Dist. Valsad, Gujarat-396 195.	08/07/2017	9.00 a.m.
2017-18	49th AGM	Hotel Green View Hall, National Highway No. 8, Vapi, Dist. Valsad, Gujarat-396 195.	23/08/2018	10.00 a.m.
2018-19	50th AGM	C/o UPL Limited, 11, G. I. D. C., Vapi, Dist. Valsad, Gujarat-396 195.	20/09/2019	10.00 a.m.

The following special resolutions were passed by the members during the last three Annual General Meetings:

**2016-17**

- No special resolution was passed at the 48th Annual General Meeting.

**2017-18**

- One special resolution was passed pursuant to Section 186, according consent of the Company to the Board of Directors of the Company to (i) give any loans to any person or other body corporate, or (ii) give any guarantees or to provide security in connection with a loan to any other body corporate or person, or (iii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate exceeding sixty percent of Company's paid up capital, free reserves and securities premium account or one hundred percent of its free reserves and securities premium account.

**2018-19**

- Four special resolutions were passed out of which (a) one special resolution was pursuant to Sections 196, 197, 198 and 203 of the Companies Act, 2013, according consent of the Company to the re-appointment of Mr. Rajnikant Devidas Shroff (DIN: 00180810) as Chairman and Managing Director of the Company, for a further period of 5 (five) years from the expiry of his present term of office, i.e., with effect from 1st April, 2020 and (b) three special resolutions were passed pursuant to Sections 149 and 152 of the Companies Act, 2013 to re-appoint Mr. Pradeep Vedprakash Goyal (DIN: 00008370), Mrs. Swati Sandesh Mayekar (DIN: 00245261) and Mr. Arun Chandrasen Ashar (DIN: 00192088) as an Independent Directors of the Company for second term of 5 (five) years commencing from September 20, 2019.

No Extra-Ordinary General Meeting of the members was held during the year ended 31st March, 2020.

Details of resolution passed through postal ballot, the persons who conducted the postal ballot exercise and details of voting pattern

**2019-20**

- No resolution, pursuant to Section 110 of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014, was passed through Postal Ballot during the year.
- None of the resolutions, pursuant to Section 110 of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014, are proposed to be passed in the ensuing Annual General Meeting which require passing a special resolution through Postal Ballot.

**8. Means of communication**

The quarterly and annual results are published by the Company in the English and Gujarati editions of the The Financial Express/ Western Times and are also displayed on the corporate website, [www.uelonline.com](http://www.uelonline.com). The Company's website also contains a separate dedicated section called 'Investors' wherein shareholder related information like the Annual Report of the Company, shareholding pattern among others, are available. Official news releases are sent to the Stock Exchanges at BSE Ltd. and National Stock Exchange of India Ltd., where the equity shares of the Company are listed. During the year, no presentations were made to analysts or Institutional Investors.

The Management Discussion and Analysis (MD&A) forms a part of the annual report.

## 9. General Shareholder Information

### 9.1 Annual General Meeting

- Date : 28th September, 2020 at 3.00 p.m. (IST) through Video Conferencing or Other Audio - Visual means as set out in the Notice convening the AGM.
- Deemed Venue : Registered Office of the Company at C/o UPL Limited, 11, G. I. D. C., Vapi, Dist. Valsad, Gujarat-396 195.

### 9.2 Financial calendar

- : Annual General Meeting – 28th September, 2020
- Results for quarter ending June 30, 2020 - **On or before 14th August, 2020**
- Results for quarter ending September 30, 2020 - **On or before 14th November, 2020**
- Results for quarter ending December 31, 2020 - **On or before 14th February, 2021**
- Results for quarter/ year ending March 31, 2021 - **Last week of April, 2021/May 2021.**

### 9.3 Dividend payment date

- : Not Applicable

### 9.4 (a) Listing of Equity Shares on Stock Exchanges at

- : BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, MUMBAI - 400 001 and National Stock Exchange of India Ltd. Exchange Plaza, C/1, Block G, Bandra Kurla Complex, Bandra (East), MUMBAI 400 051

### (b) Listing of GDR on the Stock Exchange at\*

- : Luxembourg Stock Exchange
- \*As on the date of this report GDR programme consisting of 26,962 GDRs representing equal number of equity shares - 0.04% of the paid-up share capital of the Company has been terminated and delisted from Luxembourg Stock Exchange w. e. f. 16th June, 2020

The Company has paid the Annual Listing Fee to each of the Stock Exchanges.

### 9.5 a) Security Code/Symbol

- : **BSE Ltd. : 500429**
- National Stock Exchange of India Ltd. : UNIENTER**

### b) ISIN Number in NSDL & CDSL for Equity Shares

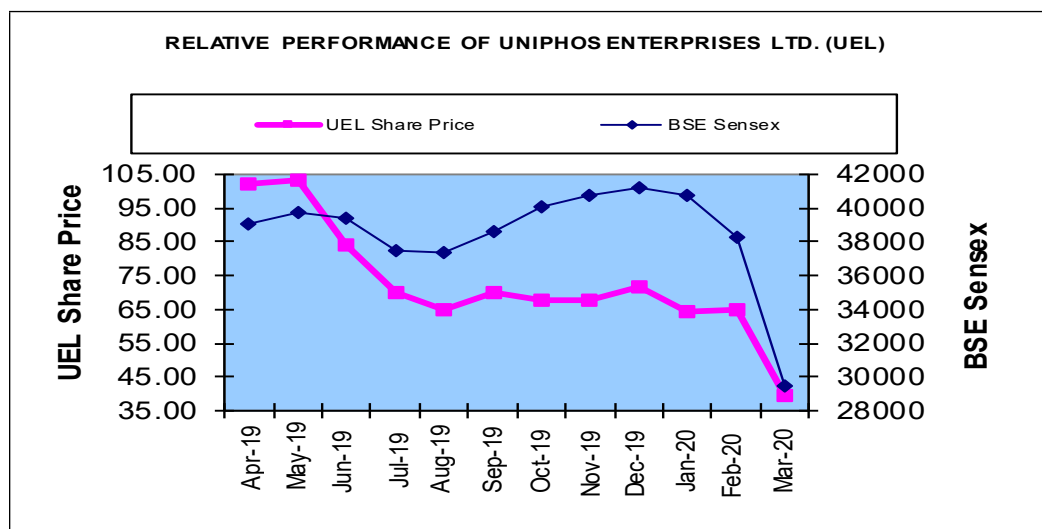
- : INE037A01022

### 9.6. Stock Market Data

MONTH	BSE Ltd. (BSE)		National Stock Exchange of India Ltd. (NSE)	
	Month's High Price (In ₹)	Month's Low Price (In ₹)	Month's High Price (In ₹)	Month's Low Price (In ₹)
April, 2019	123.00	100.05	116.20	100.10
May, 2019	111.50	94.30	107.90	92.50
June, 2019	103.00	75.20	104.80	74.70
July, 2019	90.10	68.00	89.80	63.00
August, 2019	76.85	58.10	77.50	57.20
September, 2019	74.65	60.45	74.95	61.95
October, 2019	71.25	66.00	72.30	62.55
November, 2019	69.85	63.00	70.35	60.60
December, 2019	72.00	60.25	73.65	60.25
January, 2020	76.00	64.50	72.75	64.25
February, 2020	77.00	63.00	74.00	62.40
March, 2020	69.00	31.20	69.80	30.15

### 9.7. Share price performance in comparison to broad-based indices – BSE Sensex.

Closing share price performance relative to BSE Sensex based on share price during the year.



### 9.8. Registrar and Transfer Agent :

(Share transfer and communication regarding share certificate, dividends and change of address).

Also, for the benefit of the Shareholders, the documents will continue to be accepted at the Secretarial Department of the Company:

Link Intime India Pvt. Ltd.

Unit : Uniphos Enterprises Limited

C-101, 247, Park, LBS Marg, Vikhroli (West), Mumbai 400083.

Uniphos Enterprises Limited

Secretarial Department

Uniphos House,

C. D. Marg, 11th Road,  
Madhu Park, Khar (West),

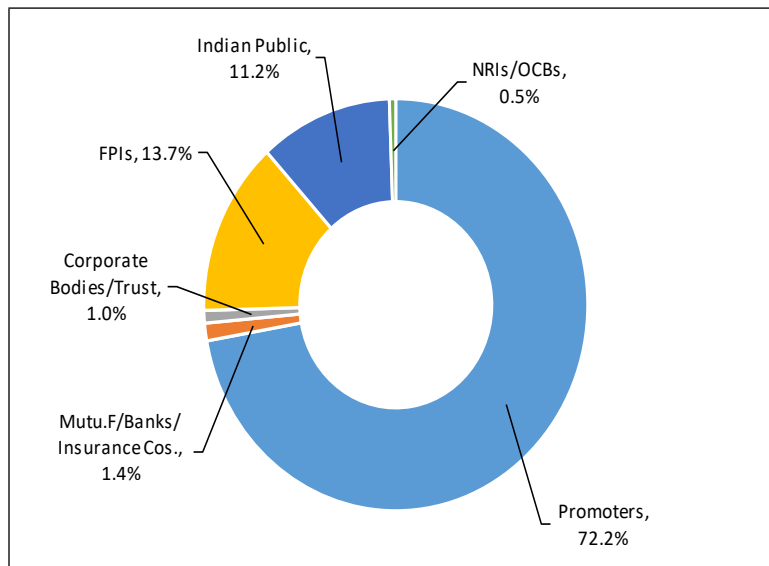
Mumbai 400 052

### 9.9. Share Transfer System

- : Presently, the share transfers which are received in the physical form are processed and the share certificates returned within a period of 15 days from the date of receipt subject to the documents being valid and complete in all respects.

**9.10. Distribution of shareholdings as on 31st March, 2020:**

Shareholding of Nominal Value of (₹)	Shareholders		Share Amount	
	Numbers	% of Total Nos.	In (₹)	% of Total Amt.
1 – 1,000	9620	81.87	2960496	2.13
1,001 – 2,000	1163	9.93	1726226	1.24
2,001 – 4,000	477	4.03	1434786	1.03
4,001 – 6,000	143	1.23	716944	0.51
6,001 – 8,000	72	0.56	511184	0.37
8,001 – 10,000	70	0.52	651232	0.47
10,001 – 20,000	102	0.92	1486998	1.07
20,001 and above	107	0.94	129603832	93.18
<b>Total</b>	<b>11754</b>	<b>100</b>	<b>139091698</b>	<b>100</b>

**9.11. Shareholding pattern as on 31st March, 2020:**

**9.12. Dematerialization of shares** : 99.24% of the outstanding equity shares have been dematerialized up to 31st March, 2020. Trading in Equity Shares of the Company is permitted only in dematerialized form w.e.f. 17th January, 2000 as per notification issued by the Securities and Exchange Board of India (SEBI).

**Liquidity:**

Relevant data for the **average daily turnover** for the financial year 2019 – 2020 is given below:

	BSE Ltd.	National Stock Exchange of India Ltd.	BSE+NSE
	(BSE)	(NSE)	
<b>In number of shares</b>	2,115	7,443	9,558

(Source: This information is compiled from the data available from the websites of BSE and NSE)

- 9.13 Outstanding GDR/Warrants and their conversion dates and their likely impact on the equity** : Outstanding GDRs as on 31st March, 2020 represent 26962 shares (0.04%). There are no further outstanding instruments, which are convertible into equity in the future.
- 9.14 Commodity price risk or Foreign Exchange Risk and Hedging activities** : Not Applicable
- 9.15 Plant locations** : The Company has no manufacturing unit.
- 9.16 Address for Correspondence** :
- (i) Investor correspondence**
- For Shares held in Physical Form**  
Link Intime India Pvt. Ltd.  
Unit: Uniphos Enterprises Limited  
C-101, 247, Park, LBS Marg,  
Vikhroli (West), Mumbai 400 083.  
Telephone No(s): 91-22-49186270  
Fax No.: 91-22-49186060  
E-mail id: rnt.helpdesk@linkintime.co.in  
Website: www.linintime.co.in
- Also, for the benefit of the Shareholders, the documents will continue to be accepted at the following office of the Company:  
  
Uniphos Enterprises Limited  
Secretarial Department  
Uniphos House,  
C. D. Marg, 11th Road,  
Madhu Park  
Khar (West), Mumbai 400 052.  
Telephone No.: 91-22-26468009/10
- For Shares held in Demat form**  
To the Depository Participant(s)
- (ii) Any query on Annual Report** : Mr. K. M. Thacker, Company Secretary  
Uniphos Enterprises Limited  
Secretarial Department  
Uniphos House, C. D. Marg,  
Madhu Park, Khar (West), Mumbai 400 052.  
E-mail : thackerkm@upl-ltd.com
- (iii) Exclusive e-mail ID of the grievance redressal division** : uel.investors@upl-ltd.com
- (iv) Corporate website** : www.uelonline.com
- 9.17. List of all credit rating obtained by the Company** : Since the Company has no borrowings, credit rating is Not Applicable

## 10. Other Disclosures:

- (a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large.**
- During the year, the Company had no materially significant related party transactions, which were considered to have potential conflict with the interests of the Company at large.
- (b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI, or any statutory authority, on any matter related to capital markets, during the last three years.**
- None.

**(c) Details of establishment of vigil mechanism, whistle Blower Policy and affirmation that no personnel has been denied access to the audit committee.**

The Company has devised an effective whistle blower mechanism enabling stakeholders, including individual employees and their representative bodies, to communicate their concerns about illegal or unethical practices freely. The Company has also established a vigil mechanism for directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy and placed on the website of the Company [www.uelonline.com](http://www.uelonline.com) and no personnel has been denied access to the audit committee.

**(d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements.**

**Mandatory Requirements**

The Company has complied with the mandatory requirements of para C(10)(d) of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

- (e)** Policy on dealing with related party transaction has been disclosed on the Company's website [www.uelonline.com](http://www.uelonline.com)
- (f)** Disclosure of commodity price risks and commodity hedging activities: Not Applicable.
- (g)** Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A): Not Applicable.
- (h)** M/s. N. L. Bhatia & Associates, Practising Company Secretaries (UIN: P1996MH055800) have issued a certificate certifying that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority. A copy of the said certificate is attached and forms integral part of this Report.
- (i)** Total fees for all services paid by the Company to the statutory auditor is provided in Note no.18 of the Notes to Financial Statements forming part of this Annual Report. The Company has no subsidiary company.
- (j)** Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:
  - a. number of complaints filed during the financial year: Nil
  - b. number of complaints disposed of during the financial year: Nil
  - c. number of complaints pending as on end of the financial year: Nil

**11. There are no non-compliance of any requirements of Corporate Governance Report of sub-paras (2) to (10) above.**

**12. Discretionary Requirements as specified in Part E of Schedule II**

i) Chairman of the Board

The Chairman of the Board is Executive.

ii) Shareholder Rights – Half yearly results

As the Company's half yearly results are published in English newspaper and in a Gujarati newspaper (circulated in Gujarat) and also posted on the website of the stock exchanges where the equity shares are listed and also posted on Company [www.uelonline.com](http://www.uelonline.com), the same are not sent to the households of the shareholders of the Company.

iii) Modified opinion in audit report

There are no modified opinion contained in the Audit Report.

iv) Reporting of Internal Auditors

The Internal Auditors of the Company report directly to the Audit Committee.



13. **The Company has complied with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.**
14. During the year under review, the Company was not required to transfer any amount to the Investor Education and Protection Fund (IEPF) pursuant to Rule 5(4) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as no such amount of dividend was lying in the unpaid / unclaimed dividend account for a period of 7 (seven) years.

On behalf of the Board of Directors

Mumbai,  
26th June, 2020

**Rajnikant Devidas Shroff**  
(Chairman and Managing Director)  
(DIN : 00180810)



**DECLARATION**

As provided under Clause D of Schedule V pursuant to Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Members of Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management laid down by the Company for the year ended 31st March, 2020.

On behalf of the Board of Directors

Mumbai,  
26th June, 2020

**Rajnikant Devidas Shroff**  
(Chairman and Managing Director)  
(DIN : 00180810)

**COMPLIANCE CERTIFICATE****Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

We, Rajnikant Devidas Shroff, Chairman and Managing Director and B. P. Chheda, Chief Financial Officer do hereby certify that in respect of annual accounts and cash flow statement for the year 2019-2020.

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit Committee
- (1) That there are no significant changes in internal control over financial reporting during the year;
  - (2) That there are no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (3) That there are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**RAJNIKANT DEVIDAS SHROFF**  
Chairman and Managing Director  
(DIN: 00180810)

Mumbai  
26th June, 2020

**B. P. CHHEDA**  
Chief Financial Officer

## **INDEPENDENT AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To the Members of  
Uniphos Enterprises Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated 27 April 2020.
2. This report contains details of compliance of conditions of corporate governance by Uniphos Enterprises Limited ('the Company') for the year ended 31 March 2020 as stipulated in Regulations 17 to 27, clause (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ('Listing Regulations') pursuant to the Listing Agreement of the Company with the National Stock Exchange Limited and the Bombay Stock Exchange Limited (collectively referred to as the 'Stock exchanges').

### **Management's Responsibility for compliance with the conditions of Listing Regulations**

3. The compliance with the terms and conditions contained in the corporate governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents.

### **Auditor's Responsibility**

4. Our examination was limited to procedures and 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.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the year ended 31 March 2020.
6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### **Opinion**

8. In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

### **Restriction on use**

10. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **B S R & Co. LLP**  
Chartered Accountants  
Firm's Registration No: 101248W/W-100022

Mumbai  
26 June 2020

**Bhavesh Dhupelia**  
Partner  
Membership No: 042070  
UDIN: 20042070AAAACQ6040

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

To,

The Members of

Uniphos Enterprises Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Uniphos Enterprises Limited** having **CIN:L24219GJ1969PLC001588** and having registered office at 11,G.I.D.C., Vapi,Distt. Valsad-396195 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ended March 31, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India,Ministry of Corporate Affairs,or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Rajnikant Devidas Shroff	00180810	01/04/2015*
2.	Sandra Rajnikant Shroff	00189012	29/05/1969
3.	Pradeep Vedprakash Goyal	00008370	29/03/2001
4.	Jaidev Rajnikant Shroff	00191050	03/02/1994
5.	Arun Chandrasen Ashar	00192088	28/02/1992
6.	Swati Sandesh Mayekar	00245261	28/01/2010

• Rajnikant Devidas Shroff (DIN: 00180810) is a Managing Director with effect from 29/05/1969.However,as per MCA records the date of appointment is 01/04/2015.

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

Date:20th June, 2020

Place:Mumbai

**For N.L. Bhatia & Associates**  
**Practising Company Secretaries**  
**UIN:P1996MH055800**  
**UDIN:F001176B000359534**

**N L Bhatia**  
**Managing Partner**  
**FCS:1176**  
**CP.No.422**

## MANAGEMENT DISCUSSION AND ANALYSIS

### INDUSTRY STRUCTURE AND DEVELOPMENT:

The Company is engaged only in trading in chemicals.

### SEGMENT WISE PERFORMANCE:

The Company operates in a single segment, viz. trading in chemicals. During the year, the Company traded in chemical of Ethylenediamine totaling to ₹22.68 lakhs.

### BUSINESS OUTLOOK:

The Company continues to look at new opportunities of trading in chemicals in India.

### RISKS AND CONCERNS:

Key business risks perceived by the Company and mitigating initiatives are as under:

**Funding risk:** As there are no much activities in the Company, the Company may not be able to mobilize adequate funds, if any, in time. The mitigating factors are that the Company has good investment in the quoted shares, so raising additional funds, if any, will not be difficult for the Company.

**Regulatory risk:** Any change in Government / Regulators Policy / Rules / Regulations will require fresh compliances. The mitigating factors are that the group has very strong and dedicated team consisting of professionals to study regulatory changes and fresh requirement.

**Foreign currency fluctuation risk:** – The Company is engaged in the trading activities, which may subject to risk of less profit / loss on account of volatility in foreign currency exchange. The mitigating factors are that the management ensures to enters in trading transactions in such a way that there are minimal risks of volatility in foreign currency exchange or the Company may take adequate forward cover for foreign exchange fluctuations.

**Risks due to disruption and unprecedented uncertainty due to Covid-19 pandemic and Impact on Business:** - Products may not be available as per demand. Also, supplier/customer may not be available and there may be delay in receipt of money from customer. Further, the Company's revenue is mainly from other income consisting of dividend on equity shares and interest on loans. The financial assets of the Company are mainly investments in listed securities and accordingly, any material volatility in the capital market may impact the market value of the investment. The mitigating factors are that the Company's trading operations are at very miniscule level compared to overall income. The Company seals a deal only when customer and supplier are available at negotiated price and there is reasonable assurance of availability of products. The customers are also chosen based on their financial strengths. Till now, the Company has not experienced any issue in any of the deals. Hence, the revenue of the Company is not likely to be impacted by COVID-19 pandemic.

### INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

The Company has an internal control system, commensurate with the size, scale and complexity of its operation. The Group has an inhouse internal audit team headed by a qualified professional, which undertakes internal audit and ensures that all transactions are authorized and recorded in the books of the Company. The internal audit department monitors the efficacy and adequacy of internal control. Significant audit observations, if any, are presented to the Audit Committee and action taken to correct any deficiency is informed to them. The report prepared by internal audit team forms the basis of utilization by the Managing Director and Chief Financial Officer for financial reporting as required under Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has adequate internal financial controls in place, commensurate with the size, scale and complexity of its operations.

The Company is complying with all the applicable Accounting Standards. The accounting records are maintained in accordance with generally accepted accounting principles in India. This ensures that the financial statements reflect true and fair financial position of the Company.

### FINANCIAL AND OPERATIONAL PERFORMANCE:

During the year, the Company traded in chemical of Ethylenediamine totaling to ₹22.68 lakhs. Other income was ₹2341.81 lakhs as compared to ₹2403.49 lakhs in the previous year.

The Company has earned profit of ₹2007.44 lakhs after tax as compared to profit of ₹2076.46 lakhs in the previous year.

### HUMAN RESOURCES DEVELOPMENT:

The relationship with the employees continued to be cordial throughout the year.

### DISCLOSURE OF ACCOUNTING TREATMENT:

This has been dealt with in the Directors' Report.

### CAUTIONARY STATEMENT:

Certain statements in this section relating to estimates, projections and expectations may be forward looking within the meaning of applicable laws and regulations. The actual results could differ materially from what the directors envisage in terms of the future performance and outlook. The factors that may affect the performance of the company will be drought or shortfall in rains, change in government policies, tariff barriers, delay in registrations, changes in local and overseas markets and the related factors.

## ANNEXURE TO THE BOARD'S REPORT

### BUSINESS RESPONSIBILITY REPORT

[Pursuant to Regulation 34(2)(f) of the SEBI Listing Regulations]

#### SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company:	:	L24219GJ1969PLC001588
2.	Name of the Company	:	Uniphos Enterprises Limited
3.	Registered address	:	11, G.I.D.C., Vapi, Dist. Valsad, Gujarat, Pin- 396 195.
4.	Website	:	www.uelonline.com
5.	E-mail id	:	uel.investors@upl-ltd.com
6.	Financial Year reported	:	2019-20
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	:	The Company is engaged in trading in chemicals (Code- 46691).
8.	List three key products/services that the Company manufactures/provides (as in Balance Sheet)		
	The Company operates in trading of chemicals. The Company also operates with investments in quoted and unquoted securities. The Company's sources of income are from trading activities, dividend and interest on loan.		
9.	Total number of locations where business activity is undertaken by the Company:		
	(a) Number of International Locations (Provide details of major 5)	:	NIL
	(b) Number of National Locations	:	The Company operates from two locations: Registered Office situated at 11, G.I.D.C., Vapi, Dist Valsaad, Gujarat. Readymoney Terrace, 4th Floor, 167, Dr. Annie Beasant Road, Worli, Mumbai-400 018.
10.	Markets served by the Company - Local/ State/National/International	:	Refer Point Numbers 8 and 9 above

#### SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid up Capital (INR)	:	₹1,390.92 lakhs
2.	Total Turnover (INR)	:	₹22.68 lakhs
3.	Total profit after taxes (INR)	:	₹2,007.44 lakhs
4.	Total Spending on Corporate Social	:	CSR Not Applicable
5.	List of activities in which expenditure in 4 above	:	CSR Not Applicable

#### SECTION C: OTHER DETAILS

- Does the Company have any Subsidiary Company/ Companies? – The Company has no subsidiary.
- Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s) – The Company has no subsidiary.
- Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%] - No, given the limited nature of Company's operations and its size, the Company has minimal interactions with its vendors, suppliers, distributors etc.

**SECTION D: BR INFORMATION**
**1. Details of Director/Directors responsible for BR**
**(a) Details of the Director/Directors responsible for implementation of the BR policy/policies.**

Sr. No.	Particulars	Details
1.	DIN Number (if applicable)	: 00180810
2.	Name	: Mr. Rajnikant Devidas Shroff
3.	Designation	: Chairman and Managing Director
4.	Telephone	: 022 71528000
5.	E-mail id	: shroffrd@upl-ltd.com

**(b) Details of the BR head**

Sr. No.	Particulars	Details
1.	DIN Number (if applicable)	: 00180810
2.	Name	: Mr. Rajnikant Devidas Shroff
3.	Designation	: Chairman and Managing Director
4.	Telephone	: 022 71528000
5.	E-mail id	: shroffrd@upl-ltd.com

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

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are as follows:

<b>P1</b>	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
<b>P2</b>	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
<b>P3</b>	Businesses should promote the well-being of all employees.
<b>P4</b>	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
<b>P5</b>	Businesses should respect and promote human rights.
<b>P6</b>	Businesses should respect, protect, and make efforts to restore the environment.
<b>P7</b>	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
<b>P8</b>	Businesses should support inclusive growth and equitable development.
<b>P9</b>	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

**Details of compliance (Reply in Y/N)**

SN	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have policy/policies for...?	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		Yes, all the policies have been developed in consultation with the Management of the Company.								
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy being approved by the Board? if yes, has it been signed by MD / owner / CEO / appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The policies are available on our internet portal which can be viewed at <a href="http://www.uelonline.com">http://www.uelonline.com</a>								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to all the stakeholders.								
8	Does the company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

**3. GOVERNANCE RELATED TO BR**

- (a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year - Once in a year
- (b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published? - The BR initiatives of the Company forms part of the Annual Report which is available at <https://www.uelonline.com>

**SECTION E: PRINCIPLE-WISE PERFORMANCE**

- Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability. (P1)
  1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/ NGOs/Others?  
Yes. The Company has adopted Code of Conduct and Whistle Blower Policy which pertain to ethics, bribery and corruption and the above policies are applicable to all our major vendors, etc.
  2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.  
There was no case of violation of Code of Conduct and no case was reported under the Company's whistle blower policy during the year.
- Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle (P2)

The Company operates in trading of chemicals. The Company understands impacts of its business on environment and society and takes responsibility to supply its products, favoring betterment of environment and society.

- Principle 3: Businesses should promote the well-being of all employees (P3)  
The senior management employees are working for the Company on deputation basis. During the year, no complaint was received relating to Sexual harassment.
- Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized (P4)  
There are no stakeholders who are disadvantaged, marginalized and vulnerable to the extent information available with the Company.
- Principle 5: Businesses should respect and promote human rights (P5)  
The Company respects the human rights of all its stakeholders and ensures compliance with all applicable laws pertaining to human rights. No complaints of this nature have been received during the financial year.
- Principle 6: Businesses should respect, protect, and make efforts to restore the environment (P6)  
The Company gives equal importance to protect the environment while conducting its business operations.
- Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner (P7)  
The Company identify and understand the common concerns of the business and its impacts on the communities.
- Principle 8: Businesses should support inclusive growth and equitable development (P8)  
The Company always believes in holistic and sustainable growth and equitable development of the society.
- Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner (P9)  
The Company strives to meet customer needs and provide valuable solutions to help them tide of their problems.



## INDEPENDENT AUDITORS' REPORT

To the Members of

Uniphos Enterprises Limited

Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of Uniphos Enterprises Limited ("the Company"), which comprise the balance sheet as at 31 March 2020, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

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

### Basis for Opinion

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

### Key Audit Matters

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

### Description of Key Audit Matter

#### **Fair valuation of investment through other comprehensive income (OCI)**

Refer to accounting policies 2.1 (e) to the financial statements

#### **The key audit matter**

As disclosed in Note 4 to the financial statements, the Company has significant investments in equity shares.

For investments in equity shares, the fair values are based on the valuation of the underlying assets, which consist of quoted equity securities

The significance of investments in equity shares resulted in this being a key audit matter.

#### **How the matter was addressed in our audit**

Our procedures included the following:

We assessed the fair value measurement accounting policy and evaluated compliance with the requirements of Ind AS.

We assessed the design and implementation and tested the operating effectiveness of the Company's relevant key financial controls around the fair valuation of investment through OCI.

Our audit procedures performed on the valuation of the investments included verifying the latest available quoted price of the equity shares on the stock exchange as on the reporting date to ascertain the accuracy of their fair value.

### Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the financial statements and our auditors' 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit

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

### **Management's and Board of Directors' Responsibility for the Financial Statements**

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring 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.

In preparing the financial statements, the Management and Board of Directors are 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.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, 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. (A) As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
  - c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) With respect to the other matters to be included in the Auditors' 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 as at 31 March 2020 on its financial position in its financial statements - Refer Note 23 to the 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 amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the financial statements since they do not pertain to the financial year ended 31 March 2020.
- (C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the Company has not paid / provided any managerial remuneration and consequently the provisions of section 197 read with Schedule V to the Act is not applicable. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

**For B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

**Bhavesh Dhupelia**

Partner

Membership No: 042070

UDIN: 20042070AAAACR8941

Mumbai  
26 June 2020

## ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS

(Referred to in our report of even date)

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
- (b) The Company has verified its fixed assets during the year which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us by the management and on the basis of an examination of the records of the Company, the title deeds of the immovable properties as disclosed in Note 3 of the financial statements are held in the name of the Company, except in the case of freehold land with a carrying value of ₹369.74 lakhs for which the Company is in the process of registering the title deed in its name.
- ii. The Company did not have any inventories during the year and accordingly, para 3(ii) of the Order is not applicable to the Company.
- iii. The Company had granted unsecured loan to one company covered in the register maintained under Section 189 of the Act. There are no loans granted to firms/limited liability partnership/other parties.
  - a) In respect of the aforesaid loan, the terms and conditions under which such loan was granted are not prejudicial to the Company's interest.
  - b) In respect of aforesaid loan, which is repayable on demand and accordingly no default on the part of parties to whom the money has been lent.
  - c) There are no amounts overdue for more than ninety days at the balance sheet date in respect of the aforesaid loan.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act, with respect to the loans granted and investments made. The company has not provided any guarantee or security to the parties covered under section 186 of the Act
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public during the year in terms of the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for any of the products sold and services rendered by the Company. Accordingly, para 3(vi) of the Order is not applicable to the Company.
- vii. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Income-tax, Goods and services tax and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Employees state insurance, Duty of customs and Cess.
- b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Income-tax, Goods and services tax and other material statutory dues were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable.
- c) According to the information and explanations given to us and based on our examination of the records of the Company, there are no dues of Income-tax as at 31 March 2020, which have not been deposited with the appropriate authorities on account of any dispute, except as stated below:

Nature of the Statute	Nature of dues	Amount (in Lakhs)	Amount paid under protest (in Lakhs)	Period to which amounts relates	Forum where dispute is pending
Income tax Act, 1961	Income tax demands	368.06	87.70	AY* 1994-95, AY 1997-98, AY 2001-02, AY 2002-03 and AY 2010-11	Income-tax Appellate Tribunal/ Commissioner of Income Tax (Appeal)

\*AY – Assessment year.

- viii. According to the information and explanations given to us, the Company did not have any outstanding dues to any banks, financial institutions, government or debenture holder during the year. Accordingly, para 3(viii) of the Order is not applicable to the Company.
- ix. According to the information and explanations given to us, the Company did not raise money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, para 3(ix) of the Order is not applicable to the Company.
- x. According to the information and explanations given to us, no material fraud by the Company or fraud on the Company by its officers or employees has been noticed or reported during the year nor have we been informed of such case by the management.
- xi. According to the information and explanations given to us, the Company has not paid /provided any managerial remuneration and consequently the provisions of section 197 read with Schedule V to the Act is not applicable.
- xii. According to the information and explanations given to us, the Company is not a Nidhi company as prescribed under Section 406 of the Act. Accordingly, para 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, no preferential allotment or private placement of shares or fully or partly convertible debentures was made during the year. Accordingly, para 3(xiv) of the Order is not applicable to the Company.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non cash transactions with directors or persons connected with them. Accordingly, para 3(xv) of the Order is not applicable to the Company.
- xvi. According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under the clause 3(xvi) of the Order is not applicable to the Company.

**For B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

**Bhavesh Dhupelia**

Partner

Membership No: 042070

UDIN: 20042070AAAACR8941

Mumbai  
26 June 2020

## **ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS OF UNIPHOS ENTERPRISES LIMITED 31 MARCH 2020**

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph (2(A)f)) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

### **Opinion**

We have audited the internal financial controls with reference to financial statements of Uniphos Enterprises Limited ("the Company") as at 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

### **Management's Responsibility for Internal Financial Controls**

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were established and maintained and whether 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements

### **Meaning of Internal Financial controls with Reference to Financial Statements**

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 with Reference to Financial Statements**

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

**For B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

**Bhavesh Dhupelia**

Partner

Membership No: 042070

UDIN: 20042070AAAACR8941

Mumbai  
26 June 2020

## BALANCE SHEET AS AT MARCH 31, 2020

	Notes	As at 31 March 2020	INR Lakhs As at 31 March 2019
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3a	-	0.01
Investment property	3b	17,462.63	17,466.26
Financial assets			
i) Investments	4	1,26,059.98	2,46,050.37
ii) Loans	5	0.16	0.16
Income tax assets (Net)		2,420.10	2,418.19
		<b>1,45,942.87</b>	<b>2,65,934.99</b>
<b>Current assets</b>			
Financial assets			
i) Investments	6	-	2,249.89
ii) Cash and cash equivalents	7	4,276.62	67.88
iii) Bank balances other than cash and cash equivalents	7A	-	53.83
iv) Loans	8	1,470.00	1,470.00
v) Other financial assets	9	160.93	3.40
Other current assets	10	1.51	1.61
		<b>5,909.06</b>	<b>3,846.61</b>
<b>Total assets</b>		<b>1,51,851.93</b>	<b>2,69,781.60</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Equity share capital	11	1,390.92	1,390.92
Other equity	12	1,50,390.17	2,68,373.13
		<b>1,51,781.09</b>	<b>2,69,764.05</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Financial liabilities			
Trade payables			
- Total outstanding dues of micro and small enterprises	13	-	-
- Total outstanding dues of other than micro and small enterprises	13	69.47	14.77
Other current liabilities	14	1.37	2.78
<b>Total liabilities</b>		<b>70.84</b>	<b>17.55</b>
<b>Total equity and liabilities</b>		<b>1,51,851.93</b>	<b>2,69,781.60</b>
Summary of significant accounting policies	2		
See accompanying notes to the financial statements	3-34		

In terms of our report of even date attached

**For B S R & Co. LLP**

Chartered Accountants

Firm Registration Number 101248W/W-100022

**Bhavesh Dhupelia**

Partner

Membership No. 042070

Place : Mumbai

Date : 26 June 2020

**For and on behalf of Board of Directors of Uniphos Enterprises Limited**

CIN No.: L24219GJ1969PLC001588

**R.D.Shroff**

Chairman and Managing Director

DIN : 00180810

**K.M.Thacker**

Company Secretary

Membership no.: ACS 6843

Place : Mumbai

Date : 26 June 2020

**S.R.Shroff**

Non-Executive Vice -Chairman

DIN : 00189012

**B.P.Chheda**

Chief Financial Officer



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

	NOTES	Year ended 31 March 2020	Year ended 31 March 2019
INR Lakhs			
<b>Income</b>			
Revenue from operations	15	22.68	-
Other income	16	2,341.81	2,403.49
<b>Total income</b>		<b>2,364.49</b>	<b>2,403.49</b>
<b>Expenses</b>			
Purchase of stock in trade		22.47	-
Employee benefit expenses	17	104.09	101.99
Legal and professional fees	18	35.37	39.02
Depreciation	19	3.64	4.02
Other expenses	20	156.22	140.00
<b>Total expenses</b>		<b>321.79</b>	<b>285.03</b>
<b>Profit before tax</b>		<b>2,042.70</b>	<b>2,118.46</b>
<b>Tax expense:</b>			
Current tax	21	35.25	42.00
Prior period tax		0.01	-
<b>Profit for the year</b>		<b>2,007.44</b>	<b>2,076.46</b>
<b>Other Comprehensive Income (OCI), net of tax</b>			
Item that will not be reclassified to Statement of profit or loss	28	(119,990.40)	58,700.17
Income tax related to items that will not be reclassified to Statement of profit or loss		-	-
<b>Total Other Comprehensive Income</b>		<b>(119,990.40)</b>	<b>58,700.17</b>
<b>Total Comprehensive Income for the year</b>		<b>(117,982.96)</b>	<b>60,776.63</b>
<b>Earnings per equity share (In INR)</b>	22		
Basic (Face value of INR 2 each)		2.89	2.99
Diluted (Face value of INR 2 each)		2.89	2.99
Summary of significant accounting policies	2		
See accompanying notes to the financial statements	3-34		

In terms of our report of even date attached  
**For B S R & Co. LLP**  
 Chartered Accountants  
 Firm Registration Number 101248W/W-100022

**Bhavesh Dhupelia**  
 Partner  
 Membership No. 042070

Place : Mumbai  
 Date : 26 June 2020

**For and on behalf of Board of Directors of Uniphos Enterprises Limited**  
 CIN No.: L24219GJ1969PLC001588

**R.D.Shroff**  
 Chairman and Managing Director  
 DIN : 00180810

**K.M.Thacker**  
 Company Secretary  
 Membership no.: ACS 6843

Place : Mumbai  
 Date : 26 June 2020

**S.R.Shroff**  
 Non-Executive Vice -Chairman  
 DIN : 00189012

**B.P.Chheda**  
 Chief Financial Officer

## STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2020

	INR Lakhs	
	31 March 2020	31 March 2019
<b>Cash Flow From Operating activities</b>		
<b>Profit before exceptional items and tax</b>	2,042.70	2,118.46
<b>Adjustments for :</b>		
Depreciation	3.64	4.02
Interest Income	(180.91)	(140.13)
(Gain)/ loss on redemption / sale of Investments	68.59	(66.25)
Fair value gain on financial instruments at fair value through profit or loss	-	(125.45)
Dividend Income on investments	(2,160.90)	(2,071.66)
<b>Working capital adjustments</b>		
Decrease in non-current and current financial assets	-	0.30
Decrease in other current assets	0.10	19.08
Increase in trade payables	54.70	2.32
(Decrease) in other current liabilities	(1.41)	(1.08)
<b>Cash flow from operations</b>	<b>(173.49)</b>	<b>(260.39)</b>
Income tax paid (including TDS) (net)	(37.18)	(60.99)
<b>Net cash flows from / (used in) operating activities</b>	<b>(210.67)</b>	<b>(321.38)</b>
<b>Cash Flow From Investing activities</b>		
Purchase of current investments	-	(1,233.98)
Sale of current investments	8,105.34	4,687.40
Purchase of current investments	(5,924.02)	(5,713.50)
Dividend on investments	2,160.90	2,071.66
Fixed deposits	53.83	(3.16)
Interest received	23.37	267.40
Loans - repayment received	-	1,200.00
Loans - Given	-	(1,470.00)
<b>Net cash flows from / (used in) investing activities</b>	<b>4,419.41</b>	<b>(194.18)</b>
<b>Cash Flow From Financing activities</b>		
<b>Net cash flows from / (used in) financing activities</b>	<b>-</b>	<b>-</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>4,208.74</b>	<b>(515.56)</b>
Cash and cash equivalents at the beginning of the year (Refer note 7)	67.88	583.44
<b>Cash and cash equivalents at the end (Refer note 7)</b>	<b>4,276.62</b>	<b>67.88</b>

### Notes:

- The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (IND AS 7) Statement of Cash Flows.
- The Company did not have any cash flow arising from financing activities

The accompanying notes are an integral part of these financial statements

In terms of our report of even date attached

#### For B S R & Co. LLP

Chartered Accountants

Firm Registration Number 101248W/W-100022

#### Bhavesh Dhupelia

Partner

Membership No. 042070

#### For and on behalf of Board of Directors of Uniphos Enterprises Limited

CIN No.: L24219GJ1969PLC001588

#### R.D.Shroff

Chairman and Managing Director

DIN : 00180810

#### K.M.Thacker

Company Secretary

Membership no.: ACS 6843

#### S.R.Shroff

Non-Executive Vice -Chairman

DIN : 00189012

#### B.P.Chheda

Chief Financial Officer

Place : Mumbai

Date :26 June 2020

Place : Mumbai

Date : 26 June 2020

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

## A) Equity share capital

	Equity shares of INR 2 each	
	Nos.	INR Lakhs
<b>Issued, subscribed and fully paid</b>		
As at 31 March, 2018	69,545,849	1,390.92
<b>Changes during the year</b>	-	-
As at 31 March, 2019	69,545,849	1,390.92
<b>Changes during the year</b>	-	-
As at 31 March, 2020	<b>69,545,849</b>	<b>1,390.92</b>

## B) Other equity

Particulars	Reserves and surplus				Equity instruments through other comprehensive Income	TOTAL OTHER EQUITY
	Capital Reserve	Securities Premium	General Reserve	Revaluation reserve		
Balance as at 31 March 2018	64.39	6,499.56	3,100.65	14,500.00	177,748.50	207,596.50
Profit for the year	-	-	-	-	2,076.46	2,076.46
Other comprehensive income	-	-	-	-	58,700.17	58,700.17
Balance as at 31 March 2019	64.39	6,499.56	3,100.65	14,500.00	236,448.67	268,373.13
Profit for the year	-	-	-	-	2,007.44	2,007.44
Other comprehensive income	-	-	-	-	(119,990.40)	(119,990.40)
Balance as at 31 March 2020	<b>64.39</b>	<b>6,499.56</b>	<b>3,100.65</b>	<b>14,500.00</b>	<b>116,458.27</b>	<b>150,390.17</b>

INR Lakhs

The accompanying notes are an integral part of these financial statements.

In terms of our report of even date attached

**For B S R & Co. LLP**

Chartered Accountants

Firm Registration Number 101248WW-100022

**Bhavesh Dhupelia**

Partner

Membership No. 042070

Place : Mumbai

Date : 26 June 2020

**For and on behalf of Board of Directors of Uniphos Enterprises Limited**

CIN No.: L24219GJ1969PLC001588

**R.D.Shroff**

Chairman and Managing Director

DIN : 00180810

**K.M.Thacker**

Company Secretary

Membership no.: ACS 6843

Place : Mumbai

Date : 26 June 2020

**S.R.Shroff**

Non-Executive Vice -Chairman

DIN : 00189012

**B.P.Chheda**

Chief Financial Officer

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

### 1. Corporate information

Uniphos Enterprises Limited ('the Company') is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two stock exchanges in India and Global Depository Receipt ('GDRs') are listed on Luxembourg stock exchange. The Company is engaged in the business of trading of chemicals and other products. The registered office of the Company is located at 11, G.I.D.C., Vapi, Dist- Valsad, Gujarat. The financial statements were authorised for issue in accordance with a resolution of the directors on June 26, 2020.

### 2. Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended thereafter.

The financial statements have been prepared under the historical cost convention on an accrual basis except for certain financial assets and liabilities that are measured at fair value at the end of each reporting period as stated in the accounting policies set out below. The accounting policies applied by the Company are consistent with those used in the previous year. The financial statements are presented in Indian Rupee ('INR') or ('₹') which is also the Company's functional currency and all values are rounded to the nearest lakhs, except when otherwise indicated.

#### Significant accounting estimates, assumptions and judgements

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

#### Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the separate financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

#### Taxes

There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts initially recorded, such differences will impact the current and deferred tax provisions in the period in which the tax determination is made. The assessment of probability involves estimation of a number of factors including future taxable income.

#### Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model where appropriate. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 30 and 31 for further disclosures

#### Impairment of financial assets

The Company recognises loss allowances for expected credit losses on:

- financial asset measured at amortized cost
- financial asset measured at FVTOCI- Equity instruments
- financial asset measured at FVTPL- Equity instruments

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

At each reporting date, the Company assesses whether financial assets carried at amortized cost and equity instrument at FVTOCI and FVTPL are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

### Impairment of non- financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre- tax discount rate that reflects current market assessment of the time value of money and the risk specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share price for publicly traded subsidiaries or other available fair value indicators.

### 2.1 Summary of significant accounting policies

#### (a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has identified twelve months as its operating cycle for the purpose of current / non current classification of assets and liabilities.

#### b) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the amount can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue is stated excluding of Goods and Service Tax (GST)

The specific recognition criteria described below must also be met before revenue is recognised.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

### **Sale of goods**

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts, volume rebates and cash discounts.

### **Interest income**

The Company presently has no debt instruments measured at fair value through other comprehensive income. Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

### **Dividends**

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

### **c) Property, Plant and Equipment**

Items of property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in statement of profit and loss as incurred. In respect of additions to /deletions from the property, plant and equipment, depreciation is provided on pro-rata basis with reference to the month of addition/deletion of the Assets. Depreciation for the year has been provided as per the rates determined in Part C of Schedule II of the Companies Act, 2013.

### **d) Investment property**

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in production or supply of goods or services or for administrative purpose. Upon initial recognition, an investment property is measured at cost less accumulated depreciation and accumulated impairment loss, if any.

Depreciation on investments in property has been provided on written down value basis in accordance with Schedule II of the Companies Act, 2013 by estimating the useful life as 60 years.

### **e) Fair value measurement**

The Company measures certain financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

Quantitative disclosures of fair value measurement hierarchy (Note 31)

Financial instruments (including those carried at amortised cost) (note 4,5,6,7,7A,8,9,13,30 and 31 )

### f) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Provisions are reviewed at each balance sheet and adjusted to reflect the current best estimates.

### g) Financial instruments

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

#### Financial assets

##### Initial recognition and measurement

The Company recognises financial assets in its balance sheet when it becomes party to the contractual provisions of the instruments.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

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

### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- Debt instruments measured at fair value through other comprehensive income (FVTOCI)
- Debt instruments measured at fair value through profit or loss (FVTPL)
- Debt instruments measured at amortized cost
- Financial assets measured at amortized cost
- Financial assets measured at fair value through other comprehensive income (FVTOCI)

Presently the Company has no debt instruments measured at amortized cost or FVTPL or FVTOCI

### Financial assets measured at amortized cost

A financial asset is measured at the amortized cost if both the following conditions are met :

- a) The Company's business model objective for managing the financial assets is to hold financial assets in order to collect contractual cash flows and,
- b) The contractual terms of the financial asset give rise on specified dates to cashflow that are solely payments of principal and interest on the principal amount outstanding.

### Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income or statement of profit and loss, subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on derecognition of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

### De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily de-recognised (i.e. removed from the Company's balance sheet) when:

- The contractual rights to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement, and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

### Impairment of financial assets

In accordance with Ind AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18 (referred to as 'contractual revenue receivables' in these financial statements)
- c) Financial guarantee contracts which are not measured as at FVTPL

The company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables and
- Other receivables

The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

Impairment of financial assets

- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.
- Financial assets measured as at amortised cost, contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.

### h) Financial liabilities

#### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or payables, as appropriate.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include only trade and other payables.

### **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

#### **De-recognition**

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

#### **Offsetting of financial instruments**

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

#### **i) Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

#### **j) Taxes**

##### **Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

##### **Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

During the year, the Company has not recognised deferred tax asset or liability since there are no deductible temporary difference as on the reporting date.

### Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) paid as per Indian Income Tax Act, 1961 is in the nature of unused tax credit which can be carried forward and utilised when the Company will pay normal income tax during the specified period. Deferred tax assets on such tax credit is recognised to the extent that it is probable that the unused tax credit can be utilised in the specified future period. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

### k) Earning per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### l) Segment Reporting:

Based on "Management Approach" as defined in Ind AS 108 -Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocates the resources based on an analysis of various performance indicators by business segments. Inter segment sales and transfers are reflected at market prices.

Unallocable items includes general corporate income and expense items which are not allocated to any business segment.

### Segment Policies:

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole. Common allocable costs are allocated to each segment on an appropriate basis.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

### **m) Contingent Liability and Contingent assets**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed 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 is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

A contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent asset are disclosed in the financial statements.

Contingent liabilities and contingent assets are reviewed at each balance sheet date.

### **n) Government grants and subsidies**

Government grants of the nature of promoters' contribution are credited to capital reserve and treated as a part of the shareholders' funds.

Government grants / subsidies in the nature of promoters' contribution, given with reference to the total investment in an undertaking or by way of contribution towards its total capital outlay, are treated as capital reserve. Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with

### **o) Standard issued but not yet effective**

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

### **p) Changes in accounting policies**

#### **Leases**

Effective 1st April 2019, Ind AS 116 "Leases", is applicable to the Company. Based on the assessment done by the management, there is no impact on the adoption of this standard on the financial statements for the year ended 31 March 2020.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are stated in INR lakhs, unless otherwise mentioned)

### 3a. Property, plant and equipment

	Building- Others	Total
<b>Cost or valuation</b>		
<b>At 31 March, 2018</b>	0.71	0.71
Additions		
Disposals	-	-
Transfer/capitalised	-	-
<b>At 31 March, 2019</b>	<b>0.71</b>	<b>0.71</b>
Additions	-	-
Disposals	-	-
Transfer/capitalised	-	-
<b>At 31 March 2020</b>	<b>0.71</b>	<b>0.71</b>
<b>Accumulated Depreciation</b>		
<b>At 31 March, 2018</b>	0.51	0.51
Depreciation	0.19	0.19
Disposals	-	-
<b>At 31 March, 2019</b>	<b>0.70</b>	<b>0.70</b>
Depreciation	0.01	0.01
Disposals	-	-
<b>At 31 March 2020</b>	<b>0.71</b>	<b>0.71</b>
<b>Net book value</b>		
<b>At 31 March 2019</b>	0.01	0.01
<b>At 31 March 2020</b>	-	-

### 3b. Investment property

#### A. Reconciliation of carrying amount:

Particulars	Land (Refer note below)	Buildings	Total
Gross Carrying Amount			
<b>At 31 March 2018</b>	17,393.63	84.71	17,478.34
Additions	-	-	-
Disposals	-	-	-
<b>At 31 March 2019</b>	<b>17,393.63</b>	<b>84.71</b>	<b>17,478.34</b>
Additions	-	-	-
Disposals	-	-	-
<b>At 31 March 2020</b>	<b>17,393.63</b>	<b>84.71</b>	<b>17,478.34</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are stated in INR lakhs, unless otherwise mentioned)

### 3b. Investment property (Continued)

Particulars	Land (Refer note below)	Buildings	Total
<b>Accumulated Depreciation</b>			
<b>At 31 March 2018</b>	-	8.26	8.26
Depreciation	-	3.82	3.82
<b>At 31 March 2019</b>	-	<b>12.08</b>	<b>12.08</b>
Depreciation	-	3.63	3.63
<b>At 31 March 2020</b>	-	<b>15.71</b>	<b>15.71</b>
Net Block			
<b>At 31 March 2019</b>	<b>17,393.63</b>	<b>72.63</b>	<b>17,466.26</b>
<b>At 31 March 2020</b>	<b>17,393.63</b>	<b>69.00</b>	<b>17,462.63</b>

#### Notes

##### Fair value

As on 31 March 2018	18,306.32
As on 31 March 2019	19,526.90
As on 31 March 2020	18,162.35

The Company is in the process of registering the title deed in its name for one immovable property consisting of freehold land with a carrying value of ₹369.74 lakhs as at 31 March 2020 (31 March 2019: ₹369.74 lakhs).

### B. Measurement of fair value:

#### i) Fair value hierarchy

The fair value of investment property has been determined by an external, independent valuer, having appropriate recognised professional qualifications and recent exposure in the location and category of the property being valued. The fair value measurement for investment property has been categorized as a level 2 fair value based on the inputs to the valuation technique used

#### ii) Valuation technique

The fair value of investment property has been determined by an external, independent valuer based on the market rate existing at the reporting date. Factors that are considered are mentioned below:

- Effect of rights and interest in properties including beneficial ownership and physical possession.
- Effect of size, location and development of the property.
- Effect of usage of the property for commercial purpose with clear title.
- Effect of overall demand in the area and nature and type of construction in the immediate vicinity and consequential effect thereof on demand of premise in the area/locality.
- Effect of current trends in the property market where the property is located.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

(All amounts are stated in INR lakhs, unless otherwise mentioned)

**4. Investments**

	As at 31 March 2020	As at 31 March 2019
<b>A. At fair value through profit and loss</b>		
<b>Investment in equity instruments (unquoted)</b>		
1,000 (31 March 2019: 1,000) equity shares of no par value in Kaw Valley, Inc.	0.98	0.98
250 (31 March 2019 : 250) equity shares of no par value in Midland Fumigant, Inc.	4.91	4.91
Less: provision for impairment in value of long-term investments	(5.89)	(5.89)
	-	-
100,000 (31 March 2019: 100,000) equity shares of ₹10 each fully paid-up in Harsora Hotels Private Limited	100.56	100.56
100 (31 March 2019: 100) equity shares of ₹10 each fully paid-up in Industrial Grahak Sahakari Bhandar Limited	0.01	0.01
156 (31 March 2019: 156) equity shares of ₹100 each fully paid-up in Sardar Bhiladwala Pardi People's Co-operative Bank Limited	0.15	0.15
40 (31 March 2019: 40) equity shares of ₹500 each fully paid-up in Shree Ganesh Khand Udyog Sahakari Mandi Limited	0.20	0.20
<b>B At fair value through OCI</b>		
<b>Investment in equity instruments (quoted)</b>		
38,590,395 (31 March 2019: 25,726,930) equity shares of ₹2 each fully paid-up in UPL Limited	125,959.06	245,949.45
	<b>126,059.98</b>	<b>246,050.37</b>
<b>Notes :</b>		
a) Aggregate amount and market value of quoted investments	125,959.06	245,949.45
b) Aggregate amount of unquoted investments	106.81	106.81
c) Aggregate amount of impairment in value of investments.	(5.89)	(5.89)
d) During the year 12,863,465 equity shares of UPL Limited received as bonus in the ratio 1:2		

**5. Loans**

	As at 31 March 2020	As at 31 March 2019
<b>Security deposit</b>		
Unsecured, considered good	0.16	0.16
	<b>0.16</b>	<b>0.16</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are stated in INR lakhs, unless otherwise mentioned)

### 6. Investments

	As at 31 March 2020	As at 31 March 2019
<b>Investments stated at fair value through profit and loss</b>		
<b>In Mutual Funds (Unquoted)</b>		
SBI Liquid fund (31 March 2020 : NIL, 31 March 2019 : 41,121.86 )	-	1,201.75
Abakkus Growth Fund (31 March 2020 : NIL, 31 March 2019 : 106,231.85)	-	1,048.14
	-	<b>2,249.89</b>
<b>Notes :</b>		
a) Aggregate amount and market value of quoted investments	-	-
b) Aggregate amount of unquoted investments	-	2,249.89
c) Aggregate amount of impairment in value of investments.	-	-

### 7. Cash and cash equivalents

	As at 31 March 2020	As at 31 March 2019
Balances with banks		
- Current accounts	4,276.59	67.85
Cash in hand	0.03	0.03
	<b>4,276.62</b>	<b>67.88</b>

### 7A. Other bank balances

	As at 31 March 2020	As at 31 March 2019
Deposits with original maturity for more than 3 months but less than 12 months	-	53.83
	-	<b>53.83</b>

### 8. Loans

	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good		
Loan to related party - Tatva Global Environment Private limited (Refer note 28)	1,470.00	1,470.00
	<b>1,470.00</b>	<b>1,470.00</b>

### 9. Other financial assets

	As at 31 March 2020	As at 31 March 2019
<b>Interest receivable</b>		
From related party - Tatva Global Environment Private limited	160.93	2.17
Others	-	1.22
	<b>160.93</b>	<b>3.40</b>



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

(All amounts are stated in INR lakhs, unless otherwise mentioned)

**10. Other current assets**

	As at 31 March 2020	As at 31 March 2019
Prepaid expenses	1.51	1.53
Other advances	-	0.08
	<b>1.51</b>	<b>1.61</b>

**11. Share Capital**

	As at 31 March 2020	As at 31 March 2019
<b>Authorised Share Capital</b>		
150,000,000 (31 March 2019 : 150,000,000) equity shares of ₹2/- each	3,000.00	3,000.00
7,000,000 (31 March 2019 : 7,000,000) preference shares of ₹100/- each	7,000.00	7,000.00
<b>Issued, subscribed and fully paid Up</b>		
69,545,849 (31 March 2019 : 69,545,849) equity shares of ₹2/- each fully paid up	1,390.92	1,390.92
	<b>1,390.92</b>	<b>1,390.92</b>

**(a) Terms/ rights attached to equity shares**

The Company has only one class of equity shares having par value of ₹2 per share. Each holder of equity shares is entitled to one vote per share.

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

**(b) Reconciliation of shares at the beginning and at the end of the reporting period**

	As at 31 March 2020		As at 31 March 2019	
	No. of shares in Lakhs	INR Lakhs	No. of shares in Lakhs	INR Lakhs
At the beginning of the year	695.46	1,390.92	695.46	1,390.92
Add: Issued during the year	-	-	-	-
<b>At the end of the year</b>	<b>695.46</b>	<b>1,390.92</b>	<b>695.46</b>	<b>1,390.92</b>

**(c) Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates**

Out of equity shares issued by the Company, shares held by its holding company, ultimate holding company are as below:

	As at 31 March 2020	As at 31 March 2019
Nerka Chemicals Private Limited, the holding company		
4,98,19,612 (31 March 2019 : 4,98,19,612) equity shares of ₹2 each fully paid	<b>996.39</b>	<b>996.39</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are stated in INR lakhs, unless otherwise mentioned)

### (d) Details of shareholders holding more than 5% shares in the Company

(Equity shares of ₹2 each fully paid)

	As at 31 March 2020		As at 31 March 2019	
	No. of shares	% of total shares in class	No. of shares	% of total shares in class
Name of shareholder				
<b>Nerka Chemicals Private Limited</b>	<b>4,98,19,612</b>	<b>71.64</b>	<b>4,98,19,612</b>	<b>71.64</b>

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

- (e) There are 26,962 (31 March 2019 : 26,962) underlying equity shares of the Company in respect of GDR's listed on Luxembourg Stock Exchange. Every GDR is issued against 2 equity shares.
- (f) There are no shares issued for consideration other than cash during the period of five years immediately preceding the reporting date.

## 12. Other equity

### i) Securities Premium

<b>At 31 March 2018</b>	6,499.56
Increase/(decrease) during the year	-
<b>At 31 March 2019</b>	<b>6,499.56</b>
Increase/(decrease) during the year	-
<b>At 31 March 2020</b>	<b>6,499.56</b>

### ii) Retained Earnings

<b>At 31 March 2018</b>	5,683.40
Add: Profit for the year	2,076.46
<b>At 31 March 2019</b>	<b>7,759.86</b>
Add: Profit for the year	2,007.44
<b>At 31 March 2020</b>	<b>9,767.30</b>

### iii) Other Reserves

#### Capital reserve

<b>At 31 March 2018</b>	64.39
Increase/(decrease) during the year	-
<b>At 31 March 2019</b>	<b>64.39</b>
Increase/(decrease) during the year	-
<b>At 31 March 2020</b>	<b>64.39</b>

#### General reserve

<b>At 31 March 2018</b>	3,100.65
Increase/(decrease) during the year	-
<b>At 31 March 2019</b>	<b>3,100.65</b>
Increase/(decrease) during the year	-
<b>At 31 March 2020</b>	<b>3,100.65</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are stated in INR lakhs, unless otherwise mentioned)

### Revaluation reserve

<b>At 31 March 2018</b>	14,500.00
Increase/(decrease) during the year	-
<b>At 31 March 2019</b>	<b>14,500.00</b>
Increase/(decrease) during the year	-
<b>At 31 March 2020</b>	<b>14,500.00</b>

### Equity Instruments through Other Comprehensive Income

<b>At 31 March 2018</b>	177,748.50
Increase/(decrease) during the year	58,700.17
<b>At 31 March 2019</b>	<b>236,448.67</b>
Increase/(decrease) during the year	(119,990.40)
<b>At 31 March 2020</b>	<b>116,458.27</b>

**Securities Premium** - Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to "Securities Premium". The Company may issue fully paid-up bonus shares to its members out of the securities premium reserve and the Company can use this reserve for buy-back of shares.

**Capital reserve** - The Company recognizes profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments to capital reserve and central and state subsidies for a project in backward area.

**General reserve** - General Reserve is created out of the profits earned by the Company by way of transfer from surplus in the statement of profit and loss. The Company can use this reserve for payment of dividend and issue of fully paid-up and not paid-up bonus shares.

**Revaluation reserve** - The Company had revalued its investment properties to recognise its fairvalue as on 31 March, 2011, under Previous GAAP. The revaluation was carried out based on valuation report of independent valuers and the appreciation in the value of the assets is credited to revaluation reserve.

**Retained earnings** - The amounts represent profits that can be distributed to the shareholders.

**Equity Instruments through Other Comprehensive Income (OCI)** - Equity Instruments through OCI includes changes due to remeasurements of equity instruments at fair valuation at each balance sheet date.

### Other Equity

	<b>As at 31 March 2020</b>	<b>As at 31 March 2019</b>
Capital reserve	64.39	64.39
Securities Premium	6,499.56	6,499.56
Retained Earnings	9,767.30	7,759.86
General reserve	3,100.65	3,100.65
Revaluation reserve	14,500.00	14,500.00
Equity Instruments through Other Comprehensive Income	116,458.27	236,448.67
<b>Total other equity</b>	<b>150,390.17</b>	<b>268,373.13</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are stated in INR lakhs, unless otherwise mentioned)

### 13. Trade payables

	As at 31 March 2020	As at 31 March 2019
Outstanding dues of micro and small enterprises (Refer note 24)	-	-
Outstanding dues of other than micro and small enterprises	69.47	14.77
	<b>69.47</b>	<b>14.77</b>

### 14. Other current liabilities

	As at 31 March 2020	As at 31 March 2019
Statutory liabilities - Tax deducted at source and Goods and service tax	1.37	2.78
	<b>1.37</b>	<b>2.78</b>

### 15. Revenue from operations

	31 March 2020	31 March 2019
Sale of products (Refer note 28 on related party transactions)	22.68	-
	<b>22.68</b>	-

#### Disclosure under Ind AS 115 - Revenue from contracts with customers

- The management determines that the segment information reported under Note 25 Segment reporting is sufficient to meet the disclosure objective with respect to disaggregation of revenue under Ind AS 115 Revenue from contract with Customers. Hence, no separate disclosures of disaggregated revenues are reported.
- The Company's performance obligations are satisfied upon delivery and payments are generally due by 60 to 120 days
- There are no contract balances.
- There are no differences between revenue from contract with customers and contracted prices

### 16. Other income

	31 March 2020	31 March 2019
Interest income on financial assets carried at amortized cost	179.17	140.10
Interest on income tax refund	1.74	0.02
Dividend income on		
on quoted equity instruments measured at FVTOCI	2,058.15	2,058.15
on mutual funds investments measured at FVTPL	102.75	13.51
Capital gain on redemption of current investments	-	66.26
Fair value gain on financial instruments at fair value through profit or loss	-	125.45
	<b>2,341.81</b>	<b>2,403.49</b>

### 17. Employee benefits expense

	31 March 2020	31 March 2019
Salary, wages, bonus and other benefits	104.09	101.99
	<b>104.09</b>	<b>101.99</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

(All amounts are stated in INR lakhs, unless otherwise mentioned)

**18. Legal and professional fees**

	31 March 2020	31 March 2019
Legal and professional fees	23.97	27.62
Payment to auditors (Refer details below)	11.40	11.40
	<b>35.37</b>	<b>39.02</b>

**Payment to auditors**

	31 March 2020	31 March 2019
Audit fees	8.00	8.00
Limited review	3.00	3.00
Out of Pocket expenses	0.40	0.40
	<b>11.40</b>	<b>11.40</b>

**19. Depreciation and amortization expense**

	31 March 2020	31 March 2019
Depreciation on property, plant and investment	0.01	0.20
Depreciation on investment property	3.63	3.82
	<b>3.64</b>	<b>4.02</b>

**20. Other expenses**

	31 March 2020	31 March 2019
Electricity Charges	1.15	0.91
Rates and taxes	41.58	65.40
Repairs and maintenance (Others)	14.07	34.43
Security charges	24.57	27.35
Printing and stationery	3.16	5.22
Postage and stamps	0.88	2.88
Director sitting fees	1.45	1.40
Travelling expenses	0.64	0.85
Capital loss on redemption of current investments	68.59	-
Miscellaneous expenses	0.12	1.57
	<b>156.22</b>	<b>140.00</b>

**21. Income taxes****a) The major components of income tax expense for the year are as under:****Income tax expenses recognised in the statement of profit and loss:**

	31 March 2020	31 March 2019
<b>Current tax:</b>		
In respect of current year	35.25	42.00
	<b>35.25</b>	<b>42.00</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are stated in INR lakhs, unless otherwise mentioned)

### b) Reconciliation of tax expense and accounting profit for the year is as under

	31 March 2020	31 March 2019
Accounting profit before income tax (Excluding short term capital gain	2,042.70	2,052.21
Short term Capital gain / (Loss)	(68.59)	66.26
<b>Total accounting profit before income tax</b>	<b>2,111.29</b>	<b>2,118.47</b>
Statutory income tax rate of 27.82 % (previous year 27.82 % ) on normal income	587.36	588.73
Statutory income tax rate of 16.69 % on short term capital gain (previous year: 16.69 %)	-	0.91
Fair value gain on financial instruments at fair value through profit or loss	-	(34.90)
Effect of income that is exempt from tax	(601.16)	(576.34)
Tax effect on non-deductible expenses	31.99	27.23
Disallowance u/s 28 to 44DA of income Tax Act, 1961	15.78	34.73
Other adjustments	1.28	1.63
Income tax expense reported in the statement of profit and loss	<b>35.25</b>	<b>42.00</b>

### 22. Earning per share (EPS)

	31 March 2020	31 March 2019
Profit attributable to equity holder (A)	2,007.44	2,076.46
Weighted average number of Equity Shares Outstanding (B) (Nos.)	69,545,849	69,545,849
Basic and Diluted Earning Per Share (INR) [(A)/(B)]	2.89	2.99
Face Value Per Share (INR)	2.00	2.00

### 23. Contingent liabilities

	31 March 2020	31 March 2019
Disputed Income tax liabilities (Note below)	3,558.21	3,553.19

#### Note

The contingent liability for income tax is mainly on account of major disallowances /additions made in the assessment proceedings since AY 1994 – 95 to AY 2011-12 on account of taxability of amount of advance licence benefit receivable, pass book benefit receivable, data access fees paid, deduction in respect of premium paid for lease hold land, benefit claimed u/s.80HHC, benefit claimed u/s 80IA / IB and other miscellaneous addition / disallowances. The Company has contested all the above issues before various appellate authorities and same are pending before the said authorities for disposal.

### 24. Micro, small and medium enterprises disclosure

The identification of Micro, Small and Medium enterprises is based on the management's knowledge of their status. The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006.

### 25. Segment reporting

The Company is engaged in trading business in India, which in the context of Ind AS - 108 "Operating Segments" is considered to be its only business segment and thus no geographic segment is applicable.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are stated in INR lakhs, unless otherwise mentioned)

### 26. Leases

Effective 1st April 2019, Ind AS 116 "Leases", is applicable to the Company. Based on the assessment done by the management, there is no impact on the adoption of this standard on the financial statements for the year ended 31 March 2020.

### 27. Details of Loans and Investments as required u/s 186 of Companies Act, 2013

	31 March 2020		31 March 2019	
	Loan given	Outstanding	Loan given	Outstanding
<b>Loans</b>				
Loan given and proposed to be utilised for business operations by receiptent -				
Teknomic consutlannts Pvt Limited	-	-	800.00	-
Tatva Global Environment Pvt Limited	-	1,470.00	1,470.00	1,470.00

**Note:** Rate of interest charged on loan given is 12% p.a. (Previous year : 10.5% to 12 % p.a)

#### **Investments**

Details required u/s 186 have been disclosed in note 4 of the financial statements.

### 28. Components of Other Comprehensive Income (OCI), net of taxes

	31 March 2020	31 March 2019
	FVTOCI Reserve	FVTOCI Reserve
Fair value of financial assets through OCI	(119,990.40)	58,700.17

### 29 Related Party disclosure:

#### A. Name of the related parties where control exists irrespective of whether transaction have occurred or not:

##### (i) Holding company

Nerka Chemicals Private Limited ('Nerka')

##### (ii) Ultimate Holding Company

Demuric Holdings Private Limited ('Demuric')

#### B. Name of other related parties with whom transactions have taken place during the year:

##### (i) Enterprises over which Key Management personnel and their relatives have significant influence :

UPL Limited ('UPL')

Uniphos International Limited ('UIL')

Tatva Global Environment Private Limited ('TGEPL')

##### (ii) Key Management Personnel and their relatives :

Mr. Pradeep Goyal

Mrs. Swati Mayekar

Mr. K.M.Thacker- Company Secretary

Mr. B.P.Chheda- Chief Financial Officer

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are stated in INR lakhs, unless otherwise mentioned)

**(b) The following transactions were carried out with the related parties in the ordinary course of business:**

Nature of Transactions	Holding Company		Enterprises over which Key Management personnel and their relatives have significant influence		Total	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
<b>1. Income</b>						
Sale of products to UPL	-	-	22.68	-	22.68	-
Interest on Loan from TGEPL	-	-	176.40	2.42	176.40	2.42
Dividend from UPL	-	-	2,058.15	2,058.15	2,058.15	2,058.15
<b>2 Sales of investments to Nerka</b>	1,046.51	-	-	-	1,046.51	-
<b>3 Loan given to TGEPL</b>	-	-	-	1,470.00	-	1,470.00
<b>4 Salary and other reimbursements</b>						
UPL (Salary)	-	-	104.09	101.99	104.09	101.99
UIL	-	-	-	0.07	-	0.07
Nerka	10.00	-	-	-	10.00	-
<b>5. Bonus Shares</b>						
12,863,465 equity shares issued by UPL Limited	-	-	-	-	-	-
<b>6 Outstanding receivable</b>						
Loan to TGEPL	-	-	1,470.00	1,470.00	1,470.00	1,470.00
Interest on Loan to TGEPL	-	-	160.93	2.17	160.93	2.17
Payable to UPL	-	-	29.45	-	29.45	-

**(c) Transactions with Key Management Personnel and their relatives**

Particulars	31 March 2020	31 March 2019
Director Sitting fees - Mr. Pradeep Goyal	0.65	0.70
Director Sitting fees - Mrs. Swati Mayekar	0.80	0.70
Remuneration - Mr. K M Thacker	59.86	61.03
Remuneration - Mr. B.P.Chheda	44.23	40.96



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are stated in INR lakhs, unless otherwise mentioned)

### 30. Category-wise classification of financial instruments

Nature of Transactions	Note	Non current		Current	
		31 March 2020	31 March 2019	31 March 2020	31 March 2019
<b>(A) Accounting, classification and fair values</b>					
<b>Financial assets measured at fair value through profit or loss (FVTPL)</b>					
Investment in equity instruments	4	100.92	100.92	-	-
Investment in mutual funds	6	-	-	-	2,249.89
		<b>100.92</b>	<b>100.92</b>	<b>-</b>	<b>2,249.89</b>
<b>Financial assets measured at fair value through other comprehensive income (FVTOCI)</b>					
Investments in quoted equity shares / Preference shares	4	125,959.06	245,949.45	-	-
		<b>125,959.06</b>	<b>245,949.45</b>	<b>-</b>	<b>-</b>
<b>Financial assets measured at amortised cost</b>					
Security deposit	5	0.16	0.16	-	-
Cash and cash equivalents	7	-	-	4,276.62	67.88
Other Bank balance	7A	-	-	-	53.83
Loan to related party - Tatva Global Environment Private limited	8	-	-	1,470.00	1,470.00
Interest receivable	9	-	-	160.93	2.17
Other financial assets	9	-	-	-	1.22
		<b>0.16</b>	<b>0.16</b>	<b>5,907.56</b>	<b>1,595.11</b>
<b>Financial liabilities measured at amortised cost</b>					
Trade payables	13	-	-	69.47	14.77
		<b>-</b>	<b>-</b>	<b>69.47</b>	<b>14.77</b>

#### (B) Measurement of fair value:

Valuation techniques and significant unobservable inputs:

##### (i) Financial instruments measured at fair value

The fair value of the financial assets and liabilities is included at the amount at which the instrument can be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The fair values of the remaining FVTOCI financial assets are derived from quoted market prices in active markets.

##### (ii) Financial instrument measured at amortized cost:

The carrying amount of financial assets such as cash and cash equivalents, trade receivables, other financial assets and financial liabilities such as trade payables are measured at amortized cost in the financial statements are a reasonable approximation of their fair value since the Company does not anticipate that the carrying amounts would be significantly different from the value that would eventually be received or settled.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are stated in INR lakhs, unless otherwise mentioned)

### 31. Fair Value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2020

Particulars	Fair value measurement using				
	Date of valuation	Total	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
<b>Assets measured at fair value:</b>					
<b>FVTOCI financial investments (Note 4):</b>					
Quoted equity shares	31-Mar-20	125,959.06	125,959.06	-	-
<b>FVTPL financial investments (Note 6):</b>					
Unquoted equity instruments	31-Mar-20	100.92	-	100.92	-

There have been no transfers between Level 1 and Level 2 during the year.

### Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2019

Particulars	Fair value measurement using				
	Date of valuation	Total	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
<b>Assets measured at fair value:</b>					
<b>FVTOCI financial investments (Note 4):</b>					
Quoted equity shares / Preference shares	31-Mar-19	245,949.45	245,949.45	-	-
<b>FVTPL financial investments (Note 6):</b>					
Mutual funds	31-Mar-19	2,249.89	-	2,249.89	-
Unquoted equity instruments	31-Mar-19	100.92	-	100.92	-

There have been no transfers between Level 1 and Level 2 during the year.

The management assessed that cash and cash equivalents, trade receivables, trade payables, other financial assets and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

### 32. Financial risk management objectives and policies

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also holds FVTOCI investments.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

#### Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include FVTOCI investments, FVTPL investments and Loans.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are stated in INR lakhs, unless otherwise mentioned)

### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

### Equity price risk

The Company's listed and non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. Company's investment in its group company - UPL Limited, which is listed, is significant. But being the strategic investment, the Company is not influenced by equity price risk.

### Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities from its financing activities, including deposits with banks and financial institutions and other financial instruments.

### Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's board of directors. Investments of surplus funds are made only with approval of Board of directors.

### Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of the financial assets and liabilities.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	Less than 1 year	1 to 5 years	> 5 years	Total
<b>As at 31-Mar-20</b>				
Trade payables	69.47	-	-	69.47
	<b>69.47</b>	<b>-</b>	<b>-</b>	<b>69.47</b>
<b>As at 31-Mar-19</b>				
Trade payables	14.77	-	-	14.77
	<b>14.77</b>	<b>-</b>	<b>-</b>	<b>14.77</b>

### Trade receivables

Customer credit risk is managed by CFO under guidance of Board of directors. Detailed credit analysis is done before dealing with any customer.

### 33. Capital management

Capital includes equity attributable to the equity holders to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the year ended March 31, 2020.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are stated in INR lakhs, unless otherwise mentioned)

### 34. Impact of COVID -19

The Ministry of Home Affairs vide order No.40-3/2020 dated 24.03.2020 notified first ever nation-wide lockdown in India to contain the outbreak of COVID 19. Due to COVID-19 situation, there have been several restrictions imposed by the Governments on the travel, goods movement and transportation considering public health and safety measures. Though the Company had some sales even during lockdown, the majority of income of the Company comprises of interest income and dividend income from UPL Limited. Based on current financial position and operations, the Company believes that situation arising due to COVID 19 will not affect its operations adversely.

In terms of our report of even date attached

**For B S R & Co. LLP**

Chartered Accountants

Firm Registration Number 101248WW-100022

**Bhavesh Dhupelia**

Partner

Membership No. 042070

**For and on behalf of Board of Directors of Uniphos Enterprises Limited**

CIN No.: L24219GJ1969PLC001588

**R.D.Shroff**

Chairman and Managing Director

DIN : 00180810

**K.M.Thacker**

Company Secretary

Membership no.: ACS 6843

**S.R.Shroff**

Non-Executive Vice -Chairman

DIN : 00189012

**B.P.Chheda**

Chief Financial Officer

Place : Mumbai

Date : 26 June 2020

Place : Mumbai

Date : 26 June 2020







## **Uniphos Enterprises Limited**

Secretarial Department  
Uniphos House, C.D. Marg,  
11th Road, Madhu Park  
Khar (West), Mumbai- 400 052.