

**Best Products Deserve
Best Packaging**



Annual Report - 2020-21



UMA CONVERTER LIMITED

22nd ANNUAL REPORT

2020-2021

UMA CONVERTER LIMITED

CIN: U25111GJ1999PLC036163

BOARD OF DIRECTORS

MR. SUMER RAJ LODHA	CHAIRMAN & MANAGING DIRECTOR
MRS. NIRMALA LODHA	DIRECTOR
MR. ABHISHEK LODHA	WHOLE-TIME DIRECTOR
MR. ASHOK KAVDIA	INDEPENDENT DIRECTOR
MR. MOHIT MEHTA	INDEPENDENT DIRECTOR
MR. PRADEEP LODHA	INDEPENDENT DIRECTOR (W.E.F 20TH APRIL, 2021)

COMPANY SECRETARY & COMPLIANCE OFFICER

MR. PARTH KAMDAR

CHIEF FINANCIAL OFFICER

MR. ASHISH BHANDARI

BANKERS OF THE COMPANY

AXIS BANK LIMITED
SME BRANCH
2ND FLOOR, 3RD EYE ONE BUILDING,
NR. PANCHWATI CIRCLE,
C.G. ROAD,
AHMEDABAD - 380009.

THE COSMOS CO. OP. BANK LTD.
COSMOS BANK BHAVAN,
NR. MAHILA MILAN MANDIR,
OPP. SALES INDIA,
INCOME TAX, ASHRAM ROAD,
AHMEDABAD - 380009.

FACTORY & REGISTERED OFFICE (UNIT-1)

BLOCK NO. 868,
NR. CNG PETROL PUMP,
SANTEJ ROAD, VILLAGE: -SANTEJ,
TAL: -KALOL, DIST: - GANDHINAGAR-382721
GUJARAT.

Ph No.: +91-9327103652
Email Id: info@umaconverter.com
Website: www.umaconverter.com
CIN: U25111GJ1999PLC036163

STATUTORY AUDITORS

M/s. BHANWAR JAIN & CO.

CHARTERED ACCOUNTANTS
302, KALING COMPLEX,
NR. MOUNT CARMEL SCHOOL,
ASHRAM ROAD,
AHMEDABAD, GUJARAT.

COMPANY LAW CONSULTANTS

M/s. B. KUMAR TANK & ASSOCIATES
COMPANY SECRETARIES
9/D, 10TH FLOOR,
NR. PARIMAL CROSSING,
C.G. ROAD, PALDI,
AHMEDABAD, GUJARAT.

COST AUDITORS

M/S. J.B. MISTRI & CO.
COST & MANAGEMENT ACCOUNT
2, NEW UDAY PARK SOC.,
PART-II, OPP. CHANDRAPURI APTT.,
BH. SARKARI VASHAT,
VASTRAPUR,
AHMEDABAD, GUJARAT.

MARKETING OFFICE

A/36, 4TH FLOOR, CIRCLE-B,
PAKWAN BUILDING,
OPP. RAJPATH CLUB, S.G. HIGHWAY,
AHMEDABAD – 380015.
GUJARAT.

FACTORY OFFICE (UNIT-II)

BLOCK NO. 291,294,295 & 296
VILLAGE: TIMBA, TAL.: DASKROI
DIST.: AHMEDABAD – 382425,
GUJARAT.

AUDIT COMMITTEE

MR. ASHOK KAVDIA – CHAIRMAN
(w.e.f 20th April, 2021)
MR. MOHIT MEHTA - MEMBER
MR. SUMER RAJ LODHA - MEMBER

N & R COMMITTEE

MR. PRADEEP LODHA- CHAIRMAN
(w.e.f 20th April, 2021)
MR. ASHOK KAVDIA - MEMBER
MR. MOHIT MEHTA-MEMBER

CSR COMMITTEE

MR. ASHOK KAVDIA -CHAIRMAN
MR. SUMER RAJ LODHA-MEMBER
MRS. NIRMALA LODHA -MEMBER

REGISTRAR & SHARE TRANSFER AGENT

BIGSHARE SERVICES PRIVATE LIMITED
A-802, SAMUDRA COMPLEX,
NR. GIRISH COLD DRINKS,
OFF. C.G. ROAD, NAVRANGPURA,
AHMEDABAD, GUJARAT.
CONTACT PERSON: MR. RAMESH NAIR
CONTACT NO.: 079-40392571

NOTE TO SHAREHOLDERS:

As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to kindly bring their copies to the meeting.

CONTENTS:

Sr. No.	Particulars
1	Corporate Information
2	Notice Calling 22 nd AGM of the Company
3	Directors' Report along with necessary annexures
4	Independent Auditors' Report
5	Audited Financial Statement along with notes on accounts and schedules thereto
6	Attendant Slip
7	Proxy Form

NOTICE

Notice is hereby given that the **22nd Annual General Meeting** of the Members of **UMA CONVERTER LIMITED** will be held on **Monday, 29th November, 2021** at **11:30 a.m.** at the registered office of the Company situated at **Block No. 868, Nr. CNG Petrol Pump, Santej Road, Santej, Kalol, Gandhinagar-382721, India.**

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on **31st March, 2021** together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director **Mrs. Nirmala Lodha (DIN:00033246)** who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:

3. RATIFICATION OF REMUNERATION PAYABLE TO THE COST AUDITOR FOR THE FINANCIAL YEAR 2021-22.

To ratify the remuneration of M/s. J. B. Mistri & Co. for the F.Y. 2021-22 and in this regard to consider and if thought fit to pass with or without modification, the following resolution as an **Ordinary Resolution**.

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, Companies (Cost Records and Audit) Rules 2014 and the Companies (Audit and Auditors) Rules, 2014 (including statutory modifications or re-enactment thereof, for the time being in force), consent of the members of the Company be and are hereby accorded for payment of remuneration of Rs. 50,000/- plus applicable taxes and out of pocket expenses, if any to M/s. J.B. Mistri & Co., Cost & Management Accountants (FRN: 101067) Cost Auditor appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31st March 2022, be and is hereby approved."

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

4. REGULARISATION OF ADDITIONAL DIRECTOR, MR. PRADEEP LODHA (DIN: 01560437) BY APPOINTING HIM AS AN INDEPENDENT DIRECTOR OF THE COMPANY.

To consider, and if thought fit, to pass, with or without modification(s), the following resolution as **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), on the recommendation of the Nomination & Remuneration Committee and approval of the Board of Directors for appointment of Mr. Pradeep Lodha (DIN: 01560437) as an Additional Director in the capacity of an Independent Director of the Company w.e.f. 20th April, 2021 in terms of Section 161 of the Companies Act, 2013 and who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company for a period of five (05) years with effect from 20th April, 2021 to 19th April, 2026 and the term shall not be subject to retirement by rotation.”

FURTHER RESOLVED THAT Mr. Sumer Raj Lodha and/or Mr. Abhishek Lodha and/or Mr. Nirmala Lodha, Directors of the Company be and is hereby severally authorised to sign and execute all necessary documents, papers as may be deemed necessary and to file required e-forms with the Registrar of Companies and to do all such acts, deeds, matters and things as may be required for giving effect to the aforesaid resolution.”

Registered Office

Block No. 868,
Nr. CNG Petrol Pump
Santej Road, Village: -Santej,
Tal.: -Kalol, Dist.: - Gandhinagar-382721,
Gujarat, India.
Phone: +91-9327103652
CIN: U25111GJ1999PLC036163
Email: cs@umaconverter.com
Website: www.umaconverter.com

**By Order of the Board of Directors of
UMA CONVERTER LIMITED**

SUMER RAJ LODHA
Chairman & Managing Director
DIN: 00033283

Date: 01/11/2021

Place: Santej-Gandhinagar

EXPLANATORY STATEMENT

(Pursuant to the Provisions of Section 102 of the Companies Act, 2013)

SPECIAL BUSINESS NO. 3

The Board of Directors on the recommendation of the Audit Committee, had approved the appointment of M/s. J.B. Mistri & Co., Cost & Management Accountants (FRN: 101067) as Cost Auditor of the Company for the financial year ending on 31st March 2022, to conduct audit of cost records of the Company as required for cost audit under the Companies Act, 2013, and Rules made thereunder, at a remuneration as detailed in the resolution.

In accordance with the provisions of Section 148 (3) of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration proposed to be paid to the Cost Auditor is required to be ratified by the shareholders of the Company.

Accordingly, consent of the members is being sought for passing an Ordinary Resolution as set out in the Notice for ratification/approval of the remuneration payable to the Cost Auditors for the ending on 31st March 2022.

Save and except M/s. J. B. Mistri & Co., Cost & Management Accountants, none of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Ordinary Resolution set out in item no. 03 of the notice for approval by the members.

SPECIAL BUSINESS NO. 4

Based on the recommendation of Nomination & Remuneration Committee, the Board of Directors of the company at its meeting held on 20th April, 2021 have appointed **Mr. Pradeep Lodha (DIN: 01560437)** as an Additional Director in the capacity of Non-Executive Independent Director in terms of the section 149 of the Companies Act, 2013 and Rule 4 & 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014, who shall hold his office only up to the date of ensuing Annual General Meeting of the members of the Company.

As an Additional Director, Mr. Pradeep Lodha holds office till the date of the AGM and is eligible for being appointed as an Independent Director. The Company has received necessary declaration from Mr. Pradeep Lodha confirming that he meets the criteria as prescribed under the Companies Act, 2013 (the Act). **Mr. Pradeep Lodha (DIN: 01560437)** is not disqualified from being appointed as a Director under provisions of Section 164 of the Companies Act, 2013, and has given his consent to act as a Director of the Company.

Mr. Pradeep Lodha is having an educational qualification of Diploma in Cost and Work Account and Inter C.A. He possesses rich experience and in-depth knowledge about Finance, Accounts, Labour Law, Banking and Marketing Management of Industrial Product. He is currently engaged in the Business of Stainless-Steel Rolling, Construction of Industrial and Commercial Complex.

In the opinion of the Board, Mr. Pradeep Lodha, fulfils all the conditions required under the Companies Act, 2013 for such appointment. The Board acknowledges his contribution and considers that the Company would be benefitted from his association and it is desirable to avail services of Mr. Pradeep Lodha as an Independent Director.

None of the directors are interested in the said resolution.

The Board commends the Ordinary Resolution set out at Item No. 04 of this Notice for approval by the members.

Registered Office

Block No. 868,
Nr. CNG Petrol Pump
Santej Road, Village: -Santej,
Tal.: -Kalol, Dist.: - Gandhinagar-382721,
Gujarat, India.
Phone: +91-9327103652
CIN: U25111GJ1999PLC036163
Email: cs@umaconverter.com
Website: www.umaconverter.com

**By Order of the Board of Directors of
UMA CONVERTER LIMITED**

SUMER RAJ LODHA
Chairman & Managing Director
DIN: 00033283

Date: 01/11/2021

Place: Santej-Gandhinagar

NOTES

- PURSUANT TO THE PROVISION OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT AGM INSTEAD OF HIMSELF/HERSELF. A SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The Instrument appointing proxies in order to be effective must be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting.
- The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item Nos. 3 & 4 of the Notice, is annexed hereto.
- Corporate Members intending to send their authorized representatives to attend the meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a Certified True Copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the AGM at

least seven days prior to the date of the Annual General Meeting either by registered post/courier/hand delivery or at **email id: cs@umaconverter.com**.

4. The Proxy Form, Attendance Slip and Route Map are annexed to this Notice. Members/Proxies should bring the Attendance Slip, duly filled in, for attending the meeting.
5. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection by the members at the Registered Office of the Company on all working days, except Sundays and public holidays, between 10.00 am to 5.00 pm prior to the date of the Annual General Meeting and shall also be available for inspection at the meeting.
6. Members are requested to notify any correspondence relating to transfer of shares, change of name, postal address, email address, telephone/ mobile number, bank account details etc. if any, to their DPs and at company's **email id: cs@umaconverter.com**.
7. Notice of the AGM along with the Annual Report for the F.Y. 2020-21 is being sent by electronic mode to all the shareholders on their e-mail addresses registered with the Company / Depositories in compliance with the MCA Circular No. 20/2020 dated May 05, 2020. Members may note that the Notice and Annual Report for FY 2020-21 will also be available on website of the Company, i.e. **www.umaconverter.com**
8. Members / Proxies/ authorised representatives attending the meeting are requested to bring duly filled in attendance slip and deliver the same at the entrance of the meeting place.

**By Order of the Board of Directors of
UMA CONVERTER LIMITED**

SUMER RAJ LODHA
Chairman & Managing Director
DIN: 00033283

Date: 01/11/2021

Place: Santej-Gandhinagar

**DISCLOSURE RELATING TO DIRECTOR PURSUANT TO SECRETARIAL STANDARD ON
GENERAL MEETING (SS-2)**

Name of the Director	Mrs. Nirmala Lodha
DIN	00033246
Date of Birth	23/09/1963
Date of Appointment/ Reappointment	18.06.1999 (Since Inception)
Qualification	Higher Secondary
Experience in specific functional Area	She has an experience of about three decades in the packaging industry. She has associated with the Company since its inception and is one of the founding members of our Company. She has played an instrumental role in expanding our business operation and in setting up of our additional manufacturing unit in Gujarat. She is responsible for supervising the human resource and administration department of our Company.
Terms and Conditions of appointment/re-appointment	To be re-appointed as director who shall be liable to retire by rotation.
Shareholding in the Company	56,51,101 Equity Shares
Directorship in other Public Limited Companies	Nil
Membership/Chairmanship of Committees of other Public Limited Companies	Nil
Relationship with other Directors, Manager and other key managerial personnel	Wife of Mr. Sumer Raj Lodha – Managing Director and Mother of Mr. Abhishek Lodha – Whole-time Director

DIRECTORS' REPORT

To
Dear Shareholders of,
Uma Converter Limited

Your Directors are pleased to present their **22nd Annual Report** together with the Audited Financial Statements of your Company for the financial year ended on **March 31, 2021**.

FINANCIAL SUMMARY / HIGHLIGHTS:

The summarized financial results for the year under review along with previous year's figures are given hereunder:

	(Amount in Rs.)	
PARTICULARS	2020-2021	2019-2020
Revenue from Operation (Net)	1,58,13,29,502	1,03,59,10,180
Add: Other Income	97,81,129	33,62,935
Total Income	1,59,11,10,631	1,03,92,73,115
Less: Operating & Other Expenses	1,44,36,14,407	93,10,21,110
Profit Before Depreciation, Finance Cost and Tax	14,74,96,225	10,82,52,005
Less: Finance Cost	4,74,26,352	3,70,80,556
Less: Adjustments for carrying value of assets	0.00	0.00
Less: Depreciation and Amortization Expenses	3,18,76,302	3,05,81,008
Profit Before Tax	6,81,93,571	4,05,90,441
Less: Tax Expenses (Current & Deferred)	2,04,59,534	83,47,129
Profit After Tax	4,77,34,037	3,22,43,312
Less: Prior Year Adjustments	0.00	0.00
Add: Balance Brought Forward from last year	11,77,52,196	14,95,75,058
Profit Available for Appropriation	16,54,86,233	18,18,18,370
APPROPRIATIONS:		
Less: Utilised for issue of Bonus Shares	0.00	6,47,99,980
Less: Amount Transferred to General Reserves	0.00	0.00
Less: Dividend Paid	0.00	0.00
Less: Dividend Distribution Tax	0.00	0.00
Add: Income Tax of Earlier Years	2,80,528	7,33,806
Balance Carried over to Balance Sheet	16,57,66,761	11,77,52,196

FIRST TIME ADOPTION OF INDIAN ACCOUNTING STANDARDS (IND AS):

These financial statements for the year ended 31st March 2021 are the first set of financial statements prepared in accordance with Ind AS. Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for year ending on 31st March 2021 together with the comparative year data as at and for the year ended 31st March 2020 as described in the significant accounting policies. The transition to Ind AS has been carried out in accordance with Ind AS 101- "First time adoption of Indian Accounting Standards" with 1st April, 2019 as the transition date.

OPERATIONS/STATE OF COMPANY'S AFFAIRS:

During the financial year 2020-21, the sales turnover of your Company has increased to Rs. 158.13 Crores from Rs. 103.59 Crores for the previous year ended 2019-20 representing a growth of 52.72%. Further a profit before and after tax has also increased to Rs. 6.82 Crores and Rs. 4.77 Crores from Rs. 4.06 Crores and Rs. 3.22 Crores for the previous year ended 2019-20 representing a growth of 67.98% (PBT) and 48.14% (PAT) respectively.

IMPACT OF THE COVID-19 ON BUSINESS OF THE COMPANY:

The year is full of challenges and disruptions caused by COVID-19 affecting productivity and supply chain. It disrupted businesses everywhere, both ours and those of our customers and suppliers. The COVID-19 pandemic has had a deep impact on individuals, societies, business and economy. Our focus was on our people's health & safety, ensuring uninterrupted supplies of Covid-19 relevant packaging products, meeting the demand of FMCG, Personal Care and Pharma Sectors arising out of changed consumer behaviour and needs, caring for the communities in which we operate, preserving cash and protecting our business model.

In spite of facing initial administrative and supply chain challenges in some states and cities during initial lockdown period, your company has performed well with respect to overall increase in production and sales volume during the period under review. Though the business is not likely to be impacted yet, uncertainties in the future due to underlying developments w.r.t COVID -19, are difficult to predict. Despite of Covid-19 pandemic, your company has performed well in terms of growth in sales and operating margins.

BUSINESS OUTLOOK:

- Packaging is a one of the important business both in the India and globally. It is an unusual sector in that it cannot exist on its own. The nature of packaging is such that it is intertwined with many other industries, such as food & drink, personal care, pharmaceuticals, e-commerce, chemicals etc. The role of packaging is vital to the commercial success of both consumer and industrial products in that it offers product protection, information and, in some cases, plays a key marketing role.
- The use of Flexible packaging is growing and is positively positioned to continue hitting on key consumer trends, as well as future hot button topics such as e-commerce, food waste reduction, and carbon reduction opportunities.
- The global packaging market is projected to grow at a CAGR of 2.8% to US\$ 1.053 lakh crore by CY 2024 from US\$ 0.943 lakh crore in CY 2020.
- Packaging Industry in India is expected to grow at a CAGR of 23.05% during the period of 2020-2025 and reach US\$ 0.205 lakh crore from US\$ 0.084 lakh crore in FY 2021 with the major applications being in food, beverage and consumer goods. Several factors are enhancing the demand and supply of plastics used in packaging across India such

as high growth of end-user industry, dynamically changing lifestyles, availability of feedstock, focus on manufacturing, etc.

- Flexible Packaging contributes 40% of the total packaging in the Country. The demand of the sector is expected to grow at 18% CAGR and achieve the turnover of US\$ 0.014 lakh crore on by FY 2023.
- With industries such as retail, FMCG, Pharmaceutical poised to grow at the rate of between 13%-23% in next 5 years i.e. FY 20 to FY 25, Packaging industry will witness the sharp growth.
- There is great potential for companies in the sector as India's per capita consumption of Packaging is comparatively quite low. An increase in E-Commerce, higher disposable incomes and an affinity for online shopping will give the Indian Flexible Packaging industry has high potential to be one of the global leaders. **(Source: CARE Industry Report)**

CHANGE IN THE NATURE OF BUSINESS, IF ANY:

There was no change in the nature of business of the company during the year ended March 31, 2021.

DIVIDEND & TRANSFER TO RESERVE:

The Board of Directors does not recommend any dividend on equity shares of the Company for the F.Y. ended March 31, 2021. However, Rs. 4,77,34,037/- the balance of profit and loss of account for the year 2020-2021 is transferred to Reserve and Surplus under the head of surplus/deficit in the statement of Profit and Loss Account.

Besides above, neither any amount was transferred nor is the board of directors proposing the transfer of any amounts to general reserves or any other reserves of the company during the financial year under review.

TRANSFER OF UNPAID / UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

The Company does not have any amount of Unpaid / Unclaimed Dividend in terms of section 124 of the Companies Act, 2013 which is required to be transferred as per Section 125 of the Companies Act, 2013 to the Investors Education & Protection fund established by the Central Government.

SHARE CAPITAL:

During the year under review, Company has not increased its Authorised Share Capital. The Authorised Share Capital of the Company as on the date of balance sheet is Rs. 15,00,00,000/- divided into 1,50,00,000 equity shares of Rs. 10/- each.

The Paid-up Equity Share Capital of the Company as on 31st March, 2021 was Rs. 14,69,42,860/- consisting of 1,46,94,286 equity shares having face value of Rs. 10/- each.

a) Issue of equity shares with differential rights

Pursuant to section 43 of the act & Rule 4 (4) of the Companies (Share Capital and Debentures) Rules, 2014, the company has not issued any equity shares with differential rights during the year under review.

b) Issue of sweat equity shares

Pursuant to section 54 (1) of the act & Rule 8 (13) of the Companies (Share Capital and Debentures) Rules, 2014, the Company has not issued any Sweat Equity Shares during the year under review.

c) Issue of employee stock options

Pursuant to section 62(1)(b) of the act & Rule 12(9) the Companies (Share Capital and Debentures) Rules, 2014, the Company has not provided any Stock Option Scheme to the employees during the year under review.

d) Provision of money by Company for purchase of its own shares by employees or by trustees for the benefit of employees

Pursuant to Section 67(3) of the act & Rule 16 of Company (Share Capital and Debentures) Rules, 2014, the Company has not bought back or provided for buyback of any of its securities during the year under review.

e) Issue of Bonus Shares

Pursuant to section 63 of the Companies Act, 2013 read with rule 14 of The Companies (Share Capital and Debentures) Rules, 2014, company has not issued any bonus shares during the year under review.

f) Preferential Issue of Shares

Pursuant to section 62(1)(c) read with section 42 of the Companies Act, 2013, Rule 13 of Companies (Share Capital and Debentures) Rules, 2014 and Rule 14 of Companies (Prospectus and Allotment of Securities) Rule, 2018 including any amendment thereto, Company has not issued any equity shares on private placement basis during the year under review.

g) Issue of Right Shares

Pursuant to section 62 (1) (a) of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules, 2014, Company has not issued any equity shares on right issue basis to the existing shareholders during the year under review.

DIRECTORS AND KEY MANAGERIAL PERSONNEL AND CHANGES THEREIN:

The Company's Board comprises of the following Directors & Key Managerial Personnel as at 31.03.2021.

Mr. Sumer raj Lodha	Chairman & Managing Director
Mrs. Nirmala Lodha	Executive Director
Mr. Abhishek Lodha	Executive Director
Mr. Ashok Kavdia	Independent director
Mr. Mohit Mehta	Independent director
Mr. Ashish Bhandari	Chief Financial Officer (CFO)
Mr. Parth Kamdar	Whole Time Company Secretary (CS)

During the year under report, the changes in directors and KMP took place as under:

Appointments/ Re- Appointments

Pursuant to the provisions section 152 (6) of the Companies Act, 2013 and Article of association of the Company, **Mrs. Nirmala Lodha (DIN:00033246)** Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment. The Nomination and Remuneration Committee and Board of Directors recommends her reappointment.

Retirement/ Resignation

Mr. Mahendra Bhansali has resigned from the post of Independent Director of the Company due to his pre-occupation **w.e.f. 10th March, 2021**. The board has accepted the resignation of Mr. Mahendra Bhansali and also appreciate his contribution made in its professional work in his tenure with the Company.

Except above no changes have taken place during the year under review which is required to be disclosed in the director's report.

DISCLOSURE U/S 184(1) & 164(2) OF THE COMPANIES ACT, 2013:

The Company has received the disclosure in Form DIR-8 & MBP-1 from its Directors being appointed or re-appointed and has noted that none of the Directors are disqualified under Section 164(2) of the Companies Act, 2013 which is required to be disclosed in this report pursuant to Rule 14(1) of Companies (Appointment and Qualification of Directors) Rules, 2014.

BOARD MEETINGS AND ITS COMMITTEES CONDUCTED DURING THE PERIOD UNDER REVIEW:

During the F.Y. 2020-21, Eight (08) Board Meetings i.e. on 13.05.2020, 30.06.2020, 28.08.2020, 25.09.2020, 07.11.2020, 07.12.2020, 25.02.2021 and 12.03.2021 were convened and held apart from the Committee meetings of the Company.

As on 31.03.2021, the board had Three (03) Committees viz. Audit Committee, Nomination & Remuneration Committee and Corporate Social Responsibility Committee.

During the year under review, 03 (Three) Audit Committee Meetings viz 13.05.2020, 25.09.2020 and 07.11.2020 and 02 (Two) N&R Committee Meeting on 13.05.2020 and 25.02.2021 were convened and held at the registered office of the Company.

BOARD MEETINGS:

SR. NO.	DATE OF MEETING	ATTENDED BY					
		MR. SUMER RAJ LODHA	MRS. NIRMALA LODHA	MR. ABHISHEK LODHA	MR. MAHENDRA BHANSALI (Up to 10.03.2021)	MR. ASHOK KAVDIA	MR. MOHIT MEHTA
1	13.05.2020	Yes	Yes	Yes	Yes	Yes	Yes
2	30.06.2020	Yes	Yes	Yes	No	No	No
3	28.08.2020	Yes	Yes	Yes	No	No	No
4	25.09.2020	Yes	Yes	Yes	Yes	Yes	Yes
5	07.11.2020	Yes	Yes	Yes	Yes	Yes	Yes
6	07.12.2020	Yes	Yes	Yes	No	No	No
7	25.02.2021	Yes	Yes	Yes	Yes	Yes	Yes
8	12.03.2021	Yes	Yes	Yes	No	No	No

AUDIT COMMITTEE MEETINGS:

SR. NO.	DATE OF MEETING	ATTENDED BY		
		MR. MAHENDRA BHANSALI (Up to 10.03.2021)	MR. ASHOK KAVDIA	MR. MOHIT MEHTA
1.	13.05.2020	Yes	Yes	Yes
2.	25.09.2020	Yes	Yes	Yes
3.	07.11.2020	Yes	Yes	Yes

N & R COMMITTEE MEETINGS:

SR. NO.	DATE OF MEETING	ATTENDED BY		
		MR. MAHENDRA BHANSALI (Up to 10.03.2021)	MR. ASHOK KAVDIA	MR. MOHIT MEHTA
1.	13.05.2020	Yes	Yes	Yes
2.	25.02.2021	Yes	Yes	Yes

BOARD EVALUATION:

The provisions relating to Board Evaluation is not applicable to the company. Therefore, Statement indicating manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors pursuant to section 134 (3) (p) of the Companies Act, 2013 read with rule 8 (4) of the Companies

(Accounts) Rules,2014 is not require to attach with the Board Report.

MANAGERIAL REMUNERATION TO DIRECTORS AND KMP:

The details of Managerial Remuneration as 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 for the F.Y. 2020-21 are given as below:

Sr. No.	Name of Directors & KMP	Designation	Remuneration paid (In Rs. Per annum)
1	Mr. Sumer Raj Lodha	Managing Director	78,75,000/-
2	Mrs. Nirmala Lodha	Executive Director	71,87,500/-
3	Mr. Abhishek Lodha	Executive Director	66,12,500/-
4	Mr. Ashish Bhandari	Chief Financial Officer	10,44,524/-
5	Mr. Parth Kamdar	Company Secretary	4,31,320/-

PARTICULARS OF EMPLOYEES:

There are no such employees of the company as at 31st March, 2021 to whom remuneration of Rs. 1,02,00,000/- or more per annum and Rs. 8,50,000/-or more per month were paid in accordance with the provision of Section 197 (12) of the Act read with Rules 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

SUBSIDIARIES / JOINT VENTURES / ASSOCIATE COMPANIES:

Pursuant to section 2(87) and 2(6) and all other applicable provisions of the companies Act, 2013, the company does not have any subsidiary, associate or joint venture company.

STATUTORY AUDITORS:

M/s Bhanwar Jain & Co., (Firm Registration No. 117340W), Chartered Accountants, the Statutory Auditors of the company have been appointed at the 20th Annual General Meeting held on 12th August, 2019 for a period of five years from the conclusion of 20th AGM up to the conclusion of the 25th AGM to be held in year 2024.

The Auditors Report for the financial year 2020-21 does not contain any qualifications, reservations or adverse remark. The Audit Report is enclosed with the financial statements in this Annual Report.

COST AUDITORS:

Pursuant to section 148 and applicable provisions of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules 2014, the Company is required to appoint cost auditor for audit of cost records maintained by the Company in respect of the financial year ending 31st March 2022. Your Directors have on the recommendation of the Audit committee, appointed **M/s. J. B. Mistri & Co., Cost and Management Accountants (FRN: 101067)**, as the Cost Auditor to audit the cost records for the financial year ending

31st March 2022. Remuneration payable to the Cost Auditor is subject to ratification by the members of the Company. Accordingly, a resolution seeking members' ratification for the remuneration payable to **M/s. J. B. Mistri & Co., Cost and Management Accountants (FRN: 101067)**, is included in the Notice convening the Annual General Meeting, along with relevant details, including the proposed remuneration.

Our Auditor have not issued any audit qualifications in its Cost Audit Report for the financial year ended March 31, 2021.

INTERNAL AUDITOR:

Your Company was not required to appoint Internal Auditor for the F.Y. ended March 31, 2021 in terms of provision of section 148 of the Companies Act, 2013.

DISCLOSURE ON MAINTENANCE OF COST RECORDS UNDER SECTION 148(1) OF COMPANIES ACT 2013:

Your company is maintaining the cost records in accordance with section 148 (1) of the Companies Act, 2013 read with Rule 3 of The Companies (Cost Record and Audit) Rules, 2014 as specified by the Central Government.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS:

There were no qualifications, reservations or adverse marks or disclaimers made by the auditors to the company for the financial year 2020-2021 and hence no comments are required to be given/disclosed in this report pursuant to section 134(3)(f) of the Companies Act, 2013.

All observations made in the Audit Report on the Company's Financial Statements for the financial year ended on 31st March, 2021 are self-explanatory and do not call for any further comments under Section 134 of the Companies Act, 2013.

SECRETARIAL STANDARDS:

During the year under review, Company has complied with all the applicable provisions of secretarial standards issued by the Institute of Company Secretaries of India.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY:

Pursuant to section 177 (9) and (10) of the Companies Act, 2013, your Company has established a vigil Mechanism policy to protect the interest of its stakeholders, employees and directors of the company enabling them to report of genuine concerns about any instance of any irregularity, unethical practice and/or misconduct. To this effect, the Board has adopted a 'Whistle Blower Policy' (WBP), which is overseen by the Audit Committee. The policy interalia provides safeguards against victimization of the Whistle Blower.

Employees and other stakeholders have direct access to the Chairperson of the Audit Committee for lodging concerns if any, for review.

DECLARATION BY INDEPENDENT DIRECTORS:

All the independent directors have submitted declarations that each of them meets the criteria of independence as mentioned under sub-section (6) of section 149 of the Companies Act, 2013. During the financial year 2020-21, there has been no change in the circumstances affecting their status as Independent Directors of the Company. Pursuant to Clause VII (1) of Schedule IV of the Companies Act, 2013 the Independent Directors had a separate meeting held on February 25, 2021.

COMPANY'S POLICY RELATING TO DIRECTORS' APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES:

The Company's policy relating to the appointment of Directors, payment of Managerial remuneration, Director's qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) and 178(4) of the Companies Act, 2013 is maintained by Company. Accordingly, the Board, based on the recommendation of the Nomination and Remuneration Committee has formulated a policy on remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The policy covers the appointment, including criteria for determining qualification, positive attributes, independence and remuneration of its Directors, Key Managerial Personnel and Senior Management Personnel. The Nomination and Remuneration Policy is available on Company's Website www.umaconverter.com

STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY:

Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. Board has taken all necessary actions and steps as a part of precautions to minimize the risk of the business of the company.

The Company is not mandatorily required to constitute Risk Management Committee. Further our Company has laid down procedure to inform Board Members about the risk assessment and minimization procedures. These procedures are being periodically reviewed to ensure that management controls risk through the means of properly defined framework of the Company.

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

There are no significant and material orders passed by the Regulators, Courts, and tribunals impacting going concern status Company's operation in future as required to be disclosed in this report pursuant to Rule 8(5) (vii) of Companies (Accounts) rules 2014.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROL WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The Company has adopted policies and procedures 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. The Audit Committee evaluates the internal financial control system periodically. The Internal Audit team monitors and evaluate the efficiency and adequacy of the internal control system in the Company from time to time.

PUBLIC DEPOSITS:

The company has not accepted any deposits during the year and there are no outstanding deposits within the meaning of provisions of section 73 to 76 of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014. The details relating to the deposits covered under Chapter V of the Act are as under:

- a. Deposit accepted during the year: **Nil**
- b. Remained unpaid or unclaimed as at the end of the year: **None**
- c. whether there has been any default in repayment of deposits or payment of interest thereon during the year: **None**
- d. The details of deposits which are not in compliance with the requirements of Chapter V of the Act: **None**

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY COMPANY:

Pursuant to Section 186 of the Companies Act, 2013, the company has not made/ given any loan, guarantee, provided any security during the year under review which is required to be disclosed in this report pursuant to Section 134 (3) (g) of the Companies Act, 2013.

As on 31st March, 2021, Company has made total investment of Rs. 23,85,450 for 23,852 equity shares of Rs. 100/- each fully paid up in Cosmos Bank Limited as a part of the condition of the various credit facilities granted by the said bank.

PARTICULARS OF CONTRACTS AND ARRANGEMENTS MADE WITH RELATED PARTIES:

All Related Party transactions that were entered into during the year under review were in the ordinary course of business and were on arm's length basis. There were no materially significant related party transactions made by the Company which may have a potential conflict of interest.

During the year under review, Company has entered into related party transactions as per section 188 (1) (c) & (f) relating to rent/leasing of property belongs to directors of the Company and giving remuneration to the relative of directors of the Company. The Transaction entered by the Company with Related Parties during the financial year under review was placed before the Audit Committee and the Board. Prior Approval of the Audit Committee was also obtained for the transactions which were of foreseen and repetitive in nature.

Your Directors draw the attention of the members to **Annexure 1 to the Directors' Report** which sets out Related Party Disclosures as required to be disclosed in this report pursuant to Section 134(3) (h) of Companies Act, 2013 & Rule 8(2) of Companies (Accounts) Rules, 2014 in form AOC-2.

CORPORATE GOVERNANCE:

The provisions relating to Corporate Governance is not applicable to the company for the year under review.

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

Your Company has zero-tolerance for sexual harassment at the workplace. The Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act) and the rules framed thereunder. It is the continuous endeavour of the Management of the Company to create and provide an environment to all its employees that is free from discrimination and harassment, including sexual harassment. During the year under review, the Committee had not received any complaint.

CORPORATE SOCIAL RESPONSIBILITY:

In accordance with the provisions of Section 135 of the Companies Act, 2013 and the rules framed there under the Company has constituted a Corporate Social Responsibility Committee of Directors. The composition of the CSR committee, as per the applicable provisions of the Act and Rules, is as follows:

Mr. Ashok Ruplal Kavdia - Chairperson

Mr. Sumer Raj Lodha - Member

Mrs. Nirmala Lodha - Member

The CSR Committee has formulated CSR Policy in line with the Provisions of Section 135 of the Companies Act, 2013. The Company is not required to deposit any amount in a separate Bank account opened with a Scheduled Bank in Compliance with CSR Rules 2021 for the CSR identified projects. The role of the CSR Committee is to review the CSR policy, indicate activities to be undertaken by the Company towards CSR activities and formulate a transparent monitoring mechanism to ensure implementation of projects and activities

undertaken by the Company towards CSR initiatives. The Report on CSR Activities, which forms part of the Directors' Report, is annexed as **Annexure 2** to this report.

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

The particulars as to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo required to be disclosed in terms of section 134 (3) (m) of the companies act, 2013 & Rule 8(3) of the Companies (Accounts) Rules, 2014 are given separately as **Annexure – 3 to the Directors' Report**.

INDEBTEDNESS OF COMPANY:

Sr. No.	Amount borrowed from	Total Loan outstanding as on 31.03.2021 (Amount in Rs.)
1.	From Directors & Relatives	8,30,81,240/-
	Total – (1)	8,30,81,240/-
2.	From Banks and financial institution	
	Term Loan	31,44,30,044/-
	Working Capital	
	Cash Credit	18,39,37,963/-
	Foreign/Inland Letter of Credit	5,40,53,652/-
	Working Capital Demand Loan	6,00,00,000/-
	Vehicle Loan	27,17,589/-
	Total – (2)	61,51,39,248/-
	Total (1+2)	69,82,20,488/-

ANNUAL RETURN:

Pursuant to Section 134(3)(a) and Section 92(3) of the Act, the Copy of the Annual Return of the Company for the financial year ended March 31, 2021 may be accessed on the Company's website at www.umaconverter.com

INDUSTRIAL RELATION:

During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

INSURANCE AND PROTECTION OF ASSETS:

The Company's Assets including plant and machinery, building, stocks, vehicles, stores and spares have been adequately insured against various risks and perils.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the provisions of section 134(5) of the Companies Act, 2013, the Directors of your Company confirm the following which are required to be disclosed in this report pursuant to section 134(3) (c) of the Companies Act, 2013:

- a) in the preparation of the annual accounts for the financial year ended **March 31st, 2021**, the applicable Accounting Standards had been followed along with proper explanation relating to material departures, if any;
- b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the affairs of the Company for the financial year ending on **March 31st, 2021** and of the profit and loss of the Company for that period;
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors had prepared the annual accounts on a going concern basis;
- e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively and
- f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12) OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT:

In terms of Section 134 (3) (ca) report by the Board of Directors is required to include the details in respect of frauds reported by auditors under sub-section 12 of section 143 other than those which are reportable to the Central Government. No such fraud was reported by the auditor in their report for the F.Y. ended March 31, 2021.

MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED SUBSEQUENT TO THE CLOSE OF THE FINANCIAL YEAR UP TO THE DATE OF THE REPORT:

- **Appointment of Independent Director:**

The members of the Board in their meeting held on April 20, 2021 appointed **Mr. Pradeep Lodha** as an Additional Director in the capacity of Non-executive Independent Director **w.e.f. 20th April, 2021** who shall hold office up to the date of ensuing AGM of the Company. The Board proposes regularization of appointment of Mr. Pradeep Lodha as an Independent Director at the ensuing 22nd AGM of Company. The Board is of the

opinion that the Independent Directors so appointed are persons of integrity and have relevant experience, expertise and proficiency which is best suitable and in the interests of the Company.

- **Re-designation of Mr. Abhishek Lodha as a Whole-time Director:**

The Board of Directors at their meeting held on April 20, 2021 re-designated Mr. Abhishek Lodha as Whole-time Director of the Company for the period of 05 years w.e.f. 01/04/2021 to 31/03/2026 as per applicable provisions of Companies Act, 2013.

- **Nomination of Mr. Parth Kamdar as Compliance Officer:**

The Members of the Board, nominated Mr. Parth Kamdar as Company Secretary & Compliance Officer of the Company in accordance with Regulation 23 of SEBI ICDR Regulations

- **Constitution/Reconstitution of Committees:**

The Board of Directors at their meeting held on April 20, 2021 have reconstituted the Audit Committee and Nomination & Remuneration Committee and newly constituted Stakeholder Relationship and IPO Committee. The Details of the Committee are available at the website of the Company www.umaconverter.com.

- **Adoption of Corporate Policies:**

In line with the requirements of SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015 and SEBI (Issue of Capital and Disclosure Requirement) Regulations, the Company has formulated some new policies and revised/amended existing policies. The same are available at the website of the Company www.umaconverter.com.

- **Reclassification of Promoter and Promoter Group:**

The Board of Directors at their meeting held on April 20, 2021 approved the reclassification of Promoter and Promoter Group in accordance with Regulation 2(pp) and Regulation 2(oo) of SEBI ICDR Regulations in view of the proposed Initial Public Offer of the Company.

- **Appointment of Intermediaries for the Proposed Main Board IPO:**

The Board of Directors in their meeting held on April 20, 2021 have appointed various intermediaries such as Merchant Banker, Legal Advisor, Registrar to Issue etc. in line with the requirements of SEBI (ICDR) Regulations for the proposed Main Board IPO of the Company.

- **Approval of Initial Public Offering of Equity Shares:**

The Members of the Board at their meeting held on April 20, 2021 approved the Offer, Issue and Allotment of equity shares of the Company of face value of Rs. 10 each for an aggregate amount not exceeding Rs. 36 Crore by way of Initial Public Offer (IPO) in accordance with SEBI (ICDR) Regulations and get it listed on the recognised stock exchanges i.e. BSE & NSE.

- **Filing of DRHP for the Proposed Main Board IPO:**

Your Company has filed Draft Red Herring Prospectus for the proposed Main Board IPO with BSE, NSE and SEBI on 30th June, 2021.

APPRECIATION & ACKNOWLEDGEMENTS:

Your directors are grateful and pleased to place on record their sincere thanks to central and state government, their agencies, Bankers, Statutory Auditors, Cost Auditors and Secretarial Auditors for their excellent support, guidance and continued cooperation. Your directors take this opportunity to record their appreciation of the continuous support and contribution from all the employees of the Company and the Shareholders.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF,
UMA CONVERTER LIMITED**

SUMER RAJ LODHA
MANAGING DIRECTOR
DIN: 00033283

NIRMALA LODHA
DIRECTOR
DIN: 00033246

DATE: 01/11/2021

PLACE: SANTEJ-GANDHINAGAR

Annexure 1 to the Directors' Report

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014).

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis: - N.A.

2. Details of material contracts or arrangement or transactions at arm's length basis:

Name of the related parties	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements /transactions	Salient terms of the contracts/arrangements /transactions including the value, if any	Amount (In Rs.)	Date(s) of approval by the Board, if any	Amount paid as advances if any
Sumer Raj Lodha	Payment of Rent	2020-21	As per Approval of the Board	1,40,000/-p.a.	13.05.2020	NIL
Nirmala Lodha	Payment of Rent	2020-21	As per Approval of the Board	1,40,000/-p.a.	13.05.2020	NIL
Shraddha Lodha	Remuneration Paid	2020-21	As per Approval of the Board	17,15,000/-p.a.	13.05.2020	NIL

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF,
UMA CONVERTER LIMITED**

SUMER RAJ LODHA
MANAGING DIRECTOR
DIN: 00033283

NIRMALA LODHA
DIRECTOR
DIN: 00033246

DATE: 01/11/2021

PLACE: SANTEJ-GANDHINAGAR

Annexure 2 to the Directors' Report
Annual Report on CSR Activities

(Pursuant to section 135 of the Companies Act, 2013 & Rules made thereunder)

1. A brief outline of the company's CSR policy:

The Corporate Social Responsibility (CSR) Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board.

The Company has identified the CSR activities permitted as per Schedule VII to the Act, which have been specified in CSR policy of the Company.

2. The Composition of the CSR Committee as on March 31,2021 is as under.

1. Mr. Ashok Kavdia (Independent Director) – Chairman
2. Mr. Sumer Raj Lodha (Managing Director) – Member
3. Mrs. Nirmala Lodha (Director) – Member

During the Year Under Review 2 (Two) Meeting of CSR Committee was held on 13th May, 2020 and 07th November, 2020 to take on records activities undertaken during the financial year as well as the expenditure incurred for undertaking those activities.

3. The web-link where Composition of CSR committee, CSR Policy and CSR projects/activities are disclosed is **www.umaconverter.com**
4. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable: - **Not Applicable**
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: - **Not Applicable**

Sr. No.	Financial Year	Amount available for set-off from preceding financial year (In Rs.)	Amount required to for set-off from preceding financial year (In Rs.)
-			

6. Average net profit of the company as per section 135 (5) (for Immediately preceding three financial years): **Rs. 5,12,40,277/-**

7.

(a)	Prescribed CSR Expenditure Two percent of average net profit of the Company as per section 135 (5):	Rs. 10,24,805/-
(b)	Surplus arising out of the CSR projects or programs or activities of the previous financial years	N.A.
(c)	Amount required to be set off for the financial year, if any	Rs. 4,35,970/-
(d)	Total CSR obligation for the financial year (7a+7b+7c)	Rs. 14,60,775/-

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the F.Y. (In Rs.)	Amount Unspent (In Rs.)				
	Total Amount transferred to Unspent CSR Account as per Section 135 (6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135 (5)		
	Amount (In Rs.)	Date of Transfer	Name of Fund	Amount (In Rs.)	Date of Transfer
Rs. 14,70,740/-	Not Applicable				

(b) Details of CSR amount spent against ongoing projects for the financial year: **Not Applicable**

(c) Details of CSR amount spent against other than ongoing projects for the financial year: **(As per Annexure -I)**

(d) Amount spent in Administrative Overheads: **Not Applicable**

(e) Amount spent on Impact Assessment, if applicable: **Not Applicable**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **Rs. 14,70,740/-**

(g) Excess amount for set off, if any:

Sr. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5) plus unspent amount required to be set off for F.Y. 2019-20.	Rs. 14,60,775/-
(ii)	Total amount spent for the Financial Year	Rs. 14,70,740/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Rs. 9,965/-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Rs. 9,965/-

9.

(a) Details of Unspent CSR amount for the preceding three financial years: **Not Applicable**

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **Not Applicable**

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

(a) Date of creation or acquisition of the capital asset(s): **Not Applicable**

(b) Amount of CSR spent for creation or acquisition of capital asset: **Not Applicable**

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: **Not Applicable**

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): **Not Applicable**

Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): **Not Applicable**

Annexure - I

Details of CSR Amount Spent during F.Y. 2020-21

Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (Rs. In Lakhs)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR Registration No.
1	Distribution of Tricycles to Persons with Disabilities	Promoting Gender Equality by way of providing Assistive Facility to persons with disabilities	Yes	Gujarat	Ahmedabad	0.54	Implementing Agency	Blind People's Association (India)	N.A.
2	Contribution towards mid-day Meal Programme for Poor & Hungry Childrens	Eradicating hunger, poverty and malnutrition	Yes	Gujarat	Ahmedabad and Gandhinagar	0.41	Implementing Agency	The Akshaya Patra Foundation	N.A.
3	Distribution of Blankets to Senior Citizens at Old Age Homes	Setting up homes and hostels for women and orphans; setting up old age homes	Yes	Gujarat	Ahmedabad	1.04	Implementing Agency	Vanprasth Sewa Samaj	N.A.
4	Distribution of Blankets to Senior Citizens at Old Age Homes	Setting up homes and hostels for women and orphans; setting up old age homes	Yes	Gujarat	Ahmedabad	0.90	Implementing Agency	Manav Seva Samaj Kalyan Trust	N.A.
5	Distribution of Bulk Face Mask, Gloves and Sanitizing activity nearby local area at Santej factory considering of Covid-19 Pandemic.	Preventive Health Care and Sanitation	Yes	Gujarat	Gandhinagar	3.30	Direct	N.A.	N.A.

6	Installation of Laptop, smart Board, LED Project and Setting up of Accessories at Sumeru Day Care Centre	Promoting Education of Multiple Disabled Children	Yes	Gujarat	Ahmedabad	1.02	Implementing Agency	Blind People's Association (India)	N.A.
7	Vocational Training for Reaching to unreached Rural Development, Community and Livelihood Promotion Activities	Promotion of Education	Yes	Gujarat	Surenagar	7.50	Implementing Agency	Shri Jagatbharti Education and Charitable Trust	N.A.
					TOTAL	14.71			

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF,
UMA CONVERTER LIMITED**

SUMER RAJ LODHA
MANAGING DIRECTOR
DIN: 00033283

NIRMALA LODHA
DIRECTOR
DIN: 00033246

DATE: 01/11/2021

PLACE: SANTEJ-GANDHINAGAR

Annexure 3 to the Directors' Report

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo
[Pursuant to the Provisions of Section 134 of the Companies Act, 2013 read with the
Companies (Accounts) Rules, 2014]

(A) Conservation of Energy

DETAILS ON ENERGY CONSUMPTION AND CONSERVATION: -

Company ensures that the manufacturing operations are conducted in the manner whereby optimum utilization and maximum possible savings of energy is achieved. Company is also planning for setting up Rooftop Solar PV System of 240 Kw AC at manufacturing unit situated at Santej and 74.37-Kw DC at manufacturing unit situated at Timba in the forthcoming year as an alternative source of Energy in order to reduce our dependency on non-renewable energy resources and to save the energy.

POWER CONSUMPTION: -

Sr. No	Particulars	For the Year ended 31/03/2021			For the Year ended 31/03/2020		
		LNG	LPG	DIESEL	LNG	LPG	DIESEL
(1)	Power and Fuel Consumption						
(a)	Electricity Purchased.						
	No. of Units consumed.		42,11,995			34,16,857	
	Total Amount of Electricity		3,14,55,152.03			2,70,91,858.41	
	Cost per unit of Electricity (Average of 12 months)		7.47			7.93	
(b)	Electricity Generated.		N/A			N/A	
	No. of Units Generated.		N/A			N/A	
	Total Amount of Power Generation.		N/A			N/A	
	Cost per Unit of Power Generated.		N/A			N/A	
[c]	Consumption of Fuel						
	Type & Nature of Fuel Consumed.						
	Coal/ Firewood/ Bio Mass/ Furnace Oil/ Others	LNG	LPG	DIESEL	LNG	LPG	DIESEL
	Total Quantity of Fuel Used.	165372 (SCM)	103500 (KG)	11854 (Ltr.)	143945 (SCM)	16650 (KG)	19243 (Ltr.)
	Total Amount of Fuel Used.	70,91,896	57,01,862	9,61,830	72,71,877	11,54,979	13,29,608
	Cost per Unit of Fuel Used	6266.53	55.09	81.14	6316.62	69.37	69.09
	Cost per Unit of Product Manufactured	N/A	N/A	N/A	N/A	N/A	N/A
	Total Cost of Power/ Fuel per unit of Production.	N/A	N/A	N/A	N/A	N/A	N/A
(i)	Steps taken or impact on conservation of energy	The Company has taken measures and applied strict control system to monitor day-to-day power consumption, to endeavour to ensure the optimal use of energy with minimum extent possible wastage as far as possible. The Company is continuously monitoring and making effort for optimum utilization of equipments which ensures to conserve energy					

	during routine operations itself.
(ii) Steps taken by the Company for utilizing alternate sources of energy	Company is currently in the process of setting up of Rooftop Solar System PV at both plants i.e., Santej and Timba as an alternative source of non-renewable energy.
(iii) Capital investment on energy conservation equipments	The Company continues to make project level investments for reduction in consumption of energy. The capital investment on energy conservation equipment cannot be quantifiable.

(B) Technology Absorption

i. Efforts made towards technology absorption	The Company has been continuously putting efforts to adapt new, upgraded and updated technology machineries in order to achieve optimum productivity and standard quality of the Product.
ii. Benefits derived like product improvement, cost reduction, product development or import substitution	Improve design quality, cost reduction of packaging material, smooth running of production process etc.
iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	None
(a) Details of technology imported	None
(b) Year of import	Not Applicable
(c) Whether the technology been fully absorbed	Not Applicable
(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Not Applicable
(iv) Expenditure incurred on Research and Development	No expenditure incurred

(C) Foreign Exchange Earnings and Outgo

(Amount in Rs.)

Description		
	2020-21	2019-20
Foreign Exchange Earned (Actual Inflow)		
Sale of Finished Goods	1,02,62,512	16,46,090
Others	-	-
Total	1,02,62,512	16,46,090
Foreign Exchange Used (Actual Outflow)		
Import of Raw Material	38,60,550	28,15,323
Foreign Bank Charges	-	-
Others (Capital Goods/Spares Parts)	-	-
Total	38,60,550	28,15,323

FOR UMA CONVERTER LIMITED

SUMER RAJ LODHA
MANAGING DIRECTOR
DIN: 00033283

NIRMALA LODHA
DIRECTOR
DIN: 00033246

DATE: 01/11/2021

PLACE: SANTEJ-GANDHINAGAR

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
UMA CONVERTER LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of UMA CONVERTER LIMITED ("the Company"), which comprise of the Balance Sheet as at March 31, 2021 and the statement of profit and loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "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 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 (ICAI) together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

Key Audit Matters

Reporting of Key Audit Matters as per SA 701 are not applicable to the company as it is an unlisted company.

Information other than the Financial Statements and Auditor's report thereon

The Company's Board of Directors is responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Directors' Report including the Annexures to the Directors' report, but does not include the Financial Statements and our auditor's report thereon.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon,

In connection with our audit of the 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 during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless

management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility 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:

- i) 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.
- ii) Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or

conditions may cause the Company to cease to continue as a going concern.

- v) 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.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would 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 (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of the section 143 of the Act, we give in the **Annexure "A"**, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company, so far as it appears from our examination of those books;
- (c) The balance sheet, the Statement of profit and loss including Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flow dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued there under
- (e) On the basis of written representations received from the directors as on March 31, 2021 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of section 164(2) of the Act.
- (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such control, refer to our separate report in the **Annexure-B** . Our report expresses an unmodified opinion.
- (g) With respect to the matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid / provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (h) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according the explanations given to us:
 - i. The company has disclosed the impact of pending litigations on its financial position in its Financial Statements.
 - ii. The company has made provision, as required under the applicable law or IND AS, for material foreseeable losses, if any, on long term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For BHANWAR JAIN & CO.,
Chartered Accountants.
(Registration No. 117340W)**

**(B. M. JAIN)
Partner.
M. No. 034943
Ahmedabad: 1st November,2021.**

"Annexure A " to the Independent Auditors' Report

Referred to in paragraph under the heading '**Report on Other Legal & Regulatory Requirement**' of our report of even date to the financial statements of the Company for the year ended March 31, 2021:

1. In respect of fixed assets:

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

(b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the book records and the physical fixed assets have been noticed.

(c) According to the information and explanation given to us and the title deeds/ lease deeds and other records examined by us, we report that the title deeds/lease deeds in respect of all the immovable properties, the lease deed/title deed of such properties are held in the Company's name.

2. As explained to us, the physical verification of the inventories have been conducted at reasonable intervals by the management, which in our opinion is reasonable, having regard to the size of the company and nature of its inventories. No material discrepancies were noticed on such physical verification of the inventories as compared to books records.

3. The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company.

4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees and security.

5. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

6. We have broadly reviewed the maintenance of cost records by the company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed cost records have been maintained by the company. We have however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

7. In respect of Statutory dues:

(a) According to information and explanations given to us and on the basis of our examination of the books of account and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Goods & Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues, were in arrears as at March 31, 2021 for a period of more than six months from the date they become payable.

(b) According to the information and explanation given to us, there are no dues of income tax, sales tax, goods & service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute under any forum.

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks and financial institutes. The Company has not taken any loan from the government and has not issued any debentures.

9. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments. Term Loan raised during the year was applied for the purposes for which those are raised.

10. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or fraud on the company by its officers or employees has been noticed or reported during the year.

11. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been

paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;

12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.

13. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

14. According to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly paid debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company

15. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

16. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For BHANWAR JAIN &CO.
Chartered Accountants
ICAI FRN:117340W

(B.M. JAIN)
Partner
M. No.: 034943
AHMEDABAD: 01st November,2021.

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under "**Report on other legal and regulatory requirements**" of our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 43 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **UMA CONVERTER LIMITED** ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for the Internal Financial Controls.

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing

and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**For BHANWAR JAIN &CO.,
Chartered Accountants
ICAI FRN.:117340W**

**(B.M. JAIN)
Partner
M. No.: 034943
AHMEDABAD: 01st November,2021.**

UMA CONVERTER LIMITED			
BALANCE SHEET AS AT 31ST MARCH 2021			
	Note No.	As at 31-Mar-21 Rs	As at 31-Mar-20 Rs
ASSETS			
Non-current assets			
Property, plant and equipment Capital	2	626186284	521641481
work-in-progress Intangible assets	3	2332747	65228088
Financial assets		---	---
Investments Loans			
Other financial assets	4	2385450	2383450
Other non-current assets Total non-current assets	5	---	---
	6	13450230	12674159
		25052851	20122277
Current assets			
Inventories Financial assets		669407562	622049455
Investments Trade receivables	7	466549729	314733975
Cash and cash equivalents			
Bank balances other than cash and cash equivalents Other financial assets	8	---	---
212047619		212047619	145476284
Other current assets	9	6944383	3460126
Assets classified as held for sale Total current assets	10	1132258	5000000
	11	478252	838407
TOTAL ASSETS	12	33132737	26836360
	13	1436821	---
EQUITY AND LIABILITIES			
Shareholder's Fund			
Equity share capital Other Equity		1391129361	1118394607
Total Shareholder's Fund	14	146942860	146942860
Liabilities			
Non-current liabilities			
Financial liabilities		427102100	378619308
Borrowings Provisions			
Deferred Tax Liabilities (Net)			
Total non-current liabilities	16	351912899	292416973
Current liabilities			
Financial liabilities	17	2578559	2345767
Borrowings Trade payables	18	30990000	17314000
Other financial liabilities Other current liabilities		385481458	312076740
Provisions	19	243937963	232404756
Current tax liabilities (net)	20	260640103	166522675
	21	68353559	24833723
Total current liabilities TOTAL	22	3519917	3521917
LIABILITIES	23	243351	227107
	24	1662529	---
TOTAL EQUITIES AND LIABILITIES		578357422	427510178
		963838880	739586918
		1390940980	1118206226
Summary of significant accounting policies			
The accompanying notes are an integral part of the financial statements.			
As Per our report of even date. FOR			
BHANWAR JAIN & CO; Chartered Accountants ICAI FRN 117340W		For and on behalf of the board of directors of UMA CONVERTER LIMITED	
(B. M. JAIN) Partner. M. NO. 34943	(SUMER RAJ LODHA) Managing Director (DIN: 00033283)	(NIRMALA LODHA) Director (DIN: 00033246)	
	(ASHISH BHANDARI) CFO	(PARTH KAMDAR) Company Secretary	
PLACE : AHMEDABAD Date: 1st November, 2021	PLACE : AHMEDABAD Date: 1st November, 2021		

UMA CONVERTER LIMITED			
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2021			
	Note No.	For the year ended	
		31.03.2021 Rs.	31.03.2020 Rs.
Income			
Revenue from operations	25	1581329502	1035910180
Other income	26	9781129	3362935
Total income		1591110631	1039273115
Expenses			
Cost of Raw Materials Consumed/sold	27	1105238629	715432450
Purchase of Stock-in-trade		82623028	53032281
Changes in inventories of finished goods, stock-in-trade and work-in-progress	28	(59905287)	(42173418)
Manufacturing & Operating Costs	29	139841033	90571123
Employee benefits expense	30	130315105	89332718
Finance costs	31	47426352	37080556
Depreciation and amortization expense	32	31876302	30581008
Other expenses	33	45501898	24825956
Total expenses		1522917060	998682674
Profit/(Loss) before tax		68193571	40590441
Income tax expense			
Current tax		11383000	7709000
MAT Adjustment		(4419000)	---
Deferred tax		13495534	638129
Total income tax expense		20459534	8347129
Profit/(Loss) for the year		47734037	32243312
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Re-measurement gains/ (losses) on post employment defined benefit plan		648693	-16385
Income tax effect		-180466	4558
Total other comprehensive income for the year		468227	-11827
Earnings / (Loss) per share			
Basic earnings /(loss) per share (INR)		3.25	2.36
Diluted earnings /(loss) per share (INR)		3.25	2.36
Summary of significant accounting policies			
The accompanying notes are an integral part of the financial statements. As Per our			
report of even date.			
FOR BHANWAR JAIN & CO;		For and on behalf of the board of directors of	
Chartered Accountants		UMA CONVERTER LIMITED	
ICAI FRN 117340W			
	(SUMER RAJ LODHA)	(NIRMALA LODHA)	
	Managing Director	Director	
	(DIN: 00033283)	(DIN: 00033246)	
	(ASHISH BHANDARI)	(PARTH KAMDAR)	
	CFO	Company Secretary	
PLACE : AHMEDABAD		PLACE : AHMEDABAD	
Date: 1st November , 2021		Date: 1st November , 2021	

UMA CONVERTER LIMITED		
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2021		
	(Amt in Rs.)	
	31.03.2021 Rs.	31.03.2020 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before exceptional items and tax	68193571	40590441
Adjustments for:		
Depreciation and amortization expenses	31876302	30581008
Interest Paid	38897259	34699134
Interest Received	(1694121)	(1639728)
Provision for gratuity	897729	1101834
Deferred Revenue Expenses written off	2364976	224458
(Gain)/ loss on Disposal of fixed assets	56514	---
Allowance for Expected Credit Loss	4327502	---
Liabilities written back	(2210850)	---
Balances written off	1332438	---
Operating Profit before working capital changes	144041319	105557147
Changes in working capital		
Adjustments for:		
Decrease in inventories	(151815754)	(50690334)
Decrease in trade receivables	(72231275)	28580518
Decrease in other financial assets	360155	(520724)
Decrease in other current assets	(1877377)	(15684624)
Decrease in non-current assets	(7295549)	(1071898)
Increase in trade payables	96328278	25066409
Increase in other current liabilities	(2000)	(3278211)
Increase in non-current liabilities		22443094
Increase in other financial liabilities	43519836	(13713009)
Cash generated from operations	51027633	96688368
Net Income tax paid	(9439943)	(9701356)
Net cash flows used in operating activities (A)	41587690	86987012
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment and intangible assets	(75038100)	(259829907)
Purchase of Investments	(2000)	(867000)
Proceeds from sale/ disposal of fixed assets	19000	---
Net withdrawal of /Investment in fixed deposits	3091671	1277595
Interest Received	1694121	1639728
Net cash flow from investing activities (B)	(70235308)	(257779584)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from issue of Share Capital	---	43357250
Proceeds from long-term borrowings	59495926	218399294
Proceeds from short-term borrowings	11533207	(54093800)
Interest paid	(38897259)	(34699134)
Net cash flow from financing activities (C)	32131874	172963610
Net increase in cash and cash equivalents (A+B+C)	3484256	2171038
Cash and cash equivalents at the beginning of the year	3460126	1289088
On current accounts		
Cash and cash equivalents at the end of the period (refer Note 9)	6944383	3460126
Summary of significant accounting policies		
The accompanying notes are an integral part of the As Per our e financial statements.		
report of even date.		
FOR BHANWAR JAIN & CO;		
Chartered Accountants ICAI FRN	UMA CONVERTER LIMITED	
117340W		
(B. M. JAIN)	(SUMER RAJ LODHA)	(NIRMALA LODHA)
Partner.	Managing Director	Director
M. NO. 34943	(DIN: 00033283)	(DIN: 00033246)
	(ASHISH BHANDARI)	(PARTH KAMDAR)
	CFO	Company Secretary
PLACE : AHMEDABAD	PLACE : AHMEDABAD	
Date: 1st November , 2021	Date: 1st November , 2021	

UMA CONVERTER LIMITED
Annual Report - 2020-21

UMA CONVERTER LIMITED							
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2021							
(Amount in INR Rupees, unless otherwise stated)							
	Equity Share Capital	Reserve and surplus				Items of OCI	Total
		Securities Premium	Revaluation Reserve	Capital Reserve	Retained earnings	Other Comprehensive Income	
Balance as at 1 April 2019	64799980	36499956	50421773	1000000	149575058	0	302296767
Profit for the year					32243312		32243312
Other comprehensive income	---	---	---	---	---	---	---
Re-measurement gains/(losses) on post employment defined benefit plan (net of tax)						(11827)	
Issue of Equity Shares by way of bonus shares	82142880	26014350	---	---	(64799980)		43357250
Income tax of earlier years					733806		733806
Balance as at 31 March 2020	146942860	62514306	50421773	1000000	117752196	-11827	378631135
Balance as at 1 April 2020	146942860	62514306	50421773	1000000	117752196	-11827	378619308
Profit for the year					47734037		47734037
Other comprehensive income							
Re-measurement gains/(losses) on post employment defined benefit plan (net of tax)						468227	468227
Income tax of earlier years					280528		280528
Balance as at 31 March 2021	146942860	62514306	50421773	1000000	165766761	456400	427102100

Notes forming part of the Financial Statements for the year ended 31st March 2021	
1	SIGNIFICANT ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE RESTATED FINANCIAL STATEMENTS
A.	Corporate Information
	Uma Converter Limited (Formerly known as Uma Converter Private Limited (the "Company") is a public limited company domiciled in India and was incorporated on 18th June,1999 under the provisions of the Companies Act, 1956 applicable in India. Its registered office is located at Block No. 868, Vill. Santej, Ta. Kalol, Dist. Gandhinagar (Gujarat). The Company is primarily engaged in the business of manufacturing and trading of flexible packaging materials. Pursuant to a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on 29th August,2018 the Company has converted from a Private Limited Company to a Public Limited Company and consequently, name of the Company has been changed to Uma Converter Limited pursuant to fresh certificate of incorporation issued by Registrar of Companies on 27th September,2018.
B.	Significant accounting policies
	This note provides a list of the significant accounting policies adopted in the preparation of the Financial Statements. These policies have been consistently applied to all the years/period presented, unless otherwise stated.
(a)	Basis of Preparation of Restated Financial Statements
(i)	Statement of Compliance with Ind AS
	These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the " Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Ammendment Rules, 2016.
	The financial statements upto the year ended 31st March 2020 were prepared in accordance with the accounting standards notified under the section 133 of the Act, read with Paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).
	These financial statements for the year ended 31st March 2021 are the first set of financial statements prepared in accordance with Ind AS. Refer note 35 for an explanation of how the company has adopted Ind AS.
	Accounting policies have been consistently applied to all the years presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.
(ii)	Basis of measurement
	The Financial Statements have been prepared on a historical cost convention on accrual basis, except certain financial assets and liabilities measured at fair value.
(iii)	Current and non current classification
	All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Act.
(iv)	Use of estimates
	The preparation of Financial Statements in conformity with Ind AS requires the management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosure of contingent liabilities as at the Balance sheet date. The estimates and the assumptions used in the accompanying financial statements are based upon the management evaluation of the relevant facts and cirucumstances as at the date of the fiancial statements. Actual results could differ from these estimates. Estimates and underlying assumption are reviewed on periodic basis. Revision to accounting estimates, if any, are recognised in the year in which the estimates are revised and in any future years affected.
(b)	Property, plant and equipment
	Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.
	Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measure reliably.The carrying amount of any component accounted for as a separate asset is decognised when replaced.All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.
	Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under "Capital work in progress"
	Transition to Ind AS
	On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1st April 2019 measured as per the Indian GAAP and used that carrying value as a deemed cost of property , plant & equipment.
	Depreciation methods, estimated useful lives
	The Company depreciates property, plant and equipment over their estimated useful lives using the straight line method. The estimated useful lives of assets are taken as prescribed useful lives under Schedule II to the Companies Act, 2013. The management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.
	Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statemnt of Profit & Loss under other income/ Other expenses

(c)	<p>Investment properties Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.</p>
(d)	<p>Borrowing cost Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustments to the borrowing cost.</p>
(e)	<p>Foreign Currency Transactions</p> <p>(i) Functional and presentation currency Items included in the Financial Statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Financial Statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.</p> <p>(ii) Transactions and balances On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and the settlement date are recognised in the Statement of Profit & Loss.</p> <p>All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit & Loss.</p> <p>Non-monetary items that are measured in the terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.</p>
(f)	<p>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.</p> <p>Financial assets</p> <p>(i) Initial recognition and measurement At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction cost of financial asset carried at fair value through profit or loss are expensed in Profit and Loss.</p> <p>(ii) Subsequent measurement For purposes of subsequent measurement, financial assets are classified in following categories: a) at amortized cost; or b) at fair value through other comprehensive income; or c) at fair value through profit or loss. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.</p> <p>(iii) Impairment of financial assets The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.</p> <p>(iv) Derecognition of financial assets A financial asset is derecognized only when a) the rights to receive cash flows from the financial asset is transferred or b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.</p> <p>Financial liabilities</p> <p>(i) Recognition and measurement Financial liabilities are classified as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate. The measurement of financial liabilities depends on their classification, as described below:</p> <p>(ii) Financial liabilities at fair value through profit or loss Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.</p> <p>Loans and borrowings After initial recognition interest-bearing loans and borrowings are subsequently measured at amortized cost. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized.</p>

(iii)	<p>Derecognition A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance cost.</p>
(g)	<p>Revenue Recognition The company derives revenues primarily from sale of manufactured goods, traded goods and job work.</p> <p>Revenue is recognised when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities as described below:</p> <p>Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of trade allowances, rebates and amounts collected on behalf of third parties and is not recognised in instances where there is uncertainty with regard to ultimate collection. In such cases revenue is recognised on reasonable certainty of collection.</p> <p>Sale of products: Revenue from sale of products is recognised when significant risks and rewards in respect of ownership of products are transferred to customers based on the terms of sale. Revenue from sales is based on the price specified in the sales contracts, net of trade discounts, returns and goods & service tax at the time of sale.</p>
(h)	<p>Taxes Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.</p>
(a)	<p>Current income tax Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities in accordance with the relevant prevailing tax laws. Tax expenses relating to the items in profit & loss account shall be treated as current tax as part of profit and loss and those relating to items in other comprehensive income shall be recognised as part of OCI.</p>
(b)	<p>Deferred tax Deferred income tax is recognised for all the temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in Financial Statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.</p>
(i)	<p>Assets classified as held for sale The Company classifies non-current assets (or disposal group) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.</p> <p>Non-current assets (or disposal group) held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities (or disposal group) classified as held for sale are presented separately in the balance sheet.</p> <p>Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.</p>
(j)	<p>Leases Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight line basis over the lease period except where another systematic basis is more representative of time pattern in which economic benefits from leased assets. In case of financial lease, the payment of rentals is recognised as an expense in the Statement of Profit & Loss Account.</p>
(k)	<p>Inventories Valuation of Inventories and costs incurred in bringing each product to its present location and condition are accounted for as follows: Cost includes purchase price, (excluding taxes those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and conditions. Scrap and wastages are stated at net realisable value. In determining the cost, FIFO method is used.</p>
(l)	<p>Impairment of assets The carrying value of assets / cash generating units at the Balance Sheet date are reviewed for impairment, if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised for such excess amount.</p>

<p>(m)</p>	<p>Provisions and contingent liabilities Provisions are recognized when there is a present obligation 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 there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. 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.</p> <p>Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.</p>
<p>(n)</p>	<p>Cash and cash equivalents Cash and cash equivalent in the balance sheet comprise cash at banks, cash 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.</p> <p>For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and short term deposits.</p>
<p>(o)</p>	<p>Employee Benefits</p> <p>(i) Short-term obligations Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled.</p> <p>(ii) Other long-term employee benefit obligations</p> <p>-- Defined contribution plan Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.</p> <p>-- Defined benefit plans Gratuity: The Company provides for gratuity, a defined benefit plan (the 'Gratuity Plan') covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. Liabilities with regard to these defined benefit plans are determined by actuarial valuation at each Balance sheet date. Actuarial losses / gains are recognised in the "other comprehensive income" in the year in which they arise.</p>
<p>(p)</p>	<p>Earnings Per Share Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earning per share is the net profit or loss for the year after deducting preference dividend and any attributable tax thereto for the year, if any. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.</p> <p>For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity share holders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.</p>

(g)	<p>Government grants</p> <p>Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all the attached conditions. All government grants are initially recognised by way of setting up as deferred income. Government grants relating to income are recognised in the profit & loss account. Government grants relating to purchase of property, plant & equipment are subsequently recognised in profit & loss on a systematic basis over the expected life of the related depreciable assets. Grants recognised in Profit & Loss as above are presented within other income.</p>
(r)	<p>Inter divisional transactions</p> <p>Inter divisional transactions are eliminated as contra items. Any unrealised profits on unsold stocks on account of inter divisional transactions is eliminated while valuing the inventory.</p>
C.	<p>Significant accounting judgments, estimates and assumptions</p> <p>The preparation of Financial Statements requires management to make judgments, 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 affected in future years.</p> <p>Estimates and assumptions</p> <p>The key assumptions concerning the future and other key sources of estimation uncertainty at the year end 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 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.</p>
(i)	<p>Taxes</p> <p>Significant assumptions and judgements are involved in determining the provision for tax based on tax enactments, relevant judicial pronouncements including an estimation of the likely outcome of any open tax assessments/ litigations. Deferred income tax assets are recognised to the extent that it is probable that future taxable income will be available, based on estimates thereof.</p>
(ii)	<p>Defined benefit plans (gratuity benefits)</p> <p>The cost of the defined benefit plans such as gratuity are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.</p>

2 Property, Plant & Equipments:								
Tangible Assets								
Carrying Amounts	Freehold	Building	Plant &	Electric	Furniture	Office	Vehicles	Total
	Land		Machinery	Installation	Fixtures	Equipments		
Year ended March 31, 2020								
Gross carrying amount								
Balance as at April 01, 2019	51965000	51254771	319068859	5981374	6573348	6322317	10981698	452147367
Additions	54778603	164710358	68228912	23250174	277857	29111115	1832642	315989661
Disposals	---	---	---	---	---	---	---	---
Classified as held for sale	---	---	---	---	---	---	---	---
Gross carrying amount	106743603	215965129	387297771	29231548	6851205	9233432	12814340	768137028
Year ended March 31, 2021								
Balance as at April 01, 2020	106743603	215965129	387297771	29231548	6851205	9233432	12814340	768137028
Additions	1390523	24979826	93933304	9180477	3453328	2987320	2008659	137933437
Disposals	---	---	---	---	402817	---	---	402817
Classified as held for sale	---	---	12244566	2422727	823044	4133556	1831640	21455533
Other Adjustments	---	---	---	---	---	---	---	---
Gross carrying amount	108134126	240944955	468986509	35989298	9078672	8087197	12991359	884212116.2
Accumulated Depreciation/Amortisation								
Year ended March 31, 2020								
Balance as at April 01, 2019	---	14169673	181773937	3891927	4256686	4975088	6847227	215914538.4
Depreciation For the Year	---	3755864	23763125	889113	317062	857485	998359	30581008
Deductions / Adjustments	---	---	---	---	---	---	---	---
Accumulated depreciation	---	17925537	205537062	4781040	4573748	-	7845586	246495546.8
Year ended March 31, 2021								
Balance as at April 01, 2020	---	17925537	205537062	4781040	4573748	5832573	7845586	246495547
Depreciation For the Year	---	6857868	36040775	2175818	383887	1202005	1074636	47734991
Depreciation written back	---	---	15858689	---	---	---	---	15858689
Deductions / Adjustments	---	---	11380185	2146179	1043373	4150091	1626186	20346013
Accumulated depreciation	---	24783405	214338962	4810680	3914262	2884487	7294037	258025832
Net Carrying Amount								
As at April 1, 2019	51965000	37085098	137294922	2089447	2316662	1347229	4134471	236232828
As at March 31, 2020	106743603	198039592	181760708.6	24450508	2277457	3400859	4968754	521641481
As at March 31, 2021	108134126	216161550	254647547	31178618	5164411	5202709	5697322	626186284

3	Capital Work in Progress			
	As at April 1, 2019	121387842		
	As at March 31, 2020	65228088		
	As at March 31, 2021	2332747		
4	Investments	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019
	(As valued , verified & certified by the management)			
	Investment in shares , measured at Cost (unquoted)			
	23852 (March 31, 2020: 23832, April 01, 2019: 15162) Shares of Cosmos Bank Ltd of Rs.100 each fully paid up	2385450	2383450	1516450
	Total	2385450	2383450	1516450
5	Other Non-current Financial assets	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019
	(Unsecured and considered good)			
	Fixed Deposits with Banks with maturity more than 12 months	13450230	12674159	13516170
	Total	13450230	12674159	13516170
6	Other Non-current assets	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019
	(Unsecured and considered good)			
	Capital advance	1870048	1251981	12973376
	Security Deposits	22157803	16380321	5179171
	Preliminary Expense	---	2364975	1122290
	Issue Expenses	1025000	125000	---
	Total	25052851	20122277	19274837
7	Inventories	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019
	(As verified, valued & certified by management)			
	Raw Materials	172884291	88603087	89789262
	Semi-finished Goods	171465894	131629145	91341754
	Finished Goods	48900319	29529321	27906385
	Scraps	1167084	469546	206455
	Packing Materials	17124240	17320552	14097721
	Cylinders	34809529	28341123	22011788
	Stores & Spares	20198371	18841201	18690276
	Total	466549728	314733975	264043641
8	Trade Receivables	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019
	Trade Receivables from related parties	---	1302003	1302003
	Other Trade Receivables	216375121	144174281	172754799
		216375121	145476284	174056802
	Less: Allowance for expected credit loss	4327502	---	---
	Total Trade Receivables	212047619	145476284	174056802
	Break up of Security Details:			
	Unsecured, considered good	216375121	144174281	172754799
	Unsecured, considered doubtful	4327502	---	---
	Total	220702623	144174281	172754799

UMA CONVERTER LIMITED
Annual Report - 2020-21

9	Cash and cash equivalents	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019
	Balances with banks			
	- On current accounts	5721972	1996037	899871
	- In Fixed deposits with maturity for less than 3 months	---	---	---
	Cash on hand	1222411	1464089	389218
	Total	6944383	3460126	1289089
10	Bank balances other than Cash and cash equivalent	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019
	- In Fixed deposits with maturity for more than 3 months but less than 12 months from balance sheet date	1132258	5000000	5435584
	- Balances with Banks held as margin money	---	---	---
	- Earmarked Balance with banks	---	---	---
	Total	1132258	5000000	5435584
11	Current Financial assets - Others	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019
	Accrued Income	478252	838407	317682
	Total	478252	838407	317682
12	Other current assets	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019
	Security Deposits	234773	99291	65640
	Prepaid Expenses	2759282	3411501	1323419
	Advances	3714419	3443895	4235675
	Balance with Statutory Authorities	26424263	19881673	5527002
	Total	33132737	26836360	11151736
13	Assets classified as held for sale	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019
	Plant & Machineries	864381	---	---
	Electric Installation	276548	---	---
	Furniture & Office Equipments	90438	---	---
	Vehicles	205454	---	---
	Total	1436821	---	---
14	Equity Share Capital	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019
	AUTHORISED: 15000000 (March 31, 2020 - 15000000, April 01, 2019 - 12000000) Equity Shares of Rs.10/- each	150000000	150000000	120000000
	TOTAL	150000000	150000000	120000000
	ISSUED & SUBSCRIBED 14694286 (March 31, 2020 - 14694286, April 01, 2019 - 6479998) Equity Shares of Rs.10/- each each fully paid up	146942860	146942860	64799980
	TOTAL	146942860	146942860	64799980

UMA CONVERTER LIMITED
Annual Report - 2020-21

(a)	Reconciliation of equity shares outstanding at the beginning and at the end of the year	No. of Shares			Amount			
		As at 31.03.2021	As at 31.03.2020	As at 01.04.2019	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019	
		Outstanding at the beginning of the year	14694286	6479998	6479998	146942860	64799980	64799980
		Add: Issued during the year	---	8214288	---	---	82142880	---
	Outstanding at the end of the year	14694286	14694286	6479998	146942860	146942860	64799980	
(b)	Rights, preferences and restrictions attached to shares							
	The Company has only one class of equity shares having a par value of Re.10 per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts, in proportion of their shareholding. However, no such preferential amounts exist currently.							
(c)	Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company							
	Name of the shareholder	As at 31 March 2021		As at 31 March 2020		As at 1 April, 2019		
		Number of shares	holding in the class	Number of shares	% of holding in the class	Number of shares	% of holding in the class	
	Sumer Raj Lodha	4046188	27.54%	4044188	27.52%	1880734	29.02%	
	Smt Nirmala Lodha	5651101	38.46%	5645101	38.42%	2747858	42.41%	
	Abhishek Lodha	2640214	17.97%	2636214	17.94%	1230067	18.98%	
	Shradha Abhishek Lodha	760000	5.17%	752000	5.12%	376000	5.80%	
(d)	Aggregate number of shares issued for consideration other than cash:							
	Bonus Shares included in share capital	8909997		8909997		2429999		
15	Other Equity			As at 31.03.2021	As at 31.03.2020	As at 01.04.2019		
(a)	Securities premium reserve							
	Opening balance			62514306	36499956	36499956		
	Add : Received during the year			---	26014350	---		
	Closing balance			62514306	62514306	36499956		
(b)	Capital Reserve							
	Opening balance			1000000	1000000	1000000		
	Addition during the year			---	---	---		
	Closing balance			1000000	1000000	1000000		
(c)	Revaluation Reserve							
	Opening balance			50421773	50421773	50421773		
	Addition during the year			---	---	---		
	Closing balance			50421773	50421773	50421773		
(d)	Retained Earnings							
	Opening balance			117752196	149575058	149575058		
	Add: Net profit for the year			47734037	32243312	---		
	Less: Utilised for issue of bonus share			---	64799980	---		
	Add: Income Tax of earlier years			280528	733806	---		
	Closing balance			165766761	117752196	149575058		
(e)	Other items of Other Comprehensive Income							
	Opening balance			-11827	0	--		
	Re-measurement gain/(loss) on defined benefit plans (net of tax)			468227	-11827	0		
	Closing balance			456400	-11827	0		
	Total Other Equity			280159240	231676448	237496787		
16	Non-Current Borrowings			As at 31.03.2021	As at 31.03.2020	As at 01.04.2019		
	Secured							
	Term Loans from Banks and Financial Institutions							
	Term Loans			256913634	242266319	56602226		
	Vehicle Loans			1762929	1084776	--		
	Unsecured Loans & Advances from:							
	Directors & Relatives			83081240	41993311	10042886		
	Companies			10155096	---	---		
	Security Deposits			---	7072567	7372567		
	Total			351912899	292416973	74017679		

Nature of Securities and terms of repayment for Long Term Borrowings:	
Term Loans:	
A	Indian rupee Term loan of Rs.106.63 Lacs from Cosmos Bank, Ahmedabad carries interest @ 10% p.a. and subject to change as per bank norm's from time to time, change in base rate, and credit rating of the account. The term loan is repayable in 101 Monthly instalment, instalment is of from time to time, change in base rate, and credit rating of the account. The term loan is repayable in 101 Monthly instalment, instalment is of Rs. 1.37 Lacs each commencing from Dec. 2014. The term loan is secured by Equitable mortgage of industrial land situated at Block No. 868 and 871, Village Santej, Taluka Kalol, Dist. Gandhinagar, Gujrat, Equitable Mortgage of Office Building situated at A/36, Circle B Building, Judges Bungalow Road, S.G. Highway, Ahmedabad belonging to the promoter director and hypothecation of plant and machinery and other assets excluding vehicles financed by other banks/institution. Further, the loan has been guaranteed by the personal guarantee of the promoter directors of the company.
B	Indian rupee Term loan of Rs. 128.34 Lacs from Cosmos Bank, Ahmedabad carries interest @ 10% p.a. and subject to change as per bank norm's from time to time, change in base rate, and credit rating of the account. The term loan is repayable in 101 Monthly instalment, instalment is of Rs. 1.61 Lacs each commencing from Dec. 2014 . The term loan is secured by Equitable mortgage of industrial land situated at Block No. 868 and 871, Village Santej, Taluka Kalol, Dist. Gandhinagar, Gujrat, Equitable Mortgage of Office Building situated at A/36, Circle B Building, Judges Bungalow Road, S.G. Highway, Ahmedabad belonging to the promoter director and hypothecation of plant and machinery and other assets excluding vehicles financed by other banks/institution. Further, the loan has been guaranteed by the personal guarantee of the promoter directors of the company.
C	Indian rupee Term loan of Rs. 61.01 Lacs from Cosmos Bank, Ahmedabad carries interest @ 10% p.a. and subject to change as per bank norm's from time to time, change in base rate, and credit rating of the account. The term loan is repayable in 66 Monthly instalment, instalment is of Rs. 1.39 Lacs each, has a moratorium Period of six month and installment would commencing from July 2015 and The term loan is secured by Equitable mortgage of industrial land situated at Block No. 868 and 871, Village Santej, Taluka Kalol, Dist. Gandhinagar, Gujrat, Equitable Mortgage of Office Building situated at A/36, Circle B Building, Judges Bungalow Road, S.G. Highway, Ahmedabad belonging to the promoter director and hypothecation of plant and machinery and other assets excluding vehicles financed by other banks/institution. Further, the loan has been guaranteed by the personal guarantee of the promoter directors of the company.
D	Indian rupee Term loan of Rs. 300.00 Lacs from Cosmos Bank, Ahmedabad carries interest @ 10.30% p.a. and subject to change as per bank norm's from time to time, change in base rate, and credit rating of the account. The term loan is repayable in 90 Monthly instalment, instalment is of Rs. 4.97 Lacs each, has a moratorium Period of six month and installment would commencing from April, 2019 and The term loan is secured by Equitable mortgage of industrial land situated at Block No. 868 and 871, Village Santej, Taluka Kalol, Dist. Gandhinagar, Gujrat, Equitable Mortgage of Office Building situated at A/36, Circle B Building, Judges Bungalow Road, S.G. Highway, Ahmedabad belonging to the promoter director and hypothecation of plant and machinery and other assets excluding vehicles financed by other banks/institution. Further, the loan has been guaranteed by the personal guarantee of the promoter directors of the company.
E	Indian rupee Term loan of Rs. 320.00 Lacs from Cosmos Bank, Ahmedabad carries interest @ 10.30% p.a. and subject to change as per bank norm's from time to time, change in base rate, and credit rating of the account. The term loan is repayable in 90 Monthly instalment, instalment is of Rs. 5.67 Lacs each, has a moratorium Period of six month and installment would commencing from Dec, 2017 and The term loan is secured by Equitable mortgage of industrial land situated at Block No. 868 and 871, Village Santej, Taluka Kalol, Dist. Gandhinagar, Gujrat, Equitable Mortgage of Office Building situated at A/36, Circle B Building, Judges Bungalow Road, S.G. Highway, Ahmedabad belonging to the promoter director and hypothecation of plant and machinery and other assets excluding vehicles financed by other banks/institution. Further, the loan has been guaranteed by the personal guarantee of the promoter directors of the company.

F	Indian rupee Term loan of Rs. 850 Lacs from Cosmos Bank, Ahmedabad carries interest @ 10.55% p.a. and subject to change as per bank norm's from time to time, change in base rate, and credit rating of the account. The term loan is repayable in 84 Monthly instalment of Rs. 13.01 Lacs each, has a moratorium Period of 12 month and installment to commence from DEC 2020 and The term loan is secured by Equitable mortgage of industrial land situated at 291,294,295,296, Old Block No 171/P,162,161,175, situated , lying and being at Mouje: Timba, Taluka , Daskroi District Ahmedabad , Gujrat, Equitable Mortgage of Plant & Machinery to be purchased/ imported .
G	Indian rupee Term loan of Rs.1350 Lacs from Axis Bank, Ahmedabad carrying interest @ 9.35 % p.a. and Foreign currency 6 month LIBOR + 400 bps, payable monthly (200 bps to be taken as arrangement fee out of 400) The Loan repayable in Period of 75 Monthly Installment of Rs.19.56 Lac each (27950 USD) has a moratorium of 15 Month and installment to commence from Mar 2020, The term loan is secured by mortgage of industrial land situated at 291,294,295,296, Old Block No 171/P,162,161,175, situated , lying and being at Mouje: Timba, Taluka , Daskroi District Ahmedabad , Gujrat, Equitable Mortgage of Plant & Machinery to be purchased/ imported .
H	Indian rupee Secured loan of Rs. 9.90 Lacs from COSMOS BANK carries interest @ 8.25% P.A. with monthly rest . The secured loan is repayable in 36 equated monthly instalments of Rs. 0.31 Lacs for principle and interest . The directors have given hypothecation of Vehicle [MAHINDRA MARAZZO] as security against the above loan.
I	Indian rupee Secured loan of Rs. 6.93 Lacs from COSMOS BANK carries interest @ 10.55% P.A. with monthly rest . The secured loan is repayable in 60 equated monthly instalments of Rs. 0.15 Lacs for principle and interest . The directors have given hypothecation of Vehicle [BOLERO PICK UPI] as security against the above loan.
J	in the base rate , and credit rating of the accounts. The term loan is repayable in 60 Monthly installment of Equal per month , no maratorium period is provided The term loan is secured by Equitable mortgafe of industrial land & Building situated at 868 & 871, Vilalge Santej, Office No. A-36 4th Floor , Circle B , Judges Banglow, S.G Highway Road , Bodakdev, OP N/a Residential land at S. Plot No .3 , Revenue Survey No.14914,Bodakdev , Survey No 291/p,294,295,296 at timba , Taluka Daskroi
K	India rupee Term Loan (CBCTL-Adhoc) of Rs.200 Lacs from COSMOS Bank , Ahmedabad carries interest @ 10.00 % P.A and subject to change as per bank norm's from time to time , change The term loan is repayable in 36 Month instalment of Rs. 9.22 Lacs each, and moratorium Period of 12 month + amount is repayable in next 24 months The term loan is secured by Equitable mortgafe of industrial land & Building situated at 868 & 871, Vilalge Santej, Office No A-36 4th Floor , Circle B , Judges Banglow, S.G Highway Road , Bodakdev, OP N/a Residential land at S. Plot No .3 , Revenue Survey No.14914,Bodakdev , Survey No 291/p,294,295,296 at timba , Taluka Daskroi
L	India rupee Term Loan (EGCL) of Rs.450 Lacs from Axis Bank Ltd , Ahmedabad carries interest @ 8.50 % P.A and subject to change as per bank norm's from time to time , change The term loan is repayable in 36 Month instalment of Rs. 12.50 Lacs each, and moratorium Period of 12 month + amount is repayable in next 36 months The term loan is secured by Equitable mortgafe of industrial land & Building situated at 868 & 871, Vilalge Santej, Office No A-36 4th Floor , Circle B , Judges Banglow, S.G Highway Road , Bodakdev, OP N/a Residential land at S. Plot No .3 , Revenue Survey No.14914,Bodakdev , Survey No 291/p,294,295,296 at timba , Taluka Daskroi
M	Indian rupee Secured loan of Rs. 15.84 Lacs from Axis Bank carries interest @ 9.00 P.A. with monthly rest . The secured loan is repayable in 32 equated monthly instalments of Rs. 0.48 Lacs for principle and interest . The directors have given hypothecation of Vehicle [SELTOS KIA] as security against the above loan.
N	The company does not have any default in repayment of loans and interest as at the reporting date.

UMA CONVERTER LIMITED
Annual Report - 2020-21

17	Non Current Provisions	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019
	Provision for Gratuity	2578559	2345767	1362529
	Total	2578559	2345767	1362529
18	Deferred Tax Liabilities (Net)	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019
	Deferred Tax Liability Fixed Assets: Impact of difference between tax depreciation and depreciation charges to financial reporting.	32979000	18030000	16680429
	Deferred Tax Asset: Employees retirement benefits charged to statement of profit & loss but allowed for tax on payment basis.	785000	716000	--
	Allowance for Expected Credit loss	1204000	--	--
	Deferred Tax Liabilities (Net)	30990000	17314000	16680429
19	Short Term Borrowings	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019
	Working Capital from Banks			
	Secured			
	Cash Credit	183937963	114792027	192969508
	Overdraft	--	4747382	42656997
	Foreign/ Inland Letter of Credit	0	52865347	48963436
	Working capital Demand Loan	60000000	60000000	0
	Unsecured			
	Loans from Directors & Relatives			1908615
		243937963	232404756	286498556
a)	Indian rupee Working Capital Limits of Rs. 1000.00 Lacs including WCDL of Rs. 600 Lacs (with sub limit of Rs. 200 Lacs as PCFC/PC, carrying interest at 9.75% p.a. from Cosmos Bank, Ahmedabad) carrying interest @ 10.55% p.a subject to 9.80% on WCDL and subject to change in base rate, and credit rating of the account. The above limits are secured by Equitable mortgage of industrial land situated at Block No. 868 and 871, Village Santej, Taluka Kalol, Dist. Gandhinagar, Equitable Mortgage of Office Building situated at A/36, 4th Floor, Circle B Building, Judges Bungalow Road, S.G. Highway, Ahmedabad and Residential Open Plot, Plot No. 3 of Revenue Survey No. 14914 of Bodakdev, Ahmedabad belonging to the promoter director and hypothecation of plant and machinery and other assets excluding vehicles financed by other banks/ institution. Further, the loan has been guaranteed by the personal guarantee of the promoter directors of the company.			
b)	Indian rupee Working Capital Limits of Rs. 1000.00 Lacs including WCDL for Rs. 800 Lacs (with sub limit of Rs. 200 Lacs as EPC/PSC/EBRD/PSCFC, carrying interest at 8.90% p.a. plus MCLR from Axis Bank, Ahmedabad) carrying interest @ 10.30% p.a subject to 9.90% p.a. on WCDL and subject to change in base rate, and credit rating of the account. The above limits are secured by pari passu second charge over Equitable mortgage of industrial land situated at Block No. 868 and 871, Village Santej, Taluka Kalol, Dist. Gandhinagar, Equitable Mortgage of Office Building situated at A/36, 4th Floor, Circle B Building, Judges Bungalow Road, S.G. Highway, Ahmedabad and Residential Open Plot, Plot No. 3 of Revenue Survey No. 14914 of Bodakdev, Ahmedabad belonging to the promoter director and hypothecation of plant and machinery and other assets excluding vehicles financed by other banks/institution. Further, the loan has been guaranteed by the personal guarantee of the promoter directors of the company.			
c)	Indian rupee Working Capital Limits of Rs. 1000.00 Lacs which includes sub limits for Overdraft, WCDL, Import Line, Import/Buyer Facility: Post Shipment buyer loan - Domestic Purchase Finance, Import/Buyer Facility: Import Documentary Credit Facility at 8.40%_p.a. plus MCLR and 'Fresh Term Loan limits of Rs. 470.00 Lacs from HSBC Bank, Ahmedabad) carrying interest @ 8.25% p.a. - 3 Months TBIL ()+ subject to change in base rate, and credit rating of the account. The above limits are secured by First pari passu charge over Equitable mortgage of industrial land and Building situated at Block No. 868 and 871, Village Santej, Taluka:Kalol, Dist. Gandhinagar, Equitable Mortgage of Office Building situated at A/36, 4th Floor, Circle B Building, Judges Bungalow Road, S.G. Highway, Ahmedabad, Residential Open Plot, Plot No. 3 of Revenue Survey No. 14914 of Bodakdev, Ahmedabad and Industrial Land and Building Situated at Block No. 291, 291/p, 294, 295 & 296, Village: Timba, Tal.: Dascroi, Ahmedabad belonging to the Company and promoter directors namely Mr. Sumer Raj Lodha and Mrs. Nirmala Lodha and hypothecation of plant and machinery and other assets excluding vehicles financed by other banks/institutions. Further, the loan has been guaranteed by the personal guarantee of the promoter directors of the company.			
d)	Inland Letter of Credit sanctioned for Rs. 11 Cr to be used against procurement of Raw Material, Packing Material, Stores and Spares having Commission/Charges of 1.25% p.a. plus applicable taxes, if any, payable upfront. Bank Guarantee as sublimit of LC sanctioned at Rs. 4Cr having commission of 1.30% plus applicable taxes, if any, payable upfront.			
e)	Foreign Letter of Credit as sublimit of LC (upto sanctioned limit of LC of Rs. 11 Cr) to be used against procurement of Raw Material, Packing Material, Stores and Spares having Commission/Charges of 1.25% p.a. plus applicable taxes, if any, payable upfront.			

UMA CONVERTER LIMITED
Annual Report - 2020-21

20	Trade Payables	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019
	Trade Payables			
	--Payable to related parties	56000	---	---
	--Payable to Medium, small & micro enterprises	2500391	223237	333856
	--Payable to Others	258083712	166299438	118679316
	Total	260640103	166522675	119013172.1
21	Other financial liabilities-Current	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019
	Current Maturities of long term debts	58471070	20766210	32009588
	Interest Accured and Not Due	991055	1303148	285895
	Outstanding exps	8891434	2764365	6462770
	Total	68353559	24833723	38758253
22	Other Current liabilities	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019
	Advances from Customers	729014	888018	2068755
	Statutory Duties & Taxes	2590903	2422378	4519852
	Other Current Liabilities	200000	211521	
	Total	3519917	3521917	6588607
23	Short term provision	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019
	Provision for Gratuity	243351	227107	92126
	Total	243351	227107	92126
24	Current tax liabilities (net)	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019
	Current Tax Provision for the year	11383000	7709000	16726162
	Less: Advance Tax paid (including TDS & TCS)	9720471	7709000	14000000
	Total	1662529	---	2726162
25	Revenue from Operations		For the year ended 31.03.2021	For the year ended 31.03.2020
	Sales of Products		1507401234	976259368
	Sales of Traded Goods		66711859	55214360
	Sales of Service		6478552	3943748
	Export Entitlement Benefits		737857	492703
	Total		1581329502	1035910180
26	Other Income		For the year ended 31.03.2021	For the year ended 31.03.2020
	Interest Received		1694121	1639728
	Insurance Claims		556806	257307
	Forex Gain (Net)		4956425	1135854
	Liabilities written Back		2210850	---
	Miscellaneous Income		362927	330046
	Total		9781129	3362935
27	Cost of Material Consumed		For the year ended 31.03.2021	For the year ended 31.03.2020
	Raw Material Consumed			
	Opening Stock		88603086	89789262
	Purchases		1189519834	714246274
			1278122920	804035536
	Less: Closing Stock		172884291	88603086
	Total		1105238629	715432450

UMA CONVERTER LIMITED
Annual Report - 2020-21

28	Changes in inventories of finished goods, stock-in-trade and work-in-progress	For the year ended 31.03.2021	For the year ended 31.03.2020
	Opening Stock		
	Semi-finished Goods	131629145	91341754
	Finished Goods	29529320	27906385
	Scraps	469546	206455
	TOTAL	161628011	119454594
	Closing Stock		
	Semi-finished Goods	171465894	131629145
	Finished Goods	48900319	29529321
	Scraps	1167084	469546
		221533297	161628012
	Change in inventories	-59905287	-42173418
29	Manufacturing Expenses	For the year ended 31.03.2021	For the year ended 31.03.2020
	Repairs & Maintenance	9184579	8858972
	Consumables, Stores & Spares	14776268	9438224
	Cylinders Consumed	8944271	6881145
	Power & Fuel	48703438	37654129
	Freight & Loading & Unloading Expenses	4741332	2951097
	Clearing & Forwarding Expenses	5245684	1466526
	Packing Materials Consumed	19462764	11075594
	Machine Hire Charges	20559031	6821307
	Factory Expenses	1845470	1547234
	Job Charges Paid	2770263	1354097
	Testing Expenses	273972	241436
	Security Charges	3114145	2140270
	Other Manufacturing Expenses	219815	141092
	Total	139841033	90571123
30	Employee Benefit Expense	For the year ended 31.03.2021	For the year ended 31.03.2020
	Salaries, Wages & Bonus	121183622	81570155
	Contribution to Provident & Other Funds	3996971	4154247
	Employees' Welfare Expenses	5134512	3608316
	Total	130315105	89332718
31	Financial Cost	For the year ended 31.03.2021	For the year ended 31.03.2020
	Interest	38897259	34699134
	Bank Commission and charges	8529093	2381422
	Total	47426352	37080556
32	Depreciation/Amortization	For the year ended 31.03.2021	For the year ended 31.03.2020
	Depreciation for the year	47734991	30581008
	Less: Depreciation written back on change of method (Refer Note No. 44)	15858689	---
	Total	31876302	30581008

UMA CONVERTER LIMITED
Annual Report - 2020-21

33	Other Expenses	For the year ended 31.03.2021	For the year ended 31.03.2020
	Audit Fees	300000	300000
	Advertisement Expenses	25000	86500
	Commission	435929	---
	Telecommunication Expenses	404357	153962
	Insurance Premium	5372201	2008247
	Legal & Professional Fees & Expenses	3036936	1139265
	Rent, Rates and Taxes	1777999	1224536
	Printing & Stationery Expenses	536500	291873
	Vehicle Expenses	1919740	1397720
	Membership & Subscription	53300	47970
	Corporate Social Responsibility Expenses	1470740	577000
	Freight, Clearing & Forwarding Expenses	16984371	9840123
	Travelling Expenses	133505	763666
	Selling & Distribution Expenses	242286	1798292
	Discount on Sales	2201958	1989636
	Balances Written Off	1332438	--
	Loss on sale of assets	56514	--
	Allowance for Expected Credit Loss	4327502	--
	Miscellaneous Expenses	4890622	3207166
	TOTAL	45501898	24825956
34	Payment to Auditors	For the year ended 31.03.2021	For the year ended 31.03.2020
	Statutory Audit Fee	300000	300000
	For Taxation Matters	74000	20000
	For Certification	14000	---
	For Others (Reports etc.)	75000	30000
	Total	463000	350000
35	First-time adoption of Ind-AS		
	<p>These financial statements are the first set of Ind AS financial statements prepared by the Company. Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for year ending on 31 March 2021 together with the comparative year data as at and for the year ended 31st March 2020 as described in the significant accounting policies. The transition to Ind AS has been carried out in accordance with Ind AS 101. "First time adoption of Indian Accounting Standards" with 1st April, 2019 as the transition date.</p> <p>This note explains the exemptions availed by the company on first time adoption of Ind As and the principal adjustment made by the company in restating its Indian GAAP financial statements as at 1st April 2019 and financial statements as at and for the year ended 31st March 2020 in accordance with Ind AS 101.</p>		
	<p>i. Exemptions availed on first time adoption of Ind AS</p> <p>Ind AS 101, First-time Adoption of Indian Accounting Standards, allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has accordingly applied the following exemptions.</p> <p>(a) Deemed Cost Since there is no change in the functional currency, the Company has elected to continue with carrying value for all of its property, plant and equipment as recognized in its Indian GAAP financial statements as its deemed cost at the date of transition after making adjustments for decommissioning liabilities. Accordingly the management has elected to measure all of its property, plant and equipment at their Indian GAAP carrying value.</p> <p>(b) Estimates An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with Indian GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.</p> <p>(c) The Company has availed the exemption of fair value measurement of financial assets or liabilities at initial recognition and accordingly will apply fair value measurement of financial assets or liabilities at initial recognition prospectively to transactions entered into on or after 1st April 2019.</p>		

ii.	<p>Notes to the reconciliation of equity as at 1st April,2019 and 31st March,2020 and Total comprehensive Income for the year ended 31st March,2020</p> <p>a) Defined benefit obligation Under Ind AS remeasurements i.e. actuarial gains and losses are to be recognized in " other comprehensive income" and are not to be reclassified to profit and loss in a subsequent period. Under the Indian GAAP , these remeasurements were forming part of the profit or loss . Therefore , actuarial gain / loss has been recognized in OCI which was earlier recognized as Employee benefits expenses. However, the same has no impact on the total equity .</p> <p>b) Deferred Tax Under Indian GAAP, deferred tax was recognized for the temporary timing differences which focus on differences between taxable profits and accounting profits for the period. Ind AS requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between carrying amount of an asset or liability in the balance sheet and its tax base. Further, the application of Ind AS has resulted in recognition of deferred tax on certain temporary differences which was not required under Indian GAAP. Accordingly, deferred tax adjustments have been recognized in correlation to the underlying transaction in retained earning /OCI in accordance with Ind AS.</p>							
iii.	The transition from Indian GAAP to Ind AS has not had a material impact on statement of cash flows.							
Reconciliation of Balance Sheet as on 31st March , 2020 and 01st April 2019								
		As at 31st March 20				As at 01st April, 2019		
	Notes to first time Adoption	As per Indian GAAP	Ind AS adjustments	As per Ind AS	As per Indian GAAP	Ind AS adjustments	As per Ind AS	
Particulars								
ASSETS								
Non-current assets								
Property, plant and equipment		521641481	0	521641481	236232828	0	236232828	
Capital work-in-progress		65228088	0	65228088	121387842	0	121387842	
Financial assets								
Investments		2383450	0	2383450	1516450	0	1516450	
Other financial assets		12674159	0	12674159	13516170	0	13516170	
Other non-current assets		20122277	0	20122277	19274837	0	19274837	
Total non-current assets		622049455	0	622049455	391928127	0	391928127	
Current assets								
Inventories		314733975	0	314733975	264043641	0	264043641	
Financial assets								
Trade receivables		145476284	0	145476284	174056802	0	174056802	
Cash and cash equivalents		3460126	0	3460126	1289089	0	1289089	
Bank balances other than cash		5000000	0	5000000	5435584	0	5435584	
Other financial assets		838407	0	838407	317682	0	317682	
Other current assets		26836360	0	26836360	11151736	0	11151736	
Total current assets		496345152	0	496345152	456294534	0	456294534	
TOTAL ASSETS		1118394607	0	1118394607	848222661	0	848222661	
EQUITY AND LIABILITIES								
Equity								
Equity share capital		146942860	0	146942860	64799980	0	64799980	
Other Equity		231864829	1,88,381	231676448	237685168	1,88,381	237496787	
Total Equity		378807689	188381	378619308	302485148	188381	302296767	
Non-current liabilities								
Financial liabilities								
Borrowings		292416973	0	292416973	74017679	0	74017679	
Long term provisions		2345767	0	2345767	1362529	0	1362529	
Deferred Tax Liabilities (Net)		17314000	0	17314000	16680429	0	16680429	
Total non-current liabilities		312076740	0	312076740	92060637	0	92060637	
Current liabilities								
Financial liabilities								
Borrowings		232404756	0	232404756	286498556	0	286498556	
Trade payables		166522675	0	166522675	119013172	0	119013172	
Other financial liabilities		24833723	0	24833723	38758253	0	38758253	
Other current liabilities		3521917	0	3521917	6588607	0	6588607	
Short term provision		227107	0	227107	92126	0	92126	
Current tax liabilities (net)		0	0	0	2726162	0	2726162	
Total current liabilities		427510178	0	427510178	453676876	0	453676876	
TOTAL LIABILITIES		739586918	0	739586918	545737513	0	545737513	
TOTAL EQUITIES AND LIABILITIES		1118394607	188381	1118206226	848222661	1,88,381	848034280	

Note:

The figures of Indian GAAP have been reclassified to confirm to presentation requirements of Division II of Schedule III of Companies Act, 2013 as applicable to a company whose financial statements are required to be drawn up in compliance of the (Indian Accounting Standards) Rules, 2015

Reconciliation of total Comprehensive Income for the year ended 31st March, 2020				
Particulars	Notes to first time Adoption	As at 31st March 2020		
		As per Indian GAAP	Ind AS adjustments	As per Ind AS
Revenue:				
Revenue from operations (net)		1035910180	0	1035910180
Other income		3362935	0	3362935
Total revenue		1039273115	0	1039273115
Expenses:				
Cost of material Consumed		715432450	0	715432450
Purchase of Stock-in-trade		53032281	0	53032281
Changes in inventories of Finished goods, work-in-progress, Stock in Trade		-42173418	0	-42173418
Manufacturing & Operating Costs		90571123	0	90571123
Employee benefit expenses	35(ii)(a)	89349103	-16385	89332718
Finance costs		37080556	0	37080556
Depreciation and amortization expense		30581008	0	30581008
Other expenses		24825956	0	24825956
Total Expenses		998699059	-16385	998682674
Profit/(loss) before exceptional, extraordinary items & tax	35(ii)(a)	40574056	16385	40590441
Exceptional Items/ Extraordinary items		0	0	0
Profit/(loss) before tax		40574056	16385	40590441
Tax expense :				
(i) Current tax		7709000	0	7709000
(ii) Deferred Tax	35(ii)(a), (b)	633571	4558	638129
Total tax expense		8342571	4558	8347129
Profit/(loss) For the year		32231485	11827	32243312
Other Comprehensive Income				
(a) Gain (Loss) on Remeasurement of Defined Benefit Plans	35(ii)(a)	0	-16385	-16385
(b) Income Tax relating to above items	35(ii)(a), (b)	0	4558	4558
Other Comprehensive Income for the period/year		0	-11827	-11827
Total Comprehensive Income for the year		32231485	0	32231485
Note: The figures of Indian GAAP have been reclassified to confirm to presentation requirements of Division II of Schedule III of Companies Act, 2013 as applicable to a company whose financial statements are required to be drawn up in compliance of the (Indian Accounting Standards) Rules, 2015				

Reconciliation of Equity				
Nature of Adjustments	As on March 31, 2020		As on April, 2019	
	Equity as per Previous GAAP		378807689	302485148
Deferred tax impact for Ind AS Adjustments		0	0	
Equity as per Ind AS		378619308	302296767	
36 (a) Financial Instruments by Category				
(i) The carrying values and fair values of financial instruments at the end of each reporting periods is as follows:				
Particulars	As at 31st March, 2021			
	At FVTOCI	Amortised Cost	Total carrying values	Total fair Value
Assets:				
Investments (Non Current)	--	2385450	2385450	2385450
Other Financial Non- current assets	--	13450230	13450230	13450230
Trade Receivables	--	212047619	212047619	212047619
Cash & Cash Equivalents	--	6944383	6944383	6944383
Bank balances other than cash and cash equivalents	--	1132258	1132258	1132258
Other Financial current assets	--	478252	478252	478252
Total	--	236438192	236438192	236438192
Liabilities:				
Borrowings	--	351912899	351912899	351912899
Borrowings (Current)	--	243937963	243937963	243937963
Trade Payables	--	260640103	260640103	260640103
Other Financial Liabilities (Current)	--	68353559	68353559	68353559
Total	--	924844524	924844524	924844524

UMA CONVERTER LIMITED
Annual Report - 2020-21

Particulars	As at 31.3.2020			
	At FVTOCI	Amortised Cost	Total carrying values	Total fair Value
Assets:				
Investments (Non Current)	--	2383450	2383450	2383450
Other Financial Non- current assets	--	12674159	12674159	12674159
Trade Receivables	--	145476284	145476284	145476284
Cash & Cash Equivalents	--	3460126	3460126	3460126
Bank balances other than cash and cash equivalents	--	5000000	5000000	5000000
Other Financial current assets	--	838407	838407	838407
Total	--	169832426	169832426	169832426
Liabilities:				
Borrowings	--	292416973	292416973	292416973
Borrowings (Current)	--	232404756	232404756	232404756
Trade Payables	--	166522675	166522675	166522675
Other Financial Liabilities (Current)	--	24833723	24833723	24833723
Total	--	716178127	716178127	716178127
Particulars	As at 01.04.2019			
	At FVTOCI	Amortised Cost	Total carrying values	Total fair Value
Assets:				
Investments (Non Current)	--	1516450	1516450	1516450
Other Financial Non- current assets	--	13516170	13516170	13516170
Trade Receivables	--	174056802	174056802	174056802
Cash & Cash Equivalents	--	1289089	1289089	1289089
Bank balances other than cash and cash equivalents	--	5435584	5435584	5435584
Other Financial current assets	--	317682	317682	317682
Total	--	196131777	196131777	196131777
Liabilities:				
Borrowings	--	74017679	74017679	74017679
Borrowings (Current)	--	286498556	286498556	286498556
Trade Payables	--	119013172	119013172	119013172
Other Financial Liabilities (Current)	--	38758253	38758253	38758253
Total	--	518287660	518287660.1	518287660
(b) Fair Value Measurement				
(i) Fair Value hierarchy				
Level 1- Quoted prices (unadjusted) in active markets for identical assets or liabilities				
Level 2- Inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e.as prices) or indirectly (i.e. derived from prices)				
Level 3- Input for the assets or liabilities that are not based on observable market data (unobservable inputs)				
(ii) The following table presents fair value hierarchy of assets and liabilities measured at fair value: As 31st March 2021				
(a) Equity Investments				
The investment in shares of Cosmos Bank Ltd. is fair value based on the information available and the fair value as derived approximates its carrying value.				
(b) Other than Equity Investments	NIL			
37 The details of Contingent Liabilities and Commitments (to the extent not provided for):				
Particulars	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019	
Contingent Liabilities:				
(i) Bank Guarantee	11416544	7681503	17197503	
(ii) Sales tax Demand	--	--	811613	
(iii) Bond to custom Authorities export obligation	10316000	10316000	10316000	
Total	21732544	17997503	28325116	
Capital Commitments outstanding to be executed	48701799	2822135	---	

38	Based on review carried out as on 31.03.2021, no impairment loss is required to be provided for as per Accounting Standard 28 on "Impairment of Assets".			
39	Calculation for Earning per share			
	Earning per Share		AS AT March 31, 2021	AS AT March 31, 2020
	Net Profit after Tax	Rs.	47734037	32243312
	Nominal Value of equity share	Rs.	10	10
	Weighted average number of equity shares	Nos.		
	- for Basic EPS		14694286	13641103
	- for Diluted EPS		14694286	13641103
	Basic EPS	Rs.	3.25	2.36
	Diluted EPS	Rs.	3.25	2.36
40	The outstanding amount of Rs. 25.00 lakhs (Rs.2.23 lakhs) due to those Micro, Small and Medium Enterprises who have reported to the company as MSME Enterprise under the Micro, Small and Medium Enterprises Development Act, 2006 (MSME). However, in the considered view of the management and as relied upon by the auditors, impact of interest, if any that may be payable in accordance with the provisions of this Act is not expected to be material.			
41	Related Party Transactions:			
(a)	List of Related Parties with whom transactions have taken place during the year and relationship:			
	<u>Name of the Related Party</u>	<u>Relationship</u>		
	1 Sumer Raj Lodha	Key Management Person		
	2 Smt. Nirmala Lodha	Key Management Person		
	3 Abhishek Lodha	Key Management Person		
	4 Ashish Bhandari	Key Management Person		
	6 Parth Kamdar	Key Management Person		
	7 Shraddha Lodha	Relative of KMP		
(b)	Transactions during the year with Related Parties:			
	Nature of Transaction	Key Managerial Personnel		Relative of KMP
	Remuneration Paid			
	1 Sumer Raj Lodha	7875000		
	2 Smt. Nirmala Lodha	7187500		
	3 Abhishek Lodha	6612500		
	4 Ashish Bhandari	1044524		
	5 Parth Kamdar	431320		
	6 Shraddha Lodha		1715000	
	Interest Paid			
	1 Sumer Raj Lodha	40945		
	2 Smt. Nirmala Lodha	7260		
	Rent paid			
	1 Sumer Raj Lodha	168000		
	2 Smt. Nirmala Lodha	168000		
	Loan taken			
	1 Sumer Raj Lodha	36350000		
	2 Smt. Nirmala Lodha	7650000		
	3 Abhishek Lodha	3700000		
	Loan repaid			
	1 Sumer Raj Lodha	3200830		
	2 Nimala Lodha	2405870		
	3 Abhishek Lodha	1049961		
(c)	Outstandings			
	Loan			
	1 Sumer Raj Lodha	51678561		
	2 Nirmala Lodha	18456900		
	3 Abhishek Lodha	12945779		
	Payables			
	Sumer Raj Lodha	28000		
	Nirmala Lodha	28000		

42	Derivatives Instruments:			
	(a) Derivatives outstanding as at the Balance Sheet Date:			
	Currency	Exposure to Buy / Sell	No. of Contracts	As at the year ended
				Rs. Lacs
		---	---	---
	(b) Foreign currency exposure at the year end not hedged by derivative instruments:			
	Particulars	As at 03/31/21	As at 03/31/20	
	Payable against import of goods & services			
	In Rupees	3860550	2815323	
	US Dollar	51750	36570	
	Payable against bank term loan			
	In Rupees	110081729	128551203	
	US Dollar	1448398	1699499	
	Receivable against export of goods and services			
	In Rupees	10262512	1646090	
	US Dollar	141189	22202	
	The Company entered in to derivative contracts strictly for hedging purposes only and not for trading or speculation purposes.			
43	Disclosure pursuant to Accounting Standard-17 "Segment Reporting": During the year under consideration, the company operated only one segment i.e., manufacturing and trading of flexible packaging materials.			
44	The company is charging depreciation on all assets on straight line basis since beginning except on some plant and machineries on written down value method. The company has changed the method of depreciation from written down value method to straight line method on such plant and machineries during the year to follow the same method of depreciation for all the fixed assets. Due to change in method of depreciation, the excess depreciation charged till previous year amounting to Rs.1,58,58,689 has been written back by crediting to the profit and loss account and debiting to the specific plant and machineries.			
45	Reconciliation of opening and closing balances of Defined Benefit Obligation			
			Gratuity (Non-Funded)	
			2020-21	
	Defined Benefit obligation at beginning of year			2572874
	Current Service Cost			817099
	Interest Cost			175985
	Past Service Cost			312703
	Actuarial (gain)/loss			-648693
	Benefits paid			-408058
	Defined Benefit obligation at year end			2821910
	Reconciliation of opening and closing balances of fair value of Plan Assets			
			Gratuity (Non-Funded)	
			2020-21	
	Fair value of Plan assets at beginning of year			---
	Expected return on plan assets			---
	Actuarial gain/loss			---
	Employer contribution			---
	Benefits paid			---
	Fair value of Plan assets at year end			---
	Actual return on plan assets			---
	Reconciliation of fair value of assets and obligations			
			As at	
			31.03.21	
	Fair value of Plan assets			---
	Present value of obligation			2821910
	Amount recognised in Balance Sheet			2821910
	Expenses recognised in Profit & Loss A/c			
			2020-21	
	Current Service Cost			817099
	Interest Cost			175985
	Past Service Cost			312703
	Expected return on Plan assets			---
	NET COST			1305787

Expenses recognised in OCI		2020-21																			
	Actuarial (gain)/loss		-648693																		
	Total		-648693																		
Investment Details		31.03.21																			
	GOI Securities		--																		
	Public Securities		--																		
	State Government Securities		--																		
	Insurance Policies		--																		
	Others (including bank balances)		--																		
Actuarial assumptions		Gratuity (Non-Funded)																			
		31.03.21																			
		Indian Assured Lives Mortality (2006-08), Ultimate																			
	Mortality Rate		5.00% p.a.																		
	Attrition Rate		6.90% p.a.																		
	Discount rate		N.A.																		
	Expected rate of return on Plan Assets(per annum)		6.00% p.a.																		
	Rate of escalation in salary (Per Annum)																				
46	<p>Corporate Social Responsibility</p> <p>As per Section 135 of the Companies Act, 2013 ('Act'), a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are Healthcare including Preventive healthcare, providing Safe drinking water, sanitation facility, promoting education, Old Age Home maintenance, Environmental sustainability and promotion and development of traditional art and handicrafts. A CSR committee, has been formed by the company as per the Act. The funds were primarily allocated to a corpus and utilised through the year on these activities which are specified in Schedule VII Of the Companies Act, 2013.</p> <p>Particulars</p> <table border="1"> <thead> <tr> <th></th> <th>10.25</th> <th>9.17</th> </tr> </thead> <tbody> <tr> <td>Gross amount required to spent</td> <td></td> <td></td> </tr> <tr> <td>Amount spent during the period/ year</td> <td>14.71</td> <td>5.77</td> </tr> </tbody> </table> <p>Amount expended as follows: (Rs. In Lacs)</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>31.03.2021</th> <th>31.03.2020</th> </tr> </thead> <tbody> <tr> <td>i) Construction/acquisition of any asset</td> <td>--</td> <td>-</td> </tr> <tr> <td>ii) For purpose other than (i) above</td> <td>14.71</td> <td>5.77</td> </tr> </tbody> </table>				10.25	9.17	Gross amount required to spent			Amount spent during the period/ year	14.71	5.77	Particulars	31.03.2021	31.03.2020	i) Construction/acquisition of any asset	--	-	ii) For purpose other than (i) above	14.71	5.77
	10.25	9.17																			
Gross amount required to spent																					
Amount spent during the period/ year	14.71	5.77																			
Particulars	31.03.2021	31.03.2020																			
i) Construction/acquisition of any asset	--	-																			
ii) For purpose other than (i) above	14.71	5.77																			
47	<p>Financial Risk Management</p> <p>The principal financial assets of the Company include loans, trade and other receivables, and cash and bank balances that derive directly from its operations. The principal financial liabilities of the company, include loans and borrowings, trade and other payables and the main purpose of these financial liabilities is to finance the day to day operations of the company.</p> <p>The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks and that advises on financial risks and the appropriate financial risk governance framework for the Company.</p> <p>This note explains the risks which the company is exposed to and policies and framework adopted by the company to manage these risks:</p> <p>Market Risk</p> <p>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 prices comprise three types of risk: foreign currency risk, interest rate risk, investment risk.</p> <p>(i) Foreign currency risk</p> <p>The company operates internationally and business is transacted in several currencies.</p> <p>The export sales of company comprise around 4% of the total sales of the company, Further the company also imports certain assets and material from outside India. The exchange rate between the Indian rupee and foreign currencies has changed substantially in the future. Consequently the company is exposed to foreign currency risk and the results of the company may be affected as the rupee appreciates/ depreciates against foreign currencies. Foreign exchange risk arises from the future probable transactions and recognized assets and liabilities denominated in a currency other than company's functional currency.</p> <p>The company measures the risk through a forecast of highly probable foreign currency cash flows and manages its foreign currency risk by appropriately hedging the transactions. The Company uses a derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures.</p>																				

The following table summarizes the company's exposure foreign currency risk from financial instruments at the end of each reporting period:		
Particulars	Foreign Currency	
	As At 31.03.2021	As At 31.03.2020
a) Exposure on account of Financial Assets		
Trade receivables (net of bill discounted) (A)		
In USD	141189	22202
Amount hedged through forwards & options # (B)		
In USD	0	0
Net Exposure to Foreign Currency Assets (C=A-B)		
In USD	141189	22202
b) Exposure on account of Financial Liabilities		
Trade Payables and Bank Loan (D)		
In USD	1500148	1736069
Amount Hedged through forwards & options # (E)		
In USD	0	0
Net Exposure to Foreign Currency Liabilities F=(D-E)		
In USD	1500148	1736069
Net Exposure to Foreign Currency Assets/(Liability) (C-F)		
In USD	-1358959	-1713867
Foreign Currency Risk Sensitivity		
1% appreciation/depreciation of the respective foreign currencies with respect to the functional currency of the Company would result in an increase/decrease in the Company's profit before tax by a negligible amount for the year ended 31st March, 2021 and 31st March, 2020		
(ii) 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. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.		
As the Company has no significant interest-bearing assets, the income and operating cash flows are substantially independent of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates, which are included in interest bearing loans and borrowings in these financial statements. The company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.		
At the reporting date the interest rate profile of the Company's interest bearing financial instrument is at its fair value:		
Exposure to Interest Rate risk		
The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:		
Particulars	31.03.2021	2020
Long term debts from Banks and Financial Institutions	2586.77	2433.51
Current Maturities of long term debts	584.71	207.66
Unsecured Loan		
- From Bank	-	-
- From Related Parties	830.81	419.93
- From Companies	101.55	-
Short term Borrowings from Banks	2,439.38	2,276.57
Overdraft from Bank	-	47.47
Total borrowings	6,543.22	5,385.15
% of Borrowings out of above bearing variable rate of interest	1.00	0.99
Interest rate sensitivity		
A change of 50 bps in interest rate would have following impact on Profit before tax		
		(Rs. In Lacs)
Particulars	31.03.2021	2020
50 bps increase would decrease the profit before tax by	(32.72)	(27.17)
50 bps decrease would increase the profit before tax by	32.72	27.17
(iii) Investment Risk		
The company is exposed to equity price risk arising from equity investments.		
The company manages equity price risk by investing in fixed deposits/Fixed Maturity Plans. The company does not actively trade equity investments. Protection principle is given high priority by limiting company's investments to fixed deposits/Fixed Maturity plans only.		
Liquidity Risk		
The financial liabilities of the company, other than derivatives, include loans and borrowings, trade and other payables. The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company monitors its risk of shortage of funds to meet the financial liabilities using a liquidity planning tool. The company plans to maintain sufficient cash and deposits to meet the obligations as and when fall due.		

The below is the detail of contractual maturities of the financial liabilities of the company at the end of each reporting period:																							
(Rs. In Lacs)																							
Particulars	31.03.2021	2020																					
Borrowings																							
expiring within one year	3,956.45	2,951.64																					
expiring beyond one year	2,586.77	2,433.51																					
	6,543.22	5,385.15																					
Trade Payables																							
expiring within one year	2,606.40	1,665.23																					
expiring beyond one year	-	-																					
	2,606.40	1,665.23																					
Other Financial liabilities																							
expiring within one year	683.54	248.34																					
expiring beyond one year	-	-																					
	683.54	248.34																					
<p>Credit Risk</p> <p>Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables which are typically unsecured. Credit risk on cash and bank balances is limited as the company generally invests in deposits with banks and financial institutions with high credit ratings assigned by credit rating agencies. Investments primarily include investment in shares of bank having proven track record and taken as a stipulation of credit facility availed from them. The Company's credit risk in case of all other financial instruments is negligible.</p> <p>Customer credit risk is managed by each business team subject to the Company's established policy, procedures, and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customers receivables are regularly monitored.</p> <p>The company assesses the credit risk for the overseas customers based on external credit ratings assigned by credit rating agencies. The company also assesses the creditworthiness of the customers internally to whom goods are sold on credit terms in the normal course of business. The credit limit of each customer is defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to overseas customers are generally covered by ECGC.</p> <p>The impairment analysis is performed on client to client basis at each reporting date for major customers. The company has considered an allowance for expected credit loss in case of trade receivables.</p> <p>Write off policy</p> <p>The financial assets are written off, in case there is no reasonable expectation of recovering from the financial asset.</p> <p>Capital Management</p> <p>The capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the company. The Company manages its capital to ensure that it will continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The company monitors capital using a gearing ratio.</p> <p>The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants which otherwise would permit the banks to immediately call loans and borrowings. In order to maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.</p> <p>The Company monitors capital using a gearing ratio, which is net debt divided by total equity.</p> <p>The Company's gearing ratio was as follows:</p> <table border="1" style="width: 100%; text-align: right;"> <thead> <tr> <th colspan="3" style="text-align: right;">(In Lakhs)</th> </tr> <tr> <th>Particulars</th> <th>31.03.2021</th> <th>2020</th> </tr> </thead> <tbody> <tr> <td>Total Borrowings</td> <td>6,543.22</td> <td>5,385.15</td> </tr> <tr> <td>Less: Cash and cash equivalents</td> <td>69.44</td> <td>34.60</td> </tr> <tr> <td>Net debt</td> <td>6,473.78</td> <td>5,350.55</td> </tr> <tr> <td>Total equity</td> <td>4,271.02</td> <td>3,786.19</td> </tr> <tr> <td>Gearing ratio</td> <td>1.52</td> <td>1.41</td> </tr> </tbody> </table> <p>Further, there have been no breaches in the financial covenants of any interest-bearing loans and borrowing during the year ended 31st March, 2021</p> <p>48 The figures for the corresponding previous year have been regrouped/reclassified wherever necessary, to make them comparable.</p>			(In Lakhs)			Particulars	31.03.2021	2020	Total Borrowings	6,543.22	5,385.15	Less: Cash and cash equivalents	69.44	34.60	Net debt	6,473.78	5,350.55	Total equity	4,271.02	3,786.19	Gearing ratio	1.52	1.41
(In Lakhs)																							
Particulars	31.03.2021	2020																					
Total Borrowings	6,543.22	5,385.15																					
Less: Cash and cash equivalents	69.44	34.60																					
Net debt	6,473.78	5,350.55																					
Total equity	4,271.02	3,786.19																					
Gearing ratio	1.52	1.41																					
<p>Summary of significant accounting policies</p> <p>The accompanying notes are an integral part of the financial statements.</p> <p>As Per our report of even date. FOR BHANWAR JAIN & CO; Chartered Accountants ICAI FRN 117340W</p> <p>(B. M. JAIN) Partner. M. NO. 34943</p> <p>For and on behalf of the board of directors of UMA CONVERTER LIMITED</p> <p>(SUMER RAJ LODHA) Managing Director (DIN: 00033283)</p> <p>(ASHISH BHANDARI) CFO</p> <p>(NIRMALA LODHA) Director (DIN: 00033246)</p> <p>(PARTH KAMDAR) Company Secretary</p> <p>PLACE : AHMEDABAD Date: 1st November , 2021</p> <p>PLACE : AHMEDABAD Date: 1st November , 2021</p>																							