

Standalone Balance Sheet as at March 31, 2022

(₹ cr)

Particulars		Note	As at March 31, 2022	As at March 31, 2021
A ASSETS				
1 Non-current assets				
a)	Property, plant and equipment	2	1,272.20	1,054.55
b)	Capital work-in-progress	2	173.44	238.92
c)	Investment properties	3	3.22	3.22
d)	Intangible assets	4	0.78	1.34
e)	Financial assets			
	i) Investments in subsidiary companies and joint venture company	5.1	255.69	239.34
	ii) Other investments	5.2	755.38	593.58
	iii) Loans	6	349.02	30.85
	iv) Other financial assets	7	13.96	7.13
f)	Income tax assets (net)	28.5	6.89	10.99
g)	Other non-current assets	8	28.24	39.27
	Total non-current assets		2,858.82	2,219.19
2 Current assets				
a)	Inventories	9	701.03	510.57
b)	Financial assets			
	i) Investments	5.3	539.54	717.81
	ii) Trade receivables	10	1,058.83	713.53
	iii) Cash and cash equivalents	11	17.93	15.25
	iv) Bank balances other than cash and cash equivalents mentioned above	12	2.82	293.48
	v) Loans	6	26.72	-
	vi) Other financial assets	7	14.14	13.46
c)	Other current assets	8	130.80	104.16
	Total current assets		2,491.81	2,368.26
	Total assets		5,350.63	4,587.45
B EQUITY AND LIABILITIES				
Equity				
a)	Equity share capital	13	29.61	29.61
b)	Other equity	14	4,286.78	3,681.74
	Total equity		4,316.39	3,711.35
Liabilities				
1 Non-current liabilities				
a)	Other financial liabilities	15	2.73	2.53
b)	Provisions	16	27.59	24.23
c)	Deferred tax liabilities (net)	28.5	90.36	91.87
	Total non-current liabilities		120.68	118.63
2 Current liabilities				
a)	Financial liabilities			
	i) Borrowings	17	72.94	-
	ii) Trade payables	18		
	Total outstanding dues of			
	a) Micro-enterprises and small enterprises		43.36	22.77
	b) Creditors other than micro-enterprises and small enterprises		576.59	539.91
	ii) Other financial liabilities	15	129.74	123.15
b)	Contract liabilities	19	30.41	23.01
c)	Other current liabilities	20	8.26	7.44
d)	Provisions	16	45.56	36.87
e)	Current tax liabilities (net)	28.5	6.70	4.32
	Total current liabilities		913.56	757.47
	Total liabilities		1,034.24	876.10
	Total equity and liabilities		5,350.63	4,587.45

The accompanying Notes 1-28 form an integral part of the Standalone Financial Statements.

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

Ketan Vora
Partner

T R Gopi Kannan
(DIN:00048645)
Whole-time Director and CFO

R A Shah
(DIN:00009851)

V S Rangan
(DIN:00030248)

S S Lalbhai
(DIN:00045590)
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S M Datta
(DIN:00032812)

S A Panse
(DIN:02599310)

B R Arora
(DIN:00194168)
Directors

Mumbai
April 26, 2022

Mumbai
April 26, 2022

Standalone Statement of Profit and Loss

for the year ended March 31, 2022

(₹ cr)

Particulars	Note	2021-22	2020-21
INCOME			
Revenue from operations	21	4,992.75	3,512.35
Other income	22	90.07	103.71
Total income		5,082.82	3,616.06
EXPENSES			
Cost of materials consumed	23	2,591.23	1,525.01
Purchases of stock-in-trade		160.26	139.73
Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	(127.02)	(63.31)
Employee benefit expenses	25	276.39	249.10
Finance costs	26	2.94	1.97
Depreciation and amortisation expenses	2, 4	146.48	120.23
Other expenses	27	1,228.57	815.58
Total expenses		4,278.85	2,788.31
Profit before tax		803.97	827.75
Tax expense			
Current tax	28.5	200.61	199.19
Deferred tax	28.5	(4.17)	(2.33)
Total tax expense		196.44	196.86
Profit for the year		607.53	630.89
Other comprehensive income			
a) Items that will not be reclassified to profit loss			
i) Change in fair value of equity instruments through other comprehensive income (FVTOCI)		64.50	80.17
ii) Remeasurement gain (loss) on defined benefit plans		(6.76)	(1.08)
iii) Income tax related to items above		(0.83)	(9.34)
b) Items that will be reclassified to profit loss			
i) Effective portion of gain (loss) on cash flow hedges		0.50	0.60
ii) Income tax related to item no (i) above		(0.13)	(0.15)
Other comprehensive income, net of tax		57.28	70.20
Total comprehensive income for the year		664.81	701.09
Earnings per equity share			
Basic and diluted earnings ₹ per equity share of ₹ 10 each	28.11	205.34	212.78

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Standalone Statement of changes in equity

for the year ended March 31, 2022

A Equity share capital

(₹ cr)

Particulars	Note	Amount
As at March 31, 2020		29.68
Changes in equity share capital during the year, pursuant to buy-back (refer Note 28.18)		(0.07)
As at March 31, 2021		29.61
Changes in equity share capital during the year		-
As at March 31, 2022	13	29.61

B Other equity

(₹ cr)

Particulars	Reserves and surplus				Items of other comprehensive income		Total other equity
	Securities premium	General reserve	Retained earnings	Capital redemption reserve	FVTOCI equity instruments	Effective portion of cash flow hedges	
As at March 31, 2020	34.66	95.80	2,513.20	-	398.68	(1.64)	3,040.70
Profit for the year	-	-	630.89	-	-	-	630.89
Other comprehensive income, net of tax	-	-	(0.81)	-	70.56	0.45	70.20
Total comprehensive income for the year	-	-	630.08	-	70.56	0.45	701.09
Transfer to retained earnings on disposal of FVTOCI equity instruments	-	-	-	-	-	-	-
Hedging (gain) loss reclassified to the Standalone Statement of Profit and Loss	-	-	-	-	-	1.62	1.62
Buy-back of equity shares (refer Note 28.18)	(34.66)	(27.01)	-	-	-	-	(61.67)
Transferred to capital redemption reserve upon buy-back (refer Note 28.18)	-	(0.07)	-	0.07	-	-	-
Transactions with owners in their capacity as owners							
Dividend on equity shares (refer Note 28.17)	-	-	-	-	-	-	-
As at March 31, 2021	-	68.72	3,143.28	0.07	469.24	0.43	3,681.74
Profit for the year	-	-	607.53	-	-	-	607.53
Other comprehensive income, net of tax	-	-	(5.06)	-	61.97	0.37	57.28
Total comprehensive income for the year	-	-	602.47	-	61.97	0.37	664.81
Transfer to retained earnings on disposal of FVTOCI equity instruments	-	-	(22.82)	-	22.82	-	-
Hedging (gain) loss reclassified to the Standalone Statement of Profit and Loss	-	-	-	-	-	(0.60)	(0.60)
Buy-back of equity shares (refer Note 28.18)	-	-	-	-	-	-	-
Transactions with owners in their capacity as owners							
Dividend on equity shares (refer Note 28.17)	-	-	(59.17)	-	-	-	(59.17)
As at March 31, 2022	-	68.72	3,663.76	0.07	554.03	0.20	4,286.78

Refer Note 14 for nature and purpose of reserves

The accompanying Notes 1-28 form an integral part of the Standalone Financial Statements.

In terms of our report attached

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Managing Director

Mumbai
April 26, 2022

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April 26, 2022

Standalone Statement of Cash Flows

for the year ended March 31, 2022

(₹ cr)

Particulars	2021-22	2020-21
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	803.97	827.75
Adjustments for:		
Depreciation and amortisation expenses	146.48	120.23
Finance costs	2.94	1.97
Loss on disposal of property, plant and equipment (net)	2.32	0.09
Unrealised exchange rate difference (net)	(2.40)	11.32
Bad debts and irrecoverable balances written off (written back)	(1.28)	0.52
Allowance for doubtful debts made (written back)	0.37	1.78
Dividend income	(8.52)	(58.03)
Interest income from financial assets measured at amortised cost	(28.99)	(14.60)
Liabilities no longer required written back	(1.58)	(0.13)
Gain on disposal of current investments measured at FVTPL (net)	(23.70)	(23.16)
Operating profit before change in operating assets and liabilities	889.61	867.74
Adjustments for:		
(Increase) Decrease in inventories	(190.45)	(83.11)
(Increase) Decrease in non-current and current assets	(367.29)	0.24
Increase (Decrease) in non-current and current liabilities	77.59	88.04
Cash generated from operations	409.46	872.91
Income tax paid (net of refund)	(192.44)	(196.40)
Net cash flow from operating activities	A 217.02	676.51
B CASH FLOW FROM INVESTING ACTIVITIES		
Payments towards property, plant and equipment (including capital advances)	(297.12)	(270.69)
Purchase of intangible assets	-	(1.00)
Proceeds from disposal of property, plant and equipment	0.38	0.97
Proceeds from disposal of equity instruments measured at FVTOCI	1.78	-
Purchase of equity instruments measured at FVTOCI	(1.36)	(31.69)
Investment in bonds measured at FVTPL	(90.55)	(15.59)
Purchase of current investments measured at FVTPL (net)	202.71	(51.89)
Purchase of equity instruments of subsidiary companies measured at cost	(15.98)	(3.66)
Repayments of loans given	39.96	-
Disbursements of loans	(384.02)	(13.35)
Redemption of (Investment in) bank deposits (net)	279.85	(279.85)
Interest received on financial assets measured at amortised cost	30.67	3.59
Dividend received from subsidiary companies	-	2.15
Dividend received from joint venture company	4.38	1.46
Dividend received from others	4.14	56.57
Net cash used in investing activities	B (225.16)	(602.98)

Standalone Statement of Cash Flows

for the year ended March 31, 2022

(₹ cr)

Particulars	2021-22	2020-21
C CASH FLOW FROM FINANCING ACTIVITIES		
Disbursements (Repayments) of short-term borrowings (net)	72.94	-
Interest paid	(2.94)	(1.97)
Dividend on equity shares	(59.18)	-
Buy-back of equity shares (including transaction cost)	-	(61.74)
Net cash used in financing activities	C 10.82	(63.71)
Net increase (decrease) in cash and cash equivalents	A+B+C 2.68	9.82
Cash and cash equivalents at the beginning of the year	15.25	5.43
Cash and cash equivalents at the end of the year	17.93	15.25

- The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Ind AS 7 on the Statement of Cash Flows as notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended.
- Cash flows from operating activities include ₹ 14.89 cr (March 31, 2021: ₹ 12.41 cr) being expenses towards Corporate Social Responsibility initiatives.
- Refer Note 17 (d) for a reconciliation of changes in liabilities arising from financing activities.

The accompanying Notes 1-28 form an integral part of the Standalone Financial Statements.

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Mumbai
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Notes to the Standalone Financial Statements

Background

Atul Ltd (the Company) is a public company limited by shares, incorporated and domiciled in India. Its registered office is located at Atul House, G I Patel Marg, Ahmedabad 380 014, Gujarat, India, and the principal places of manufacturing are located at Atul and Ankleshwar, Gujarat, India.

The Company is mainly in the business of Life Science Chemicals and Performance and Other Chemicals and caters to the needs of varied industries across the world such as Adhesives, Agriculture, Animal Feed, Automobile, Composites, Construction, Cosmetic, Defence, Dyestuff, Electrical and Electronics, Flavour, Food, Footwear, Fragrance, Glass, Home Care, Horticulture, Hospitality, Paint and Coatings, Paper, Personal Care, Pharmaceutical, Plastic, Polymer, Rubber, Soap and Detergent, Sport and Leisure, Textile, Tyre and Wind Energy.

Note 1 Significant accounting policies

This Note provides a list of the significant accounting policies adopted by the Company in preparation of these Standalone Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Statement of compliance

The Standalone Financial Statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act, as amended.

b) Basis of preparation

i) Historical cost convention:

The Standalone Financial Statements have been prepared on a historical cost basis except for the following:

- a) Certain financial assets and liabilities (including derivative instruments): measured at fair value
- b) Defined benefit plans: plan assets measured at fair value
- c) Biological assets: measured at fair value less cost to sell

ii) The Standalone Financial Statements have been prepared on accrual and going concern basis.

iii) The accounting policies are applied consistently to all the periods presented in the Standalone Financial Statements. All assets and liabilities have been classified as current or non-current as per the normal operating cycle of the Company and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

iv) New and amended in the Companies Act, 2013 and the Companies (CSR Policy) Amendment Rules, 2021 adopted:

The Company has applied the following amendments to Schedule III to the Companies Act, 2013 and the Companies (CSR Policy) Amendment Rules, 2021 for its annual reporting period commencing April 01, 2021:

- a) The Ministry of Corporate Affairs (MCA) has amended Schedule III of the Companies Act 2013, on March 24, 2021. Schedule III of the Companies Act 2013, provides the format of financial statements of companies complying with Accounting Standards (AS) and Ind AS under its Division I and Division II, respectively.
- b) The MCA has notified provisions relating to CSR vide the Companies (Amendment) Act, 2019, Companies (Amendment) Act, 2020 and the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, which is effective from January 22, 2021.

v) Recent accounting pronouncements effective from April 01, 2022:

The MCA notifies new standards or amendment to the existing standards under the Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, the MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022 as follows:

Ind AS 16 - Property, Plant and Equipment:

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its Standalone Financial Statements.

Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets:

The amendment specifies that the cost of fulfilling a contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples may be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example may be the allocation of depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

c) Foreign currency transactions

i) Functional and presentation currency:

Items included in the Standalone Financial Statements of the Company are measured using the currency of the primary economic environment in which the Company operates (functional currency). The Standalone Financial Statements of the Company are presented in Indian currency (₹), which is also the functional currency of the Company.

ii) Transactions and balances:

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gain | (loss) resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Standalone Statement of Profit and Loss, except that they are deferred in other equity if they relate to qualifying cash flow hedges. Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Standalone Statement of Profit and Loss, within finance costs. All other foreign exchange gain | (loss) presented in the Standalone Statement of Profit and Loss are on a net basis within other income.

Non-monetary items that are measured at fair value and denominated in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain | (loss). Non-monetary items that are measured in terms of historical cost in a foreign currency are not revalued.

d) Revenue recognition

i) Revenue from operations:

Revenue is recognised when control of goods is transferred to a customer in accordance with the terms of the contract. The control of the goods is transferred upon delivery to the customers either at factory gate of the Company or a specific location of the customer or when the goods are handed over to the freight carrier, as per the terms of the contract. A receivable is recognised by the Company when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

Revenue from services, including those embedded in contract for sale of goods, namely, freight and insurance services mainly in case of export sales, is recognised upon completion of services.

Revenue is measured based on the consideration to which the Company expects to be entitled as per contract with a customer. The consideration is determined based on the price specified in the contract, net of the estimated variable consideration. Accumulated experience is used to estimate and provide for the variable consideration, using the expected value method and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. Contracts with customers are for short-term, at an agreed price basis having contracted credit period ranging up to 180 days. The contracts do not grant any rights of return to the customer. Returns of goods are accepted by the Company only on an exception basis. Revenue excludes any taxes or duties collected on behalf of government that are levied on sales such as goods and services tax.

Eligible export incentives are recognised in the year in which the conditions precedent are met and there is no significant uncertainty about the collectability.

ii) Other income:

Interest income from financial assets is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options), but does not consider the expected credit losses.

Dividends are recognised in the Standalone Statement of Profit and Loss only when the right to receive payment is established; it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

Lease rental income is recognised on accrual basis.

e) Income tax

Income tax expense comprises current tax and deferred tax. Current tax is the tax payable on the taxable income of the current period based on the applicable income tax rates. Deferred income tax is recognised using the Balance Sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount.

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

Deferred income tax is provided in full, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit | (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the Standalone Balance Sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The Company considers reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making the assessment of deferred tax liabilities and realisability of deferred tax assets. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, the Management believes that the Company will realise the benefits of those deductible differences.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity.

The Company considered whether it has any uncertain tax positions based on past experience pertaining to income taxes, including those related to transfer pricing as per Appendix C to Ind AS 12. The Company has determined its tax position based on tax compliance and present judicial pronouncements and accordingly expects that its tax treatments will be accepted by the taxation authorities.

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty. The Company applies significant judgement in identifying uncertainties over income tax treatments.

f) Government grants

- i) Government grants 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.
- ii) Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss in proportion to depreciation over the expected lives of the related assets and presented within other income.

- iii) Government grants relating to income are deferred and recognised in the Standalone Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.
- iv) Government grants relating to export incentives, refer Note 1 (d).

g) Leases

As a lessee

The Company assesses whether a contract is, or contains a lease, at inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: i) the contract involves the use of an identified asset, ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and iii) the Company has the right to direct the use of the asset.

At the commencement date of the lease, the Company recognises a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for short-term leases (leases with a term of twelve months or less), leases of low value assets and, for contract where the lessee and lessor has the right to terminate a lease without permission from the other party with no more than an insignificant penalty. The lease expense of such short-term leases, low value assets leases and cancellable leases, are recognised as an operating expense on a straight-line basis over the term of the lease.

At the commencement date, lease liability is measured at the present value of the lease payments to be paid during the non-cancellable period of the contract, discounted using the incremental borrowing rate. The right-of-use assets is initially recognised at the amount of the initial measurement of the corresponding lease liability, lease payments made at or before commencement date less any lease incentives received and any initial direct costs.

Subsequently, the right-of-use asset is measured at cost less accumulated depreciation and any impairment losses. Lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using effective interest rate method) and reducing the carrying amount to reflect the lease payments made. The right-of-use asset and lease liability are also adjusted to reflect any lease modifications or revised in-substance fixed lease payments.

As a lessor

Leases for which the Company is a lessor are classified as finance or operating leases. Whenever the terms of the lease substantially transfer all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Income from operating leases where the Company is a lessor is recognised as income on a straight-line basis over the lease term unless the receipts are structured to increase in line with the expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the Standalone Balance Sheet based on their nature. Leases of property, plant and equipment where the Company as a lessor has substantially transferred all the risks and rewards are classified as finance lease. Finance leases are capitalised at the inception of the lease at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rent receivables, net of interest income, are included in other financial assets. Each lease receipt is allocated between the asset and interest income. The interest income is recognised in the Standalone Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the asset for each period.

Under combined lease agreements, land and building are assessed individually.

h) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Acquisition cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the carrying amount of asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the Standalone Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of assets are recognised in the Standalone Statement of Profit and Loss.

Fruit bearing plants qualify as Bearer plants under Ind AS 16. Expenditure incurred on cultivation of plantations up to the date they become capable of bearing fruit are accumulated as Bearer plants under development (Immature) and then capitalised as a Bearer plant (Mature) to be depreciated over their estimated useful life.

The plantation destroyed due to calamity, disease or any other reasons whether capitalised as Bearer plant (Mature) or being carried under Bearer plant under development (Immature) are charged off to the Standalone Statement of Profit and Loss.

Spare parts, stand-by equipment and servicing equipment are recognised as property, plant and equipment if they are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and are expected to be used during more than one period.

Property, plant and equipment that are not ready for intended use as on the date of Standalone Balance Sheet are disclosed as 'capital work-in-progress'.

Depreciation methods, estimated useful lives and residual value

The charge in respect of periodic depreciation is derived after determining an estimate of expected useful life and the expected residual value of the assets at the end of its useful life. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life.

Depreciation is provided on a pro-rata basis on the straight-line method from the date of acquisition | installation till the date the assets are sold or disposed of:

Asset category	Estimated useful life
Buildings	30 to 60 years
Plant and equipment ¹	6 to 20 years
Vehicles ¹	6 to 10 years
Office equipment and furniture	5 to 10 years
Roads	5 years
Bearer plant ¹	40 years

¹The useful lives have been determined based on technical evaluation done by the Management | experts, which are different from the useful life prescribed in Part C of Schedule II to the Act, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The residual values, useful lives and method of depreciation of property, plant and equipment are reviewed annually and adjusted prospectively, if appropriate.

The carrying amount of an asset is written down immediately to its recoverable amount if the carrying amount of the asset is greater than its estimated recoverable amount.

Land accounted under finance lease is amortised on a straight-line basis over the primary period of lease.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as own assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

i) Intangible assets

Computer software includes enterprise resource planning application and other costs relating to such software that provide significant future economic benefits. These costs comprise license fees and cost of system integration services.

Development expenditure qualifying as an intangible asset, if any, is capitalised, to be amortised over the economic life of the product | patent.

Computer software cost is amortised over a period of three years using the straight-line method.

j) Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not in use by the Company, is classified as investment property. Land held for a currently undetermined future use is also classified as an investment property. Investment property is measured at its acquisition cost, including related transaction costs and where applicable, borrowing costs.

k) Impairment

The carrying amount of assets are reviewed at each Standalone Balance Sheet date to assess if there is any indication of impairment based on internal | external factors. An impairment loss on such assessment is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of the assets is net selling price or value in use, whichever is higher. While assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognised impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that will be determined if no impairment loss had previously been recognised.

l) Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with bank and other short-term (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

m) Trade receivables

Trade receivables are recognised when the right to consideration becomes unconditional. These assets are held at amortised cost, using the effective interest rate (EIR) method where applicable, less provision for impairment based on expected credit loss. Trade receivables overdue more than 180 days are considered in which there is significant increase in credit risk.

n) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

o) Inventories

Inventories (other than harvested product of biological assets) are stated at cost or net realisable value, whichever is lower. Cost is determined on periodic moving weighted average basis.

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

Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventory to the present location and condition. Cost includes the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material but excludes borrowing costs.

Due allowances are made for slow | non-moving, defective and obsolete inventories based on estimates made by the Company.

Items such as spare parts, stand-by equipment and servicing equipment that are not plant and machinery get classified as inventory.

The harvested product of biological assets of the Company, that is, oil palm Fresh Fruit Bunch (FFB) is initially measured at fair value less costs to sell on the point of harvest and subsequently measured at the lower of such value or net realisable value.

p) Investments and other financial assets

Classification and measurement:

The Company classifies its financial assets in the following measurement categories:

- i) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)
- ii) those measured at amortised cost

The classification depends on business model of the Company for managing financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investments at fair value through other comprehensive income.

Debt instruments

Initial recognition and measurement

Financial asset is recognised when the Company becomes a party to the contractual provisions of the instrument. Financial asset is recognised initially at fair value plus, in case the financial asset is not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial asset carried at fair value through profit or loss are expensed in the Standalone Statement of Profit and Loss.

Subsequent measurement

Subsequent measurement of debt instruments depends on the business model of the Company for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Measured at amortised cost

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the EIR method less impairment, if any, the amortisation of EIR and loss arising from impairment, if any is recognised in the Standalone Statement of Profit and Loss.

Measured at fair value through other comprehensive income (FVTOCI)

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognised in the OCI. Interest income measured using the EIR method and impairment losses, if any are recognised in the Standalone Statement of Profit and Loss. On derecognition, cumulative gain | (loss) previously recognised in OCI is reclassified from the equity to other income in the Standalone Statement of Profit and Loss.

Measured at fair value through profit or loss(FVTPL)

A financial asset not classified as either amortised cost or FVTOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as other income in the Standalone Statement of Profit and Loss.

Equity instruments

The Company subsequently measures all investments in equity instruments other than subsidiary companies, associate company and joint venture company at fair value. The Company has elected to present fair value gains and losses on such equity investments in other comprehensive income and there is no subsequent reclassification of these fair value gains and losses to the Standalone Statement of Profit and Loss. Dividends from such investments continue to be recognised in profit or loss as other income when the right to receive payment is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the Standalone Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

Investments in subsidiary companies, associate companies and joint venture company

Investments in subsidiary companies, associate companies and joint venture company are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary companies, associate companies and joint venture company, the difference between net disposal proceeds and the carrying amounts are recognised in the Standalone Statement of Profit and Loss.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 28.8 details how the Company determines whether there has been a significant increase in credit risk.

For trade and lease receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of such receivables. The Company computes expected lifetime losses based on a provision matrix, which takes into account historical credit loss experience and adjusted for forward-looking information.

Derecognition

A financial asset is derecognised only when the Company has transferred the rights to receive cash flows from the financial asset, the asset expires or the Company 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.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised through the Standalone Statement of Profit and Loss or other comprehensive income as applicable. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retained substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Financial liabilities

i) Classification as debt or equity:

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

ii) Initial recognition and measurement:

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

iii) Subsequent measurement:

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Standalone Statement of Profit and Loss.

iv) Derecognition:

A financial liability is derecognised when the obligation specified in the contract is discharged or cancelled or it expires.

q) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Standalone Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liabilities simultaneously.

r) Derivatives and hedging activities

The Company holds derivative financial instruments such as foreign exchange forward, interest rate swaps, currency swaps and currency options to mitigate the risk of changes in exchange rates or interest rate. The counterparty for these contracts is generally a bank.

i) Financial assets or financial liabilities, at fair value through profit or loss:

This category has derivative financial assets or liabilities, which are not designated as hedges.

Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge, or is so designated, but is ineffective as per Ind AS 109, is categorised as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognised initially at fair value and attributable transaction costs are recognised in net profit in the Standalone Statement of Profit and Loss, when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting gains or losses are included in other income or other expenses. Assets | liabilities in this category are presented as current assets | current liabilities if they are either held for trading or are expected to be realised within 12 months after the Standalone Balance Sheet date.

ii) Cash flow hedge:

The Company designates certain foreign exchange forward and options contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on firm commitment and highly probable forecast transactions.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in other comprehensive income and accumulated in the cash flow hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in the net profit in the Standalone Statement of Profit and Loss. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain | (loss) on the hedging instrument recognised in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the forecasted transaction occurs. The cumulative gain | (loss) previously recognised in the cash flow hedging reserve is transferred to the Standalone Statement of Profit and Loss upon the occurrence of the related forecasted transaction

If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified to net profit in the Standalone Statement of Profit and Loss.

s) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. If not, the fee is deferred until the draw down occurs.

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

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

t) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

u) Biological assets

The biological assets of the Company comprise oil palms and tissue culture.

The Company classifies the tissue culture as Mature and Immature plants. Mature biological assets are those which are available for sale in next twelve months or that have attained harvestable specifications (for consumable biological assets) or are able to sustain regular harvests (for bearer biological assets). The plants that are not mature are considered as Immature plants.

The oil palm trees are Bearer plants and are therefore presented and accounted for as property, plant and equipment. However, the oil palm FFB growing on the trees are accounted for as biological assets until the point of harvest. Harvested oil palm FFB are transferred to inventory at fair value less costs to sell when harvested. Changes in fair value of oil palm FFB on trees are recognised in the Standalone Statement of Profit and Loss.

Mature and Immature tissue culture plants, which are ready for sale in less than 12 months from the reporting date are classified as current assets under separate head of biological assets other than bearer plants and others under non-current assets.

Biological assets are measured at fair value less costs to sell. Costs to sell include the incremental selling costs, including auction charges, commission paid to brokers and dealers and estimated costs of transport to the market but excludes finance costs and income tax.

Tissue culture raised matured plants are measured on initial recognition and at the end of each reporting period at its fair value less costs to sell. The gain or loss arising on such biological assets are included in the Standalone Statement of Profit and Loss. Immature tissue culture raised plants are measured at cost less accumulated impairment loss, if the quoted market price are not available for the Immature plants at different stages and the fair value measurements are clearly unreliable.

v) Provisions and contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. These are reviewed at each year end and reflect the best current estimate. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

w) Employee benefits

i) Defined benefit plan

a) Gratuity:

Gratuity liability is a defined benefit obligation and is computed on the basis of an actuarial valuation by an actuary appointed for the purpose as per projected unit credit method at the end of each financial year. The liability or asset recognised in the Standalone Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The liability so provided is paid to a trust administered by the Company, which in turn invests in eligible securities to meet the liability as and when it becomes due for payment in future. Any shortfall in the value of assets over the defined benefit obligation is recognised as a liability with a corresponding charge to the Standalone Statement of Profit and Loss.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows with reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate at the beginning of the period to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Standalone Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur directly in other comprehensive income. They are included in retained earnings in the Statement of changes in equity and in the Standalone Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

b) Provident fund:

Provident fund for certain eligible employees is managed by the Company through the Atul Products Ltd - Ankleshwar Division Employees Provident Fund Trust in line with the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. The plan guarantees interest at the rate notified by the provident fund authorities. The contributions by the employer and employees together with the interest accumulated thereon are payable to employees at the time of their retirement or separation from the Company, whichever is earlier. The benefits vest immediately on rendering of the services by the employee. Any shortfall in the fair value of assets over the defined benefit obligation is recognised as a liability, with a corresponding charge to the Standalone Statement of Profit and Loss.

ii) Defined contribution plan

Contributions to defined contribution schemes such as contribution to provident fund, superannuation fund, employees state insurance scheme, national pension scheme and labour welfare fund are charged as an expense to the Standalone Statement of Profit and Loss based on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as defined contribution schemes as the Company has no further defined obligations beyond the monthly contributions.

iii) Short-term employee benefits

All employee benefits payable within 12 months of service such as salaries, wages, bonus, ex-gratia, medical benefits, etc, are recognised in the year in which the employees render the related service and are presented as current employee benefit obligations. Termination benefits are recognised as an expense as and when incurred.

Short-term employee benefits are provided at undiscounted amount during the accounting period based on service rendered by employees.

iv) Other long-term employee benefits

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

x) Research and development expenditure

Expenditure on research is recognised as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognised as an expense when it is incurred. Items of property, plant and equipment and acquired intangible assets utilised for research and development are capitalised and depreciated in accordance with the policies stated for property, plant and equipment and intangible assets.

y) Earnings per share

Earnings per share (EPS) is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

z) Ordinary shares

Ordinary shares are classified as equity share capital. Incremental costs directly attributable to the issuance of new ordinary shares, share options and buy-back are recognised as a deduction from equity, net of any tax effects.

Estimation of uncertainties relating to the COVID-19 pandemic

The Company has considered possible effects that may result from the COVID-19 pandemic and Russia-Ukraine war in preparation of these Standalone Financial Statements, and used relevant internal and external sources of information and expects that these events will not have any material implications on the operations of the Company in the near future.

Critical estimates and judgements

Preparation of the Standalone Financial Statements require use of accounting estimates, judgements and assumptions, which by definition, will seldom equal the actual results. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the Standalone Financial Statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the Standalone Financial Statements. This Note provides an overview of the areas that involve a higher degree of judgements or complexity and of items that are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Standalone Financial Statements.

The areas involving critical estimates or judgements are:

- i) Estimation for income tax: Note 1 (e)
- ii) Estimation of useful life of tangible assets: Note 1 (h)
- iii) Estimation of provision for inventories: Note 1 (o)
- iv) Allowance for credit losses on trade receivables: Note 1 (m)
- v) Estimation of claims | liabilities: Note 1 (v)
- vi) Estimation of defined benefit obligations: Note 1 (w)
- vii) Fair value measurements: Note 28.7
- viii) Impairment: Note 1 (k)

Note 2 Property, plant and equipment and capital work-in-progress

(₹ cr)

Particulars	Land - freehold ¹	Right-of-use leasehold land ²	Buildings ^{1,3}	Plant and equipment	Vehicles	Office equipment and furniture	Roads	Bearer plants	Total	Capital work-in-progress ⁴
Gross carrying amount										
As at March 31, 2020	32.19	3.93	213.68	1,067.42	9.87	18.25	13.51	0.33	1,359.18	234.89
Additions	15.66	-	16.58	239.19	3.02	1.73	0.52	-	276.70	108.26
Disposals, transfers and adjustments	-	-	-	(34.61)	(2.71)	(0.18)	-	-	(37.50)	(104.23)
As at March 31, 2021	47.85	3.93	230.26	1,272.00	10.18	19.80	14.03	0.33	1,598.38	238.92
Additions	22.84	-	14.08	329.89	2.47	3.17	0.86	0.40	373.71	313.55
Disposals, transfers and adjustments	-	-	-	(35.61)	(2.07)	(12.19)	-	-	(49.87)	(379.03)
As at March 31, 2022	70.69	3.93	244.34	1,566.28	10.58	10.78	14.89	0.73	1,922.22	173.44
Depreciation Amortisation										
Up to March 31, 2020	-	0.31	34.91	400.76	2.16	8.63	8.89	0.04	455.70	-
For the year	-	0.05	8.27	105.24	2.14	1.90	2.32	0.01	119.93	-
Disposals, transfers and adjustments	-	-	-	(29.40)	(2.25)	(0.15)	-	-	(31.80)	-
Up to March 31, 2021	-	0.36	43.18	476.60	2.05	10.38	11.21	0.05	543.83	-
For the year	-	0.05	8.61	131.56	2.18	2.10	1.40	0.02	145.92	-
Disposals, transfers and adjustments	-	-	(0.03)	(26.28)	(1.70)	(11.71)	-	(0.01)	(39.73)	-
Up to March 31, 2022	-	0.41	51.76	581.88	2.53	0.77	12.61	0.06	650.02	-
Net carrying amount										
As at March 31, 2021	47.85	3.57	187.08	795.40	8.13	9.42	2.82	0.28	1,054.55	238.92
As at March 31, 2022	70.69	3.52	192.58	984.40	8.05	10.01	2.28	0.67	1,272.20	173.44

Notes:

¹Pursuant to the order passed by The Honourable High Court of Gujarat, dated November 17, 2008, and April 17, 2009, in case of water charges, the Company has created first charge over its certain land and buildings having carrying value of ₹ 9.27 cr (March 31, 2021: ₹ 9.66 cr) in favour of the Government of Gujarat and paid a security deposit of ₹ 2 cr (March 31, 2021: ₹ 2 cr).

²The Company has taken on lease a parcel of land from Gujarat Industrial Development Corporation for a period of 99 years with an option to extend the lease by another 99 years on expiry of lease at a rental that is 100% higher than the prevailing rent. It has considered that such a lease of land transfers substantially all of the risks and rewards incidental to ownership of land.

³Includes premises on ownership basis of ₹ 1.10 cr (March 31, 2021: ₹ 1.10 cr) and cost of fully paid share in co-operative society of ₹ 2,000 (March 31, 2021: ₹ 2,000).

⁴Capital work-in-progress mainly comprises addition | expansion projects in progress.

Refer Note 17 (b) for information on property, plant and equipment hypothecated | mortgaged as security by the Company.

Refer Note 28. 2 for disclosure of contractual commitment for acquisition of property, plant and equipment.

Capital-work-in progress ageing

(₹ cr)

Particulars	As at March 31, 2022				As at March 31, 2021					
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	150.77	18.21	4.03	0.43	173.44	65.86	31.27	136.82	4.97	238.92
Projects temporarily suspended	-	-	-	-	-	-	-	-	-	-

Capital work-in progress (projects in progress) whose completion is overdue

(₹ cr)

Particulars	As at March 31, 2022				As at March 31, 2021			
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Less than 1 year	1-2 years	2-3 years	More than 3 years
Project 1	13.00	-	-	-	-	-	-	-
Project 2	10.00	-	-	-	-	-	-	-
Project 3	4.00	-	-	-	-	-	-	-
Project 4	4.00	-	-	-	-	-	-	-
Project 5	3.00	-	-	-	-	-	-	-
Project 6	-	32.00	-	-	3.00	-	-	-
Project 7	-	1.00	-	-	-	-	-	-
Project 8	-	-	13.00	-	24.00	-	-	-
Project 9	-	-	3.00	-	-	32.00	-	-
	34.00	33.00	16.00	-	27.00	32.00	-	-

Title deeds of immovable properties not held in name of the Company

As at March 31, 2022						
Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value (₹ cr)	Title deeds held in the name of	Whether title deed holder is a promoter Director employee relative of promoter, director or employee	Property held since which date	Reason for not being held in the name of the Company
Property, plant and equipment	Land	3.13	Ashokbhai Bhikhubhai Desai	No	August 24, 2021	In process of transfer in the name of Company
Property, plant and equipment	Land	0.57	Ashokbhai Bhikhubhai Desai	No	August 24, 2021	
Property, plant and equipment	Land	0.49	Ashokbhai Bhikhubhai Desai	No	August 24, 2021	
Property, plant and equipment	Land	0.38	Ashokbhai Bhikhubhai Desai	No	August 24, 2021	
Property, plant and equipment	Land	0.27	Harisingh Tejasingh Rathod	No	December 21, 2019	
Property, plant and equipment	Land	0.16	Ashokbhai Bhikhubhai Desai	No	August 24, 2021	
Property, plant and equipment	Land	0.07	Atul Products Ltd	No	February 26, 1992	
Property, plant and equipment	Land	0.06	Atul Products Ltd	No	February 26, 1992	
Property, plant and equipment	Land	0.02	Atul Products Ltd	No	February 26, 1992	
Property, plant and equipment	Building	0.01	Atul Products Ltd	No	March 31, 1968	
		5.16				

As at March 31, 2021							
Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value (₹ cr)	Title deeds held in the name of	Whether title deed holder is a promoter director employee relative of promoter, director or employee	Property held since which date	Reason for not being held in the name of the Company	
Property, plant and equipment	Land	3.04	Maganbhai Jivrabhai Patel	No	June 22, 2018	In process of transfer in the name of Company	
Property, plant and equipment	Land	2.25	Ajtkumar Gopalji Vashi	No	November 20, 2019		
Property, plant and equipment	Land	2.15	Pankajrai Thakurbhai Desai and Others	No	April 2, 2019		
Property, plant and equipment	Land	1.50	Harshadbhai Desai and Others	No	February 10, 2021		
Property, plant and equipment	Land	1.05	Vasantbhai Ratilalbhai Desai and Others	No	May 22, 2019		
Property, plant and equipment	Land	1.03	Vasantbhai Ratilalbhai Desai and Others	No	May 22, 2019		
Property, plant and equipment	Land	0.81	Yogeshbhai Manibhai Desai	No	November 6, 2018		
Property, plant and equipment	Land	0.44	Harshadbhai Chotubhai Nayak and Others	No	October 13, 2020		
Property, plant and equipment	Land	0.27	Harisingh Tejasingh Rathod	No	December 21, 2019		
Property, plant and equipment	Land	0.19	Amitbhai Desai	No	August 28, 2020		
Property, plant and equipment	Land	0.07	Atul Products Ltd	No	February 26, 1992		
Property, plant and equipment	Land	0.06	Atul Products Ltd	No	February 26, 1992		
Property, plant and equipment	Land	0.02	Atul Products Ltd	No	February 26, 1992		
Property, plant and equipment	Building	0.01	Atul Products Ltd	No	March 31, 1968		
		12.89					

(₹ cr)

Note 3 Investment properties	As at March 31, 2022	As at March 31, 2021
Land - freehold		
Gross carrying amount	3.22	3.22
Net carrying amount	3.22	3.22

a) Amount recognised in the Standalone Statement of Profit and Loss for investment properties:

The Company has classified parcels of freehold land held for a currently undeterminable future use as investment properties. There are no amounts pertaining to these investment properties recognised in the Standalone Statement of Profit and Loss, since the Company does not receive any rental income, incur any depreciation or other operating expenses

b) The Company does not have any contractual obligations to purchase, construct or develop, for maintenance or enhancements of investment properties.

c) Fair value:

(₹ cr)

Particulars	As at March 31, 2022	As at March 31, 2021
Investment properties	86.37	82.82
	86.37	82.82

Estimation of fair value

The Company obtains valuations from an independent valuer for its investment properties at least annually. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the valuer considers information from a variety of sources, including current prices in an active market for investment properties of different nature or recent prices of similar investment properties in less active markets, adjusted to reflect those differences.

All resulting fair value estimates for investment properties are included in level 3.

(₹ cr)

Note 4 Intangible assets	Computer software
Gross carrying amount	
As at March 31, 2020	0.88
Additions	1.01
As at March 31, 2021	1.89
Additions	-
As at March 31, 2022	1.89
Amortisation	
Up to March 31, 2020	0.25
Amortisation charged for the year	0.30
Up to March 31, 2021	0.55
Amortisation charged for the year	0.56
Up to March 31, 2022	1.11
Net carrying amount	
As at March 31, 2021	1.34
As at March 31, 2022	0.78

Note 5.1 Investments in subsidiary companies and joint venture company		Face value ¹	As at March 31, 2022		As at March 31, 2021	
			Number of shares	Amount (₹ cr)	Number of shares	Amount (₹ cr)
a)	Investment in equity instruments (fully paid-up)					
	Subsidiary companies joint venture company measured at cost					
	Quoted					
	In subsidiary company measured at cost					
	Amal Ltd ^{2,3}	10	1,29,703	18.13	1,29,703	18.13
	Unquoted					
	In foreign subsidiary companies measured at cost					
	Atul Brasil Quimicos Ltda	R\$ 1	7,04,711	2.03	7,04,711	2.03
	Atul China Ltd	US\$ 4,10,000	1	0.92	1	0.92
	Atul Deutschland GmbH	€ 1,00,000	1	-	1	-
	Atul Europe Ltd	£ 1	32,88,911	24.14	32,88,911	24.14
	Atul Middle East FZ-LLC	AED 1,000	300	0.51	300	0.51
	Atul USA Inc	US\$ 1,000	2,000	6.29	2,000	6.29
	In Indian subsidiary companies measured at cost					
	Aasthan Dates Ltd	10	20,98,000	2.10	20,98,000	2.10
	Anchor Adhesives Pvt Ltd	10	5,86,155	2.28	5,86,155	2.28
	Atul Bioscience Ltd	10	2,90,21,868	52.57	2,90,21,868	52.57
	Atul Biospace Ltd	10	1,10,30,365	13.36	1,10,30,365	13.36
	Atul Finserv Ltd	100	40,56,671	107.13	37,35,343	94.24
		7	5,00,000	5.00	5,00,000	5.00
	Atul Healthcare Ltd	10	99,994	0.10	-	-
	Atul Lifescience Ltd (current year: ₹ 49,940 and previous year: ₹ 49,940)	10	4,994	-	-	-
	Atul Products Ltd	10	49,99,994	5.00	9,994	0.01
	Atul Rajasthan Date Palms Ltd	1,000	30,001	3.00	30,001	3.00
	Biyaban Agri Ltd	10	10,91,100	1.09	10,91,100	1.09
	Raja Dates Ltd	10	40,95,500	4.10	40,95,500	4.10
	In joint venture company measured at cost					
	Rudolf Atul Chemicals Ltd	10	29,18,750	6.13	29,18,750	6.13
b)	Investment in preference shares (fully paid-up)					
	Subsidiary company measured at amortised cost					
	Unquoted					
	Amal Ltd (0% redeemable preference shares)	10	20,00,000	1.81	40,00,000	3.44
				255.69		239.34

Note 5.2 Other investments		Face value ¹	As at March 31, 2022		As at March 31, 2021	
			Number of shares	Amount (₹ cr)	Number of shares	Amount (₹ cr)
a)	Investment in equity instruments (fully paid-up)					
	Other companies measured at FVTOCI					
	Quoted					
	Arvind Fashions Ltd	4	15,96,105	45.31	13,87,918	19.33
	Arvind Ltd	10	41,27,471	47.65	41,27,471	27.18
	Arvind SmartSpaces Ltd	10	4,12,747	8.46	4,12,747	4.00
	BASF India Ltd	10	2,61,396	80.85	2,61,396	54.10
	ICICI Bank Ltd	2	1,09,026	7.96	1,09,026	6.35
	Majesco Ltd	5	-	-	2,50,000	1.65
	Novartis India Ltd	5	3,74,627	22.12	3,74,627	20.67
	Pfizer Ltd	10	9,58,927	416.96	9,58,927	433.90
	The Anup Engineering Ltd	10	1,52,869	12.14	1,52,869	8.72
	Unquoted					
	Bhadreshwar Vidyut Pvt Ltd (formerly known as OPGS Power Gujarat Pvt Ltd)	0.19	7,95,000	0.02	7,95,000	0.02
	Bharuch Enviro Infrastructure Ltd	10	70,000	0.07	70,000	0.07
	Gujarat Synthwood Ltd ⁴	10	-	-	4,00,000	-
	Narmada Clean Tech Ltd	10	7,15,272	0.72	7,15,272	0.72
b)	Investment in equity instruments (partly paid-up)					
	Other companies measured at FVTOCI					
	Quoted					
	Arvind Fashions Ltd ⁵	4	-	-	2,08,187	1.46
c)	Investment in government or trust securities measured at amortised cost					
	6 Years National Savings Certificates (deposited with government departments)		-	0.01	-	0.01
d)	Investment in bonds measured at FVTPL (quoted)					
			-	113.11	-	15.40
				755.38		593.58

(₹ cr)

Note 5.3 Current investment	As at March 31, 2022	As at March 31, 2021
Unquoted		
Investment in mutual funds measured at FVTPL	539.54	717.81
	539.54	717.81

Aggregate amount of investments and market value thereof:

(₹ cr)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Current	Non-current	Current	Non-current
Aggregate carrying value of quoted investments ³		772.69		610.89
Aggregate market value of quoted investments		759.90		597.72
Aggregate carrying value of unquoted investments		777.92		939.84
Aggregate amount of impairment in value of investments		-		-

¹In ₹ and fully paid unless otherwise stated | ²Subsidiary company by virtue of control | ³Book value includes equity component of ₹ 18.12 cr (March 31, 2021: ₹ 18.12 cr) recognised on 0% preference shares and interest free loans given to Amal Ltd carried at amortised cost | ⁴Dissolved during the year | ⁵Pursuant to rights issue, partially paid ₹ 70 per share in the previous year

(₹ cr)

Note 6 Loans		As at March 31, 2022		As at March 31, 2021	
		Current	Non-current	Current	Non-current
Loan to group entities (refer Note 28.4 and 28.13)					
a)	Considered good - secured	12.20	36.60	-	-
b)	Considered good - unsecured	14.52	312.42	-	30.85
		26.72	349.02	-	30.85

(₹ cr)

Note 7 Other financial assets		As at March 31, 2022		As at March 31, 2021	
		Current	Non-current	Current	Non-current
a)	Security deposits for utilities and premises	0.85	1.33	0.53	1.27
b)	Derivative financial assets designated as hedges (net)	0.50	-	0.60	-
c)	Finance lease receivables (refer Note 28.12)	-	12.63	-	5.86
d)	Interest Dividend receivable (refer Note 28.4)	0.93	-	-	-
e)	Other receivables (including discount receivable, insurance receivable, etc)	11.86	-	12.33	-
		14.14	13.96	13.46	7.13

(₹ cr)

Note 8 Other assets		As at March 31, 2022		As at March 31, 2021	
		Current	Non-current	Current	Non-current
a)	Balances with government authorities				
	i) Taxes paid under protest	-	16.93	-	19.14
	ii) GST VAT receivables	52.29	0.30	47.33	0.30
	iii) Balances with statutory authorities	0.10	-	0.10	-
	iv) Deposits paid under protest	-	0.17	-	0.17
	v) Security deposits	-	2.00	-	2.00
b)	Export incentive receivables	20.07	-	18.76	-
c)	Capital advances	-	8.84	-	17.66
d)	Advances				
	i) Others	54.55	-	35.65	-
e)	Other receivables	3.79	-	2.32	-
		130.80	28.24	104.16	39.27

(₹ cr)

Note 9 Inventories ^{1,2,3}		As at March 31, 2022	As at March 31, 2021
a)	Raw materials and packing materials	185.44	140.97
	Add: Goods-in-transit	14.18	9.80
		199.62	150.77
b)	Work-in-progress	181.81	127.42
c)	Finished goods	259.85	192.95
d)	Stock-in-trade	9.31	3.57
e)	Stores, spares and fuel	45.17	31.43
	Add: Goods-in-transit	5.27	4.43
		50.44	35.86
		701.03	510.57

¹Valued at cost or net realisable value, whichever is lower

²Inventories have been offered as security against the working capital facilities provided by the bank

³Amounts (reversed) | provided in the Standalone Statement of Profit and Loss of ₹ (6.55) cr (March 31, 2021: ₹ 6.91 cr)

(₹ cr)

Note 10 Trade receivables ¹		As at March 31, 2022	As at March 31, 2021
a)	Considered good - unsecured		
	i) Related parties (refer Note 28.4)	331.49	125.29
	ii) Others	730.80	592.13
b)	Which have significant increase in credit risk		
	i) Related parties (refer Note 28.4)	0.10	0.76
	ii) Others	8.66	7.19
c)	Credit impaired		
	Less: Allowance for doubtful debts (refer Note 28.8) ²	(12.22)	(11.85)
		1,058.83	713.53

Notes

¹Trade receivables have been offered as security against the working capital facilities provided by the bank

²Allowance for doubtful debts recognised (including expected credit loss) in the Standalone Statement of Profit and Loss of ₹ 0.37 cr (March 31, 2021: ₹ 1.78 cr)

Trade receivables ageing

(₹ cr)

No.	Particulars	As at March 31, 2022						Total
		Not due	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
1.	Undisputed trade receivables: considered good	950.80	111.49	-	-	-	-	1062.29
2.	Undisputed trade receivables: which have significant increase in credit risk	-	-	2.72	0.95	0.50	4.59	8.76
	Allowance for doubtful debts*	-	(4.70)	(1.49)	(0.95)	(0.50)	(4.58)	(12.22)
		950.80	106.79	1.23	-	-	-	1,058.83

*Allowance for doubtful debts include expected credit loss provision

(₹ cr)

No.	Particulars	As at March 31, 2021						Total
		Not due	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
1.	Undisputed trade receivables: considered good	645.39	72.03	-	-	-	-	717.42
2.	Undisputed trade receivables: which have significant increase in credit risk			1.62	1.20	1.78	3.36	7.96
	Allowance for doubtful debts*	-	(4.70)	(1.62)	(0.39)	(1.78)	(3.36)	(11.85)
		645.39	67.33	-	0.81	-	-	713.53

*Allowance for doubtful debts include expected credit loss provision

(₹ cr)

Note 11 Cash and cash equivalents		As at March 31, 2022	As at March 31, 2021
a)	Balances with banks		
	In current accounts	17.80	15.10
b)	Cash on hand	0.13	0.15
		17.93	15.25

There are no repatriation restrictions with regard to cash and cash equivalents.

(₹ cr)

Note 12 Bank balances other than cash and cash equivalents above		As at March 31, 2022	As at March 31, 2021
a)	Unclaimed dividend	2.73	2.75
b)	Unclaimed interest on public deposit (current year: ₹ 15,193 and previous year: ₹ 15,193)	-	-
c)	Short-term bank deposit with maturity between 3 to 12 months	0.09	290.73
		2.82	293.48

Note 13 Equity share capital		As at March 31, 2022		As at March 31, 2021	
		Number of shares	₹ cr	Number of shares	₹ cr
a)	Authorised				
	Equity shares of ₹ 10 each	8,00,00,000	80.00	8,00,00,000	80.00
			80.00		80.00
b)	Issued				
	Equity shares of ₹ 10 each	2,96,17,098	29.62	2,96,17,098	29.62
			29.62		29.62
c)	Subscribed				
	Equity shares of ₹ 10 each, fully paid	2,95,87,051	29.59	2,95,87,051	29.59
d)	Forfeited shares				
	Amount originally paid-up on forfeited shares	29,991	0.02	29,991	0.02
			29.61		29.61

a) Rights, preferences and restrictions:

The Company has one class of shares referred to as equity shares having a par value of ₹ 10 each.

i) Equity shares:

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 and preference shares, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

Each holder of equity shares is entitled to one vote per share.

ii) Dividend:

The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

b) Shares reserved for allotment at a later date:

56 equity shares are held in abeyance due to disputes at the time of earlier rights issues.

c) Details of shareholders holding more than 5% of equity shares:

No.	Name of the shareholder	As at March 31, 2022		As at March 31, 2021	
		Holding %	Number of shares	Holding %	Number of shares
1.	Aagam Holdings Pvt Ltd	22.49%	66,54,000	22.48%	66,54,000
2.	Arvind Farms Pvt Ltd	9.45%	27,96,208	9.45%	27,96,208
3.	HDFC Trustee Company Ltd	*	*	5.67%	16,76,755
4.	DSP Midcap Fund	*	*	5.23%	15,47,441

*Shareholding is below 5% as at March 31, 2022

d) Reconciliation of the number of shares outstanding and the amount of equity share capital:

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	₹ cr	Number of shares	₹ cr
Balance as at the beginning of the year ¹	2,96,17,042	29.61	2,96,91,724	29.68
Less: Buy-back of equity shares (refer Note 28.18)	-	-	74,682.00	0.07
Balance as at the end of the year ¹	2,96,17,042	29.61	2,96,17,042	29.61

¹Includes 29,991 forfeited shares and amount of ₹ 0.02 cr

e) Shareholding of promoters:

No.	Name of the promoter	As at March 31, 2022			As at March 31, 2021		
		Number of shares	% of total shares	% change during the year	Number of shares	% of total shares	% change during the year
01.	Aagam Holdings Pvt Ltd	66,54,000	22.49%	-	66,54,000	22.49%	0.05%
02.	Arvind Farms Pvt Ltd	27,96,208	9.45%	-	27,96,208	9.45%	-
03.	Aagam Agencies Pvt Ltd (formerly known as Adhigam Investments Pvt Ltd)	11,95,000	4.04%	0.06%	11,94,254	4.04%	0.07%
04.	Aayojan Resources Pvt Ltd	6,14,460	2.08%	-	6,14,460	2.08%	-
05.	Akshita Holdings Pvt Ltd	4,64,400	1.57%	-	4,64,400	1.57%	0.22%
06.	Adhinami Investments Pvt Ltd	4,55,350	1.54%	-	4,55,350	1.54%	-
07.	Anusandhan Investments Ltd	2,35,000	0.79%	-	2,35,000	0.79%	-
08.	Samvegbhai Arvindbhai Lalbhai	2,02,377	0.68%	-	2,02,377	0.68%	-
09.	Saumya Samvegbhai Lalbhai	1,74,070	0.59%	-	1,74,070	0.59%	-
10.	Samvegbhai Arvindbhai (on behalf of Samvegbhai Arvindbhai Lalbhai HUF)	1,14,943	0.39%	-	1,14,943	0.39%	-
11.	Sunil Siddharth Lalbhai	91,772	0.31%	-	91,772	0.31%	-
12.	Vimla S Lalbhai*	65,982	0.22%	-	65,982	0.22%	-
13.	Swati S Lalbhai	63,500	0.21%	-	63,500	0.21%	-
14.	Tara S Lalbhai	50,027	0.17%	0.01%	50,022	0.17%	-
15.	Anamikaben Samvegbhai Lalbhai	47,199	0.16%	-	47,199	0.16%	-
16.	Sunil Siddharth Lalbhai (on behalf of Sunil Siddharth HUF)	31,544	0.11%	-	31,544	0.11%	-
17.	Astha Lalbhai	20,500	0.07%	-	20,500	0.07%	-
18.	Hansa Niranjanbhai (on behalf of Manini Niranjan Trust and BOI)	5,999	0.02%	-	5,999	0.02%	-
19.	Nishtha Sunilbhai Lalbhai	5,500	0.02%	-	5,500	0.02%	-

No.	Name of the promoter	As at March 31, 2022			As at March 31, 2021		
		Number of shares	% of total shares	% change during the year	Number of shares	% of total shares	% change during the year
20.	Sanjaybhai Shrenikbhai Lalbhai (on behalf of Arvindbhai Lalbhai Family Trust)	3,653	0.01%	-	3,653	0.01%	-
21.	Swati Siddharth Lalbhai (on behalf of Sunil Lalbhai Employees Trust 1)	2,000	0.01%	100%	-	-	-
22.	Lalbhai Dalpatbhai HUF	1,169	-	-	1,169	-	-
23.	Sunil Siddharth Lalbhai (on behalf of Vimla Siddharth Family Trust)	1,070	-	100%	-	-	-
24.	Sheth Narottambhai Lalbhai	495	-	-	495	-	-
25.	Sunil Lalbhai Employee Trust	-	-	(100%)	2,000	0.01%	-

*Out of 65,982 shares, 35,620 shares are held on behalf of Siddharth Family Trust and 4,612 shares are held on behalf of Vimla Siddharth Trust

(₹ cr)

Note 14 Other equity		As at March 31, 2022	As at March 31, 2021
Summary of other equity balance			
a)	General reserve	68.72	68.72
b)	Retained earnings	3,663.76	3,143.28
c)	Capital redemption reserve	0.07	0.07
d)	Other reserves		
	i) FVTOCI equity instruments	554.03	469.24
	ii) Effective portion of cash flow hedges	0.20	0.43
		4,286.78	3,681.74

Refer Standalone Statement of changes in equity for detailed movement in other equity balance.

Nature and purpose of other reserves

a) General reserve

General reserve represents amount appropriated out of retained earnings pursuant to the earlier provisions of the Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

b) Retained earnings

Retained earnings are the profits that the Company has earned till date, less, any transfers to general reserve, any transfers from or to other comprehensive income, dividends or other distributions paid to shareholders.

c) Capital redemption reserve

In accordance with Section 69 of the Companies Act, 2013, the Group has created capital redemption reserve equal to the nominal value of the shares bought back as an appropriation from general reserve.

d) FVTOCI equity instruments

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVTOCI equity instruments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

e) Cash flow hedging reserve

The Company uses hedging instruments as part of its management of foreign currency risk associated with its highly probable forecast sale and inventory purchases and interest rate risk associated with variable interest rate borrowings. For hedging foreign currency risk, the Company uses foreign currency forward contracts, foreign currency option contracts and interest rate swaps. They are designated as cash flow hedges to the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the cash flow hedging reserve is reclassified to profit or loss when the hedged item affects profit or loss (for example, sales and interest payments). When the forecast transaction results in the recognition of a non-financial asset (for example, inventory), the amount recognised in the cash flow hedging reserve is adjusted against the carrying amount of the non-financial asset.

(₹ cr)

Note 15 Other financial liabilities		As at March 31, 2022		As at March 31, 2021	
		Current	Non-current	Current	Non-current
a)	Employee benefits payable	59.50	-	55.56	-
b)	Security deposits	31.09	-	30.29	-
c)	Unclaimed dividends*	2.73	-	2.75	-
d)	Creditors for capital goods	34.51	-	32.90	-
e)	Other liabilities	1.91	2.73	1.65	2.53
		129.74	2.73	123.15	2.53

*There is no amount due and outstanding to be credited to Investor Education and Protection Fund as at March 31, 2022.

(₹ cr)

Note 16 Provisions		As at March 31, 2022		As at March 31, 2021	
		Current	Non-current	Current	Non-current
a)	Provision for compensated absences	9.34	27.59	7.61	24.23
b)	Others {refer i(b) and ii below}	36.22	-	29.26	-
		45.56	27.59	36.87	24.23

i) Information about individual provisions and significant estimates

a) Compensated absences:

The Compensated absences cover the liability for sick and earned leave. Out of the total amount disclosed above, the amount of ₹ 9.34 cr (March 31, 2021: ₹ 7.61 cr) is presented as current since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

b) Others:

Regulatory and other claims:

The Company has provided for certain regulatory and other charges for which it has received claims. The provision represents the unpaid amount that it expects to incur | pay for which the obligating event has already arisen as on the reporting date.

Effluent disposal:

The Company has provided for expenses it estimates to incur for safe disposal of effluent in line with the regulatory framework it operates in. The provision represents the unpaid amount it expects to incur for which the obligating event has already arisen as on the reporting date.

ii) Movements in provisions:

(₹ cr)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Regulatory and other claims	Effluent disposal	Regulatory and other claims	Effluent disposal
Balance as at the beginning of the year	25.59	3.67	26.67	1.95
Less: Utilised	(0.02)	(3.67)	(1.08)	(1.95)
Provision made during the year	4.34	6.31	-	3.67
Balance as at the end of the year	29.91	6.31	25.59	3.67

Note 17 Borrowings

(₹ cr)

Particulars	Maturity	Terms of repayment	Interest rate pa	As at March 31, 2022		As at March 31, 2021	
				Current	Non-current	Current	Non-current
a) Secured							
Cash credit loan from banks repayable on demand	Short-term	Repayable on demand	7.10% to 7.35%	22.77	-	-	-
b) Unsecured							
Working capital demand loan from banks	0-90 days	0-90 days	3.80 % to 4%	50.17	-	-	-
				72.94	-	-	-

a) Security details:

Working capital loans repayable on demand from banks (March 31, 2022: ₹ 72.94, March 31, 2021: nil) is secured by hypothecation of tangible current assets, namely, inventories and book debts of the Company as a whole and also secured by second and subservient charge on immovable and movable assets of the Company to the extent of individual bank limit as mentioned in joint consortium documents. This also extends to guarantees and letters of credit given by the bankers aggregating to ₹ 195.80 cr (March 31, 2021: ₹ 144.73 cr).

b) Quarterly statement of current assets filed with banks during the year are in agreement with the books of accounts.

c) The carrying amount of assets hypothecated | mortgaged as security for borrowing limits are:

(₹ cr)

Particulars	As at March 31, 2022	As at March 31, 2021
i) Property, plant and equipment excluding leasehold land, certain lands and buildings	1,253.52	1,035.83
ii) Inventories	701.03	510.57
iii) Trade receivables	1,058.83	713.53
iv) Current assets other than inventories and trade receivables	165.69	426.35
Total assets as security	3,179.07	2,686.28

d) Net debt reconciliation:

(₹ cr)

Particulars	As at March 31, 2022	As at March 31, 2021
Net debt as at the beginning of the year	-	-
(Repayment) Disbursement	72.94	-
Interest expense	0.83	0.05
Interest paid	(0.83)	(0.05)
Net debt as at the end of the year	72.94	-

(₹ cr)

Note 18 Trade payables		As at March 31, 2022	As at March 31, 2021
a)	Total outstanding dues of micro-enterprises and small enterprises (refer Note 28.14)	43.36	22.77
b)	Total outstanding dues of creditors other than micro-enterprises and small enterprises		
i)	Related party (refer Note 28.4)		
	Acceptances	7.21	7.00
	Payables	29.83	16.90
ii)	Others	539.55	516.01
		619.95	562.68

Trade payables ageing

(₹ cr)

No.	Particulars	As at March 31, 2022						Total
		Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
1.	MSME	-	43.36	-	-	-	-	43.36
2.	Others	74.07	399.51	103.01	-	-	-	576.59
		74.07	442.87	103.01	-	-	-	619.95

(₹ cr)

No.	Particulars	As at March 31, 2021						Total
		Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
1.	MSME	-	22.77	-	-	-	-	22.77
2.	Others	55.82	414.85	68.78	0.46	-	-	539.91
		55.82	437.62	68.78	0.46	-	-	562.68

(₹ cr)

Note 19 Contract liabilities		As at March 31, 2022	As at March 31, 2021
Advances received from customers		30.41	23.01
		30.41	23.01

(₹ cr)

Note 20 Other current liabilities		As at March 31, 2022	As at March 31, 2021
a)	Statutory dues	8.26	7.44
		8.26	7.44

(₹ cr)

Note 21 Revenue from operations	2021-22	2020-21
Sale of products	4,731.67	3,412.14
Sale of services ¹	196.86	48.26
Scrap sales	14.95	7.63
Processing charges	8.35	9.54
Revenue from contracts with customers	4,951.83	3,477.57
Export incentives	40.92	34.78
	4,992.75	3,512.35

¹Includes ₹ 188.52 cr (2020-21: ₹ 43.53 cr) on account of freight and insurance in sale of goods on CIF, which are identified as separate performance obligation under Ind AS 115.

Disaggregation of revenue from contracts with customers

(₹ cr)

Particulars	2021-22	2020-21
Sale of goods services		
Life Science Chemicals	1,447.02	1,128.10
Domestic	694.28	607.37
Export	752.74	520.73
Performance and Other Chemicals	3,709.11	2,497.10
Domestic	2,013.06	1,443.31
Export	1,696.05	1,053.79
Others	9.06	7.63
	5,165.19	3,632.83
Inter-segment revenue	213.36	155.26
	4,951.83	3,477.57

Reconciliation of revenue from contracts with customers recognised at contract price

(₹ cr)

Particulars	2021-22	2020-21
Contract price	5,019.67	3,514.54
Adjustments for:		
Consideration payable to customers - discounts ¹	(61.46)	(30.59)
Contract price allocated to unsatisfied performance obligation for sale of services (net) ²	(6.38)	(6.38)
Revenue from contracts with customers	4,951.83	3,477.57

¹Consideration payable to customers like discounts and price reductions offered to customers are estimated on specific identified basis and reduced from the contract price when the Company recognises revenue from the transfer of the related goods or services to the customer and the entity pays or promises to pay the consideration.

²Unsatisfied performance obligation for sale of services comprises revenue from insurance and freight services for exports in-progress as at March 31, 2022, of ₹ 16.37 cr, net of revenue recognised for such services for similar contracts in-progress as at March 31, 2021, for ₹ 10.11 cr. The revenue for exports in- progress as at March 31, 2022, will be recognised in 2022-23 upon completion of the exports.

(₹ cr)

Note 22 Other income	2021-22	2020-21
Dividends from equity investments measured at FVTOCI	4.14	56.57
Dividends from equity investments measured at cost	4.38	1.46
Interest income from financial assets measured at amortised cost	21.57	15.31
Interest income from financial assets measured at FVTPL	7.92	0.07
Interest from others	3.02	2.54
Lease income	1.95	0.88
(Loss) Gain on disposal of property, plant and equipment	(0.56)	0.86
Gain on investments measured at FVTPL	23.70	23.16
Net exchange rate difference gain (loss)	10.41	(7.52)
Miscellaneous income	13.54	10.38
	90.07	103.71

(₹ cr)

Note 23 Cost of materials consumed	2021-22	2020-21
Raw materials and packing materials consumed		
Stocks at commencement	140.97	104.91
Add: Purchase	2,635.70	1,561.07
	2,776.67	1,665.98
Less: Stocks at close	185.44	140.97
	2,591.23	1,525.01

(₹ cr)

Note 24 Changes in inventories of finished goods, work-in-progress and stock-in-trade	2021-22	2020-21
Stocks at close		
Finished goods	259.85	192.95
Work-in-progress	181.80	127.42
Stock-in-trade	9.31	3.57
	450.96	323.94
Less: Stocks at commencement		
Finished goods	192.95	134.54
Work-in-progress	127.42	125.44
Stock-in-trade	3.57	0.65
	323.94	260.63
(Increase) Decrease in stocks	(127.02)	(63.31)

(₹ cr)

Note 25 Employee benefit expenses	2021-22	2020-21
Salaries, wages and bonus (refer Note 28.6)	250.40	227.37
Contribution (net) to provident and other funds (refer Note 28.6)	17.85	15.87
Staff welfare	8.14	5.86
	276.39	249.10

(₹ cr)

Note 26 Finance costs	2021-22	2020-21
Interest on borrowings	0.83	0.05
Interest on financial liabilities at amortised cost	1.16	1.31
Interest on others	0.61	0.20
Other borrowing costs	0.34	0.41
	2.94	1.97

(₹ cr)

Note 27 Other expenses	2021-22	2020-21
Power, fuel and water	489.34	300.58
Freight charges	263.04	93.04
Manpower services	64.93	61.28
Consumption of stores and spares	54.99	51.56
Conversion and plant operation charges	57.32	64.60
Plant and equipment repairs	83.67	67.02
Building repairs	42.69	34.30
Sundry repairs	13.27	9.47
Rent	2.05	2.00
Rates and taxes	1.36	1.33
Insurance	16.05	13.36
Commission	18.41	11.29
Auditors' remuneration ¹	0.61	0.64
Travelling and conveyance	13.02	10.45
Directors' fees and travelling	0.26	0.34
Directors' commission (other than the Executive Directors)	0.96	0.92
Bad debts and irrecoverable balances written off	(1.28)	0.52
Provision for doubtful debts (net)	0.37	1.78
Loss on assets sold, discarded or demolished	1.76	0.95
Expenditure on Corporate Social Responsibility initiatives (refer Note 28.15)	15.02	12.41
Miscellaneous expenses	90.73	77.74
	1,228.57	815.58

¹Details of Auditors' remuneration are as follows:

(₹ cr)

Particulars		2021-22	2020-21
Remuneration to the Statutory Auditors			
a)	Audit fees	0.40	0.40
b)	Tax matters	0.11	0.10
c)	Other matters	0.07	0.09
d)	Out of pocket expenses	-	0.02
Remuneration to the Cost Auditors			
a)	Audit fees	0.03	0.03
		0.61	0.64

Note 28.1 Contingent liabilities

(₹ cr)

Particulars		As at March 31, 2022	As at March 31, 2021
Claims against the Company not acknowledged as debts in respects of:			
i)	Excise duty	0.67	0.82
ii)	Income tax	7.61	8.27
iii)	Customs duty	1.94	1.94
iv)	Others	109.75	104.91

Others include claims on account of water charges and customer claims | potential claims.

The regulatory claims are under litigation at various forums. The Company expects the outcome of the above matters to be in its favour and has, therefore, not recognised provision in relation to these claims. The above excludes interest | penalty unless demanded by the authorities.

Note 28.2 Commitments

a) Capital commitments

Capital expenditure contracted for at the end of the reporting period, but not recognised as liabilities, is as follows:

(₹ cr)

Particulars	As at March 31, 2022	As at March 31, 2021
Estimated amount of contracts remaining to be executed and not provided for (net of advances):		
Property, plant and equipment	85.83	63.69
Other commitment¹	-	1.36

¹Uncalled money pertaining to investment in partly paid equity shares of a listed entity.

b) The Company has provided letters of financial support to its two subsidiary companies.

Note 28.3 Research and development

Details of expenditure incurred on approved in-house research and development facilities:

	(₹ cr)	
Particulars	2021-22	2020-21
Other capital expenditure	0.32	3.24
Capital expenditure on building	3.06	-
Recurring expenditure	29.01	25.98
	32.39	29.22

Note 28.4 Related party disclosures

Note 28.4 (A) Related party information

Name of the related party and nature of relationship

No.	Name of the related party	Description of relationship
01.	Aaranyak Urmi Ltd ¹	Subsidiary companies
02.	Aasthan Dates Ltd	
03.	Amal Ltd ²	
04.	Amal Speciality Chemicals Ltd ¹	
05.	Anchor Adhesives Pvt Ltd	
06.	Atul Aarogya Ltd	
07.	Atul Ayurveda Ltd	
08.	Atul Bioscience Ltd	
09.	Atul Biospace Ltd	
10.	Atul Brasil Quimicos Ltda	
11.	Atul China Ltd	
12.	Atul Clean Energy Ltd	
13.	Atul Crop Care Ltd	
14.	Atul Deutschland GmbH	
15.	Atul Entertainment Ltd	
16.	Atul Europe Ltd	
17.	Atul Finserv Ltd	
18.	Atul Fin Resources Ltd ¹	
19.	Atul Healthcare Ltd	
20.	Atul Homecare Ltd (formerly known as Lapox Polymers Ltd)	
21.	Atul Hospitality Ltd	
22.	Atul Infotech Pvt Ltd ¹	
23.	Atul Ireland Ltd	
24.	Atul Lifescience Ltd	
25.	Atul Middle East FZ-LLC	
26.	Atul Natural Dyes Ltd	
27.	Atul Natural Foods Ltd	
28.	Atul Nivesh Ltd ¹	
29.	Atul Paints Ltd	

Note 28.4 Related party disclosures (continued)

No.	Name of the related party	Description of relationship
30.	Atul Polymers Products Ltd	Subsidiary companies
31.	Atul Products Ltd	
32.	Atul Rajasthan Date Palms Ltd ¹	
33.	Atul Renewable Energy Ltd	
34.	Atul (Retail) Brands Ltd	
35.	Atul Seeds Ltd	
36.	Atul USA Inc	
37.	Biyaban Agri Ltd	
38.	DPD Ltd ¹	
39.	Jayati Infrastructure Ltd	
40.	Osia Dairy Ltd	
41.	Osia Infrastructure Ltd	
42.	Raja Dates Ltd	
43.	Sehat Food Ltd	
44.	Rudolf Atul Chemicals Ltd	Joint venture company
45.	Anaven LLP	Joint operation of subsidiary company
46.	Samveg Agencies Pvt Ltd	Entity over which control is exercised by Key Management Personnel
47.	Key Management Personnel	
	Sunil Lalbhai	Chairman and Managing Director
	Samveg Lalbhai	Managing Director
	Bharathy Mohanan	Whole-time Director and President - U&S
	Gopi Kannan Thirukonda	Whole-time Director and CFO
	Rajendra Shah	Non-executive Director
	Bansi Mehta	Non-executive Director
	Susim Datta	Non-executive Director
	Srinivasa Rangan	Non-executive Director
	Mukund Chitale	Non-executive Director
	Shubhalakshmi Panse	Non-executive Director
	Baldev Arora	Non-executive Director
48.	Close family members of Key Management Personnel	
	Vimla Lalbhai	Mother of S S Lalbhai
	Swati Lalbhai	Sister of S S Lalbhai
	Astha Lalbhai	Daughter of S S Lalbhai
	Saumya Lalbhai	Son of S A Lalbhai
	Nishtha Lalbhai	Daughter of S S Lalbhai
49.	Welfare funds	Entities over which Key Management Personnel or their close family members have significant influence
	Atul Foundation Trust	
	Atul Kelavani Mandal	
	Atul Rural Development Fund	
	Atul Vidyalaya Trust	
	Urmi Stree Sanstha	

Note 28.4 Related party disclosures (continued)

No.	Name of the related party	Description of relationship
50.	Other related parties	Post-employment benefit plan of Atul Ltd
	Atul Limited Employees Gratuity Fund	
	Atul Products Ltd-Ankleshwar Division Employees' Provident Fund Trust	
	The Atul Officers Retirement Benefit Fund	

¹Investments held through subsidiary companies | ²Subsidiary company by virtue of control

(₹ cr)

Note 28.4 (B) Transactions with subsidiary companies		2021-22	2020-21
a)	Sales and income		
1.	Sale of goods	919.05	511.68
	Aaranyak Urmi Ltd	0.02	0.03
	Amal Ltd	0.19	-
	Atul Bioscience Ltd	58.82	43.59
	Atul Biospace Ltd	7.84	7.20
	Atul China Ltd	136.29	106.72
	Atul Europe Ltd	241.47	143.25
	Atul Ireland Ltd	0.12	-
	Atul Middle East FZ-LLC	2.26	-
	Atul Products Ltd	0.08	-
	Atul USA Inc	471.90	210.89
	Osia Infrastructure Ltd (previous year: ₹ 1,151)	0.05	-
2.	Service charges received	9.51	7.07
	Amal Ltd	1.19	1.19
	Amal Speciality Chemicals Ltd	0.31	0.06
	Atul Bioscience Ltd	5.04	5.37
	Atul Biospace Ltd	0.31	0.03
	Atul Crop Care Ltd	0.11	0.10
	Atul Finserv Ltd	0.06	0.05
	Atul Homecare Ltd (formerly known as Lapox Polymers Ltd)	0.04	-
	Atul Infotech Pvt Ltd	0.15	0.20
	Atul Products Ltd	1.66	0.07
	Osia Infrastructure Ltd	0.65	-
3.	Interest received	11.52	1.60
	Atul Bioscience Ltd	5.13	1.60
	Atul Products Ltd	6.39	-
4.	Lease rent received	0.07	0.01
	Aaranyak Urmi Ltd (current year: ₹ 4,333)		-
	Amal Ltd (current year: ₹ 8,000 and previous year: ₹ 8,000)		-
	Amal Speciality Chemicals Ltd (current year: ₹ 1,000)		-
	Atul Bioscience Ltd (current year: ₹ 3,935 and previous year: ₹ 3,935))		-
	Atul Biospace Ltd (previous year: ₹ 30,000 and previous year: ₹ 30,000)		-
	Atul Finserv Ltd	0.05	-
	Atul Natural Dyes Ltd (current year: ₹ 1,000)		-
	Atul Natural Foods Ltd (current year: ₹ 1,000)		-

Note 28.4 Related party disclosures (continued)

(₹ cr)

Note 28.4 (B) Transactions with subsidiary companies		2021-22	2020-21
	Atul Renewable Energy Ltd (current year: ₹ 1,000)		-
	Osia Infrastructure Ltd	0.02	0.01
5.	Brand usage charges	0.15	0.14
	Atul Aarogya Ltd (current year: ₹ 500 and previous year: ₹ 500)		
	Atul Ayurveda Ltd (current year: ₹ 500 and previous year: ₹ 500)		
	Atul Bioscience Ltd	0.14	0.14
	Atul Biospace Ltd (current year: ₹ 500 and previous year: ₹ 500)		
	Atul Clean Energy Ltd (current year: ₹ 500 and previous year: ₹ 500)		
	Atul Crop Care Ltd (current year: ₹ 500 and previous year: ₹ 500)		
	Atul Entertainment Ltd (current year: ₹ 500 and previous year: ₹ 500)		
	Atul Fin Resource Ltd (current year: ₹ 500 and previous year: ₹ 500)		
	Atul Finserv Ltd (current year: ₹ 500 and previous year: ₹ 500)		
	Atul Hospitality Ltd (current year: ₹ 500 and previous year: ₹ 500)		
	Atul Infotech Pvt Ltd (current year: ₹ 25,000 and previous year: ₹ 25,000)		
	Atul Nivesh Ltd (current year: ₹ 500 and previous year: ₹ 500)		
	Atul Rajasthan Date Palms Ltd	0.01	-
	Atul (Retail) Brands Ltd (current year: ₹ 500 and previous year: ₹ 500)		
	Atul Seeds Ltd (current year: ₹ 500 and previous year: ₹ 500)		
b)	Purchases and expenses		
1.	Purchase of goods	67.84	32.05
	Aaranyak Urmi Ltd	0.01	
	Amal Ltd	31.41	23.76
	Atul Bioscience Ltd	12.55	1.06
	Atul Biospace Ltd	0.01	0.02
	Atul China Ltd	4.06	-
	Atul Europe Ltd	1.63	-
	Atul USA Inc	0.36	
	Biyaban Agri Ltd	-	7.21
	DPD Ltd	11.80	-
	Osia Infrastructure Ltd	6.01	-
2.	Capital purchase	-	8.04
	Atul USA Inc	-	8.04
3.	Service charges	36.87	35.25
	Atul Biospace Ltd	0.02	0.02
	Atul Crop Care Ltd	16.83	14.63
	Atul Finserv Ltd	0.87	0.74
	Atul Infotech Pvt Ltd	3.76	3.84
	Atul Homecare Ltd (formerly known as Lapox Polymers Ltd)	15.38	16.02
4.	Commission	9.08	7.40
	Atul Brasil Quimicos Ltda	1.25	1.50
	Atul China Ltd	1.95	0.99
	Atul Europe Ltd	2.80	2.80

Note 28.4 Related party disclosures (continued)

		(₹ cr)	
Note 28.4 (B) Transactions with subsidiary companies		2021-22	2020-21
	Atul Middle East FZ-LLC	2.24	1.70
	Atul USA Inc	0.84	0.41
5.	Reimbursement of expenses	8.72	7.61
	Aaranyak Urmi Ltd (current year: ₹ 8,326)		0.06
	Amal Ltd	0.01	0.02
	Atul Biospace Ltd (current year: ₹ 1,440)		-
	Atul Bioscience Ltd	-	0.10
	Atul Brasil Quimicos Ltda	0.01	4.64
	Atul China Ltd	0.10	0.72
	Atul Crop Care Ltd	5.26	0.06
	Atul Europe Ltd	0.75	-
	Atul Homecare Ltd (formerly known as Lapox Polymers Ltd)	1.88	1.87
	Atul Middle East FZ-LLC	-	0.10
	Atul Products Ltd	0.29	-
	Atul USA Inc	0.42	0.04
c)	Other transactions		
1.	Repayment of loans given	6.76	-
	Atul Bioscience Ltd	6.76	-
2.	Direct investment made in equity shares	17.98	5.12
	Atul Finserv Ltd	12.89	5.12
	Atul Healthcare Ltd	0.10	-
	Atul Lifescience Ltd (previous year: ₹ 49,940)	-	-
	Atul Products Ltd	4.99	-
3.	Reimbursements received	0.03	-
	Aaranyak Urmi Ltd (current year: ₹ 6,276 and previous year: ₹ 1,100)		
	Amal Ltd (current year: ₹ 39,731)		-
	Atul Bioscience Ltd (previous year: ₹ 45)	0.01	
	Atul Products Ltd	0.02	-
	Osia Infrastructure Ltd (current year: ₹ 5,527 and previous year: ₹ 15,006)		
4.	Redemption of preference shares	2.00	2.00
	Amal Ltd	2.00	2.00
5.	Loan given	290.23	6.50
	Atul Bioscience Ltd	36.83	6.50
	Atul Products Ltd	253.40	-
6.	Extension of loan given	-	17.50
	Atul Bioscience Ltd	-	17.50
7.	Sale of fixed assets	0.01	0.23
	Atul Bioscience Ltd	0.01	0.23
	Atul Biospace Ltd (previous year: ₹ 5,294)	-	
8.	Purchase of investment	-	0.01
	Atul Biospace Ltd	-	0.01

Note 28.4 Related party disclosures (continued)

(₹ cr)

Note 28.4 (C) Transactions with joint venture company		2021-22	2020-21
a)	Sales and income		
1.	Sale of goods	3.73	2.10
2.	Service charges received	3.92	3.55
3.	Lease rent received	0.66	0.46
4.	Brand usage charges	0.02	0.02
b)	Purchases and expenses		
	Purchase of goods	0.01	0.09
c)	Other transactions		
1.	Dividends received from equity investment measured at cost	4.38	1.46
2.	Reimbursements received	0.27	0.16
3.	Sale of fixed assets	-	0.06

The above transactions are with Rudolf Atul Chemicals Ltd.

(₹ cr)

Note 28.4 (D) Transactions with joint operation of subsidiary company		2021-22	2020-21
a)	Sales and income		
1.	Sale of goods	12.73	0.90
2.	Service charges received	1.34	0.13
3.	Lease rent received	2.05	0.13
4.	Interest income	5.69	0.37
b)	Purchases and expenses		
	Purchase of goods	126.46	7.19
c)	Other transactions		
1.	Sale of capital work-in-progress (current year: ₹ 6,960)		0.58
2.	Reimbursements received	0.69	3.63
3.	Loan given	94.62	-
4.	Repayment of loan given	33.20	6.85

(₹ cr)

Note 28.4 (E) Key Management Personnel compensation		2021-22	2020-21
Remuneration¹		21.82	21.55
1.	Short-term employee benefits	19.45	19.32
2.	Post-employment benefits ¹	1.15	0.98
3.	Commission and other benefits to Non-executive Directors	1.21	1.25

¹Compensation exclude provision for gratuity and compensated absences since these are based on actuarial valuation on an overall company basis.

Note 28.4 Related party disclosures (continued)

(₹ cr)

Note 28.4 (F) Close family members of Key Management Personnel compensation		2021-22	2020-21
Remuneration¹		0.88	0.74
1.	Astha Lalbhai	0.40	0.38
2.	Saumya Lalbhai	0.26	0.25
3.	Nishtha Lalbhai	0.21	0.11

¹Compensation exclude provision for gratuity and compensated absences since these are based on actuarial valuation on an overall company basis.

(₹ cr)

Note 28.4 (G) Transactions with entities over which Key Management Personnel or their close family members have significant influence		2021-22	2020-21
a)	Sales and income		
1.	Sale of goods	0.12	0.12
	Atul Kelavani Mandal	0.03	0.04
	Atul Rural Development Fund (current year: ₹ 44,778 and previous year: ₹ 35,555)		
	Atul Vidyalaya Trust	0.09	0.08
	Urmi Stree Sanstha (current year: ₹ 21,702 and previous year: ₹ 25,667)		
2.	Lease rent received	0.02	0.05
	Atul Kelavani Mandal	0.02	0.05
b)	Purchases and expenses		
	Purchase of goods	0.02	0.05
	Atul Foundation Trust	0.02	0.05
c)	Other transactions		
1.	Expenditure on Corporate Social Responsibility initiatives	6.80	2.25
	Atul Foundation Trust	6.30	2.25
	Atul Rural Development Fund	0.50	-
2.	Reimbursements received	0.03	0.05
	Atul Foundation Trust (current year: ₹ 11,488 and previous year: ₹ 31,578)		
	Atul Kelavani Mandal (current year: ₹ 35,420)		0.01
	Atul Rural Development Fund (current year: ₹ 1,276 and previous year: ₹ 165)		
	Atul Vidyalaya Trust	0.04	0.04
	Urmi Stree Sanstha (current year: ₹ 12,000 and previous year: ₹ 12,000)		

(₹ cr)

Note 28.4 (H) Transactions with post-employment benefit plan of Atul Ltd		2021-22	2020-21
a)	Contributions during the year (Employer's contribution only)		
	Atul Ltd Employees Gratuity Fund	9.98	4.06
	Atul Products Ltd-Ankleshwar Division Employees' Provident Fund Trust	0.24	0.23

Note 28.4 Related party disclosures (continued)

(₹ cr)

Note 28.4 (I) Outstanding balances as at year end		As at March 31, 2022	As at March 31, 2021
a)	With subsidiary companies		
1.	Loans receivable	307.46	24.00
	Atul Bioscience Ltd	54.06	24.00
	Atul Products Ltd	253.40	-
2.	Receivables	329.29	121.82
	Aaranyak Urmi Ltd (current year: ₹ 1,080 and previous year: ₹ 9,720)		
	Amal Ltd	0.43	0.45
	Amal Speciality Chemicals Ltd	0.09	0.07
	Atul Bioscience Ltd	18.14	8.85
	Atul Biospace Ltd	0.99	0.43
	Atul China Ltd	49.72	18.59
	Atul Crop Care Ltd	0.02	0.02
	Atul Europe Ltd	67.98	42.99
	Atul Finserv Ltd (previous year: ₹ 10,007)	0.06	
	Atul Homecare Ltd (formerly known as Lapox Polymers Ltd) (current year: ₹ 43,403)		-
	Atul Infotech Pvt Ltd (current year: ₹ 3,261)		0.02
	Atul Ireland Ltd	0.12	-
	Atul Lifescience Ltd (previous year: ₹ 49,940)	-	
	Atul Natural Dyes Ltd (current year: ₹ 1,180)		-
	Atul Natural Foods Ltd (current year: ₹ 1,180)		-
	Atul Polymers Products Ltd	0.07	0.07
	Atul Products Ltd	0.15	50.32
	Atul Rajasthan Date Palms Ltd	0.01	-
	Atul USA Inc	191.30	-
	Osia Infrastructure Ltd	0.21	0.01
3.	Payables	16.36	16.21
	Aaranyak Urmi Ltd (previous year: ₹ 33,248)	-	
	Amal Ltd	1.13	4.64
	Atul Bioscience Ltd	1.42	0.14
	Atul Biospace Ltd	0.02	0.02
	Atul Brasil Quimicos Ltda	0.99	1.13
	Atul China Ltd	0.36	0.36
	Atul Crop Care Ltd	1.90	3.61
	Atul Europe Ltd	2.88	1.80
	Atul Finserv Ltd	0.12	0.09
	Atul Homecare Ltd (formerly known as Lapox Polymers Ltd)	1.60	-
	Atul Infotech Pvt Ltd	0.29	0.33
	Atul Middle East FZ-LLC	1.17	1.49
	Atul Rajasthan Date Palms Ltd	-	0.04
	Atul USA Inc	2.82	0.78
	Osia Infrastructure Ltd	1.66	1.78

Note 28.4 Related party disclosures (continued)

(₹ cr)

Note 28.4 (I) Outstanding balances as at year end		As at March 31, 2022	As at March 31, 2021
4.	Acceptances	7.21	7.00
	Atul Fin Resources Ltd	7.21	7.00

(₹ cr)

Note 28.4 (I) Outstanding balances as at year end		As at March 31, 2022	As at March 31, 2021
b)	With joint venture company		
1.	Receivables	0.89	1.34
2.	Refundable security deposit	2.00	2.20

The above balances are with Rudolf Atul Chemicals Ltd.

(₹ cr)

Note 28.4 (I) Outstanding balances as at year end		As at March 31, 2022	As at March 31, 2021
c)	With joint operation		
1.	Receivables	0.86	1.78
2.	Payables	12.22	8.42
3.	Loan receivable	68.28	7.23
4.	Interest accrued on loan given	0.93	-

The above balances are with Anaven LLP.

(₹ cr)

Note 28.4 (I) Outstanding balances as at year end		As at March 31, 2022	As at March 31, 2021
d)	With entities over which Key Management Personnel or their close family members have significant influence		
1.	Receivables	0.02	0.03
	Atul Foundation Trust (current year: ₹ 22,728 and previous year: ₹ 13,006)		
	Atul Kelavani Mandal	0.01	0.01
	Atul Rural Development Fund (current year: ₹ 22,108 and previous year: ₹ 20,256)		
	Atul Vidyalaya Trust	0.01	0.02
	Urmi Stree Sanstha (current year: ₹ 4,448 and previous year: ₹ 9,633)		
2.	Payables	0.04	0.05
	Atul Foundation Trust (previous year: ₹ 47,494)	-	
	Atul Vidyalaya Trust	0.04	0.05

Note 28.4 (J) Terms and conditions

- 1 Sales to and purchases from related parties were made on normal commercial terms and conditions and at prevailing market prices or where market price is not available at cost plus margin.
- 2 Transactions relating to dividends were on the same terms and conditions that applied to other shareholders. Subscriptions of additional equity shares were on preferential basis.
- 3 All outstanding balances are unsecured and are repayable in cash and cash equivalent.

Note 28.5 Current and deferred taxes

The major components of income tax expense for the years ended March 31, 2022, and March 31, 2021, are:

a) Income tax expense recognised in the Statement of Profit and Loss

(₹ cr)

Particulars		2021-22	2020-21
i)	Current tax		
	Current tax on profit for the year	200.61	200.69
	Adjustments for current tax of prior periods	-	(1.50)
	Total current tax expense	200.61	199.19
ii)	Deferred tax		
	(Decrease) Increase in deferred tax liabilities	(2.39)	(0.90)
	Decrease (Increase) in deferred tax assets	(1.78)	(1.43)
	Total deferred tax expense (benefit)	(4.17)	(2.33)
	Income tax expense	196.44	196.86

b) Income tax expense recognised in the other comprehensive income

(₹ cr)

Particulars		2021-22	2020-21
i)	Current tax		
	Remeasurement gain (loss) on defined benefit plans	(1.70)	(0.27)
	Total current tax expenses	(1.70)	(0.27)
ii)	Deferred tax		
	Fair value of equity investment	2.53	9.61
	Effective portion of gain (loss) on cash flow hedges	0.13	0.15
	Total deferred tax expenses (benefits)	2.66	9.76
	Income tax expenses	0.96	9.49

c) The reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows:

Particulars		2021-22	2020-21
a)	Statutory income tax rate	25.17%	25.17%
b)	Differences due to:		
i)	Non-deductible expenses	0.39%	0.53%
ii)	Exempt income	(0.73%)	(0.02%)
iii)	Income tax incentives	(0.27%)	(1.77%)
iv)	Others	(0.13%)	(0.13%)
	Effective income tax rate	24.43%	23.78%

Note 28.5 Current and deferred tax (continued)

d) Current tax assets

(₹ cr)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	10.99	9.18
Add: Taxes paid in advance, net of provision during the year	(4.10)	1.81
Closing balance	6.89	10.99

e) Current tax liabilities

(₹ cr)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	4.32	-
Add: Current tax payable for the year	200.61	199.19
Less: Taxes paid	(198.23)	(194.87)
Closing balance	6.70	4.32

f) Deferred tax liabilities (net)

The balance comprises temporary differences attributable to the below items and corresponding movement in deferred tax liabilities | (assets):

(₹ cr)

Particulars	As at March 31, 2022	Charged (Credited) to		As at March 31, 2021	Charged (Credited) to		As at March 31, 2020
		profit or loss	OCI equity		profit or loss	OCI equity	
Property, plant and equipment	85.13	(1.5)	-	86.67	(5.03)	-	91.70
Unrealised gain on mutual fund	3.68	(0.9)	-	4.53	4.13	-	0.40
Fair value equity investments (net)	27.38	-	2.53	24.85	-	9.61	15.24
Total deferred tax liabilities	116.19	(2.4)	2.53	116.05	(0.90)	9.61	107.34
Provision for leave encashment	(9.30)	(1.28)	-	(8.02)	(1.05)	-	(6.97)
Provision for doubtful debts	(3.07)	(0.09)	-	(2.98)	(0.45)	-	(2.53)
Regulatory and other charges	(6.33)	0.01	-	(6.34)	0.38	-	(6.72)
Investment properties	(7.43)	(0.42)	-	(7.01)	(0.31)	-	(6.70)
Cash flow hedges	0.30	-	0.13	0.17	-	0.15	0.02
Total deferred tax assets	(25.83)	(1.78)	0.13	(24.18)	(1.43)	0.15	(22.90)
Net deferred tax liabilities (assets)	90.36	(4.17)	2.66	91.87	(2.33)	9.76	84.44

Note 28.6 Employee benefit obligations

Funded schemes

a) Defined benefit plans

Gratuity

The Company operates a gratuity plan through the Atul Ltd Employees Gratuity Fund. Every employee is entitled to a benefit equivalent to the last drawn salary of 15 days for each completed year of service in line with the Payment of Gratuity Act, 1972 or the Company scheme, whichever is more beneficial. Gratuity is payable at the time of separation or retirement from the Company, whichever is earlier. The benefit vests after five years of continuous service.

Note 28.6 Employee benefit obligations (continued)

(₹ cr)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at March 31, 2020	48.72	(48.72)	-
Current service cost	3.03	-	3.03
Interest expense (income)	3.04	(3.04)	-
Total amount recognised in profit and loss	6.07	(3.04)	3.03
Remeasurement			
Return on plan assets, excluding amount included in interest expense	-	(0.14)	(0.14)
Loss from change in financial assumptions	(0.31)	-	(0.31)
Experience (gain)	1.52	-	1.52
Total amount recognised in other comprehensive income	1.21	(0.14)	1.07
Employer contributions	-	(4.06)	(4.06)
Benefit payments	(3.20)	3.20	-
Liability transferred out	(0.04)	-	(0.04)
As at March 31, 2021	52.76	(52.76)	-
Current service cost	3.53	-	3.53
Interest expense (income)	3.34	(3.34)	-
Total amount recognised in profit and loss	6.87	(3.34)	3.53
Remeasurement			
(Gain) from change in financial assumptions	3.83	0.05	3.83
Experience loss	2.87	-	2.87
Total amount recognised in other comprehensive income	6.70	0.05	6.70
Employer contributions	-	(9.98)	(9.98)
Benefit payments	(5.04)	4.87	(0.17)
Liability transferred out	(0.13)	-	(0.13)
As at March 31, 2022	61.16	(61.16)	-

The net liability disclosed above relates to the following funded and unfunded plans:

(₹ cr)

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of funded obligations	61.16	52.76
Fair value of plan assets	(61.16)	(52.76)
Deficit of gratuity plan	-	-

Significant estimates: Actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate	6.41%	6.33%
Attrition rate	15.00%	8.00%
Rate of return on plan assets	6.41%	6.33%
Salary escalation rate	10.70%	7.62%

Note 28.6 Employee benefit obligations (continued)

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Change in assumptions		Impact on defined benefit obligation			
			Increase in assumptions		Decrease in assumptions	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Discount rate	1.00%	1.00%	(3.76%)	(4.06%)	4.08%	4.49%
Attrition rate	1.00%	1.00%	(0.89%)	(0.41%)	0.96%	0.45%
Rate of return on plan assets	1.00%	1.00%	(3.76%)	(4.06%)	4.08%	4.49%
Salary escalation rate	1.00%	1.00%	3.88%	4.39%	(3.65%)	(4.04%)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied while calculating the defined benefit liability recognised in the Standalone Balance Sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change as compared to the previous year.

Major categories of plan assets are as follows:

(₹ cr)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Unquoted	in %	Unquoted	in %
Government of India assets	1.18	1.93%	1.18	2.24%
Debt instruments				
Corporate bonds	1.22	2.00%	1.17	2.22%
Investment funds				
Insurance funds	53.09	86.81%	50.23	95.20%
Others	5.50	8.99%	0.02	0.04%
Special deposit schemes	0.16	0.26%	0.16	0.30%
	61.16	100%	52.76	100%

Note 28.6 Employee benefit obligations (continued)

Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks; the most significant of which are detailed below:

i) Asset volatility

The plan liabilities are calculated using a discount rate set with reference to bond yields, if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments are in fixed income securities with high grades and in government securities. These are subject to interest rate risk. The Company has a risk management strategy where the aggregate amount of risk exposure on a portfolio level is maintained at a fixed range. All deviations from the range are corrected by rebalancing the portfolio. It intends to maintain the above investment mix in the coming years.

ii) Changes in bond yields

A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of other bond holdings.

The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. It has not changed the processes used to manage its risks from previous periods. Investments are well diversified, such that the failure of any single investment will not have a material impact on the overall level of assets. A large portion of assets consists of insurance funds; it also invests in corporate bonds and special deposit schemes. The plan asset mix is in compliance with the requirements of the respective local regulations.

Expected contributions to post-employment benefit plans for the year ending March 31, 2023, are ₹ 4.13 cr.

The weighted average duration of the defined benefit obligation is six years (2020-21: six years). The expected maturity analysis of gratuity is as follows:

Particulars	(₹ cr)				
	Less than a year	Between 1 - 2 years	Between 2 - 5 years	Over 5 years	Total
Defined benefit obligation (gratuity)					
As at March 31, 2022	11.4	9.5	28.59	29.65	79.14
As at March 31, 2021	9.64	6.48	22.84	34.71	73.67

Provident fund

The Company has established an employee provident fund trust for employees based at Ankleshwar. It is administered by the Company to which both the employee and the employer make monthly contributions equal to 12% of basic salary of employee. The contribution of the Company to the provident fund for all employees is charged to the Standalone Statement of Profit and Loss. In case of any liability arising due to shortfall between the return from its investments and the administered interest rate, the same is required to be provided for by the Company. The actuary has provided an actuarial valuation and indicated that the interest shortfall liability is ₹ nil. The Company has contributed the following amounts towards provident fund during the respective period ended:

Particulars		(₹ cr)	
		As at March 31, 2022	As at March 31, 2021
i)	Defined benefit obligation	11.29	11.89
ii)	Funds	11.68	12.21
	Net assets (liabilities)	0.39	0.32
iii)	Charge to the Standalone Statement of Profit and Loss during the year (included in Note 25)	0.24	0.23

Note 28.6 Employee benefit obligations (continued)

The assumptions used in determining the present value of obligation:

Particulars		2021-22	2020-21
i)	Mortality rate	Indian assured lives mortality 2012-14 (Urban)	Indian assured lives mortality (2006-08) Ultimate
ii)	Withdrawal rate	5% pa for all age groups	5% pa for all age groups
iii)	Rate of discount	6.41%	6.33%
iv)	Expected rate of interest	8.10%	8.50%
v)	Retirement age	60 years	60 years
vi)	Guaranteed rate of interest	8.10%	8.50%

b) Defined contribution plans

Provident and other funds

Amount of ₹ 14.33 cr (March 31, 2021: ₹ 12.87 cr) {net of ₹ 0.06 cr (March 31, 2021: ₹ 0.17 cr) from the Pradhan Mantri Rojgar Protsahan Yojana} is recognised as expense and included in Note 25 'Contribution to provident and other funds'.

Compensated absences

Amount of ₹ 7.94 cr (March 31, 2021: ₹ 7.62 cr) is recognised as expense and included in Note 25 'Salaries, wages and bonus'.

- c) The Parliament of India has approved the Code on Social Security, 2020 (the Code), which may impact the contributions by the Company towards provident fund, gratuity and ESIC. The Ministry of Labour and Employment, Government of India, has released draft rules for the Code on November 13, 2020. Final rules are yet to be notified. The Company will assess the impact of the Code when it comes into effect and will record related impact, if any.

Note 28.7 Fair value measurements

Financial instruments by category

(₹ cr)

Particulars	As at March 31, 2022			As at March 31, 2021		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets						
Investments:						
Equity instruments	-	642.26	-	-	578.17	-
Preference shares	-	-	1.81	-	-	3.44
Government securities	-	-	0.01	-	-	0.01
Bonds	113.11	-	-	15.40	-	-
Mutual funds	539.54	-	-	717.81	-	-
Trade receivables	-	-	1,058.83	-	-	713.53
Loans	-	-	375.74	-	-	30.85
Security deposits for utilities and premises	-	-	2.18	-	-	1.80
Dividends receivable	-	-	0.93	-	-	-

Note 28.7 Fair value measurements (continued)

(₹ cr)

Particulars	As at March 31, 2022			As at March 31, 2021		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Derivative financial assets designated as hedges (net)	-	0.50	-	-	0.60	-
Finance lease receivables	-	-	12.63	-	-	5.86
Cash and bank balances	-	-	20.75	-	-	308.73
Other receivables	-	-	11.86	-	-	12.33
Total financial assets	652.65	642.76	1,484.74	733.21	578.77	1,076.55
Financial liabilities						
Trade payables	-	-	619.95	-	-	562.68
Security deposits	-	-	31.09	-	-	30.29
Employee benefits payable	-	-	59.50	-	-	55.56
Creditors for capital goods	-	-	34.51	-	-	32.90
Other liabilities (includes discount payables)	-	-	7.37	-	-	6.93
Total financial liabilities	-	-	752.42	-	-	688.36

a) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are: a) recognised and measured at fair value, b) measured at amortised cost and for which fair values are disclosed in the Standalone Financial Statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed in the Indian Accounting Standard. An explanation of each level follows underneath the table:

(₹ cr)

i)	Financial assets and liabilities measured at fair value as at March 31, 2022	Note	Level 1	Level 2	Level 3	Total
	Financial assets					
	Financial investments measured at FVTOCI:					
	Quoted equity shares	5.2	641.45	-	-	641.45
	Unquoted equity shares ¹	5.2	-	-	0.81	0.81
	Financial investments measured at FVTPL:					
	Bond	5.2	113.11	-	-	113.11
	Mutual funds	5.3	-	539.54	-	539.54
	Derivatives designated as hedges:					
	Currency options	7	-	0.50	-	0.50
	Total financial assets		754.56	540.04	0.81	1,295.41

Note 28.7 Fair value measurements (continued)

(₹ cr)

ii)	Financial assets and liabilities measured at fair value as at March 31, 2021	Note	Level 1	Level 2	Level 3	Total
	Financial assets					
	Financial investments measured at FVTOCI:					
	Quoted equity shares	5.2	577.36	-	-	577.36
	Unquoted equity shares ¹	5.2	-	-	0.81	0.81
	Financial investments measured at FVTPL:					
	Bond	5.2	15.40	-	-	15.40
	Mutual funds	5.2	-	717.81	-	717.81
	Derivatives designated as hedges:					
	Currency options	7	-	0.60	-	0.60
	Total financial assets		592.76	718.41	0.81	1,311.98

¹Includes investments in Bharuch Enviro Infrastructure Ltd (70,000 equity shares), Narmada Clean Tech Ltd (7,15,272 equity shares) and Bhadrashwar Vidyut Pvt Ltd (formerly known as OPGS Power Gujarat Pvt Ltd; 5,03,000 equity shares), which are for operation purpose and the Company has to hold it till the production site continues. The Company estimates that the fair value of these investments are not materially different as compared to its cost.

There were no transfers between any levels during the year.

Level 1: This includes financial instruments measured using quoted prices. The fair value of all equity instruments that are traded on the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example over-the-counter derivatives) is determined using valuation techniques, which maximise the use of observable market data and rely as little as possible on entity-specific estimates. The mutual fund units are valued using the closing net assets value. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

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

b) Valuation techniques used to determine fair value

Specific valuation techniques used to value financial instruments include:

- i) the use of quoted market prices or dealer quotes for similar instruments,
- ii) the fair value of forward foreign exchange contracts are determined using forward exchange rates at the Standalone Balance Sheet date,
- iii) the fair value of foreign currency option contracts is determined using the Black Scholes valuation model,
- iv) the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All of the resulting fair value estimates are included in levels 1 and 2.

c) Valuation processes

The Finance department of the Company includes a team that performs the valuations of financial assets and liabilities with assistance from independent external experts when required, for financial reporting purposes, including level 3 fair values.

Note 28.7 Fair value measurements (continued)

d) Fair value of financial assets and liabilities measured at amortised cost

(₹ cr)

Particulars	As at March 31, 2022	As at March 31, 2021
	Carrying amount Fair value	Carrying amount Fair value
Non-current financial assets		
Investments:		
Preference shares	1.81	3.44
Government securities	0.01	0.01
Loans	375.74	30.85
Security deposits for utilities and premises	2.18	1.80
Finance lease receivables	12.63	5.86
Total non-current financial assets	392.37	41.96
Non-current financial liabilities		
Other liabilities	2.73	2.53
Total non-current financial liabilities	2.73	2.53

The carrying amounts of trade receivables, cash and cash equivalents, other bank balances, dividend receivables, other receivables, trade payables, capital creditors, other liabilities are considered to be the same as their fair values due to the current and short-term nature of such balances.

The fair values for loans and investments in preference shares were calculated based on cash flows discounted using a prevailing lending rate at the time of inception.

Note 28.8 Financial risk management

Risk management is an integral part of the business practices of the Company. The framework of risk management concentrates on formalising a system to deal with the most relevant risks, building on existing management practices, knowledge and structures. With the help of a reputed international consultancy firm, the Company has developed and implemented a comprehensive risk management system to ensure that risks to the continued existence of the Company as a going concern and to its growth are identified and remedied on a timely basis. While defining and developing the formalised risk management system, leading standards and practices have been considered. The risk management system is relevant to business reality, pragmatic and simple and involves the following:

- i) Risk identification and definition: Focused on identifying relevant risks, creating | updating clear definitions to ensure undisputed understanding along with details of the underlying root causes | contributing factors.
- ii) Risk classification: Focused on understanding the various impacts of risks and the level of influence on its root causes. This involves identifying various processes generating the root causes and clear understanding of risk interrelationships.
- iii) Risk assessment and prioritisation: Focused on determining risk priority and risk ownership for critical risks. This involves assessment of the various impacts taking into consideration risk appetite and existing mitigation controls.
- iv) Risk mitigation: Focused on addressing critical risks to restrict their impact(s) to an acceptable level (within the defined risk appetite). This involves a clear definition of actions, responsibilities and milestones.
- v) Risk reporting and monitoring: Focused on providing to the Board and the Audit Committee periodic information on risk profile evolution and mitigation plans.

Note 28.8 Financial risk management (continued)

a) Management of liquidity risk

The principal sources of liquidity of the Company are cash and cash equivalents, investment in mutual funds, borrowings and the cash flow that is generated from operations. It believes that the current cash and cash equivalents, tied up borrowing lines and cash flow that are generated from operations are sufficient to meet the requirements. Accordingly, liquidity risk is perceived to be low.

The following table shows the maturity analysis of financial liabilities of the Company based on contractually agreed undiscounted cash flows as at the Standalone Balance Sheet date:

(₹ cr)

As at March 31, 2022		Note	Carrying amount	Less than 12 months	More than 12 months	Total
	Trade payables	18	619.95	619.95	-	619.95
	Security and other deposits	15	31.09	31.09	-	31.09
	Employee benefits payable	15	59.50	59.50	-	59.50
	Creditors for capital goods	15	34.51	34.51	-	34.51
	Other liabilities	15	7.37	4.64	2.73	7.37
As at March 31, 2021		Note	Carrying amount	Less than 12 months	More than 12 months	Total
	Trade payables	18	562.68	562.68	-	562.68
	Security and other deposits	15	30.29	30.29	-	30.29
	Employee benefits payable	15	55.56	55.56	-	55.56
	Creditors for capital goods	15	32.90	32.90	-	32.90
	Other liabilities	15	6.93	4.40	2.53	6.93
	Derivatives (settlement on net basis)	15	1.62	1.62	-	1.62

b) Management of market risk

The size and operations of the Company exposes it to the following market risks that arise from its use of financial instruments:

- i) price risk
- ii) foreign exchange risk

The above risks may affect income and expenses or the value of its financial instruments. Its objective for market risk is to maintain this risk within acceptable parameters while optimising returns. The exposure to these risks and the management of these risks are explained as follows:

Note 28.8 Financial risk management (continued)

Potential impact of risk	Management policy	Sensitivity to risk
<p>i) Price risk</p> <p>The Company is mainly exposed to the price risk due to its investments in equity instruments and mutual funds. The price risk arises due to uncertainties about the future market values of these investments. Equity price risk is related to the change in market reference price of the investments in equity securities.</p> <p>In general, equity securities are not held for trading purposes. These investments are subject to changes in the market purposes. These investments are subject to changes in the market price of securities. The fair value of quoted equity instruments classified as fair value through other comprehensive income as at March 31, 2022, is ₹ 641.11 cr (March 31, 2021: ₹ 577.36 cr). The fair value of mutual funds classified at fair value through profit and loss as at March 31, 2022, is ₹ 539.54 cr (March 31, 2021: ₹ 717.81 cr).</p>	<p>In order to manage its price risk arising from investments in equity instruments, the Company maintains its portfolio in accordance with the framework set by the Risk Management Policy.</p> <p>Any new investment or divestment must be approved by the Board, Chief Financial Officer and the Risk Management Committee.</p>	<p>As an estimation of the approximate impact of price risk, with respect to investments in equity instruments, the Company has calculated the impact as follows:</p> <p>For equity instruments, a 9.14% increase in Nifty 50 prices may have led to approximately an additional ₹ 17.72 cr gain in other comprehensive income (2020-21: ₹ 42.50 cr). A 9.14% decrease in Nifty 50 prices may have led to an equal but opposite effect.</p> <p>For mutual funds, a 1% increase in prices may have led to approximately an additional ₹ 5.4 cr gain in the Standalone Statement of Profit and Loss (2020-21: ₹ 7.18 cr). A 1% decrease in prices may have led to an equal but opposite effect.</p>
<p>ii) Foreign exchange risk</p> <p>The Company has international operations and is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from future commercial transactions and recognised financial assets and liabilities denominated in a currency that is not the functional currency (₹) of the Company. The risk also includes highly probable foreign currency cash flows. The objective of the cash flow hedges is to minimise the volatility of the ₹ cash flows of highly probable forecast transactions.</p>	<p>The Company has exposure arising out of export, import and other transactions other than functional risks. It hedges its foreign exchange risk using foreign exchange forward contracts and currency options after considering the natural hedge. The same is as per the guidelines laid down in its Risk Management Policy.</p>	<p>As an estimation of the approximate impact of the foreign exchange rate risk, with respect to the Standalone Financial Statements, the Company has calculated the impact as follows:</p> <p>For derivative and non-derivative financial instruments, a 2% increase in the spot price as on the reporting date may have led to an additional ₹ 9.60 cr gain in other comprehensive income (2020-21: gain of ₹ 4.77 cr). A 2% decrease may have led to an additional ₹ 6.37 cr loss in other comprehensive income (2020-21: loss of ₹ 3.82 cr).</p>

Foreign currency risk exposure

The exposure to foreign currency risk of the Company at the end of the reporting period expressed is as follows:

Particulars	As at March 31, 2022					
	US\$ mn	₹ cr	€ mn	₹ cr	£ mn	₹ cr
Financial assets						
Cash and cash equivalents (EEFC account)	2.06	15.60	-	-	-	-
Trade receivables	75.32	570.77	3.40	28.59	0.23	2.30
Less:	-	-	-	-	-	-
Hedged through derivatives ¹ :	-	-	-	-	-	-
Currency range options	29.25	221.66	-	-	-	-
Net exposure to foreign currency risk (assets)	48.13	364.72	3.40	28.59	0.23	2.30

¹Includes hedges for highly probable transactions up to next 12 months

Note 28.8 Financial risk management (continued)

Particulars	As at March 31, 2022					
	US\$ mn	₹ cr	€ mn	₹ cr	£ mn	₹ cr
Financial liabilities						
Trade payables (₹ 4,216)	14.75	111.78	0.07	0.60		0.04
Net exposure to foreign currency risk (liabilities)	14.75	111.78	0.07	0.60	-	-

Particulars	As at March 31, 2021					
	US\$ mn	₹ cr	€ mn	₹ cr	£ mn	₹ cr
Financial assets						
Cash and cash equivalents (EEFC account)	0.16	1.17	-	-	-	-
Trade receivables	46.70	341.43	2.65	22.72	0.15	1.51
Dividends receivable	-	-	-	-	-	-
Less:						
Hedged through derivatives ¹ :						
Currency range options	7.70	56.29	-	-	-	-
Net exposure to foreign currency risk (assets)	39.16	286.32	2.65	22.72	0.15	1.51
Financial liabilities						
Trade payables	14.06	102.79	0.11	0.94	-	-
Net exposure to foreign currency risk (liabilities)	14.06	102.79	0.11	0.94	-	-

¹Includes hedges for highly probable transactions up to next 12 months

c) Management of credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty fails to meet its contractual obligations.

Trade receivables

Concentrations of credit risk with respect to trade receivables are limited due to the customer base being large, diverse and across sectors and countries. A portion of trade receivables are secured by insurance policies or Export Credit Guarantee Corporation schemes. All trade receivables are reviewed and assessed for default on a quarterly basis.

Historical experience of collecting receivables of the Company is supported by low level of past default and hence, the credit risk is perceived to be low.

Reconciliation of loss allowance provision – trade receivables

Particulars	(₹ cr)
Loss allowance as on March 31, 2020	10.07
Changes in loss allowance	1.78
Loss allowance as on March 31, 2021	11.85
Changes in loss allowance	0.37
Loss allowance as on March 31, 2022	12.22

Note 28.8 Financial risk management (continued)

Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks, investments in government securities, preference shares, mutual funds, bonds and loans to subsidiary companies. It has a diversified portfolio of investments that various number of counterparties which have secure credit ratings, hence the risk is reduced. Individual risk limits are set for each counterparty based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by its treasury department.

Impact of hedging activities

a) Disclosure of effects of hedge accounting on financial position

As at March 31, 2022

(₹ cr)

Type of hedge and risks	Notional value		Carrying amount of hedging instrument		Maturity (months)	Weighted average strike price interest rate	Changes in fair value of hedging instrument	Changes in the value of hedged item used as the basis for recognising hedge effectiveness
	Assets	Liabilities	Assets	Liabilities				
Cash flow hedge								
₹ : US\$								
Foreign exchange risk								
Currency range options	221.66	-	0.50	-	1-12	75.71-80.09	0.50	(0.50)

As at March 31, 2021

(₹ cr)

Type of hedge and risks	Notional value		Carrying amount of hedging instrument		Maturity (months)	Weighted average strike price interest rate	Changes in fair value of hedging instrument	Changes in the value of hedged item used as the basis for recognising hedge effectiveness
	Assets	Liabilities	Assets	Liabilities				
Cash flow hedge								
₹ : US\$								
Foreign exchange risk								
Currency range options	56.29	-	0.60	-	1-12	74.26-77.80	0.60	(0.60)

Note 28.8 Financial risk management (continued)

b) Disclosure of effects of hedge accounting on financial performance

As at March 31, 2022

(₹ cr)				
Type of hedge	Changes in the value of the hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Financial Statement line item affected
Cash flow hedge				
Foreign exchange risk	0.50	-	0.60	Trade receivables and payables

As at March 31, 2021

(₹ cr)				
Type of hedge	Changes in the value of the hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Financial Statement line item affected
Cash flow hedge				
Foreign exchange risk	0.60	-	(1.62)	Trade Receivables and payables

Movements in cash flow hedging reserve

Risk category	(₹ cr)	
	Foreign currency risk	
Derivative instruments	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	0.43	(1.64)
Gain recognised in other comprehensive income during the year	0.50	0.60
Amount reclassified to revenue during the year	(0.60)	1.62
Tax impact on above	(0.13)	(0.15)
Balance at the end of the year	0.20	0.43

Note 28.9 Capital management

The primary objective of capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. It determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. The Company is not subject to any externally imposed capital requirements (refer Note 28.19 (b) for debt-equity ratio).

Note 28.10 Segment information

In accordance with Ind AS 108, 'Operating Segments', segment information has been given in the Consolidated Financial Statements of Atul Ltd and therefore, no separate disclosure on segment information is given in the Standalone Financial Statements.

Note 28.11 Earnings per share

Earnings per share (EPS) - The numerators and denominators used to calculate basic and diluted EPS:

Particulars		2021-22	2020-21
Profit for the year attributable to the equity shareholders	₹ cr	607.53	630.89
Weighted average number of equity shares used in calculating basic diluted EPS ¹	Number	2,95,87,051	2,96,49,628
Nominal value of equity share	₹	10	10
Basic and diluted EPS	₹	205.34	212.78

¹The Company completed its share buy-back on February 19, 2021, during the previous year.

Note 28.12 Leases

a) As a lessee

The Company has taken various residential and office premises under operating lease or leave and license agreements. These are cancellable by the Company, having a term between 11 months and 3 years and have no specific obligation for renewal. Payments are recognised in the Standalone Statement of Profit and Loss under 'Rent' in Note 27.

b) As a lessor

i) Operating lease

The Company has entered into operating leases on its office buildings and land. These are cancellable by the Company, having a term between 11 months and three years and have no specific obligation for renewal. Rents received are recognised in the Standalone Statement of Profit and Loss as lease income in Note 22 'Other income'.

ii) Finance lease

The Company has given a building on finance lease for a term of 30 years and a machine for a term of 10 years.

Future minimum lease payments receivable under finance leases, together with the present value of the net minimum lease payments (MLP), are as under:

(₹ cr)

Particulars	As at March 31, 2022		As at March 31, 2021	
	MLP receivable	Present value of MLP receivable	MLP receivable	Present value of MLP receivable
Not later than 1 year	1.82	1.73	0.92	0.88
Later than 1 year and not later than 5 years	7.68	5.90	3.28	2.50
Later than 5 years	9.46	5.00	5.07	2.48
Total MLP receivable	18.96	12.63	9.27	5.86
Less: unearned finance income	6.33	-	3.41	-
Present value of MLP receivable	12.63	12.63	5.86	5.86
Less: allowance for uncollectible lease payments	-	-	-	-
	12.63	12.63	5.86	5.86

Note 28.13 Loans

Disclosures pursuant to the Regulation 34(3) read with para A of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 186 (4) of the Companies Act, 2013.

(₹ cr)

Particulars	Purpose	Amount outstanding as at		Maximum balance during the year	
		March 31, 2022	March 31, 2021	2021-22	2020-21
i) Subsidiary companies:					
Atul Bioscience Ltd	Purchase of the manufacturing facility at Ambarnath	54.06	24.00	54.06	24.00
Atul Products Ltd	For working capital, operational and project expenditure requirement	253.40	-	253.40	-
ii) Joint operation of subsidiary company:					
Anaven LLP	For working capital, operational and project expenditure requirement	68.28	6.85	93.85	6.85

Notes:

- Loans given to employees as per the policy of the Company are not considered.
- The loanees did not hold any shares in the share capital of the Company.

Note 28.14 Disclosure requirement under MSMED Act, 2006

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

(₹ cr)

Particulars	As at March 31, 2022	As at March 31, 2021
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	44.85	23.41
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end (current year: ₹ 6,161.28 and previous year: ₹ 123)		
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year (previous year: ₹ 9,251)	0.07	
Interest paid, other than under Section 16 of the MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of the MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year (current year: ₹ 1,164 and previous year: ₹ 460)		
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	-	-

Note 28.15 Expenditure on Corporate Social Responsibility initiatives

- a) Gross amount required to be spent by the Company during the year is ₹ 14.86 cr (2020-21: ₹ 12.40 cr)
b) Amount spent during the year on:

(₹ cr)

Particulars	2021-22			2020-21		
	Paid	Payable	Total	Paid	Payable	Total
i) Construction Acquisition of any asset	-	-	-	-	-	-
ii) On purposes other than (i) above	14.89	-	14.89	12.41	-	12.41

- c) Details related to spent | unspent obligations:

Particulars	2021-22	2020-21
01. Promotion of health	2.16	0.12
02. Promotion of health care and sanitation	0.71	0.27
03. Enhancement of vocational skills	0.39	0.10
04. Support to livelihood projects	1.43	1.13
05. Promotion of education	2.22	1.07
06. Empowerment of women	0.11	0.05
07. Conservation of natural resources Environment sustainability	1.09	0.07
08. Development of rural areas	1.74	6.01
09. Administrative overheads	0.69	0.60
10. Contribution to PM Cares Fund	-	3.00
11. Unspent amount in relation to:		
- Ongoing projects	4.35	-
- Other than the ongoing projects	-	-
	14.89	12.41

- d) Details of ongoing CSR projects under Section 135(6) of the Act

(₹ cr)

Balance as at April 01, 2021		Amount required to be spent during the year	Amount spent during the year		Balance as at March 31, 2022	
With the Company	In separate Unspent CSR Account		From the bank account of the Company	From separate Unspent CSR Account	With the Company	In separate Unspent CSR Account
-	-	4.85	0.50	-	-	4.35

(₹ cr)

Balance as at April 01, 2020		Amount required to be spent during the year	Amount spent during the year		Balance as at March 31, 2021	
With the Company	In separate Unspent CSR Account		From the bank account of the Company	From separate Unspent CSR Account	With the Company	In separate Unspent CSR Account
-	-	-	-	-	-	-

- e) Excess CSR expenditure under Section 135(5) of the Act

(₹ cr)

Balance as at April 01, 2021	Amount required to be spent during the year	Amount spent during the year	Balance as at March 31, 2022
0.03	14.86	14.89	0.06

(₹ cr)

Balance as at April 01, 2020	Amount required to be spent during the year	Amount spent during the year	Balance as at March 31, 2021
0.02	12.40	12.41	0.03

- f) Refer Note 28.4 (G) for details of contribution to a trust controlled by the Company in relation to expenditure on Corporate Social Responsibility initiatives

Note 28.16 Offsetting financial assets and liabilities

The Company has not offset any financial asset and financial liability. It offsets a financial asset and a financial liability when it currently has a legal enforceable right to set-off the recognised amounts and it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

a) Master netting arrangements – not currently enforceable

Agreements with derivative counterparties are based on an ISDA Master Agreement. Under the terms of these arrangements, only where certain credit events occur (such as default), the net position owing | receivable to a single counterparty in the same currency will be taken as owing and all the relevant arrangements are considered as terminated. As the Company does not presently have a legally enforceable right of set-off, these amounts have not been offset in the Standalone Balance Sheet.

b) Collateral against borrowings

The Company has hypothecated | mortgaged assets as collateral against a number of its sanctioned line of credit (refer Note 17(c) for further information on assets hypothecated | mortgaged as security). In case of default as per borrowing arrangement, such collateral can be adjusted against the amounts due.

Note 28.17 Dividend on equity shares

Dividend on equity shares declared and paid during the year:

(₹ cr)

Particulars	As at March 31, 2022	As at March 31, 2021
Final dividend of ₹ 20.00 per share for the year 2020-21 (2019-20: ₹ nil)	59.17	-
	59.17	-

Note 28.18 Buy-back of shares

In accordance with the provisions contained in the SEBI (Buy-back of Securities) Regulations, 2018 and the Companies Act, 2013 and rules made thereunder, the Board in its meeting held on March 25, 2022 (2020-21: January 29, 2021) has approved a proposal to buy-back fully paid-up equity shares of face value of ₹ 10 each of the Company, at a price not exceeding ₹ 11,000 (2020-21: ₹ 7,250) per equity share (maximum buy-back price) and for an amount not exceeding ₹ 70 cr (2020-21: ₹ 50 cr) (maximum buy-back size) from the open market through stock exchange mechanism.

Particulars	As at March 31, 2022	As at March 31, 2021
Date of Board meeting approving the buy-back	March 25, 2022	January 29, 2021
Date of public announcement	March 29, 2022	February 01, 2021
Buy-back opening dates	April 07, 2022	February 10, 2021
Number of share bought back	*	74,682
Face value of shares bought back	₹ 10	₹ 10
Maximum buy-back price approved by the Board of Directors	₹ 11,000	₹ 7,250
Transferred to capital redemption reserve	-	₹ 0.07 cr
Consideration paid towards buy-back	*	₹ 49.88 cr

* Buy-back process to be completed in Q1 2022-23.

Note 28.19 Ratios

No.	Ratio	UoM	Formula (refer below table for numerator and denominator details)	As at March 31, 2022	As at March 31, 2021	Variance %	Reason for variance
01.	Current ratio	Times	$A \div B$	2.32	2.18	6.59%	Below threshold of 25%
02.	Debt-equity ratio	Times	$I \div H$	0.02	-	-	Below threshold of 25%
03.	Debt service coverage ratio	Times	$Q \div (J + M)$	9.98	382.28	(97.39%)	Negligible interest cost, Company is effectively operating at zero debt.
04.	Return on equity ratio	%	$P \div$ average of H	15%	19%	(18.65%)	Below threshold of 25%
05.	Inventory turnover ratio	Times	$L \div$ average of D	8.14	7.38	10.27%	Below threshold of 25%
06.	Trade receivables turnover ratio	Times	$L \div$ average of E	5.56	4.83	15.11%	Below threshold of 25%
07.	Trade payables turnover ratio	Times	$(R+S) \div$ average of G	6.94	4.74	46.31%	All the key raw materials are on advance immediate payment terms and increased energy cost which is with zero credit.
08.	Net capital turnover ratio	Times	$L \div$ average of C	4.92	4.56	7.79%	Below threshold of 25%
09.	Net profit ratio	%	$P \div L$	12.33%	18.23%	(32.39%)	Higher input and freight costs have reduced margins during current year.
10.	Return on Capital Employed	%	$(M + O) \div$ average of K	23.57%	29.56%	(20.25%)	Below threshold of 25%
11.	Return on Investment	%	$(M + O) \div$ average of F	16.24%	19.67%	(17.44%)	Below threshold of 25%

No.	Base values	UoM	Reference	As at March 31, 2022	As at March 31, 2021
A	Current assets	₹ cr	Balance Sheet (current assets) - current investments	1,952.27	1,650.45
B	Current liabilities	₹ cr	Balance Sheet (current liabilities)	840.62	757.47
C	Working capital	₹ cr	A-B	1,111.65	892.98
D	Inventories	₹ cr	Balance Sheet (refer Note 9)	701.03	510.57
E	Trade receivables	₹ cr	Balance Sheet (refer Note 10)	1,058.83	713.53
F	Total assets	₹ cr	Balance Sheet (total assets)	5,350.63	4,587.45
G	Trade payables	₹ cr	Balance Sheet (refer Note 18 + 15 d)	654.46	595.58
H	Equity	₹ cr	Balance Sheet (refer Note 13+14)	4,316.39	3,711.35
I	Debt	₹ cr	Balance Sheet (refer Note 17)	72.94	-
J	Principal repayments	₹ cr	Balance Sheet (refer Note 17)	72.94	-
K	Capital employed	₹ cr	H + I + deferred tax liability (refer Notes 28.5) - capital work-in-progress (refer Notes 2) - revaluation reserve on investment (change in equity part B)	3,752.00	3,095.30
L	Net sales	₹ cr	Statement of Profit and Loss (refer Note 21, sales of products and services only)	4,928.53	3,460.40
M	Finance cost	₹ cr	Statement of Profit and Loss (refer Note 26)	2.94	1.97
N	Depreciation	₹ cr	Statement of Profit and Loss (refer Note 2, 4)	146.48	120.23
O	Profit before tax	₹ cr	Statement of Profit and Loss	803.97	827.75
P	Profit after tax	₹ cr	Statement of Profit and Loss	607.53	630.89
Q	Net operating income	₹ cr	M + N + P	756.95	753.09
R	Total operating purchase	₹ cr	Purchase of raw materials and stock- in- trade (refer Note 23) + other expenses (refer Note 27)	4,024.53	2,516.38
S	Capital purchase	₹ cr	Addition in capital work-in-progress (refer Note 2)	313.55	108.26

Note 28.20 Utilisation of loans, advances and equity investment in entities

a) Invested in intermediary entities

No.	Name of intermediary entities	Address	CIN	Relationship with the Company	Nature of fund	Date of funding	Amount
1.	Atul Finserv Ltd	Mumbai	U51900MH1947PLC005453	Subsidiary company	Equity investment	May 17, 2021	5.00
2.	Atul Finserv Ltd	Mumbai	U51900MH1947PLC005453	Subsidiary company	Equity investment	December 14, 2021	5.02

b) Invested by intermediary entities in ultimate beneficiary entities

No.	Name of ultimate beneficiary entities	Address	CIN	Relationship with the Company	Nature of fund	Date of funding	Amount
1.	Atul Fin Resource Ltd	Atul	U65990GJ2016PLC093639	Subsidiary company	Equity investment	May 17, 2021	5.00
2.	Atul Fin Resource Ltd	Atul	U65990GJ2016PLC093639	Subsidiary company	Equity investment	December 14, 2021	5.02

Note 28.21 Relationship with struck off companies

No.	Name of struck off company	Nature of transactions with struck off company	As at March 31, 2022		As at March 31, 2021	
			Balance	Relationship	Balance	Relationship
01.	Om Industries	Receivable	0.10	Customer	0.10	Customer
02.	Ozma Rubbers	Receivable	0.07	Customer	0.07	Customer
03.	Renuka Enterprises	Receivable	0.02	Customer	0.02	Customer
04.	Omm Traders	Receivable	0.01	Customer	0.01	Customer
05.	Shivani Enterprises	Receivable	0.01	Customer	0.01	Customer
06.	Sawariya Trading Company	Receivable	0.01	Customer	0.01	Customer
07.	C K Marketing	Receivable	*	Customer	*	Customer
08.	Varman Seed Company	Receivable	*	Customer	*	Customer
09.	Azad Pesticides & Fertilizers	Receivable	*	Customer	*	Customer
10.	Satya Sai Traders	Receivable	*	Customer	*	Customer
11.	Pms Trading Co	Receivable	*	Customer	*	Customer
12.	Arora Seed Store	Receivable	*	Customer	*	Customer
13.	Sri Palani Andavar Stores	Receivable	*	Customer	*	Customer
14.	Bhavani Agro Agencies	Receivable	*	Customer	*	Customer
15.	Sri Siddhi Krishi Paramarsh Kendra	Receivable	*	Customer	*	Customer
16.	Jai Kisan Traders Fertilizers Pesticides And Seeds	Receivable	*	Customer	*	Customer
17.	Vishnu Agencies Anantapur	Receivable	*	Customer	*	Customer
18.	Swami Pesticides	Receivable	*	Customer	*	Customer
19.	Reliance Cement Company Pvt Ltd	Receivable	*	Customer	*	Customer
20.	Parag Agro Sales	Receivable	*	Customer	*	Customer
21.	Shri Vinayaka Agro Kendra	Receivable	*	Customer	*	Customer
22.	Raheja Pesticides	Receivable	*	Customer	*	Customer
23.	G H Trading Co	Receivable	*	Customer	*	Customer
24.	Bhagwati Enterprises	Receivable	*	Customer	*	Customer
25.	Kamboj Chemicals	Receivable	*	Customer	*	Customer
26.	Kushwaha Bio Tech	Receivable	*	Customer	*	Customer
27.	Rainbow Agencies	Receivable	*	Customer	*	Customer
28.	Kang Agro Centre	Receivable	*	Customer	*	Customer
29.	Aashirwad Traders	Receivable	*	Customer	*	Customer
30.	Ankush Trading Company	Receivable	*	Customer	*	Customer
			0.22		0.22	

*Figures less than ₹ 50,000.

Note 28.22 Other statutory information

- The Company has not entered into any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- The Company is not declared wilful defaulter by any bank or financial institution or other lenders.
- The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the year.
- No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made there under.
- No loans or advances in the nature of loans are granted to promoters, Directors, Key Managerial Personnel and the related parties (as defined under the Companies Act, 2013) either severally or jointly with any other person.

Note 28.23 Events after the reporting period

An incident of fire occurred on April 20, 2022, in one of the plants at Atul, Gujarat. Damage was restricted to that plant, and there was no injury or casualty of any individual. The Company is in the process of assessing the impact of this fire on the plant and related operations and filing necessary insurance claims. This subsequent non-adjusting event does not impact these financial results.

Note 28.24 Rounding off

Figures less than ₹ 50,000 have been shown at actual in brackets.

Note 28.25 Authorisation for issue of the Standalone Financial Statements

The Standalone Financial Statements were authorised for issue by the Board on April 26, 2022.

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Ketan Vora
Partner

T R Gopi Kannan
(DIN:00048645)
Whole-time Director and CFO

L P Patni
Company Secretary

B N Mohanan
(DIN:00198716)
**Whole-time Director
and President - U&S**

Mumbai
April 26, 2022

For and on behalf of the Board of Directors

S S Lalbhai
(DIN:00045590)
Chairman and Managing Director

S A Lalbhai
(DIN:00009278)
Managing Director

V S Rangan
(DIN:00030248)

M M Chitale
(DIN:00101004)

S A Panse
(DIN:02599310)

B R Arora
(DIN:00194168)
Directors

Mumbai
April 26, 2022