

ATUL CROP CARE LIMITED

Directors' Report

Dear Members,

The Board of Directors (Board) presents the Annual Report of Atul Crop Care Ltd together with the audited Financial Statements for the year ended March 31, 2021.

01. Financial results

(₹ in cr)

	2020-21	2019-20
Revenue from operations	14.63	11.45
Other income	0.01	0.02
Total revenue	14.64	11.47
Profit before tax	1.19	0.62
Tax	0.34	0.13
Profit for the year	0.85	0.49

02. Performance

During 2020-21 the Company generated revenue from operations of ₹ 14.63 cr. The Company has made profit of ₹ 0.85 cr.

03. Dividend

The Board does not recommend any dividend on the equity shares for the financial year ended March 31, 2021 to conserve resources.

04. Conservation of energy, technology absorption, foreign exchange earnings and outgo

Information required under Section 134 (3)(m) of the Companies Act, 2013 (the Act), read with Rule 8(3) of the Companies (Accounts) Rules, 2014, as amended from time to time, forms a part of this Report which is given as the Annexure.

05. Insurance

The Company has taken adequate insurance policies.

06. Risk Management

The Company has identified risks and has initiated a mitigation plan for the same.

07. Internal Financial Controls

The Management assessed the effectiveness of the Internal Financial Controls over financial reporting as of March 31, 2021, and the Board believes that the controls are adequate.

08. Fixed deposits

During 2020-21, the Company did not accept any fixed deposits.

09. Prevention of Sexual Harassment of Women at Workplace

Pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013, the Company framed a Policy on Prevention of Sexual Harassment of Women at Workplace and constituted Internal Complaints Committee. No complaint was received during 2020-21.

10. Loans, guarantees, investments and security

During 2020-21, the Company has made investment in a group company and did not give any loans, provide guarantees.

11. Subsidiary, associate and joint venture company

The Company have following subsidiary, associate companies.

- Atul Ayurveda Ltd
- Atul Clean Energy Ltd
- Atul Crop Care Ltd
- Atul Polymer Products Ltd
- Atul (Retail) Brands Ltd
- Osia Infrastructure Ltd

12. Related Party Transactions

All the transactions entered into with the Related Parties were in ordinary course of business and on arm's length basis. Details of such transactions are given at note number 21. No transactions were entered into by the Company which required disclosure in Form AOC-2.

G R Parekh

B. Sc., F C A, A C S

Ghanshyam Parekh & Co.

Chartered Accountants

203, Akar Complex 1

Tithal Road,

Valsad 396001

INDEPENDENT AUDITOR'S REPORT

To the Members of Atul Crop Care Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

01. We have audited the accompanying Standalone Ind AS financial statements of Atul Crop Care Limited ("the Company"), which comprise the Balance sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of changes in equity and Statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

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

Management's Responsibility for the Standalone Ind AS Financial Statements

03. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate Accounting Policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of

accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

- 04 In preparing the Standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting. Board of Directors is also responsible for overseeing the Company's financial reporting process

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

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

Report on Other Legal and Regulatory Requirements

- 06 As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

- 07 As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has no pending litigations on March 31, 2021;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For GHANSHYAM PAREKH & CO.
Chartered Accountants
(Firm's Registration No. 131167W)

G. R. Parekh
Proprietor
(Membership No. 030530)
UDIN **21030530AAAACC6246**

Atul,
Dated: April 6, 2021

Annexure A to the Independent Auditor's Report

Referred to in paragraph 7(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date.

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

01. We have audited the Internal Financial Controls over financial reporting of Atul Crop Care Ltd (the Company) as of March 31, 2021 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

Management's responsibility for Internal Financial Controls

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

Auditor's responsibility

03. Our responsibility is to express an opinion on the Internal Financial Controls of the Company over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls. These Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
04. Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls system over financial reporting and their operating effectiveness. Our audit of Internal Financial Controls over financial reporting included obtaining an understanding of Internal Financial Controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the Auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.
05. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Internal Financial Controls system over financial reporting of the Company.

Meaning of Internal Financial Controls over financial reporting

06. The Internal Financial Control over financial reporting of a company is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with Generally Accepted Accounting Principles. Internal Financial Control over financial reporting of a Company includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with Generally Accepted Accounting Principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of Management and Directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the assets of the Company that could have a material effect on the Financial Statements.

Inherent limitations of Internal Financial Controls over financial reporting

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

Opinion

08. In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate Internal Financial Controls system over financial reporting and such Internal Financial Controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For Ghanshyam Parekh & Co.
Chartered Accountants
Firm Registration Number: 131167W

G. R. Parekh
Proprietor
Membership Number: 030530
UDIN **21030530AAAACC6246**

Place: Atul
Date: April 6, 2021

Annexure B to Independent Auditors' Report:

Referred to in paragraph 6 of the Independent Auditors' Report of the even date to the members of ATUL CROP CARE LIMITED for the year ended March 31, 2021.

- i(a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets;
 - (b) As explained to us, fixed assets, according to the practice of the Company, are physically verified by the management at reasonable intervals, which, in our opinion, is reasonable, looking to the size of the Company and the nature of its business. According to the information and explanations given to us, discrepancies noticed on physical verification have been adjusted in the books of account;
 - (c) The Company does not have any immovable property, therefore the Clause is not applicable..
- ii. The Company does not hold any inventory, therefore Clause 3(ii) of the Order is not applicable..
 - iii. The Company has not granted any loan secured or unsecured to Companies, Firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
 - iv. In our opinion and according to the information and explanation given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments or providing guarantees and securities as applicable.
 - v. The company has not accepted any deposits from public within the meaning of sections 73, 74, 75 and 76 of the Act and the Rules framed thereunder.
 - vi. The Central Government has not prescribed maintenance of Cost Records under Section 148(1) of the companies Act, 2013.
 - vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues including Provident Fund, Income tax, Sales tax, wealth tax, service tax, duty of Customs, duty of Excise, value added tax, cess, GST and other statutory Dues as applicable with the appropriate authorities.

According to the explanation given to us there are no arrears of statutory dues which have remained outstanding at the last date of financial year, for a period of more than six months from the date they became payable;
 - (b) According to the information and explanation given to us, there are no dues of sales tax, income tax, duty of customs, wealth tax, service tax, duty of excise, value added tax, GST or cess which have not been deposited on account of any dispute.
- viii. According to the record of the Company examined by us and information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution or bank or government or debenture holders as at the Balance Sheet date.

- ix. The Company has not raised any money by way of public issue/ follow-on offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the order are not applicable.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on Company by its officers or employees, noticed or reported during the year nor have we been informed of any such case by the Management.
- xi. No managerial remuneration has been paid / provided;
- xii. The Company is not a Nidhi Company therefore the clause 3(xii) of the Order is not applicable.
- xiii. All the transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc as required by the accounting standards and Companies Act, 2013.
- xiv. The company has not made preferential allotment / private placement of shares during the year under review.
- xv. The company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

Atul

Date : April 6, 2021

For Ghanshyam Parekh & Co.
Chartered Accountants
(Firm Registration No. 131167W)

(G. R. Parekh)
Proprietor
Membership No.: 030530
UDIN **21030530AAAACC6246**

Atul Crop Care Ltd

Balance Sheet as at Mar 31, 2021

(₹)

Particulars	Note	As at	As at
		Mar 31, 2021	March 31, 2020
A ASSETS			
1 Non-current assets			
a) Property, plant and equipment	2	39,738	39,738
b) Investment in associates companies	3	19,00,785	19,00,735
c) Deferred tax assets (net)	19	12,18,366	10,22,985
d) Other non-current assets	4	29,09,191	31,93,281
Total non-current assets		60,68,080	61,56,740
2 Current assets			
a) Financial assets			
i) Investment	5	82,33,125	21,78,539
ii) Trade receivables	6	400,00,603	288,05,729
iii) Cash and cash equivalents	7	17,98,040	33,76,822
iv) Other financial assets	8	2,80,000	1,80,000
b) Other current assets	4	1,41,651	1,73,311
Total current assets		504,53,419	347,14,401
Total assets		565,21,499	408,71,141
B EQUITY AND LIABILITIES			
1 Equity			
a) Equity share capital	9	5,00,000	5,00,000
b) Other equity	10	337,96,607	262,30,102
Total equity		342,96,607	267,30,102
Liabilities			
2 Current liabilities			
a) Financial liabilities			
i) Trade payables	11	23,11,476	29,72,053
ii) Other financial liabilities	12	80,636	1,09,128
b) Other current liabilities	13	150,94,386	71,25,965
c) Provisions	14	47,38,394	39,33,893
Total current liabilities		222,24,892	141,41,039
Total liabilities		222,24,892	141,41,039
Total equity and liabilities		565,21,499	408,71,141
Significant accounting policies	1		

The accompanying Notes 1-21 form an integral part of the Financial Statements

As per our attached report of even date

For and on behalf of the Board of Directors

For Ghanshyam Parekh & Co.
Firm Registration No. 131167W
Chartered Accountants

G R Parekh
Proprietor
Membership No. F-030530

Director

Atul
Apr 06, 2021

Director

Atul Crop Care Ltd

Statement of Cash Flows

for the year ended Mar 31, 2021

(₹)

Particulars	2020-21	2019-20
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	119,23,352	62,35,113
Adjustments for:		
Add:		
Depreciation and amortisation expenses	-	-
	-	-
	119,23,352	62,35,113
Less:		
Dividend received	59,957	85,805
Interest received	-	1,42,168
Misc Income	140	220
	60,097	2,28,193
Operating profit before working capital changes	118,63,255	60,06,920
Adjustments for:		
Trade receivables	(111,94,874)	(114,62,844)
Other current assets	31,660	(16,660)
Other non-current financial assets	(1,00,000)	(1,75,000)
Trade payables	(6,60,577)	11,99,930
Other current financial liabilities	(28,492)	1,09,128
Other current liabilities	69,85,014	42,01,467
Short-term provisions	8,04,501	9,92,463
	(41,62,769)	(51,51,515)
Cash generated from operations	77,00,485	8,55,405
Less:		
Direct taxes net of refund	32,84,729	23,33,159
Net cash flow from operating activities	A 44,15,757	(14,77,754)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Investments in group companies	(50)	(4,88,620)
Misc Income	140	220
Interest received	-	1,42,168
Dividend received	59,957	85,805
Net cash used in investing activities	B 60,047	(2,60,427)
C. Cash flow from financing activities		
Interest paid		-
Net cash used in financing activities	C -	-
Net change in cash and cash equivalents	A+B+C 44,75,804	(17,38,181)
Opening balance - cash and cash equivalents	55,55,361	72,93,542
Closing balance - cash and cash equivalents	100,31,165	55,55,361

The accompanying Notes 1-21 form an integral part of the Financial Statements

As per our attached report of even date

For and on behalf of the Board of Directors

For Ghanshyam Parekh & Co.

Firm Registration No. 131167W

Chartered Accountants

G R Parekh

Proprietor

Membership No. F-030530

Director

Atul

Apr 06, 2021

Director

Atul Crop Care Ltd

Statement of Profit and Loss

for the year ended Mar 31, 2021

(₹)

Particulars	Note	2020-21	2019-20
INCOME			
Revenue from operations	15	1462,90,832	1144,55,139
Other income	16	59,877	2,28,193
Total Income		1463,50,709	1146,83,332
EXPENSES			
Employee benefit expense	17	1336,89,018	1077,10,355
Other expenses	18	7,38,339	7,37,864
Total expenses		1344,27,357	1084,48,219
Profit before exceptional items and tax		119,23,352	62,35,113
Profit before tax		119,23,352	62,35,113
Tax expense			
Current tax	19	35,68,819	15,58,942
Deferred tax	19	(1,95,380)	(2,38,000)
Total tax expense		33,73,439	13,20,942
Profit for the year		85,49,913	49,14,171
Other comprehensive income			
A) Items that will not be reclassified to profit and loss			
Remeasurement Loss on defined benefit plans		(13,14,154)	4,52,719
Income Tax on Above		3,30,746	(1,13,940)
Total comprehensive income		75,66,506	52,52,949
Basic and diluted earning ₹ per equity share of ₹ 10 each	20	171	98

The accompanying Notes 1-21 form an integral part of the Financial Statements

As per our attached report of even date

For and on behalf of the Board of Directors

For Ghanshyam Parekh & Co.

Firm Registration No. 131167W

Chartered Accountants

G R Parekh

Proprietor

Membership No. F-030530

Director

Atul

Apr 06, 2021

Director

Atul Crop Care Ltd

Statement of changes in Equity

for the year ended Mar 31, 2021

A. Equity share capital

	Notes	Amount	(₹)
As at April 01, 2019		5,00,000	
Changes in Equity share capital		-	
As at March 31, 2020		5,00,000	
Changes in Equity share capital		-	
As at Mar 31, 2021	9	5,00,000	

B. Other equity

	Notes	Reserves and surplus	Total	(₹)
		Retained earnings	Other Equity	
As at April 01, 2019	10	209,77,152		209,77,152
Profit for the year	10	49,14,171		49,14,171
Other comprehensive income		3,38,779		3,38,779
As at March 31, 2020		262,30,102		262,30,102
Profit for the year	10	85,49,913		85,49,913
Other comprehensive income		(9,83,408)		(9,83,408)
As at Mar 31, 2021		337,96,607		337,96,607

The accompanying Notes 1-21 form an integral part of the Financial Statements

As per our attached report of even date

For Ghanshyam Parekh & Co.

Firm Registration No. 131167W

Chartered Accountants

G R Parekh

Proprietor

Membership No. F-030530

For and on behalf of the Board of Directors

Director

Atul

Apr 06, 2021

Director

Notes to the Financial Statements

NOTE - 1 Significant Accounting Policies

System of Accounting Policies

The Financial Statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The Financial Statements have been prepared on a historical cost basis.

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

Use of estimates:

The preparation of Financial Statements in conformity with generally accepted accounting principles requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the Financial Statements and the results of operations during the reporting period. Although these estimates are based on best knowledge of current events and actions of the Management, actual results could differ from these estimates. Differences between actual results and estimates are recognised in the period in which the results are known | materialised.

Fixed assets:

- a) Fixed assets are stated at cost of acquisition or construction less accumulated depreciation / amortisation and impairment losses.
- b) Machinery spares which can be used only in connection with a particular item of fixed assets and the use of which is irregular, are capitalized at cost.
- c) Fixed assets retired from active use and held for disposal are stated at the lower of their net book value and net realisable value and are disclosed separately.
- d) Losses arising from the retirement of, and gains and losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.
- e) Tangible assets not ready for the intended use on the date of Balance Sheet are disclosed as 'Capital work-in-progress'.

Depreciation :

Depreciation on fixed assets is provided using straight-line method based on useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

Asset	Useful lives as per Part C of Schedule II
Computer	3 years

Depreciation on additions to the assets during the year is being provided on pro-rata basis at their respective rate with reference to the month of acquisition | installation.

Depreciation on assets sold, scrapped or discarded during the year is being provided at their respective rates up to the month in which such assets are sold, scrapped or discarded.

Investments :

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. Current investments are carried at the lower of cost and fair value determined on an individual basis.

Taxation:

- a) Income tax expense comprises current tax and deferred tax charge or credit. Provision for current tax is made on the basis of the assessable income at the tax rate applicable to the relevant assessment year.
- b) MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax within the specified period.

NOTE - 1 Significant Accounting Policies

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. Earnings considered in ascertaining the EPS is the net profit for the period and any attributable tax thereto for the period.

Revenue recognition:

Revenue are recognised as under -

i) Sale of Services:

Service income is recognised, net of service tax, when the related services are rendered.

ii) Other revenue:

i) Dividend income is accounted for in the year in which the right to receive the same is established.

ii) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Employee Benefits

All employee benefits payable within twelve 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. Termination benefits are recognised as an expense as and when incurred.

a) Defined contribution plan:

Contribution paid | payable by the Company during the period to Provident Fund, Superannuation Fund are recognised in the Statement of Profit and Loss.

b) Defined benefit plan:**Gratuity:**

The Company has defined benefit plan for Post-employment benefit in the form of gratuity for all employees which is administered through Life Insurance Corporation of India. Liability for above defined benefit plan is provided on the actual basis.

c) Leave encashment:

Leave encashment is provided on basis of actuarial valuation based on service rendered by employees.

d) Leave travel allowance:

Provision for leave Travel Allowance is made on accrual basis at the end of the financial year on the actual basic salaries of each employee on the last day of the year.

Preliminary expenses

The preliminary expenses represents expenditure incurred for formation of the company. The same is being amortized over a period of five years starting from commencement of company's business operation.

Critical estimates and judgments:

The preparation of Financial Statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which 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 judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the Financial Statements.

The areas involving critical estimates or judgments are:

- Estimation of fair values of contingent liabilities
- Estimation of current tax expense and payable
- Recognition of deferred tax assets for carried forward tax losses

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Notes to the Financial Statements

(₹)

Note 2 Property, plant and equipment	Plant and equipment and	Total
Gross block		
As at March 31, 2018	8,82,000	
Additions		
Other adjustments		
Deductions and adjustments	26,460	
As at March 31, 2019	8,55,540	8,55,540
Additions	-	-
Other adjustments		
Deductions and adjustments		
As at Mar 31, 2020	8,55,540	8,55,540
Depreciation Amortisation Impairment		
Depreciation Amortisation		
Upto March 31, 2018	5,47,822	
For the year	2,67,980	
Deductions and adjustments		
Upto March 31, 2019	8,15,802	-
For the year	-	-
Deductions and adjustments		
Upto Mar 31, 2020	8,15,802	8,15,802
Net block		
As at Mar 31, 2020	39,738	39,738
As at Mar 31, 2021	39,738	39,738

(₹)

Note 3 Investment in associates companies	Face Value ¹	As at Mar 31, 2021		As at March 31, 2020	
		Number of shares	Value	Number of shares	Value
A Investment in equity instruments measured at cost					
Atul Products Ltd	10.00	1	10	-	-
Atul Natural Dyes Ltd	10.00	1	10	-	-
Atul Natural Foods Ltd	10.00	1	10	-	-
Atul Renewable Energy Ltd	10.00	1	10	-	-
Atul Lifescience Ltd	10.00	1	10	-	-
Atul Clean Energy Ltd	10.00	11,805	1,18,050	11,805	1,18,050
Atul (Retail) Brands Ltd	10.00	11,807	1,18,070	11,807	1,18,070
Atul Seeds Ltd	10.00	29,027	2,90,270	29,027	2,90,270
Atul Entertainment Ltd	10.00	24,689	2,46,890	24,689	2,46,890
Atul Hospitality Ltd	10.00	17,031	1,70,310	17,031	1,70,310
Lapox Polymers Ltd	10.00	10,000	3,28,495	10,000	3,28,495
Osia Infrastructure Ltd	10.00	33,833	3,38,330	33,833	3,38,330
Osia Dairy Ltd	10.00	29,032	2,90,320	29,032	2,90,320
			19,00,785		19,00,735

Particulars	Book value		Market value	
	As at		As at	
	Mar 31, 2021	March 31, 2020	Mar 31, 2021	March 31, 2020
Quoted				
Unquoted	19,00,785	19,00,735		
	19,00,785	19,00,735	-	-

¹ In ₹ and fully paid

Notes to the Financial Statements

(₹)

Note 4 Other assets	As at Mar 31, 2021		As at March 31, 2020	
	Current	Non current	Current	Non current
	a) Balances with the Government department			
i) Tax paid in advance, net of provisions	-	29,09,191	-	31,93,281
b) Others	1,41,651	-	1,73,311	-
	1,41,651	29,09,191	1,73,311	31,93,281

(₹)

Note 5 Current investment	As at Mar 31, 2021		As at March 31, 2020	
	a) Investment in mutual funds (HDFC direct plan - dividend - daily reinvest) (March 31, 2019 units - 2052.06) and (March 31, 2020 units - 2136.20) and (Mar 31, 2021 units - 53552.31)		82,33,125	
		82,33,125		21,78,539

(₹)

Note 6 Trade receivables	As at Mar 31, 2021		As at March 31, 2020	
	a) Unsecured, considered good			
i) Trade receivables				-
ii) Related parties		400,00,603		288,05,729
a) Unsecured, considered doubtful				
Less: Provision for doubtful debts		-		-
Total receivables		400,00,603		288,05,729
Current portion		400,00,603		288,05,729

(₹)

Note 7 Cash and cash equivalents	As at Mar 31, 2021		As at March 31, 2020	
	a) Balances with banks			
i) In current accounts		17,98,040		33,76,822
		17,98,040		33,76,822

(₹)

Note 8 Other financial assets	As at Mar 31, 2021		As at March 31, 2020	
	Current		Current	
	i) Advances recoverable in cash		2,80,000	
		2,80,000		1,80,000

Notes to the Financial Statements

(₹)

Note 9 Equity share capital	As at Mar 31, 2021	As at March 31, 2020
Authorised		
50,000 (Mar 31, 2021: 50,000) equity shares of ₹ 10 each	5,00,000	5,00,000
	5,00,000	5,00,000
Issued		
50,000 (Mar 31, 2021: 50,000) equity shares of ₹ 10 each	5,00,000	5,00,000
	5,00,000	5,00,000
Subscribed		
50,000 (Mar 31, 2021: 50,000) equity shares of ₹ 10 each	5,00,000	5,00,000
	5,00,000	5,00,000

a) Movement in Equity share capital

(₹)

	Number of shares	Equity share capital
As at March 31, 2019	50000	5,00,000
As at March 31, 2020	50000	5,00,000
As at Mar 31, 2021	50000	5,00,000

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

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. 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 the Shareholders in the ensuing Annual General Meeting.

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

No	Name of the Shareholder	As at Mar 31, 2021		As at March 31, 2020	
		Number of shares	Holding %	Number of shares	Holding %
		1	Atul Ayurveda Ltd	10,331	20.66
2	Lapox Polymer Ltd	14,669	29.34	14,669	29.34
3	Atul Finserv Limited	13,000	26.00	13,000	26.00
4	Atul Elkay Polymers Ltd	12,000	24.00	12,000	24.00
		50,000	100	50,000	100

(₹)

Note 11 Trade payables	As at Mar 31, 2021	As at March 31, 2020
a) Total outstanding dues of creditors other than micro enterprises and small enterprises		
i) Others	23,11,476	29,72,053
	23,11,476	29,72,053

(₹)

Note 12 Other financial liabilities	As at Mar 31, 2021	As at March 31, 2020
	Current	Current
a) Others	80,636	1,09,128
	80,636	1,09,128

(₹)

Note 13 Other Current liabilities	As at Mar 31, 2021	As at March 31, 2020
a) Employee benefits obligation	116,33,624	36,19,180
b) Statutory dues	34,60,762	35,06,785
	150,94,386	71,25,965

(₹)

Note 14 Provisions	As at Mar 31, 2021	As at March 31, 2020
	Current	Current
a) Provision for leave entitlement	47,38,394	39,33,893
	47,38,394	39,33,893

Notes to the Financial Statements

(₹)

Note 15 Revenue from operations	2020-21	2019-20
Sale of services	1462,90,832	1144,55,139
	1462,90,832	1144,55,139

(₹)

Note 16 Other income	2020-21	2019-20
Dividend on mutual fund	59,957	85,805
Miscellaneous income	140	220
	59,877	2,28,193

(₹)

Note 17 Employee benefit expenses	2020-21	2019-20
Salaries, wages and bonus	1286,72,076	1038,64,442
Contribution to Provident and other funds	50,16,942	38,45,913
	1336,89,018	1077,10,355

(₹)

Note 18 Other expenses	2020-21	2019-20
Rent	7,18,371	7,05,712
Rates and taxes	-	260
Payments to the Statutory Auditors		
a) Audit fees & Others	16,750	28,250
Miscellaneous expenses	1,488	3,642
	7,38,339	7,37,864

(₹)

Note 20 Earning per share

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

Particulars		2020-21	2019-20
Profit for the year attributable to the equity shareholders	₹	85,49,913	49,14,171
Basic Weighted average number of equity shares outstanding	Number	50000	50000
Nominal value of equity share		10	10
Basic and diluted earning per equity share		171	98

Notes to the Financial Statements

Note 19 : Current and Deferred tax

The major components of income tax expense for the years ended Mar 31, 2021 and March 31, 2020 are:

a) Income tax expense

Particulars	(₹)	
	As at Mar 31, 2021	As at March 31, 2020
Current tax		
Current tax on profits for the year	35,68,819	15,58,942
Adjustments for current tax of prior periods	-	-
Total current tax expense	35,68,819	15,58,942
Deferred tax		
(Decrease) increase in deferred tax liabilities	-	-
Decrease (increase) in deferred tax assets	(1,95,380)	(2,38,000)
Total deferred tax expense (benefit)	(1,95,380)	(2,38,000)
Income tax expense	33,73,439	13,20,942

b) No deferred tax has been recorded for recognised in other comprehensive income during the years

c) No aggregate amounts of current and deferred tax have arisen in the reporting periods which have not been recognised in net profit or loss or other comprehensive income but directly debited | (credited) to equity

d) Current tax liabilities

	(₹)	
	As at Mar 31, 2021	As at March 31, 2020
Opening balance	-	-
Add: Current tax payable for the year	35,68,819	15,58,942
Less: Taxes paid	(35,68,819)	(15,58,942)
Closing balance	-	-

e) Deferred tax liabilities (net)

The balance comprises temporary differences attributable to:

	(₹)	
	As at Mar 31, 2021	As at March 31, 2020
Property, plant and equipment	42,293	70,489
Total deferred tax liabilities	10,645	17,742
Provision for leave encashment	47,38,394	39,33,893
Provision for leave Travel Allowance		
Provision for doubtful debts		
Provision for doubtful advances		
Investment property		
Voluntary retirement scheme		
MAT credit entitlement		
Total deferred tax assets	11,92,654	9,90,161
Deferred tax asset or liability of subsidiary companies		
Net deferred tax (asset) liability	(12,18,366)	(10,22,985)

Movement in deferred tax liabilities | assets

	(₹)		
	Property plant and equipment	Provision for leave encashment	Total
At March 31, 2018	-	29,57,215	29,57,215
(Charged) credited:			
- to profit or loss	-	9,76,678	9,76,678
At March 31, 2020	-	39,33,893	39,33,893
(Charged) credited:			
- to profit or loss	42,293	8,04,501	8,46,794
At Mar 31, 2021	42,293	47,38,394	47,80,687

Notes to the Financial Statements

NOTE - 21 Related Party Information

A) Name of Related party and nature of relationship:

No.	Name of the Related Party	
1	Atul Ltd	Ultimate holding company
2	Aaranyak Urmi Ltd ¹	Subsidiary companies of holding company
3	Amal Ltd ²	
4	Anchor Adhesives Pvt Ltd	
5	Atul Aarogya Ltd	
6	Atul Ayurveda Ltd	
7	Atul Bio Space Ltd	
8	Atul Bioscience Ltd	
9	Atul China Ltd	
10	Atul Clean Energy Ltd	
11	Atul Brasil Quimicos Ltda	
12	Atul Deutschland GmbH	
13	Atul Polymers Products Ltd	
14	Atul Entertainment Ltd	
15	Atul Europe Ltd	
16	Atul Fin Resources Ltd ¹	
17	Atul Finserv Ltd	
18	Atul Hospitality Ltd	
19	Atul Infotech Pvt Ltd ¹	
20	Atul Middle East FZ-LLC	
21	Atul Nivesh Ltd ¹	
22	Atul Rajasthan Date Palms Ltd ¹	
23	Atul (Retail) Brands Ltd	
24	Atul Seeds Ltd	
25	Atul USA Inc	
26	Biyaban Agri Ltd	
27	DPD Ltd ¹	
28	Gujarat Synthwood Ltd ³	
29	Jayati Infrastructure Ltd	
30	Lapox Polymers Ltd	
31	Osia Infrastructure Ltd	
32	Amal Speciality Ltd ¹	
33	Aasthan Dates Ltd	
34	Atul Ireland Ltd	
35	Atul Lifescince Ltd	
36	Atul Natural Dyes Ltd	
37	Atul Products Ltd	
38	Atul Renewable Energy Ltd	
39	Atul Natural Foods Ltd	
40	Raja Dates Ltd	
41	Rudolf Atul Chemicals Ltd	
42	Anaven LLP	Joint operation of holding company

* ¹ Investments held through subsidiary companies | ² Subsidiary company by virtue of control | ³ Under liquidation

(B) Transactions with associate companies and Holding companies

	Particular	2020-21	2019-20
	Sales & Income		
1	Service Charges Received Atul Ltd	1462,90,832	1144,55,139
	Purchases & Expenses		
1	Service Charges Paid Atul Ltd	10,23,627	10,10,968
2	Reimbursements of Expenses Atul Ltd	463,99,068	387,45,420
3	Direct Investment in Equity Share		
	Atul Products Ltd	10	-
	Atul Natural Dyes Ltd	10	-
	Atul Natural Foods Ltd	10	-
	Atul Renewable Energy Ltd	10	-
	Atul Lifescience Ltd	10	-
4	Outstanding Balances as at year end		
	Receivables	400,00,603	288,05,729
	Atul Ltd	361,13,421	249,18,547
	Atul Brasil Quimicos Ltda	38,87,182	38,87,182
	Payable	-	-
	Atul Ltd	-	-

As per our attached report of even date

For and on behalf of the Board of Directors

For Ghanshyam Parekh & Co.

Firm Registration No. 131167W

Chartered Accountants

G R Parekh

Proprietor

Membership No. F-030530

Director

Atul

Apr 06, 2021

Director