ATUL INFOTECH PRIVATE LIMITED

Directors' Report

Dear Members,

The Board of Directors (Board) presents the Annual Report of Atul Infotech Pvt 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	4.31	4.23
Other income	0.04	0.12
Total revenue	4.35	4.35
Profit before tax	(0.01)	0.42
Tax	(0.05)	0.10
Profit for the year	0.04	0.32

02. Performance

During 2020-21 the Company generated revenue from operations of ₹ 4.31 cr. The Company has made profit of ₹ 0.04 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 did not give any loans, provide guarantees or make investments.

11. Subsidiary, associate and joint venture company

There was no change in the subsidiary, associate and joint venture entities.

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 22. No transactions were entered into by the Company which required disclosure in Form AOC-2.

13. Corporate Social Responsibility

The provision of Section 135 of the Act are not applicable to the Company.

14. Annual Return

Annual Return for 2020-21 is available for inspection at the registered office of the Company for inspection.

15. Auditors

GR Parekh & Co., Chartered Accountants were appointed as the Statutory Auditors of the Company at the 17th Annual General Meeting (AGM) until the conclusion of the 22nd AGM.

The Auditors' Report for the financial year ended March 31, 2021 does not contain any qualification, reservation or adverse remark. The Report is enclosed with the Financial Statements.

16. Directors' responsibility statement

Pursuant to Section 134(5) of the Act, the Directors confirm that, to the best of their knowledge and belief:

16.1 In preparation of the financial statement for the financial year ended March 31, 2021, the applicable accounting standards were followed and there are no material departures.

16.2 The Accounting Policies were selected and applied consistently and judgements and estimates were made that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period.

16.3 Proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

16.4 The attached annual accounts for the year ended March 31, 2021 were prepared on a going concern basis.

16.5 Adequate Internal Financial Controls to be followed by the Company were laid down; and same were adequate and operating effectively.

16.6 Proper systems were devised to ensure compliance with the provisions of all applicable laws and the same were adequate and operating effectively.

17. Directors

17.1 Appointments | Reappointments | Cessations: nil

17.2 Policies on appointment and remuneration

The Company will formulate policy on remuneration of Directors as and when it starts paying remuneration to the Directors. The Company appoints directors in accordance with the applicable provisions of the Companies Act, 2013.

18. Key Managerial Personnel and other employees

The provision of section 203 of the Companies Act, 2013 are not applicable to the Company.

19. Board Meetings and Secretarial standards

The Board met five times during 2020-21. Secretarial standards as applicable to the Company were followed and complied with.

20. Analysis of remuneration

There is no employee who falls within the criteria provided in Sections 134(3)(q) and 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 .

21. Acknowledgements

The Board expresses its sincere thanks to all the stakeholders, regulatory and Government authorities for their support.

For and on behalf of the Board of Directors

Atul
April 05, 2021 Director Director

Annexure to the Directors' Report

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

1.1 Conservation of energy

1.1.1 Measures taken

nil

1.2 Technology absorption

No major steps were taken during the current year.

1.3 Total foreign exchange used and earned

nil

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 Infotech Private 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 Infotech Private 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 **21030530AAAACN1582**

Atul,
Dated: April 5, 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 Infotech Private 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 **21030530AAAACN1582**

Place: Atul
Date: April 5, 2021

Annexure B to Independent Auditors' Report:

Referred to in paragraph 10 of the Independent Auditors' Report of the even date to the members of ATUL INFOTECH PRIVATE 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 title deeds of immovableproperties as disclosed in note relating to fixed Assets are held in the name of the Company.

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. The Company has not granted any loans, or made any investments or provided guarantee or security to parties covered under Section 185 and 186 of the Companies Act, 2013, therefore the provisions of clause 3(iv) of the said order are not applicable to the Company.

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.

(b) 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 month from the date they became payable;

(c) According to the information and explanation given to us, there are no dues of sales tax, duty of customs, wealth tax, duty of excise, value added tax 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 made preferential allotment / private placement of shares during the year under review. Proceeds of the same are utilised ffor the purpose it was made.

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.

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

Atul

Date : April 5, 2021

(G. R. Parekh)
Proprietor
Membership No.: 030530
UDIN 21030530AAAACN1582

Atul Infotech Pvt Ltd

Balance Sheet as at March 31, 2021

(₹)

Particulars			Note	As at March 31, 2021	As at March 31, 2020
A		ASSETS			
1		Non-current assets			
	a)	Property, plant and equipment	2	18,18,95,800	5,42,91,981
	b)	Capital work-in-progress		47,500	13,13,29,857
	c)	Financial assets			
		i) Investments in associate company	3	2,49,980	2,49,980
		ii) Other finacial assets	4	3,79,715	3,29,715
	d)	Deferred tax assets (net)		2,73,254	1,76,442
	e)	Other non-current assets	5	82,67,965	1,27,65,321
		Total non-current assets		19,11,14,214	19,91,43,296
2		Current assets			
	a)	Financial assets			
		i) Loans		-	-
		i) Current investment	6	1,27,29,542	95,58,136
		ii) Trade receivables	7	47,34,244	38,84,210
		iii) Cash and cash equivalents	8	59,60,602	7,69,436
		iv) Bank balances other than cash and cash equivalents above	9	1,64,777	1,54,488
		v) Other financial assets	4	82,007	1,69,107
	b)	Other current assets	5	-	-
		Total current assets		2,36,71,172	1,45,35,377
		Total assets		21,47,85,386	21,36,78,673
B		EQUITY AND LIABILITIES			
		Equity			
	a)	Equity share capital	10	30,01,600	30,01,600
	b)	Other equity		20,45,35,416	20,43,81,465
		Total equity		20,75,37,016	20,73,83,065
		Liabilities			
1		Non-current liabilities			
	a)	Deferred tax liabilities (net)		-	-
		Total non-current liabilities		-	-
2		Current liabilities			
	a)	Financial liabilities			
		i) Trade payables			
		Total outstanding dues of			
		a) Micro enterprises and small enterprises		-	-
		a) Creditors other than micro enterprises and sn	14	26,63,994	20,49,376
		i) Other financial liabilities	11	11,02,385	17,37,500
	b)	Other current liabilities	13	11,60,100	8,84,741
	c)	Provisions	12	23,21,891	16,23,992
		Total current liabilities		72,48,370	62,95,609
		Total liabilities		72,48,370	62,95,609
		Total equity and liabilities		21,47,85,386	21,36,78,673

The accompanying Notes 1-23 form an integral part of the Financial Statements

As per our attached report of even date

For Ghanshyam Parekh & Co.

Firm Registration Number: 131167W

G R Parekh

Proprietor

Membership Number: F-030530

Atul

April 5, 2021

For and on behalf of the Board of Directors

Director

Director

Atul

April 5, 2021

Atul Infotech Pvt Ltd

Statement of Profit and Loss for the year ended March 31, 2021

(₹)

Particulars	Note	2020-21	2019-20
INCOME			
Revenue from operations	15	4,31,20,668	4,22,94,168
Other income	16	3,81,695	12,17,039
Total Income		4,35,02,363	4,35,11,207
EXPENSES			
Employee benefit expense	17	3,61,53,563	3,54,72,134
Finance costs	18	877	-
Depreciation and amortisation expense		42,23,781	8,43,870
Other expenses	19	32,03,525	30,29,513
Total expenses		4,35,81,747	3,93,45,517
Profit before exceptional items and tax		(79,383)	41,65,690
Exceptional items		-	-
Profit before tax		(79,383)	41,65,690
Tax expense			
Current tax		(3,64,965)	7,12,858
Deferred tax		(96,812)	2,33,959
Total tax expense		(4,61,777)	9,46,817
Profit for the year		3,82,394	32,18,873
Other comprehensive income			
A) Items that will not be reclassified to profit and loss			
Remeasurement gains on defined benefit plans		(3,05,279)	(2,24,492)
Income tax on above item		76,836	56,500
Total other comprehensive income		(2,28,443)	(1,67,992)
Total comprehensive income		1,53,951	30,50,881
No. of Shares		3,00,160	3,00,160
Basic and diluted earning ₹ per equity share of ₹ 10 each		1.27	10.72

The accompanying Notes 1-23 form an integral part of the Financial Statements

As per our attached report of even date

For Ghanshyam Parekh & Co.

Firm Registration Number: 131167W

G R Parekh

Proprietor

Membership Number: F-030530

Atul

April 5, 2021

For and on behalf of the Board of Directors

Director

Director

Atul

April 5, 2021

Atul Infotech Pvt Ltd
Statement of changes in equity for the year ended March 31, 2021

A. Equity share capital

(₹)

	Notes	Amount
As at March 31, 2019		30,01,600
Changes in equity share capital		-
As at March 31, 2020		30,01,600
Changes in equity share capital		-
As at March 31, 2021		30,01,600

B. Other equity

(₹)

	Notes	Reserves and surplus		Total Other equity
		Securities premium	Retained earnings	
As at March 31, 2019		15,36,15,151	1,33,65,202	16,69,80,353
Profit for the year		-	32,18,873	32,18,873
Other comprehensive income		-	(1,67,992)	(1,67,992)
Total comprehensive income for the year		-	30,50,881	30,50,881
Transactions with owners in their capacity as				
Issue of equity share		3,43,50,230	-	3,43,50,230
Dividend paid (including dividend distribution tax)				-
As at March 31, 2020		18,79,65,381	1,64,16,084	20,43,81,465
Profit for the year		-	3,82,394	3,82,394
Other comprehensive income		-	(2,28,443)	(2,28,443)
Total comprehensive income for the year		-	1,53,951	1,53,951
Transactions with owners in their capacity as				
Issue of equity share		-	-	-
Dividend paid (including dividend distribution tax)			-	-
As at March 31, 2021		18,79,65,381	1,65,70,034	20,45,35,416

The accompanying Notes 1-23 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 Number: 131167W

G R Parekh

Director

Proprietor

Membership Number: F-030530

Director

Atul

April 5, 2021

Atul

April 5, 2021

Atul Infotech Pvt Ltd
Statement of Cash Flows for the year ended March 31, 2021

(₹)

Particulars		2020-21	2019-20
A. Cash flow from operating activities			
Profit before tax		(79,383)	41,65,690
Add:			
Depreciation and amortisation expenses		42,23,781	8,43,870
Finance costs		877	-
		42,24,658	8,43,870
		41,45,275	50,09,560
Less:			
Dividend received		3,71,406	5,12,306
Interest received		10,289	7,04,733
		3,81,695	12,17,039
Operating profit before working capital changes		37,63,579	37,92,521
Adjustments for:			
Trade receivables		(8,50,034)	(6,21,738)
Other current financial assets		87,100	3,27,436
Other current assets		(5,47,616)	1,42,074
Other non-current financial assets		(50,000)	-
Trade payables		6,14,618	13,24,652
Other current financial liabilities		72,471	29,777
Other current liabilities		(1,13,054)	32,097
Short-term provisions		6,97,899	1,66,261
		(88,616)	14,00,559
Cash generated from operations		36,74,963	51,93,081
Less: Income Tax Paid (net)		(48,62,322)	9,97,548
Net cash flow from operating activities	A	**85,37,285**	**41,95,533**
B. Cash flow from investing activities			
Payment to aquire Property,Plant		(5,45,243)	(3,70,96,117)
Payment for fixed deposit		(10,289)	10,53,343
Interest received		10,289	7,04,733
Dividend received		3,71,406	5,12,306
Net cash used in investing activities	B	**(1,73,836)**	**(3,48,25,735)**
C. Cash flow from financing activities			
Proceeds from equity share capital		-	3,49,86,610
Interest paid		(877)	-
Net cash used in financing activities	C	**(877)**	**3,49,86,610**
Net change in cash and cash equivalents	A+B+C	**83,62,572**	**43,56,408**
Opening balance - cash and cash equivalents		1,03,27,572	59,71,164
Closing balance - cash and cash equivalents		1,86,90,144	1,03,27,572

The accompanying Notes 1-23 form an integral part of the Financial Statements

As per our attached report of even date

For Ghanshyam Parekh & Co.

Firm Registration Number: 131167W

For and on behalf of the Board of Directors

G R Parekh

Proprietor

Membership Number: F-030530

Director

Director

Atul

April 5, 2021

Atul

April 5, 2021

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

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) Recent accounting pronouncements:

Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from April 01, 2021.

c) Revenue recognition:

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.

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.

d) 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

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. The Company assesses whether the Appendix has an impact on its Standalone Financial Statements.

e) 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 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 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 commencement date, lease liability is measure at the present value of the lease payments to be paid during 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.

f) 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.

Property, plant and equipment which 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	60 years
Plant and equipment[1]	6 to 20 years
Vehicles[1]	6 years
Office equipment and furniture	5 to 10 years

[1] The 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 owned 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 whichever is shorter.

g) Impairment of assets:

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.

h) 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.

i) 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.

j) 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.

k) Investments and other financial assets:

Equity instruments:

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.

l) 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.

m) 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.

n) Employee benefits:

Defined benefit plan:

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.

Defined contribution plan:

Contributions to defined contribution schemes such as contribution to provident fund, superannuation fund, employees' state insurance corporation, national pension scheme and labours 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.

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. Compensation payable under voluntary retirement scheme is being charged to the Standalone Statement of Profit and Loss in the year of settlement.

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.

o) 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.

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.

p) 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.

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 involves a higher degree of judgements 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 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 (d)

ii) Estimation of useful life of tangible assets: Note 1 (f)

iv) Allowance for credit losses on trade receivables: Note 1 (i)

vi) Estimation of defined benefit obligations: Note 1 (n)

viii) Impairment of assets: Note 1 (g)

(₹)

Note 2 Property, plant and equipment

Particulars	Land - Leasehold	Buildings	Plant and equipments	Office equipment and furniture	Vehicles	Computer	Total
Gross carrying amount							
As at March 31, 2019	2,06,97,211	-	-	-	6,00,000	2,95,000	2,15,92,211
Additions	-	3,49,43,031	-	-	-	-	3,49,43,031
Other adjustments	-	-	-	-	-	-	-
Deductions and adjustments	-	-	-	-	-	-	-
As at March 31, 2020	2,06,97,211	3,49,43,031	-	-	6,00,000	2,95,000	5,65,35,242
Additions	-	11,32,12,391	1,15,06,915	63,02,889	-	8,05,405	13,18,27,600
Other adjustments	-	-	-	-	-	-	-
Deductions and adjustments	-	-	-	-	-	-	-
As at March 31, 2021	2,06,97,211	14,81,55,422	1,15,06,915	63,02,889	6,00,000	11,00,405	18,83,62,842
Depreciation | Amortisation							
Upto March 31, 2019	12,76,596	-	-	-	1,03,333	19,462	13,99,391
For the year	4,25,532	2,76,630	-	-	95,000	46,708	8,43,870
Deductions and adjustments	-	-	-	-	-	-	-
Upto March 31, 2020	17,02,128	2,76,630	-	-	1,98,333	66,170	22,43,261
For the year	4,25,532	20,47,382	7,59,136	7,43,753	95,000	1,52,977	42,23,781
Deductions and adjustments	-	-	-	-	-	-	-
Upto March 31, 2021	21,27,660	23,24,012	7,59,136	7,43,753	2,93,333	2,19,147	64,67,042
Net carrying amount							
As at March 31, 2020	1,89,95,083	3,46,66,401	-	-	4,01,667	2,28,830	5,42,91,981
As at March 31, 2021	1,85,69,551	14,58,31,410	1,07,47,779	55,59,136	3,06,667	8,81,258	18,18,95,800

(₹)

Note 3 Investments in associate company	Face Value	As at March 31, 2021 No of Shares	As at March 31, 2021 Value	As at March 31, 2020 Current	As at March 31, 2020 Non current
Investment in equity instruments measured at cost unquoted					
Atul Elkay Polymers Ltd	10	24,998	2,49,980	24,998	2,49,980
			2,49,980	24,998	2,49,980

(₹)

Note 4 Other financial assets	As at March 31, 2021		As at March 31, 2020	
	Current	Non current	Current	Non current
a) Security deposits	30,030	3,79,715	30,030	3,29,715
b) Advances recoverable in cash	51,977	-	1,39,077	-
	82,007	3,79,715	1,69,107	3,29,715

(₹)

Note 5 Other assets	As at March 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	-	82,67,965	-	1,27,65,321
	-	82,67,965	-	1,27,65,321

(₹)

Note 6 Current investment	As at March 31, 2021	As at March 31, 2020
Investment in mutual funds measured at FVPL		
Quoted		
Investment in mututal funds	1,27,29,542	95,58,136
	1,27,29,542	95,58,136

(₹)

Note 7 Trade receivables	As at March 31, 2021	As at March 31, 2020
a) Unsecured, considered good		
i) Related parties	33,14,116	26,84,510
ii) Trade receivables	14,20,128	11,99,700
Total receivables	**47,34,244**	**38,84,210**
Current portion	47,34,244	38,84,210
Non-current portion	-	-

(₹)

Note 8 Cash and cash equivalents	As at March 31, 2021	As at March 31, 2020
a) Balances with banks		
i) In current accounts	59,60,602	7,69,436
	59,60,602	7,69,436

There are no repatriations restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period.

(₹)

Note 9 Bank balances other than cash and cash equivalents above	As at March 31, 2021	As at March 31, 2020
Short-term bank deposit with original maturity between 3 to 12 months	1,64,777	1,54,488
	1,64,777	1,54,488

(₹)

Note 10 Equity share capital	As at March 31, 2021	As at March 31, 2020
Authorised		
3,58,000 (March 31, 2020: 3,58,000) equity shares of ₹ 10 each	35,80,000	35,80,000
	35,80,000	35,80,000
Issued		
3,00,160 (March 31, 2020: 3,00,160) equity shares of ₹ 10 each	30,01,600	30,01,600
	30,01,600	30,01,600
Subscribed		
3,00,160 (March 31, 2020: 3,00,160) equity shares of ₹ 10 each	30,01,600	30,01,600
	30,01,600	**30,01,600**

a) Movement in equity share capital

(₹)

	Number of shares	Equity share capital
As at March 31, 2020	3,00,160	30,01,600
As at March 31, 2021	3,00,160	30,01,600

b) Rights, preferences and restrictions:

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.

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

No	Name of the Shareholder	As at March 31, 2021		As at March 31, 2020	
		Holding %	Number of shares	Holding %	Number of shares
1	Atul Bio Space Ltd	50%	1,50,080	50%	1,50,080
2	Atul Finserv Ltd	50%	1,50,080	50%	1,50,080

(₹)

Note 11 Other financial liabilities	As at March 31, 2021		As at March 31, 2020	
	Current	Non current	Current	Non current
a) Employee benefits obligation (refer note 24)	9,52,564	-	16,60,150	
b) Others	1,49,821	-	77,350	-
	11,02,385	**-**	**17,37,500**	**-**

(₹)

Note 12 Provisions	As at March 31, 2021		As at March 31, 2020	
	Current	Non current	Current	Non current
Provision for leave entitlement	23,21,891	-	16,23,992	-
	23,21,891	**-**	**16,23,992**	**-**

(i) Information about individual provisions and significant estimates

(₹)

	As at March 31, 2021	As at March 31, 2020
a) Balance as at the beginning of the year	16,23,992	14,57,731
Less: Utilised	(28,254)	(1,36,558)
Provision made during the year	7,26,153	3,02,819
	23,21,891	**16,23,992**

(₹)

Note 13 Other current liabilities	As at March 31, 2021	As at March 31, 2020
	Current	Current
a) Deferred Income on account of Goverment grant received		
a) Statutory dues	11,60,100	8,84,741
	11,60,100	**8,84,741**

(₹)

Note 14 Trade payables	As at March 31, 2021	As at March 31, 2020
i) Related party	1,80,656	-
ii) Others	24,83,338	20,49,376
	26,63,994	**20,49,376**

(₹)

Note 15 Revenue from operations	2020-21	2019-20
Sale of services	4,31,20,668	4,22,94,168
	4,31,20,668	4,22,94,168

(₹)

Note 16 Other income	2020-21	2019-20
Dividend from invetment measured at FVPL	3,71,406	5,12,306
Interest from others	10,289	7,04,733
	3,81,695	12,17,039

(₹)

Note 17 Employee benefit expenses	2020-21	2019-20
Salaries, wages and bonus	3,40,06,757	3,39,33,942
Contribution to Provident and other funds (refer Note 28.6)	17,79,645	12,35,295
Staff welfare	3,67,161	3,02,897
	3,61,53,563	3,54,72,134

(₹)

Note 18 Finance costs	2020-21	2019-20
Interest on income tax | GST	877	-
	877	-

(₹)

Note 19 Other expenses	2020-21	2019-20
Accomodation charges	20,47,670	18,85,071
Rent	1,02,000	2,19,500
Rates and taxes	1,28,553	14,079
Insurance	1,60,980	45,127
Travelling and conveyance	58,334	1,08,577
Telephone expense	2,13,614	39,464
Payments to the Statutory Auditors		
a) Audit fees	10,000	10,000
b) Other matters	6,500	5,000
Miscellaneous expenses	4,75,873	7,02,694
	32,03,525	30,29,513

(₹)

Note 20 Other comprehensive income	2020-21	2019-20
A) Items that will not be reclassified to profit and loss		
Valuation change in Equity instruments through other comprehensive income	-	-
Remeasurement gains on defined benefit plans	(2,28,443)	(1,67,992)
	(2,28,443)	(1,67,992)

NOTE 21 Contigent Liability (`)

Particulars	As at March 31, 2021	As at March 31, 2020
Claims against the Company not acknowledged as debts in respects		
(b) Income tax	-	11,210
	-	11,210

Note 22.1 Related party information

Name of the related party and nature of relationship

No	Name of the related party	Description of relationship
	Atul Ltd	Ultimate holding company
01	Aarnyak Urmi Ltd [1]	Subsidiary companies of ultimate holding company
02	Aasthan Dates Ltd	
03	Amal Ltd[2]	
04	Amal Speciality 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 Ltd	
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 Fin Resources Ltd [1]	
18	Atul Finserv Ltd	
19	Atul Hospitality Ltd	
20	Atul Lifescience Ltd	
21	Atul Middle East FZ-LLC	
22	Atul Natural Dyes Ltd	
23	Atul Natural Foods Ltd	
24	Atul Nivesh Ltd [1]	
25	Atul Polymers Products Ltd	
26	Atul Products Ltd	
27	Atul Rajasthan Date Palms Ltd [1]	
28	Atul Renewable Energy Ltd	
29	Atul (Retail) Brands Ltd	
30	Atul Seeds Ltd	
31	Atul USA Inc	
32	Biyaban Agri Ltd	
33	DPD Ltd[1]	
34	Gujrat Synthwood Ltd[3]	
35	Jayati Infrastructure Ltd	
36	Lapox Polumers Ltd	
37	Osia Dairy Ltd	
38	Osia Infrastructure Ltd	
39	Raja Dates Ltd	
40	Rudolf Atul Chemicals Ltd	Joint venture company
41	Anaven LLP	Joint operation

[1] Investments held through subsidiary companies.

[2] Subsidiary company by virtue of control

[3] Under liquidation.

(₹)

Note 22.2	Transactions with Related parties	2020-21	2019-20
	Sales and income		
1	Service charges received	3,83,66,668	3,73,74,168
	Atul Ltd	3,83,66,668	3,73,74,168
	Purchase and expenses		
1	Service charges	20,30,809	19,47,139
	Atul Limited	20,30,809	19,47,139
2	Reimbursements	1,724	1,10,091
	Atul Limited	-	1,02,619
	Aarnayak Urmi Ltd	1,724	7,472
1	Service charges	25,000	50,000
	Atul Limited	25,000	50,000
	Other transactions		
3	Reimbursement received	35,000	26,400
	Atul Bio space Ltd	-	600
	Atul Aarogya Ltd	3,200	2,000
	Atul Ayurveda Ltd	4,400	2,000
	Atul Clean Energy Ltd	3,200	2,000
	Atul Crop Care Ltd	-	400
	Atul Elkay Polymers Ltd	-	400
	Atul Entertainment Ltd	2,000	2,000
	Atul Fin Resources Ltd	1,200	600
	Atul Hospitality Ltd	3,200	1,600
	Atul Retail (Brands) Ltd	4,000	2,400
	Atul Nivesh Ltd	1,200	600
	Atul Seeds Ltd	4,000	2,400
	Jayati Infrastructure Ltd	2,000	2,400
	Lapox Polymers Ltd	-	400
	Osia Dairy Ltd	3,600	3,600
	Osia Infrastructure Ltd	3,000	2,400
	Raja Dates Ltd	-	600
	Outstanding balances as at year end		
1	Receivables	33,14,116	26,91,713
	Atul Ltd	33,14,116	26,84,513
	Atul Aarogya Ltd	-	400
	Atul Ayurveda Ltd	-	400
	Atul Clean Energy Ltd	-	400
	Atul Entertainment Ltd	-	400
	Atul Fin Resources Ltd	-	600
	Atul Retail (Brands) Ltd	-	800
	Atul Nivesh Ltd	-	600
	Atul Seeds Ltd	-	800
	Jayati Infrastructure Ltd	-	800
	Osia Dairy Ltd	-	1,200
	Osia Infrastructure Ltd	-	800
4	Payables	1,80,656	-
	Atul Limited	1,80,656	-

Note 23 : Current and Deferred tax

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

a) Income tax expense (₹)

Particulars	March 31, 2021	March 31, 2020
Current tax		
Current tax on profits for the year	76,836	7,12,858
Adjustments for current tax of prior periods	(4,41,801)	-
Total current tax expense	(3,64,965)	7,12,858
Deferred tax		
(Decrease)|increase in deferred tax liabilities	36,11,855	2,75,807
Decrease|(increase) in deferred tax assets	(37,08,667)	(41,848)
Total deferred tax expense|(benefit)	(96,812)	2,33,959
Income tax expense	(4,61,777)	9,46,817

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

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	March 31, 2021	March 31, 2020
Statutory income tax rate	25.17%	26.00%
Differences due to:		
Expenses not deductible for tax purposes	0.00%	-0.90%
Income exempt from income tax	0.00%	-3.22%
Income tax incentives	0.00%	4.34%
Others	0.00%	0.19%
Effective income tax rate	25.17%	26.42%

d) 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

e) Current tax liabilities (₹)

Particulars	March 31, 2021	March 31,2020
Opening balance	-	-
Add: Current tax payable for the year	(3,64,965)	7,12,858
Less: Taxes paid	3,64,965	(7,12,858)
Closing balance	-	-

f) Deferred tax liabilities (net)

The balance comprises temporary differences attributable to: (₹)

Particulars	March 31, 2021	March 31,2020
Property, plant and equipment	(36,14,474)	(2,44,414)
Provision for Gratuity	(2,41,797)	
Total deferred tax liabilities	(38,56,271)	(2,44,414)
Provision for leave encashment	5,96,505	4,20,856
Provision for unabsrobed depreciation	35,33,020	-
Total deferred tax assets	41,29,525	4,20,856
Deferred tax asset or liability of subsidiary companies		
Net deferred tax (asset) | liability	(2,73,254)	(1,76,442)

Movement in deferred tax liabilities | assets (₹)

Particulars	March 31,2021	Charged | Credited to	March 31,2020	Charged | Credited to	March 31,2019
Property, plant and equipment	(36,14,474)	(33,70,058)	(2,44,416)	(2,75,807)	31,391
Provision for Gratuity	(2,41,797)	(2,41,797)	-	-	-
Total deferred tax liabilities	(38,56,271)	(36,11,855)	(2,44,416)	(2,75,807)	31,391
Provision for leave encashment	5,96,505	1,75,647	4,20,858	41,848	3,79,010
Provision for unabsrobed depreciation	35,33,020	35,33,020	-	-	-
Total deferred tax assets	41,29,525	37,08,667	4,20,858	41,848	3,79,010
Net deferred tax liability |(asset)	2,73,254	96,812	1,76,442	(2,33,959)	4,10,401

Note 24 : Employee benefit obligations

The Company operates a gratuity plan through the 'Atul Infotech Pvt Ltd. Employees Group Gratuity Assurance Scheme'. Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972 or Company scheme whichever is beneficial. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

Defined contribution plans

Balance sheet amount (Gratuity) (₹)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
April 01, 2019	**28,58,330**	**(27,16,081)**	**1,42,249**
Current service cost	3,00,576	-	3,00,576
Interest expense|(income)	2,13,803	(2,03,163)	10,640
Total amount recognised in profit and loss	**5,14,379**	(2,03,163)	3,11,216
Remeasurements			
Return on plan assets, excluding amount included in interest expense|(income)	-	29,897	29,897
(Gain)|loss from change in demographic assumptions	(19,952)	-	(19,952)
(Gain)|loss from change in financial assumptions	2,63,023	-	2,63,023
Experience (gains)|losses	(48,476)	-	(48,476)
Total amount recognised in other comprehensive income	**1,94,595**	**29,897**	**2,24,492**
Employer contributions	-	(4,27,105)	(4,27,105)
Benefit payments	(29,882)	29,882	-
March 31, 2020	**35,37,422**	**(32,86,570)**	**2,50,852**

Particulars	Present value of obligation	Fair value of plan assets	Net amount
April 01, 2020	**35,37,422**	**(32,86,570)**	**2,50,852**
Current service cost	3,31,229	-	3,31,229
Interest expense|(income)	2,27,456	(2,11,326)	16,130
Total amount recognised in profit and loss	5,58,685	(2,11,326)	3,47,359
Remeasurements			
Return on plan assets, excluding amount included in interest expense|(income)	-	13,450	13,450
(Gain)|loss from change in demographic assumptions	2,65,388	-	2,65,388
(Gain)|loss from change in financial assumptions	(2,78,402)	-	(2,78,402)
Experience (gains)|losses	3,04,843	-	3,04,843
Total amount recognised in other comprehensive income	**2,91,829**	13,450	**3,05,279**
Employer contributions		(16,13,372)	(16,13,372)
Benefit payments	-	-	-
March 31, 2021	**43,87,936**	**(50,97,818)**	**(7,09,882)**

The net liability disclosed above relates to funded and unfunded plans are as follows: (₹)

Particulars	March 31, 2021	March 31, 2020
Present value of funded obligations	43,87,936	35,37,422
Fair value of plan assets	(50,97,818)	(32,86,570)
Deficit of gratuity plan	(7,09,882)	2,50,852

Significant estimates: Actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Particulars	March 31, 2021	March 31, 2020
Discount rate	6.44%	6.43%
Salary growth rate	6.44%	6.43%
Pension growth rate	8.00%	14.00%

Sensitivity analysis

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

	Impact on defined benefit obligation					
	Change in assumptions		Increase in assumptions		decrease in assumptions	
	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Discount rate	1%	1%	-8.02%	-5.49%	9.27%	6.16%
Salary growth rate	1%	1%	8.11%	5.51%	-7.28%	-5.10%

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 as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Major category of plan assets are as follows

(₹)

	March 31, 2021				March 31, 2020			
	Quoted	Unquoted	Total	in %	Quoted	Unquoted	Total	in %
Investment funds								
Insurance fund	50,97,818	-	50,97,818	100%	32,86,570		32,86,570	100%
	50,97,818	-	50,97,818	100%	32,86,570	-	32,86,570	100%

Note 25: Fair value measurements

Financial instruments by category

(₹)

Particulars	As at March 31, 2021		As at March 31, 2020	
	FVPL	Amortised cost	FVPL	Amortised cost
Financial assets				
Investments				
- Mutual funds	1,27,29,542	-	95,58,136	-
Trade receivables	-	47,34,244	-	38,84,210
Security deposits	-	4,09,745	-	3,59,745
Advances recoverable in cash	-	51,977	-	1,39,077
Cash and cash equivalents	-	59,60,602	-	7,69,436
Bank balances other than cash and cash equivalents above		1,64,777		1,54,488
Total financial assets	1,27,29,542	1,13,21,345	95,58,136	53,06,956
Financial liabilities				
Trade payables	-	26,63,994	-	20,49,376
Others	-	1,49,821	-	77,350
Total financial liabilities	-	28,13,815	-	21,26,726

** Amount below the rounding off norm adopted by the company*

(i) 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 and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Comapny has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

(₹)

Assets and liabilities measured at fair value - recurring fair value measurements At March 31,2021	Level 1	Level 2	Total
Financial assets			
Financial Investments at FVPL			
Mutual funds	1,27,29,542	-	1,27,29,542
Total financial assets	1,27,29,542	-	1,27,29,542
Assets and liabilities for which fair values are disclosed At March 31,2021			
Financial assets			
Loans			
Security deposits	-	4,09,745	4,09,745
Total financial assets	-	4,09,745	4,09,745
Financial Liabilities			
Security deposits	-	-	-
Total financial liabilities	-	-	-
***Assets and liabilities measured at fair value - recurring fair value measurements* At March 31,2021**			
Financial assets			
Financial Investments at FVPL			
Mutual funds	1,27,29,542	-	1,27,29,542
Total financial assets	1,27,29,542	-	1,27,29,542
***Assets and liabilities for which fair values are disclosed* At March 31,2021**			
Loans			
Security deposits	-	4,09,745	4,09,745
Total financial assets	-	4,09,745	4,09,745
Financial Liabilities			
Security deposits	-	-	-
Total financial liabilities	-	-	-

There were no transfers between any levels during the year.

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have a quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting

Level 2: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities and biological assets which are included in level 3.

Note 26 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	₹ cr	3,82,394	32,18,873
Basic | Weighted average	Number	3,00,160	3,00,160
Nominal value of Equity	₹	10	10
Basic and diluted Earning	₹	1.27	10.72

Note 27 The Financial Statements were authorised for issue by the Board of Directors on April 5, 2021

As per our attached report of even date

For Ghanshyam Parekh & Co.

Firm Registration Number: 131167W

G R Parekh

Proprietor

Membership Number: F-030530

Atul

April 5, 2021

For and on behalf of the Board of Directors

Director

Director

Atul

April 5, 2021