



Atul Rajasthan Date Palms Ltd
Annual Report 2021-22

The logo of Atul Rajasthan Date Palms Ltd reflects our endeavour to green the deserts across the world with tissue culture raised date palm plants so as to enhance the ecology and economy of such regions. The logo attempts to depict transformation of arid regions through propagation of tissue culture raised date palm plants using energy of the sun.

Contents

The value of an idea lies in the using of it.

~ Thomas Edison

01	Corporate identity
02	Purpose
03	Values
04	Board of Directors
05	Directors' Report
09	Annexure to the Directors' Report
11	Management Discussion and Analysis
13	Corporate Governance Report
20	Notice
26	Independent Auditor's Report
34	Financial Statements

Forward looking statements

In this annual report, we have shared information and made forward looking statements to enable investors to know our product portfolio, business logic and direction and thereby comprehend our prospects. Such statements that we make are based on our assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'believe', 'estimate', 'intend', 'plan', 'project' or words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward looking statements will be realised although we believe we have been prudent in our assumptions. The actual results may be affected because of uncertainties, risks and even inaccurate assumptions. If uncertainties or known or unknown risks materialise or if underlying assumptions prove inaccurate, actual results may vary materially from those anticipated, believed, estimated, intended, planned or projected. We undertake no obligation to publicly update any forward looking statements, whether as a result of new information, future events or otherwise.

Corporate identity



Atul Rajasthan Date Palms Ltd (ARDP) is engaged in production and marketing of tissue culture raised date palm plants with the aim to enhance the economy and ecology of the arid regions of India. The facility of the Company in Jodhpur, Rajasthan is the first and largest of its kind in India.

Incorporated on March 05, 2009 ARDP is a subsidiary company of Atul Ltd (Atul) with 26% shareholding of Rajasthan Horticulture Development Society, Government of Rajasthan, based on the public-private partnership model.

The formation of ARDP is expected to help India (the largest importer of dates in the world) by producing true-to-type tissue culture raised date palm plants indigenously, which in turn will help the Indian farmers to grow the date fruit varieties in India. ARDP has deployed a state-of-the-art technology, obtained by Atul from the Date Palm Research and Development Centre of the United Arab Emirates University, to produce tissue culture raised date palm plants in India.

Purpose

We are committed to significantly enhancing value for our stakeholders by:



fostering a spirit of continuous learning and innovation



adopting developments in science and technology



providing high quality product and services, thus becoming the most preferred partner



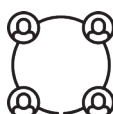
having people who practice Values and exemplify a high standard of behaviour



seeking sustained, dynamic growth and securing long-term success



taking responsible care of the surrounding environment



improving the quality of life of the communities we operate in

Values



In an environment where change is a way of life, continuity of Values provides stability and is fundamental to us. We have therefore formalised key Values and are committed to institutionalising them. We will seek to create an environment wherein these Values are consistently practised and nurtured and ensured that they are not compromised.



INTEGRITY

Working with honesty, following the highest standards of professionalism. Integrity is when our decisions and actions remain consistent with our thoughts and words, written or spoken.



UNDERSTANDING

How well we work with others depends on our ways to connect and this in turn is based on our level of Understanding of human relationships. This certainly does not mean that we accept poor performance, but that we do it the right way. Understanding is the external manifestation of internal realisation.



UNITY

Working together and taking advantage of synergy while harnessing unique abilities of each of us to achieve a larger goal. Unity is the realisation that though we may work in different areas, we are finally interconnected and that interdependence is a higher order of living than independence. Though we may be many, we share a common purpose.



RESPONSIBILITY

Delivering value and taking ownership of actions. Responsibility must also give us the realisation that what is good for the business must be in the overall good. In essence, we must work with a spirit of trusteeship for the shareholders and other stakeholders. What comes to us must be returned many times over.



EXCELLENCE

A drive that is more from inside than outside; it is about us seeking to continuously improve and develop an eye for innovation even in day to day work. Excellence is about excelling in everything we do and not giving up. Excellence is also a journey, not simply a destination in itself.

Board of Directors



Dinesh Kumar



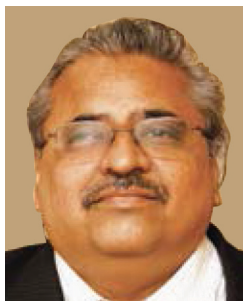
Sunil Lalbhai



Bharathy Mohanan



Devendra Mehta



Gopi Kannan Thirukonda



Syed Irfan

Directors' Report



Dear Members,

The Board of Directors (Board) presents the annual report of Atul Rajasthan Date Palms Ltd together with the audited Financial Statements for the year ended March 31, 2022.

01. Financial results

	(₹ cr)	
Particulars	2021-22	2020-21
Sales	1.25	2.52
Revenue from operations	1.25	2.52
Other income	0.96	0.99
Total revenue	2.21	3.51
Profit before tax	(1.63)	(1.47)
Provision for tax	(0.11)	(0.10)
Profit of the year	(1.52)	(1.36)
Balance brought forward	(0.31)	1.05
Transfer from comprehensive income	-	-
Disposable surplus	(1.83)	(0.31)
Less:		
Dividend paid	-	-
Dividend distribution tax (net)	-	-
Balance carried forward	(1.83)	(0.31)

02. Performance

Sales decreased from ₹ 2.52 cr to ₹ 1.83 cr mainly due to lower volumes. The earnings per share decreased from ₹ (168.59) to ₹ (187.23). The cash flow from operating profit before change in operating assets and liabilities decreased from ₹ 0.75 cr to ₹ (0.82) cr and the net cash generated from operating activities decreased from ₹ 2.18 cr to ₹ (0.79) cr. The Company has increased its borrowings by 31.25% from ₹ 6.40 cr to ₹ 8.80 cr.

An incident of fire occurred at growth room 2 of the laboratory on July 9, 2021, due to an electrical fault in a split AC. The fire had damaged 40,606 cultures and some parts of the plant, machinery and building. The total loss is valued at ₹ 2.56 cr.

03. Dividend

The Board regrets its inability to recommend any dividend.

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

Information required under Section 134(3)(m) of the Companies Act, 2013, 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 at page number 9.

05. Insurance

The Company has taken adequate insurance to cover the risks to its employees, property (building), plant, equipment, other assets and third parties.

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, 2022, and the Board believes that the controls are adequate.

08. Fixed deposits

During 2021-22, the Company did not accept any fixed deposits.

09. Loans, guarantees, investments and security

Particulars of loans, guarantees, investments and security provided are given at page number 45.

10. Subsidiary, joint venture and associate company

The Company does not have any subsidiary, joint venture and associate company.

11. 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 page number 52. No transactions were entered into by the Company that required disclosure in Form AOC-2.

12. Annual return

Annual return for 2021-22 is available on the website of the Company at www.ardp.co.in/investors.html

13. Auditors

B M Kothari & Company, Chartered Accountants were appointed as the Statutory Auditors of the Company at the 10th Annual General Meeting (AGM) held on June 17, 2019, until the conclusion of the 14th AGM.

The Auditors' Report for the financial year ended March 31, 2022, does not contain any qualification, reservation or adverse remark. The report is enclosed with the Financial Statements in this annual report.

14. Directors' responsibility statement

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors confirm that, to the best of their knowledge and belief:

- 14.1. In preparation of the annual accounts for the financial year ended March 31, 2022, the applicable accounting standards have been followed and there are no material departures.

- 14.2. 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.

- 14.3. 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.

- 14.4. The attached annual accounts for the year ended March 31, 2022, were prepared on a going concern basis.

- 14.5. Adequate internal financial controls to be followed by the Company were laid down and they were adequate and operating effectively.

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

15. Directors

15.1. Appointments | Reappointments | Cessations

15.1.1. Appointments

- i) Mr Abhimanyu Kumar was appointed as an Additional Director of the Company effective August 25 2021, and ceased to be the Director of the Company effective January 13, 2022.
- ii) Mr Bhaskar Sawant was appointed as an Additional Director of the Company effective August 25 2021, and ceased to be the Director of the Company effective September 18, 2021.
- iii) Mr Meghraj Singh Ratnoo was appointed as an Additional Director of the Company effective March 28, 2022, and ceased to be the Director of the Company effective April 13, 2022.



The Company has received notices in writing from members proposing candidature of Mr Dinesh Kumar for the post of Director. His appointment as a Director is proposed to be regularised at the forthcoming Annual General Meeting.

15.1.2. Reappointment

According to Article 89 of the Articles of Association of the Company, Mr Sunil Siddharth Lalbhai and Mr Devendra Mehta retire by rotation and being eligible, offer themselves for reappointment at the forthcoming Annual General Meeting scheduled on July 20, 2022.

15.1.3. Cessation

- i) Mr Kunji Lal Meena ceased to be the Director of the Company effective August 25, 2021.
- ii) Mr Yagya Mitra Singhdeo ceased to be the Director of the Company effective August 25, 2021.

15.2. Policies on appointment and remuneration

15.2.1. Appointment

While recommending appointment of Directors, the Nomination and Remuneration Committee considers the following factors:

- i) Qualification: well-educated and experienced in senior leadership positions in industry | profession
- ii) Trait: positive attributes and qualities
- iii) Independence: criteria prescribed in Section 149(6) of the Companies Act, 2013 for the Independent Directors, including no pecuniary interest and conflict of interest.
- iv) Remuneration of the Non-executive Independent Directors; sitting fees: up to ₹10,000 for attending a Board, committee and any other meeting.

16. Key Managerial Personnel and other employees

16.1 Appointments and cessations of the Key Managerial Personnel

There were no appointments and cessations of the Key Managerial Personnel during 2021-22.

16.2 Remuneration

The Remuneration Policy of the Key Managerial Personnel and other employees consists of the following:

16.2.1 Components:

- i) Fixed pay
 - a) Basic salary
 - b) Allowances
 - c) Perquisites
 - d) Retirals
- ii) Variable pay

16.2.2 Factors for determining and changing fixed pay:

- i) Existing compensation
- ii) Education
- iii) Experience
- iv) Salary bands
- v) Performance
- vi) Market benchmark

16.2.3 Factors for determining and changing variable pay:

- i) Business performance
- ii) Individual performance
- iii) Grade

17. Analysis of remuneration

There are no employees who fall within the criteria provided in Sections 134(3)(q) and 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Thus, the disclosure of the information in respect thereof is not applicable.

18. Management Discussion and Analysis

The Management Discussion and Analysis report covering performance of the Company is given at page number 11.

19. Corporate Governance Report

19.1 Report

The Corporate Governance Report is given at page number 13. Details about the number of meetings

of the Board held during 2021-22, are given at page number 16.

19.2 Secretarial standards

Secretarial standards as applicable to the Company were followed and complied with during 2021-22.

19.3 Prevention, prohibition and redressal of sexual harassment

Details required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules thereunder are given at page number 18.

20. Acknowledgements

The Board expresses its sincere thanks to all the employees, customers, suppliers, investors, lenders, regulatory and government authorities for their support.

For and on behalf of the Board of Directors

Atul
June 10, 2022

(Sunil Lalbhai)
Vice Chairman
DIN: 00045590

(Syed Irfan)
Director
DIN: 08893837

Annexure to the Directors' Report



Index

No.	Subject title	Page
1.	Conservation of energy, technology absorption and foreign exchange earnings and outgo	9
1.1	Conservation of energy	9
1.2	Technology absorption	9
1.3	Foreign exchange earnings and outgo	9

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

1.1. Conservation of energy

1.1.1. Measures taken:

Installation of 70 watt LED street lamps to replace 50 sodium vapour street lamps that will reduce the yearly electrical consumption from 36,720 kW to 15,120 kW.

1.2. Technology absorption

1.2.1 The Company has installed an air shower at the entrance of the laboratory for improvement of air quality and reduction of micro-biological load.

1.2.2 The Company replaced insulation of AHU ducts of the growth room to improve cooling efficiency.

1.3. Foreign exchange earnings and outgo

(₹)		
Particulars	2021-22	2020-21
Earnings		
Earned from exports	-	-
Outgo		
Payment of services, etc	3,86,316	-

Management Discussion and Analysis



Atul Rajasthan Date Palms Ltd (ARDPL) is engaged in the micro-propagation of date palm plants of premium varieties such as Barhee, Khalas, Khunezi and Medjool.

The Company achieved sales of ₹ 1.25 cr in the year 2021-22, through the subsidy scheme of the Directorate of Horticulture, Government of Rajasthan and sales in the open market. The lower sales during 2021-22 was on account of limited saleable production during the year due to long gestation period.

As per the Food and Agriculture Organisation, the world area covered with date palms is 12,35,601 hectares. The five leading nations in terms of acreage under date palm cultivation are Iraq, Algeria, Iran, Saudi Arabia and Pakistan. The health benefits of date fruit are known since the existence of human civilisation and the fruit is now being pitched as a super food. The COVID-19

pandemic has increased awareness about nutrition, health and immunity. This has led to a rise in the demand for the fruit and in turn, the planting material in India and abroad. Clonal propagation is preferred in date palms because it is dioecious and propagation by seeds does not produce true-to-type plants. Therefore tissue culture is the most dependable and preferred choice for its mass propagation.

The date fruit is a wholesome food; in fact, the fruit is often referred to as a complete food. Date palm cultivation creates sustainable eco-systems in the arid regions, generates rural employment, alleviates poverty, empowers women, adds food and nutrition to the nation's existing agriculture and horticulture output. It has the potential to impact the economy and ecology of arid regions of the nation. India is the largest importer of dates in the world. An increase in land area under date palm

cultivation will help the country become self-sufficient in its requirement of the fruit. The Company will participate in this growth by scaling up the production capacity of tissue culture raised date palm plants. The Company will continue to build its talent pool in the production of in-vitro plantlets and subsequent stages of hardening. In-depth training is being imparted to the technicians and staff to improve efficiency and productivity, in the field.

The COVID-19 pandemic, changes in the geo-political scenario of the world market and inflationary factors due to rising fuel costs and Russia – Ukraine war may affect the supply and cost of raw materials, including offshoots. Furthermore, the long gestation period of tissue culture raised date palm plants may affect the availability of plants in short-term. The Company will take necessary actions to minimise the impact of these factors.

Internal control systems

Internal control systems of the Company are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested, certified and upgraded whenever required by the statutory as well as the internal auditors covering all key areas of business. Significant audit observations and follow-up actions and

recommendations thereon are reported to the Senior Management for their review.

Human Resources

This year we witnessed the second and third wave of the COVID-19 pandemic, which posed some serious operational challenges. One of the key HR challenges was to ensure continuity of business operations by mitigating and minimising the risk of COVID-19. The COVID-19 vaccination camps were organised to ensure safety and well-being of employees and contractual workmen.

The Company considers its people to be its biggest asset. The business terrain is evolving rapidly and witnessing dynamic changes. To address the growing business needs and adapt to the ever evolving business environment, the Company continued to upgrade and enhance its processes related to recruitment, learning and development, talent management and retention.

The Company firmly believes in leveraging technology and continually improving people policies and processes to enhance employee well-being, engagement and experience, thereby unlocking the capacity for growth, build future capabilities and unfold possibilities.



Corporate Governance Report



The mind is like water.
When it is turbulent, it is difficult to see.
When it is calm, everything becomes clear.
~ Gautama Buddha



Corporate Governance Report

1. Philosophy

Transparency and accountability are the two basic tenets of Corporate Governance.

The Company is committed to conducting business the right way, which means taking decisions and acting in a way that is ethical and in compliance with the applicable legal requirements. It endeavours to continuously improve its Corporate Governance performance with a view to earn trust and respect of all its stakeholders.

2. Board

2.1. Board business

The normal business of the Board comprises:

2.1.1. Approving:

- i) capital expenditure and operating budgets
- ii) commission payable to the Directors within the limit set by the shareholders
- iii) contracts in which the Director(s) are deemed to be interested
- iv) creation of charge on assets in favour of lenders
- v) declaration of interim dividend
- vi) joint ventures, collaborations, mergers and acquisitions
- vii) loans and investments
- viii) matters requiring statutory | Board consent
- ix) sale of investments and assets
- x) short, medium or long-term borrowings
- xi) unaudited quarterly financial results and audited annual accounts, including segments revenue, results and capital employed

2.1.2. Monitoring:

- i) effectiveness of the governance practices and making desirable changes
- ii) implementation of performance objectives and corporate performance
- iii) the Board nomination process such that it is transparent and results in diversity of experience, gender, knowledge, perspective and thoughts in the Board
- iv) the Management and providing strategic guidance while ensuring that encouraging positive thinking does not result in over

optimism that either leads to significant risks not being recognised or exposes the Company to excessive risk

- v) potential conflicts of interest of the Management, the Board members and the shareholders, including misuse of corporate assets and abuse in related party transactions

2.1.3. Noting:

- i) general notices of interest of the Directors
- ii) minutes of the meetings of the Board and its Committees and also the resolution(s) passed by circulation

2.1.4. Recommending:

- i) appointment of the Statutory Auditors
- ii) final dividend

2.1.5. Reviewing:

- i) corporate strategy, major plans of action, Risk Policy, annual budgets and business plans
- ii) default in payment of statutory dues
- iii) fatal or serious accidents, dangerous occurrences and material environmental matters
- iv) foreign exchange exposure and exchange rate movement
- v) the integrity of the accounting and financial reporting systems, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards

2.1.6. Setting:

- i) a corporate culture and the Values
- ii) a well-defined mandate, composition and working procedures of the committees

2.1.7. Others:

- i) Acting on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the Company and the shareholders
- ii) Aligning remuneration of the key executives and the Board members with the long-term interests of the Company and the shareholders



- iii) Applying high ethical standards
- iv) Assigning sufficient number of the Non-executive Board members capable of exercising independent judgement to items where there is a potential for conflict of interest
- v) Assisting the Executive Management by challenging the assumptions underlying strategy, strategic initiatives (such as acquisitions), risk appetite, exposures and the key areas of focus of the Company
- vi) Encouraging training of the Directors on a continuous basis to ensure that the Board members are kept updated
- vii) Exercising objective and independent judgement on corporate affairs
- viii) Facilitating the Independent Directors to perform their role effectively as the Board members and also as the members of Committees
- ix) Meeting the expectations of operational transparency of the stakeholders while maintaining confidentiality of information in order to foster a culture of good decision-making

2.2. Appointment and tenure

2|3rd of the Directors (other than the Independent Directors) are rotational Directors. 1|3rd of rotational Directors retire in every Annual General Meeting and, if eligible, offer themselves for reappointment. The Managing Director is appointed by the members for a period up to three years and the Whole-time Director is appointed by the members for a period up to five years.

2.3. Composition, name, other directorships | committee memberships

The Board comprises experts drawn from diverse fields | professions. At present, it consists of six members comprising one Whole-time Director, three promoter Directors (including Vice Chairman and the Managing Director) one Non-executive Director and one nominee Director from Rajasthan Horticulture Development Society. The Board has identified certain skills | expertise | competence as required to be possessed by the Board of Directors to ensure effective functioning of the business(es) and sectors of the Company. The mapping of these skills | expertise | competence among the Directors is as given here:

No.	Name	Directorship(s) in other company(ies) ¹	Membership(s) of the Committee(s) of the Board(s) ²	Chairmanship(s) of the Committee(s) of the Board(s) ²
	Chairman			
1.	Dinesh Kumar	1	–	–
	Vice Chairman			
2.	Sunil Lalbhai	6	2	1
	Managing Director			
3.	Bharathy Mohanan	8	–	–
	Non-executive Directors			
4.	Devendra Mehta	7	3	1
5.	Gopi Kannan Thirukonda	9	3	–
	Executive Director			
6.	Syed Irfan	–	–	–

¹This excludes Directorships in foreign companies and private limited companies.

²Memberships | Chairmanships of only the Audit Committees and Stakeholders Relationship Committees of all public limited companies, including the Company were considered.

2.4. Board meetings

The Board meeting dates were normally determined well in advance. During 2021-22, the Board met four times.

No.	Day	Date	Venue*
1.	Friday	April 23, 2021	Atul
2.	Wednesday	August 25, 2021	Atul
3.	Wednesday	December 22, 2021	Atul
4.	Monday	March 28, 2022	Atul

*All meetings were held through video conferencing.

2.5. Attendance at the Board meetings and the AGM

No.	Name	Board meetings		AGM on August 25, 2021
		Total	Attended	
	Chairman			
1.	Kunji Lal Meena ¹	2	0	-
2.	Bhaskar Sawant ²	1	1	-
3.	Dinesh Kumar	1	0	-
	Vice Chairman			
4.	Sunil Lalbhai	4	4	-
	Managing Director			
5.	Bharathy Mohanan	4	4	Present
	Non-executive Directors			
6.	Yagya Mitra Singhdeo ³	2	-	-
7.	Abhimanyu Kumar ⁴	2	1	-
8.	Meghraj Singh Ratnoo ⁵	1	-	-
9.	Devendra Mehta	4	4	-
10.	Gopi Kannan Thirukonda	4	4	Present
	Executive Director			
11.	Syed Irfan	4	4	Present

¹Kunji Lal Meena ceased to be the Director of the Company effective August 25, 2021.

²Baskar Sawant was appointed as an Additional Director of the Company effective August 25, 2021 and ceased to be the Director of the Company effective September 18, 2021.

³Yagya Mitra Singhdeo ceased to be the Director of the Company effective August 25, 2021.

⁴Abhimanyu Kumar was appointed as an Additional Director of the Company effective August 25, 2021 and ceased to be the Director of the Company effective January 13, 2022.

⁵Meghraj Singh Ratnoo was appointed as an Additional Director of the Company effective March 28, 2022 and ceased to be the Director of the Company effective April 13, 2022.



2.6. Appointment | Cessation

- » Appointed: 4
- » Ceased: 4
- » Resigned: nil

2.7. Remuneration

(₹)

No.	Name	Remuneration during the year			
		Sitting fees	Salary and perquisites	Commission	Total
	Chairman				
1.	Kunji Lal Meena ¹	—	—	—	—
2.	Bhaskar Sawant ²	—	—	—	—
3.	Dinesh Kumar	—	—	—	—
	Vice Chairman	—	—	—	—
4.	Sunil Lalbhai	—	—	—	—
	Managing Director				
5.	Bharathy Mohanan	—	—	—	—
	Non-executive Director				
6.	Yagya Mitra Singhdeo ³	—	—	—	—
7.	Abhimanyu Kumar ⁴	—	—	—	—
8.	Meghraj Singh Ratnoo ⁵	—	—	—	—
9.	Devendra Mehta	40,000	—	—	40,000
10.	Gopi Kannan Thirukonda	—	—	—	—
	Executive Director				
11.	Syed Irfan	—	53,83,624	—	—

¹Kunji Lal Meena ceased to be the Director of the Company effective August 25, 2021.

²Baskar Sawant was appointed as an Additional Director of the Company effective August 25, 2021 and ceased to be the Director of the Company effective September 18, 2021.

³Yagya Mitra Singhdeo ceased to be the Director of the Company effective August 25, 2021.

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⁵Meghraj Singh Ratnoo was appointed as an Additional Director of the Company effective March 28, 2022 and ceased to be the Director of the Company effective April 13, 2022.

⁶Sitting fees of up to ₹ 10,000 per meeting constitute fees paid to the Non-executive Directors for attending the Board, Committee and other meetings

3. Committee of the Board

The Board has constituted the Nomination and Remuneration committee.

3.1 Nomination and Remuneration Committee

3.1.1. Role

- i) Devising a policy on the Board diversity
- ii) Formulating criteria for evaluation of the Independent Directors and the Board
- iii) Formulating criteria for determining qualifications, traits and independence of a Director and recommending to the Board a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees
- iv) Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of performance of every Director
- v) Recommending | determining remuneration of the Executive Director as per the policy

3.1.2 Composition

The Committee comprises following members:

No.	Name	Designation
1.	Bharathy Mohanan	Member
2.	Devendra Mehta	Member

3.1.3. Meetings and attendance

During 2021-22, no meeting was held.

4. Company policies

4.1. Compliance

Compliance certificates confirming due compliance with statutory requirements are placed at the Board meeting for review by the Directors. A system of ensuring material compliance with the laws, orders, regulations and other legal requirements concerning the business and affairs of the Company is in place. Instances of non-compliance, if any, are also separately reported to the Board and subsequently rectified.

4.2. Code of Conduct

The Code of Conduct is available on the website of the Company at www.ardp.co.in

All the Directors and the Senior Management personnel have affirmed their compliance with the Code of Conduct. A declaration to this effect signed by the Managing Director forms a part of this report.

4.3. 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 has framed a policy on prevention of sexual harassment of women at workplace. The status of complaints received during 2021-22 are as under:

Filed during 2021-22	Nil
Addressed closed during 2021-22	Nil
Pending as at the end of 2021-22	Nil

5. Affirmation and disclosure

There were no materially significant related party transactions, pecuniary transactions or relationships between the Company and its Directors or the Management and their subsidiary companies or relatives, among others, during 2021-22, that may have a potential conflict with the interests of the Company at large. All details relating to financial and commercial transactions where the Directors may have a pecuniary interest are provided to the Board. The interested Directors neither participate in the discussion nor vote on such matters.

The Company complied with the statutory provisions, rules and regulations during the last three years; statutory authority did not impose any penalties or strictures on the Company for the said period.

6. Shareholders' information

6.1. General Body meetings

6.1.1. Location and time where the last three AGMs were held:

Year	Location	Date	Time
2018-19	Rajkiya Paudhshala, Chopasani, Jodhpur 342 009 Rajasthan, India	June 17, 2019	4:00 pm
2019-20	Pant Krishi Bhawan, Jaipur 302 006, Rajasthan, India	September 10, 2020	3:00 pm
2020-21	Rajkiya Paudhshala, Chopasani, Jodhpur 342 009 Rajasthan, India	August 25, 2021	11:00 am

6.1.2. Special resolutions passed in the previous three AGMs: yes

6.1.3. Resolutions passed through postal ballot: nil

6.2. Annual General Meeting 2022

Details of the 13th AGM are as under:

Year	Location	Date	Time
2021-22	Rajkiya Paudhshala, Chopasani Jodhpur 342 009 Rajasthan, India	July 20, 2022	3:00 pm

As required, particulars of the Directors seeking reappointment | appointment are given in the Notice of the AGM.

6.3. Financial year

April 01, 2021 to March 31, 2022

6.4. Address of correspondence

Rajkiya Paudhshala, Chopasani, Jodhpur 342 009, Rajasthan, India

E-mail address: sec@ardp.co.in

6.5. Tentative Board meeting dates for consideration of results for 2021-22

No.	Name	Date
1.	First quarter results	July 20, 2022
2.	Second quarter and half-yearly results	November 21, 2022
3.	Third quarter results	February 20, 2023
4.	Fourth quarter and annual results	April 20, 2023

7. Role of the Company Secretary in overall governance process

The Directors have access to the suggestions and services of the Company Secretary in ensuring an effective functioning of the Board and its Committees. The Company Secretary administers, attends and prepares minutes of the Board and the Committee proceedings in accordance with the statutory requirements as well as the norms of Corporate Governance.

For and on behalf of the Board of Directors

Atul
June 10, 2022

(Sunil Lalbhai)
Vice Chairman
DIN: 00045590

(Syed Irfan)
Director
DIN: 08893837

NOTICE

NOTICE is hereby given that the 13th Annual General Meeting of the members of Atul Rajasthan Date Palms Ltd will be held on Monday, July 20, 2022, at 03:00 pm through video conferencing | other audiovisual means to transact the following business:

Ordinary business

1. To receive, consider and adopt the audited Financial Statements of the Company for the financial year ended March 31, 2022, and the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr Sunil Lalbhai (Director identification number: 00045590), who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mr Devendra Mehta (Director identification number: 010667895), who retires by rotation and being eligible, offers himself for reappointment.

Special business

4. To consider and, if thought fit, to pass, with or without modification, the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Sections 152, 160 and any other applicable provisions (including any statutory modification(s) or re-enactment thereof), Mr Dinesh Kumar (Director identification number: 00254801) in respect of whom the Company has received a Notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company whose period of office will be liable to retirement by rotation.”

Notes

1. The 13th Annual General Meeting (AGM) is being held through video conferencing | other audiovisual means (VC) in accordance with the procedure prescribed by the Ministry of Corporate Affairs

(MCA) vide circular number 20 | 2020 dated May 05, 2020 read with circular number 14 | 2020 dated April 08, 2020, and circular number 17 | 2020 dated April 13, 2020, and circular number 2 | 2021 dated January 13, 2021 (the e-AGM circulars). The members can attend the AGM through VC by following instructions given in Note number 8.1 of the Notice. For the purpose of recording the proceedings, the AGM will be deemed to be held at Rajkiya Paudhshala, Chopasani, Jodhpur 342 024, Rajasthan. Keeping in view the guidelines to fight the COVID-19 pandemic, the members are requested to attend the AGM from their respective locations by VC and not to visit the registered office to attend the AGM.

2. Since the Annual General Meeting (AGM) is being held pursuant to the e-AGM circulars through video conferencing | other audiovisual means, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the proxy form, attendance slip and route map of the AGM venue are not annexed to this Notice. However, a member may appoint a representative as per applicable provisions of the Companies Act, 2013 to attend and | or vote.
3. Copies of the Balance Sheet, the Statement of Profit and Loss, the Directors' Report, the Auditor's Report and every other document required by law to be annexed or attached to the Balance Sheet for the financial year ended on March 31, 2022, are annexed | attached.
4. An electronic copy of the annual report for 2021-22, including the Notice which includes the process and manner of attending the Annual General Meeting through video conferencing | other audiovisual means and e-voting is being sent to all the members whose e-mail addresses are registered with the Company.
5. Printed copy of the annual report (including the Notice) are not being sent to members in view of e-AGM circulars.

6. The electronic copies of the Register of Directors and Key Managerial Personnel and their shareholding, maintained under the Companies Act, 2013, will be available for inspection by the members on request.
7. The members desiring any information relating to the accounts or having any questions, are requested to write to the Company on sec@ardp.co.in at least seven days before the date of the Annual General Meeting (AGM) so as to enable the Management to keep the information ready and provide it at the AGM.
8. In compliance with the e-AGM circulars, the Company is pleased to provide to the members with the facility to attend the Annual General Meeting (AGM) through video conferencing | other audiovisual means (VC) and exercise their right to vote at the 13th AGM by electronic means.
 - 8.1. The instructions for attending the AGM through VC are as under:
 - i) The Company has availed services of Cisco Webex to provide the VC facility to the members to attend the AGM through VC.
 - ii) A separate communication for attending the AGM through VC will be sent to all the members.
 - iii) The members are encouraged to join the meeting through laptops for a better experience.
 - iv) The participants connecting through mobile devices | tablets | laptops using mobile hotspots may experience audio | video loss due to fluctuations in their respective networks. It is therefore recommended to use a stable Wi-Fi | LAN connection to mitigate such possible glitches.
 - v) The members who wish to express their views | ask questions during the AGM are requested to register themselves as speakers by providing their names, demat account number | folio numbers, e-mail addresses, mobile | telephone numbers along with questions, if any, to the Company on sec@ardp.co.in Such requests need to reach the Company at least seven days before the date of the AGM.
9. At the ensuing AGM, Mr Sunil Lalbhai retires by rotation and being eligible, offers himself for reappointment.



The information or details pertaining to him are as under:

Name	Mr Sunil Lalbhai
Date of birth	March 15, 1960
Brief résumé	<p>Mr Sunil Lalbhai is a Director of the Company since June 06 2009 and Vice-Chairman since March 21, 2014.</p> <p>Mr Lalbhai is a Managing Director of Atul Ltd since June 1984 and the Chairman of the Board of Atul Ltd since August 2007. He is a member of the Governing Council of Shree Vallabh Shikshan Ashram and a Trustee on the Board of BAIF Development Research Foundation (BAIF). He is the Chairman of the Finance Committee and HR Committee of BAIF. He is also the Chairman of Dhruva and Griserv, two trusts promoted by BAIF. He is a Trustee or a member of some of the other social institutions established by the Lalbhai Group.</p> <p>Mr Lalbhai holds a postgraduate degree in Chemistry from the University of Massachusetts and a postgraduate degree in Economic Policy and Planning from Northeastern University.</p>
Directorship in other companies	<p>Public companies</p> <p>Amal Ltd – Chairman</p> <p>Atul Ltd – Chairman and Managing Director</p> <p>Atul Bioscience Ltd – Chairman</p> <p>Bombay Dyeing and Manufacturing Company Ltd</p> <p>Navin Fluorine International Ltd</p> <p>Pfizer Ltd</p> <p>BAIF Institute for Sustainable Livelihoods and Development</p>
Membership in committees of other companies	<p>Chairman of committees</p> <p>Atul Ltd – Risk Management Committee</p> <p>Bombay Dyeing and Manufacturing Company Ltd – Stakeholders Relationship Committee</p> <p>Pfizer Ltd – Risk Management Committee</p> <p>Pfizer Ltd – Stakeholder Relationship Committee</p> <p>Navin Fluorine International Ltd – Audit Committee</p> <p>Navin Fluorine International Ltd – Nomination and Remuneration Committee</p> <p>Member of committees</p> <p>Amal Ltd – Nomination and Remuneration Committee</p> <p>Atul Ltd – Corporate Social Responsibility Committee</p> <p>Atul Ltd – Investment Committee</p> <p>Atul Ltd – Stakeholder Relationship Committee</p> <p>Atul Bioscience Ltd – Nomination and Remuneration Committee</p> <p>Bombay Dyeing and Manufacturing Company Ltd – Nomination and Remuneration Committee</p> <p>Bombay Dyeing and Manufacturing Company Ltd – Strategic Committee</p> <p>Pfizer Ltd – Audit Committee</p> <p>Navin Fluorine International Ltd – Audit Committee</p>
Relationship with other Directors	None
Number of shares held in the Company	Nil

10. At the ensuing AGM, Mr Devendra Mehta retires by rotation and being eligible, offers himself for reappointment. The information or details pertaining to him are as under:

Name	Mr Devendra Mehta
Date of birth	June 25, 1937
Brief résumé	Mr Devendra Mehta is a Director of the Company since June 06, 2009. Mr Mehta was the Chairman of Securities and Exchange Board of India. He was Deputy Governor of Reserve Bank of India, Director General of Foreign Trade, Ministry of Commerce, Government of India and Additional Secretary - Banking, Ministry of Finance, Government of India. He has been honoured with Padam Bhushan Award and is the founder of Jaipur Foot. Mr Mehta holds a bachelor degree in Arts and Law from University of Rajasthan and a postgraduate degree in Management from Royal Institute of Public Administration, London.
Directorship in other companies	Public companies Glenmark Pharmaceuticals Limited Jain Irrigation Systems Ltd Poly Medicure Ltd JMC Projects (India) Ltd Glenmark Generics Ltd MM Auto Industries Ltd Gandhi Research Foundation
Membership in committees of other companies	Member of committees Glenmark Pharmaceuticals Limited – Nomination and Remuneration Committee Glenmark Pharmaceuticals Limited – Risk Management Committee Glenmark Pharmaceuticals Limited – Stakeholders Relationship Committee Jain Irrigation Systems Ltd – Corporate Social Responsibility Committee Jain Irrigation Systems Ltd – Nomination and Remuneration Committee Poly Medicure Ltd – Audit Committee Poly Medicure Ltd – Corporate Social Responsibility Committee JMC Projects (India) Ltd – Audit Committee JMC Projects (India) Ltd – Corporate Social Responsibility Committee JMC Projects (India) Ltd – Nomination and Remuneration Committee
Relationship with other Directors	None
Number of shares held in the Company	Nil



Explanatory statement

The following explanatory statement, as required by Section 102 of the Companies Act, 2013, sets out all material facts, including the nature and concern or interest of the Directors in relation to the item of Special Business mentioned in the accompanying Notice.

Item number 4

Subject to the approval of the shareholders, the Board appointed Mr Dinesh Kumar as an Additional Director effective from February 18, 2022. His brief résumé is given below:

Name	Mr Dinesh Kumar
Date of birth	February 17, 1972
Brief résumé	Mr Dinesh Kumar is the Principal Secretary, Department of Agriculture and Farmers Welfare, Government of Rajasthan. Mr Kumar has over 25 years of experience in various capacities in different government departments. He is an officer of the Indian Administrative Services and holds a graduate degree in Civil Engineering from Indian Institute of Technology, Kanpur.
Directorship in other companies	Public companies Rajasthan Olive Cultivation Ltd
Membership in committees of other companies	None
Relationship with other Directors	None
Number of shares held in the Company	Nil

Registered office
Rajkiya Paudhshala, Chopasani
Jodhpur 342 009, Rajasthan
India
Company identity number: U01122RJ2009PLC028415
June 10, 2022

By order of the Board of Directors

(Gaje Singh Solanki)
Company Secretary

Independent Auditor's Report

To the members of Atul Rajasthan Date Palms Ltd

Report on the audit of the Financial Statements

Opinion

01. We have audited the accompanying Financial Statements of Atul Rajasthan Date Palms Ltd (the Company), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss including other comprehensive income, the Statement of Cash Flows and Statement of changes in equity for the year then ended and a summary of significant accounting policies and other explanatory information.
02. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act 2013 (the Act) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (Ind AS) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit, total comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis for opinion

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

Key audit matter

04. Key audit matter is the matter that, in our professional judgement, was of most significance in our audit of the Financial Statements of the current period. The matter were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on the matter. We have determined the matter described as follows to be the key audit matter to be communicated in our report.

- a) Recognition and valuation of biological assets: As per Ind AS 41, the Company can recognise biological assets only when the Company controls the assets as a result of past events. It is probable that future economic benefits associated with such assets will flow to the Company and the fair value or cost of the assets can be measured reliably. Mature plants are required to be valued at fair value and Immature plants at cost less any accumulated depreciation and any accumulated impairment losses.

We assessed the maturity cycle of the plants as described to us and checked their classification among Mature and Immature plants in accordance with the same.

Our audit approach consisted of testing the design and operating effectiveness of the internal controls and substantive testing as follows, and we:

- checked and verified the cost of the plants in different stages as made by the Company
- read, analysed and evaluated and relied upon the biological assets valuation report taken by the Company from a registered valuer for quantification and valuation of the biological assets
- reviewed the calculation of fair value of mature plants in context with Ind AS 113 along with Ind AS 41



- b) Government grants: As per Ind AS 20, for gross presentation of government grants of capital nature, a deferred income account is required to be created and the same is required to be amortised over the life of the assets. We have assessed the policy of the Company regarding recognition of grant and verified the amortisation thereof in proportion to the depreciation on the assets, i.e. over the life of the assets in the ratio same as that of the depreciation.
 - c) The Management has stated that there will be no impact of the COVID-19 pandemic on the going concern assumption of the Company and that it will be able to continue its operations for the foreseeable future.
05. The COVID-19 pandemic has caused overall economic uncertainty. However, the Management has stated that there is no such subsequent event after the reporting date, which has an effect on the Financial Statements on the reporting date.
06. The Company has incurred loss of biological assets on account of an incident of fire, amounting to ₹ 2,48,69,753 and the value of same has been reduced in computing the changes of inventory.

Management's responsibility for the Financial Statements

07. The Board of Directors of the Company is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, cash flows, changes in equity of the Company in accordance with Ind AS and other accounting principles generally accepted in India.
08. 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 judgements and estimates that are reasonable and prudent, and the design,

implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

09. In preparing the Financial Statements, the Management is responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibility for the audit of the Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- a) Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis

for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- b) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- d) Conclude on the appropriateness of use of the going concern basis of accounting by the Management and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- e) Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic

decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in i) planning the scope of our audit work and in evaluating the results of our work, and ii) to evaluate the effect of any identified misstatements in the Financial Statements.

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

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

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

Report on other legal and regulatory requirements

11. 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 accounts as required by law have been kept by the Company so far as it appears from our examination of those books.



- c) The Balance Sheet, the Statement of Profit and Loss including, other comprehensive income and the Statement of Cash Flows and Statement of changes in equity dealt with by this Report are in agreement with the books of accounts.
- d) In our opinion, the aforesaid 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, 2022, taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2022, 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 does not have any pending litigations, which will impact its financial position.
 - ii) The Company does not have any long-term contracts including, derivatives contracts for which there were any material foreseeable losses.
 - iii) There was no amount required to be transferred to the Investor Education and Protection Fund by the Company
12. As required by the Companies (Auditor's Report) Order, 2016 (the Order), issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure B, a statement on the matters specified in paragraphs 3 and 4 of the Order.

For B M Kothari & Company

Chartered Accountants

Firm registration number: 002022C

Amit Kothari

Partner

Jodhpur

June 20, 2022

Membership number: 073374

UDIN: 22073374ALSELL2569

Annexure A to the Independent Auditor's Report

Referred to in paragraph 10(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)

We have audited the internal financial controls over financial reporting of Atul Rajasthan Date Palms Ltd (the Company) as of March 31, 2022, in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's responsibility for internal financial controls

The Management of the Company is responsible for establishing and maintaining internal financial controls. 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 Act.

Auditor's responsibility

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

2. 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 judgement of the Auditor, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.
3. 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

The internal financial controls over financial reporting of the 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 the Generally Accepted Accounting Principles. Internal financial controls over financial reporting of a Company includes those policies and procedures that i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; ii) provide reasonable assurance that the transactions are recorded as necessary to permit preparation of Financial Statements in accordance with the 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 iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of assets of the Company that can have a material effect on the Financial Statements.

Inherent limitations of internal financial controls over financial reporting

Because of the inherent limitations of internal financial



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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, 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 issued by ICAI.

For B M Kothari & Company

Chartered Accountants

Firm registration number: 002022C

Amit Kothari

Partner

Jodhpur

June 20, 2022

Membership number: 073374

UDIN: 22073374ALSELL2569

Annexure B to the Independent Auditor's Report

Referred to in paragraph 11 under 'Report on other legal and regulatory requirements' section of our report of even date.

01. a) i) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- ii) The Company has maintained proper records showing full particulars of intangible assets.
- b) These fixed assets have been physically verified by the Management at reasonable intervals. As per information and explanation given to us, there were no material discrepancies noticed on such verification.
- c) The immovable property consists of a building, including the laboratory building constructed by the Company, and all capital expenses had been capitalised by the Company. The land is under lease, and the lease rights are in the name of the Company.
- d) The Company has not revalued its property, plant and equipment (including right-of-use asset) or intangible assets, both during the year.
02. No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.
03. a) The Management of the Company has carried out physical verification of inventory at reasonable intervals.
- b) The procedure of physical verification of inventory followed by the Management is reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) The Company is maintaining proper records of inventory and it was stated that no material discrepancies were noticed on physical verification.
04. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act (the Act).
05. The Company has not made investments provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties.
06. There are adequate internal control systems commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets. There is no continuing failure to correct major weaknesses in internal control system.
07. The Company has not accepted any deposits. The directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under in relation to accepting of deposits are not applicable.
08. It was stated by the Management that the maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Act.
09. The Company has been regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income tax, customs duty, cess, goods and service tax and any other statutory dues with the appropriate authorities and there are no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.
10. The Company has not defaulted in repayment of dues to a financial institution or bank.
11. The Company had availed long-term working capital term loans from banks during the year under audit, which were utilised for the purposes for which they were obtained.
12. As per information and explanation given to us, no fraud on or by the Company has been noticed or reported during the year.



13. The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year. However, the loss during the year was on account of loss by fire amounting to ₹ 2.48 crores.
14. There has been no resignation of Statutory Auditors during the year.
15. The provisions of Sections 135 of the Companies' Act, 2013 are not applicable to the Company.
16. The Company has paid remuneration to the Director as per the provisions under Section 197 read with Schedule V to the Act.
17. No transactions recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
18. The Company is not a Nidhi Company and hence reporting under Clause 12 of the Order is not applicable.
19. In our opinion and according to the information and explanations given to us, the Company is in compliance with Sections 177 and 188 of the Act, where applicable, and the details have been disclosed in the Financial Statements, etc as required by the applicable accounting standards.
20. The Company has not made any preferential allotment or private placement of shares of fully or partly convertible debentures during the year under review.
21. The Company has not entered into any non-cash transactions with Directors or people connected with them during the year.
22. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Financial Statements, and our knowledge of the Board of Directors and the Management plans and based on our examination of the evidence supporting the assumptions,

nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date.

For B M Kothari & Company

Chartered Accountants

Firm registration number: 002022C

Amit Kothari

Partner

Jodhpur

June 20, 2022

Membership number: 073374

UDIN: 22073374ALSELL2569

Balance Sheet as at March 31, 2022

(₹)

Particulars	Note	As at March 31, 2022	As at March 31, 2021
A ASSETS			
1 Non-current assets			
a) Property, plant and equipment	2	4,41,42,503	4,83,96,155
b) Intangible assets	3	1,05,67,426	1,74,76,301
c) Biological assets other than bearer plants	4	12,80,74,043	11,72,92,002
d) Financial assets			
i) Other financial assets	5	1,21,823	1,21,823
e) Other non-current assets	6	5,224	1,57,317
Total non-current assets		18,29,11,019	18,34,43,598
2 Current assets			
a) Biological assets other than bearer plants	4	1,46,10,000	1,21,61,500
b) Inventories	7	16,89,574	20,12,045
c) Financial assets			
i) Trade receivables	8	14,430	7,89,840
ii) Cash and cash equivalents	9	17,27,698	28,54,182
d) Other current assets	6	24,94,822	11,49,138
Total current assets		2,05,36,524	1,89,66,705
Total assets		20,34,47,543	20,24,10,303
B EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	10	8,11,00,000	8,11,00,000
b) Other equity		(1,83,83,116)	(31,19,916)
Total equity		6,27,16,884	7,79,80,084
Liabilities			
1 Non-current liabilities			
a) Financial liabilities			
i) Borrowings	11	4,53,30,001	2,88,83,334
ii) Other financial liabilities	12	4,43,437	2,93,768
b) Provisions	13	2,14,641	1,35,730
c) Deferred tax liabilities (net)	24.2	29,11,273	39,96,305
d) Other non-current liabilities	14	4,45,81,961	5,40,50,590
Total non-current liabilities		9,34,81,313	8,73,59,727
2 Current liabilities			
a) Financial liabilities			
i) Borrowings	11	4,26,61,556	3,50,79,504
ii) Trade payables	15	24,00,933	10,77,844
b) Other current liabilities	14	21,46,644	8,94,795
c) Provisions	13	40,213	18,348
Total current liabilities		4,72,49,346	3,70,70,491
Total liabilities		14,07,30,659	12,44,30,218
Total equity and liabilities		20,34,47,543	20,24,10,303

The accompanying Notes 1-25 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 B M Kothari & Co
Chartered Accountants
Firm registration number: 002022C

Dinesh Kumar
(DIN: 00254801)
Chairman

A Kothari
Partner
Membership number: 73374

Gaje Singh Solanki
Company Secretary

Bharathy Mohanan
(DIN: 00198716)
Managing Director

Jodhpur
June 20, 2022

Jaipur
June 10, 2022

Statement of Profit and Loss for the year ended March 31, 2022



(₹)

Particulars	Note	2021-22	2020-21
INCOME			
Revenue from operations	16	1,25,29,320	2,52,40,750
Other income	17	95,88,519	98,83,369
Total income		2,21,17,839	3,51,24,119
EXPENSES			
Cost of materials consumed	18	47,64,301	59,20,813
Change in inventory	19	(1,32,30,542)	25,11,917
Employee benefit expenses	20	1,16,56,341	1,03,64,558
Finance costs	21	59,54,770	50,42,728
Depreciation and amortisation expenses	2 & 3	1,15,94,327	1,18,97,305
Other expenses	22	1,76,47,954	1,40,93,464
Total expenses		3,83,87,151	4,98,30,785
Profit before exceptional items and tax		(1,62,69,312)	(1,47,06,666)
Exceptional items		-	-
Profit before tax		(1,62,69,312)	(1,47,06,666)
Tax expense			
Current tax		-	-
Deferred tax	24.2	(10,85,032)	(10,33,637)
Total tax expense		(10,85,032)	(10,33,637)
Profit for the year		(1,51,84,280)	(1,36,73,029)
Other comprehensive income			
a) Items that will not be reclassified to profit and loss			
Remeasurement gains (loss) on defined benefit plans	23	(78,920)	28,479
Total comprehensive income for the year		(1,52,63,200)	(1,36,44,550)
Number of shares		81,100	81,100
Basic and diluted earning ₹ per equity share of ₹ 1,000 each		(187.23)	(168.59)

The accompanying Notes 1-25 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 B M Kothari & Co

Chartered Accountants

Firm registration number: 002022C

A Kothari

Partner

Membership number: 73374

Gaje Singh Solanki
Company Secretary

Dinesh Kumar
(DIN: 00254801)
Chairman

Bharathy Mohanan
(DIN: 00198716)
Managing Director

Jodhpur
June 20, 2022

Jaipur
June 10, 2022

Statement of changes in equity for the period ended March 31, 2022

A. Equity share capital

Particulars	Note	Amount
As at March 31, 2020		8,11,00,000
Changes in equity share capital during the year	-	-
As at March 31, 2021		8,11,00,000
Changes in equity share capital during the year	-	-
As at March 31, 2022	10	8,11,00,000

B. Other equity

Particulars	Reserves and surplus	Total other equity
	Retained earnings	
As at March 31, 2020	1,05,24,634	1,05,24,634
Profit for the year	(1,36,73,029)	(1,36,73,029)
Transfer from deferred government grant	-	-
Other comprehensive income		
Remeasurement gains on defined benefit plans, net of tax	28,479	28,479
Total comprehensive income for the year	(1,36,44,550)	(1,36,44,550)
As at March 31, 2021	(31,19,916)	(31,19,916)
Profit for the year	(1,51,84,280)	(1,51,84,280)
Transfers	-	-
Other comprehensive income		
Remeasurement gains on defined benefit plans, net of tax	(78,920)	(78,920)
Total comprehensive income for the year	(1,52,63,200)	(1,52,63,200)
As at March 31, 2022	(1,83,83,116)	(1,83,83,116)

The accompanying Notes 1-25 form an integral part of the Financial Statements.

As per our attached report of even date

For B M Kothari & Co
Chartered Accountants
Firm registration number: 002022C

A Kothari
Partner
Membership number: 73374

Jodhpur
June 20, 2022

For and on behalf of the Board of Directors

Dinesh Kumar
(DIN: 00254801)
Chairman

Gaje Singh Solanki
Company Secretary

Bharathy Mohanan
(DIN: 00198716)
Managing Director

Jaipur
June 10, 2022

Statement of Cash Flows for the year ended March 31, 2022



(₹)

Particulars	2021-22	2020-21
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit (Loss) before tax	(1,62,69,312)	(1,47,06,666)
Adjustments for:		
Depreciation and amortisation expenses	1,15,94,327	1,18,97,305
Finance costs	59,54,770	50,42,728
Deferred income	94,68,629	97,38,112
Operating profit before change in operating assets and liabilities	(81,88,844)	(75,04,745)
Adjustments for:		
(Increase) Decrease in inventories	3,22,470	(3,43,761)
(Increase) Decrease in biological assets other than bearer plants	(24,48,500)	2,86,85,917
(Increase) Decrease in trade receivables	7,75,410	13,76,960
(Increase) Decrease in other current assets	(13,45,684)	(54,387)
(Increase) Decrease in other non-current assets	1,52,093	(1,34,409)
(Increase) (Decrease) in trade payables	13,23,089	(7,31,294)
(Increase) (Decrease) in other current liabilities	12,51,849	4,45,725
(Increase) (Decrease) in other non-current financial liabilities	1,49,669	(4,973)
(Increase) (Decrease) in other non-current liabilities	(78,920)	28,479
(Increase) (Decrease) in short-term provisions	1,00,776	65,089
	2,02,252	2,93,33,346
Cash generated from operations	(79,86,592)	2,18,28,601
Income tax paid (net of refund)	-	-
Net cash generated from used in operating activities A	(79,86,592)	2,18,28,601
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase towards property, plant and equipment (including capital advances)	(4,31,800)	(4,47,673)
(Additions) Deletion in biological assets other than bearer plants	(1,07,82,041)	(2,61,74,000)
Net cash used in investing activities B	(1,12,13,841)	(2,66,21,673)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Disbursements (Repayments) of borrowings (net)	2,40,28,719	1,00,99,568
Interest paid	(59,54,770)	(50,42,728)
Net cash inflow from financing activities C	1,80,73,949	50,56,840
Net change in cash and cash equivalents A+B+C	(11,26,484)	2,63,768
Opening balance - cash and cash equivalents	28,54,182	25,90,414
Closing balance - cash and cash equivalents	17,27,698	28,54,182

The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Ind AS 7 on the Statement of Cash Flows as notified under Companies (Indian Accounting Standards) Rules, 2015 as amended.

The accompanying Notes 1-25 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 B M Kothari & Co

Chartered Accountants

Firm registration number: 002022C

Dinesh Kumar

(DIN: 00254801)

Chairman

A Kothari

Partner

Membership number: 73374

Gaje Singh Solanki
Company Secretary

Bharathy Mohanan
(DIN: 00198716)
Managing Director

Jodhpur
June 20, 2022

Jaipur
June 10, 2022

Notes to the Financial Statements

Background

Atul Rajasthan Date Palms Ltd (the Company) is a subsidiary of Atul Ltd. The main objective of the Company, among others, is to carry out the business of tissue culture raised date palm plants.

Note 1 Significant accounting policies

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

a) Basis of preparation

i) Compliance with Ind AS

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) read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

ii) Historical cost convention

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

- a) Defined benefit plans: Plan assets are measured at fair value.
- b) Biological assets other than bearer plant: Mature date palms plants are measured at fair value.

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

b) Foreign currency transactions

i) Functional and presentation currency

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

ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign

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

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

c) Revenue recognition

i) Revenue from contracts with customers

The Company produces and sells tissue culture raised date palm plants in domestic and international markets.

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

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



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

Returns of goods are accepted by the Company only on an exception basis. Revenue excludes any taxes or duties collected on behalf of the government which are levied on sales such as goods and services tax.

ii) Other revenue

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

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

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

Lease rental income is recognised on accrual basis.

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 tax reflects changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses.

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.

Minimum Alternate Tax (MAT) under the provisions of the Income Tax Act, 1961, is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid will be recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. Such an asset is reviewed at each Balance Sheet date.

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 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.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be

available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities, and when the deferred tax balances relate to the same taxation authority.

Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

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

e) Government grants

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

f) Property, plant and equipment, intangible assets and depreciation

All items of property, plant and equipment are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the carrying amount of assets 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 Statement of Profit and Loss during the period in which they are incurred. Gain or losses arising on retirement or disposal of assets are recognised in the Statement of Profit and Loss.

Intangible assets consist of technical consultancy and computer software stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Depreciation on

property, plant and equipment is provided on the straight-line method over the useful lives of assets. Life of intangible assets being computer software is amortised over a period of three years using straight-line method.

Technical consultancy amount is appropriated over a period of 10 years.

g) Impairment of assets

The carrying amount of assets are reviewed at each 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) Inventories

Inventories represent raw material (media inputs) and stores, and are stated at cost or net realisable value, whichever is lower. Cost is determined on moving weighted average basis.

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

Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventory to the present location and condition.

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

l) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs.

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

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

m) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying

asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale.

Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

n) Biological asset other than bearer plants

The Company recognises biological assets, when and only when, the Company controls the assets as a result of past events. It is probable that future economic benefits associated with such assets will flow to the Company and the fair value or cost of the assets can be measured reliably.

Biological assets of the Company comprise of Mature and Immature tissue culture raised date palm plants. Plants which are ready for dispatch less than 12 months from the reporting date are classified under current assets under a separate head of biological assets other than bearer plants and the rest under non-current assets under a separate head of biological assets other than bearer plants.

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

There has been a loss of biological assets on account of an incident of fire amounting to ₹ 2,48,69,753 and the value of same has been reduced in computing the changes in inventory.

o) 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.

p) 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 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 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 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 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, SBI public provident fund, superannuation fund, employees' state insurance corporation, national pension scheme and labours welfare fund are charged as an expense to the 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 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.

q) 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.

Estimation of uncertainties relating to the COVID-19 pandemic

The Company has assessed the impact of the COVID-19 pandemic on the operations of the Company and considered the possible effects on the carrying amounts of trade receivables and inventories. In assessing recoverability of trade receivables, the Company has considered subsequent recoveries, past trends, credit risk profiles of the customers based on the industry, macroeconomic forecasts and internal and external information available up to the date of issuance of these Financial Statements. In assessing recoverability of inventories, the

Company has considered the latest selling prices, customer orders on hand and margins. Based on the above assessment, the Company is of the view that carrying amounts of trade receivables and inventories are expected to be realisable. The impact of COVID-19 may be different from that estimated as at the date of approval of these Financial Statements and the Company will continue to closely monitor the developments.

Critical estimates and judgements

Preparation of the Financial Statements requires 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 Financial Statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the 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 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 | intangible assets: Note 1 (f)
- iii. Estimation of provision for inventories: Note 1 (k)
- iv. Allowance for credit losses on trade receivables: Note 1 (i)
- v. Estimation of claims | liabilities: Note 1 (j)
- vi. Estimation of defined benefit obligations: Note 1 (p)
- vii. Fair value measurements: Note 22.4

(₹)

Note 2 Property, plant and equipment					
Particulars	Building	Plant and equipment	Office equipment and furniture	Vehicles	Total
Gross carrying amount					
As at March 31, 2020	5,20,27,178	2,30,61,986	1,72,73,565	59,510	9,24,22,239
Additions	-	3,19,643	1,28,030	-	4,47,673
Deductions and adjustments	-	-	-		
As at March 31, 2021	5,20,27,178	2,33,81,629	1,74,01,595	59,510	9,28,69,912
Additions	4,31,800	-	-	-	4,31,800
Deductions and adjustments	-	-	-	-	
As at March 31, 2022	5,20,27,178	2,38,13,429	1,74,01,595	59,510	9,33,01,712
Depreciation Amortisation Impairment					
Up to March 31, 2020	87,79,644	1,42,57,600	1,64,46,670	1,413	3,94,85,327
For the year	17,55,929	27,50,225	4,76,624	5,653	49,88,431
Deductions and adjustments	-				
Up to March 31, 2021	1,05,35,573	1,70,07,825	1,69,23,294	7,066	4,44,73,758
For the period up to March 2021	17,55,929	28,83,693	40,176	5,653	46,85,452
Deductions and adjustments	-				
Up to March 31, 2022	1,22,91,502	1,98,91,518	1,69,63,470	12,720	4,91,59,210
Net carrying amount					
As at Mar 31, 2021	4,14,91,605	63,73,804	4,78,301	52,444	4,83,96,154
As at March 31, 2022	3,97,35,676	39,21,911	4,38,125	46,790	4,41,42,502



(₹)

Note 3 Intangible assets	As at March 31, 2022	As at March 31, 2021
Technical consultancy		
Opening gross carrying amount Deemed cost	5,82,36,324	5,82,36,324
Additions	-	-
Closing gross carrying amount	5,82,36,324	5,82,36,324
Depreciation Amortisation Impairment		
Opening accumulated depreciation	4,07,60,023	3,38,51,148
For the year	69,08,875	69,08,875
Closing accumulated depreciation	4,76,68,898	4,07,60,023
Net carrying amount	1,05,67,426	1,74,76,301

(₹)

Note 4 Biological assets	As at March 31, 2022	As at March 31, 2021
Opening carrying amount	12,94,53,501	13,19,65,419
Additions (decrease) in value of biological assets	1,32,30,542	(25,11,917)
Closing carrying amount	14,26,84,043	12,94,53,502
Current portion	1,46,10,000	1,21,61,500
Non-current portion	12,80,74,043	11,72,92,002

(₹)

Note 5 Other financial assets	As at March 31, 2022		As at March 31, 2021	
	Current	Non-current	Current	Non-current
a) Security deposits	-	1,21,823	-	1,21,823
	-	1,21,823	-	1,21,823

(₹)

Note 6 Other assets	As at March 31, 2022		As at March 31, 2021	
	Current	Non-current	Current	Non-current
a) Balances with government department				
i) Tax paid in advance, net of provisions	-	5,224	-	1,57,317
b) Prepayment	-	-		
i) Related parties	9,721	-	4,33,500	-
ii) Others	3,11,953	-	2,72,031	-
c) Others	21,73,148	-	4,43,607	-
	24,94,822	5,224	11,49,138	1,57,317

(₹)

Note 7 Inventories	As at March 31, 2022	As at March 31, 2021
a) Stores, spares and fuel	1,689,574	2,012,045
Add: Goods-in-transit	-	-
	1,689,574	2,012,045
	1,689,574	2,012,045

(₹)

Note 8 Trade receivables	As at March 31, 2022	As at March 31, 2021
a) Unsecured, considered good		
i) Trade receivables	14,430	789,840
ii) Related parties (refer note 24.1)	-	-
b) Unsecured, considered doubtful	-	-
Less: Provision for doubtful debts	-	-
Total receivables	14,430	789,840
Current portion	14,430	789,840
Non-current portion		

No.	Particulars	As at March 31, 2022							Total
		Not due	Unbilled	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
1.	Undisputed trade receivables: considered good	-	-	-	-	14,430.00	-	-	14,430.00
2.	Undisputed trade receivables: which have significant increase in credit risk	-	-	-	-	-	-	-	-
3.	Undisputed trade receivables: credit impaired	-	-	-	-	-	-	-	-
4.	Disputed trade receivables: considered good	-	-	-	-	-	-	-	-
5.	Disputed trade receivables: which have significant increase in credit risk	-	-	-	-	-	-	-	-
6.	Disputed trade receivables: credit impaired	-	-	-	-	-	-	-	-
	Allowance for doubtful debts	-	-	-	-	-	-	-	-
		-	-	-	-	14,430.00	-	-	14,430.00



(₹)

No.	Particulars	As at March 31, 2021							Total
		Not due	Unbilled	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
1.	Undisputed trade receivables: considered good	-	-	7,89,840.00	-	-	-	-	7,89,840.00
2.	Undisputed trade receivables: which have significant increase in credit risk	-	-	-	-	-	-	-	-
3.	Undisputed trade receivables: credit impaired	-	-	-	-	-	-	-	-
4.	Disputed trade receivables: considered good	-	-	-	-	-	-	-	-
5.	Disputed trade receivables: which have significant increase in credit risk	-	-	-	-	-	-	-	-
6.	Disputed trade receivables: credit impaired	-	-	-	-	-	-	-	-
	Allowance for doubtful debts	-	-	-	-	-	-	-	-
		-	-	7,89,840.00	-	-	-	-	7,89,840.00

(₹)

Note 9 Cash and cash equivalents	As at March 31, 2022	As at March 31, 2021
a) Balances with banks		
i) In current accounts	16,69,769	28,54,182
b) Cash on hand	57,929	-
	17,27,698	28,54,182

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

(₹)

Note 10 Equity share capital	As at March 31, 2022	As at March 31, 2021
Authorised		
1,00,000 (1,00,000) equity shares of ₹ 1,000 each	10,00,00,000	10,00,00,000
	10,00,00,000	10,00,00,000
Issued		
81,100 (81,100) equity shares of ₹ 1,000 each	8,11,00,000	8,11,00,000
	8,11,00,000	8,11,00,000
Subscribed		
81,100 (81,100) equity shares of ₹ 1,000 each, fully-paid	8,11,00,000	8,11,00,000
	8,11,00,000	8,11,00,000

- i) 81,100 equity shares of ₹ 1,000 each, fully paid-up, aggregating ₹ 8,11,00,000 were allotted at par, pursuant to resolution approved by the Board of Directors at their meeting held on July 27, 2009, June 30, 2011 and December 12, 2012.
- ii) Of the above, 59,997 equity shares of ₹ 1,000 each are held by Atul Ltd (30,001 equity shares directly and 29,996 equity shares through its subsidiary Atul Finserv Ltd).
- iii) Of the above, 30,001 equity shares of ₹ 1,000 each, fully paid-up, aggregating ₹ 3,00,01,000 were allotted pursuant to a contract without payment being received in cash.

a) Movement in equity share capital

Particulars	Equity share capital
1 As at March 31, 2020	8,11,00,000
2 As at March 31, 2021	8,11,00,000
3 As at March 31, 2022	8,11,00,000

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

No.	Name of the shareholder	As at March 31, 2022		As at March 31, 2021	
		Holding %	Number of shares	Holding %	Number of shares
1	Atul Ltd	37%	30,001	37%	30,001
2	Atul Finserv Ltd	37%	29,996	37%	29,996
3	Rajasthan Horticulture Development Society	26%	21,099	26%	21,099

c) Shareholding of promoters:

No.	Promoter name	As at March 31, 2022			As at March 31, 2021		
		Number of shares	% of total shares	% Change during the year	Number of shares	% of total shares	% Change during the year
1	Atul Ltd	60,001	74%	-	60,001	74%	-
2	Rajasthan Horticulture Development Society	21,099	26%	-	21,099	26%	-
		81,100	100%	-	81,100	100%	-

Note 11 Borrowings		As at March 31, 2022		As at March 31, 2021	
		Current	Non-current	Current	Non-current
a) Secured					
i) Working capital term loan from banks		-	53,30,001	-	2,88,83,334
ii) Working capital loans repayable on demand from banks		4,26,61,556	-	3,50,79,504	-
b) Unsecured					
i) Loan from related parties		-	4,00,00,000	-	-
		4,26,61,556	4,53,30,001	3,50,79,504	2,88,83,334
		4,26,61,556	4,53,30,001	3,50,79,504	2,88,83,334

Security details:

First *pari-passu* charge on all current assets and all movable fixed assets (including biological assets) of the borrower for both present and future.



(₹)

Note 12 Other financial liabilities	As at March 31, 2022		As at March 31, 2021	
	Current	Non-current	Current	Non-current
a) Security deposits	-	4,43,437	-	2,93,768
	-	4,43,437	-	2,93,768

(₹)

Note 13 Provisions	As at March 31, 2022		As at March 31, 2021	
	Current	Non-current	Current	Non-current
a) Provision for leave entitlement	40,213	2,14,641	18,348	1,35,730
	40,213	2,14,641	18,348	1,35,730

(₹)

Note 14 Other liabilities	As at March 31, 2022		As at March 31, 2021	
	Current	Non-current	Current	Non-current
a) Deferred income on account of government grant received		4,45,81,961		5,40,50,590
b) Employee benefits obligation	17,68,183	-	6,51,207	-
c) Statutory dues	1,89,711		1,91,588	
d) Advances received from customers	1,88,750		52,000	
	21,46,644	4,45,81,961	8,94,795	5,40,50,590

(₹)

Note 15 Trade payables		As at March 31, 2022	As at March 31, 2021
i) Acceptances		-	-
ii) Related parties		2,41,735	-
iii) Others		21,59,198	10,77,844
		24,00,933	10,77,844

Trade payables ageing

No.	Particulars	As at March 31, 2022					Total
		Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
1.	MSME	-	2,41,735	-	-	-	2,41,735
2.	Others	-	21,59,198	-	-	-	21,59,198
3.	Disputed dues – MSME	-	-	-	-	-	-
4.	Disputed dues – Others	-	-	-	-	-	-
		-	24,00,933	-	-	-	24,00,933

(₹)

No.	Particulars	As at March 31, 2021					Total
		Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
1.	MSME	-	-	-	-	-	-
2.	Others	-	10,77,844	-	-	-	10,77,844
3.	Disputed dues – MSME	-	-	-	-	-	-
4.	Disputed dues – Others	-	-	-	-	-	-
		-	10,77,844	-	-	-	10,77,844

(₹)

Note 16 Revenue from operations	2021-22	2020-21
Sale of products	1,25,29,320	2,52,40,750
	1,25,29,320	2,52,40,750

(₹)

Note 17 Other income	2021-22	2020-21
Interest from others	9,064	166
Exchange rate difference gain (net)	(6,990)	-
Miscellaneous income	95,86,445	98,83,203
	95,88,519	98,83,369

(₹)

Note 18 Cost of materials consumed	2021-22	2020-21
Material consumed	47,64,301	59,20,813
	47,64,301	59,20,813

(₹)

Note 19 Change in inventory	2021-22	2020-21
Stock at the commencement of the year		
Mature biological assets	1,21,61,500	4,08,47,417
Immature biological assets	11,72,92,001	9,11,18,002
Total	12,94,53,501	13,19,65,419
Stock at the close of the year		
Mature biological assets	1,46,10,000	1,21,61,500
Immature biological assets	12,80,74,043	11,72,92,002
Total	14,26,84,043	12,94,53,502
Change in stock	(1,32,30,542)	25,11,917



(₹)

Note 20 Employee benefit expenses	2021-22	2020-21
Salaries, wages and bonus	1,16,11,532	1,02,93,266
Contribution to provident and other funds	42,037	46,939
Staff welfare	2,772	24,353
	1,16,56,341	1,03,64,558

(₹)

Note 21 Finance costs	2021-22	2020-21
Interest on borrowings	59,54,770	50,42,722
Interest on income tax	-	-
	59,54,770	50,42,728

(₹)

Note 22 Other expenses	2021-22	2020-21
Laboratory	23,25,363	25,01,386
Building repairs	3,00,000	-
Plant and equipment repairs	13,14,446	17,33,828
Insurance	24,83,591	8,37,221
Freight, cartage and octroi	1,69,264	1,43,257
Travelling and conveyance	83,256	6,586
Payments to the Statutory Auditors		
a) Audit fees	2,41,900	2,41,900
b) Other matters	-	-
c) Out of pocket expenses	-	-
Directors' fees and travelling	47,200	47,200
Manpower services	57,67,719	38,57,375
Bad debts and irrecoverable balances written-off	48,105	-
Bank charges	12,337	3,085
Legal and professional	1,39,321	145,615
Printing and stationary	78,081	76,636
Electricity	23,79,282	26,08,799
Security service	6,75,312	5,61,093
Internet	3,55,995	3,56,054
Green house	3,99,117	30,704
Site maintenance	5,07,714	4,39,240
Miscellaneous expenses	3,19,951	5,03,485
	1,76,47,954	1,40,93,464

(₹)

Note 23 Other comprehensive income	2021-22	2020-21
a) Items that will not be reclassified to profit and loss		
Remeasurement gains on defined benefit plans	(78,920)	28,479
	(78,920)	28,479

Note 24.1: Related party disclosures**(a) Name of the related party and nature of relationship:**

Name of the related party	Description of relationship
Party where control exists	
1 Atul Ltd	Holding company
2 Atul Finserv Ltd	Subsidiary company of holding company
3 Atul Biospace Ltd	Subsidiary company of holding company
4 Rajasthan Horticulture Development Society	Joint venture partner of holding company
5 Key Management Personnel	
Mr Bharathy Mohanan	Managing Director
Dr Syed Irfan	Whole-time Director
Mr Gaje Singh Solanki	Company Secretary

(b) Summary of related party transactions:

No.	Nature of transaction	2021-22	2020-21
a) Transactions with the Key Management Personnel:			
Remuneration			
1	Short-term employee benefits ¹	62,10,742	38,61,292
2	Post-employee benefits		
3	Commission and other benefits to Non-executives Directors		
4	Interest on deposit from Directors		
b) Transactions with subsidiary company of holding company:			
1	Loan taken from Atul Biospace Ltd	4,00,00,000	
2	Interest paid to Atul Biospace Ltd	7,17,470	
3	Reimbursement of expenses incurrent on behalf of Atul Ltd	9,721	
4	Reimbursement of relocation charges from Atul Ltd		4,33,500

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



(₹)

Note 24.2: Current and Deferred tax

a) Income tax expenses

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

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax		
(Decrease) Increase in deferred tax liabilities	(10,85,032)	(10,33,637)
Decrease (Increase) in deferred tax assets		
Total deferred tax expenses (benefit)	(10,33,637)	
Income tax expenses	(10,85,032)	(10,33,637)

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

c) Deferred tax liabilities (net)

The balance comprises temporary differences attributable to:

Particulars	As at March 31, 2022	As at March 31, 2021
Property, plant and equipment		
Total deferred tax liabilities	29,11,273	39,96,305
Total deferred tax assets		
Net deferred tax liabilities	29,11,273	39,96,305

d) Movement in deferred tax liabilities | assets

Particulars	Property, plant and equipment	Total
At March 31, 2020	50,29,942	50,29,942
(Charged) credited - to profit or loss	(10,33,637)	(10,33,637)
At March 31, 2021	39,96,305	39,96,305
(Charged) credited - to profit or loss	(10,85,032)	(10,85,032)
At March 31, 2022	29,11,273	29,11,273

(₹)

Note 24.3 : Employee benefit obligations

Employee benefit obligations	As at March 31, 2022		As at March 31, 2021	
	Current	Non-current	Current	Non-current
Leave entitlement	40,213	2,14,641	18,348	1,35,730
Gratuity	-	1,18,423	-	(1,631)
Other employee benefits	8,61,940	-	4,33,268	-
Total employee benefit obligations	9,02,153	3,33,064	4,51,616	1,34,099

Gratuity

The gratuity fund is maintained with the Life Insurance Corporation of India under group gratuity scheme. (₹)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
March 31, 2021	4,66,938	4,68,569	(1,631)
Current service cost	42,142	-	42,142
Interest expense (income)	16,614	16,719	(105)
Total amount recognised in profit and loss	58,756	16,719	42,037
Remeasurements			
Return on plan assets, excluding amount included in interest expense (income)		16,081	(16,081)
(Gain) loss from change in demographic assumptions	(27,287)		(27,287)
(Gain) loss from change in financial assumptions	70,117		70,117
Experience (gain) loss	52,171		52,171
Total amount recognised in other comprehensive income	95,001	16,081	78,920
Employer contributions		903	(903)
Benefit payments	-		
March 31, 2022	6,20,695	5,02,272	1,18,423

(₹)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
March 31, 2020	4,17,880	4,37,118	(19,238)
Current service cost	48,176		48,176
Interest expense (income)	26,870	28,107	(1,237)
Total amount recognised in profit and loss	75,046	28,107	46,939
Remeasurements			
Return on plan assets, excluding amount included in interest expense (income)		2,491	(2,491)
(Gain) Loss from change in demographic assumptions	27,791		27,791
(Gain) Loss from change in financial assumptions	(21,595)		(21,595)
Experience (gain) loss	(32,184)		(32,184)
Total amount recognised in other comprehensive income	(25,988)	2,491	(28,479)
Employer contributions		853	(853)
Benefit payments	-		
March 31, 2021	4,66,938	4,68,569	(1,631)

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

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of funded obligations	6,20,695	4,66,938
Fair value of plan assets	5,02,272	4,68,569
Deficit of gratuity plan	1,18,423	(1,631)
Significant estimates: Actuarial assumptions and sensitivity		



The significant actuarial assumptions were as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate	6.41%	6.43%
Salary growth rate	10.70%	8.40%
Pension growth rate		

Sensitivity analysis

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

Impact on defined benefit obligation:

Particulars	Change in assumptions		Increase in assumptions		Decrease in assumptions	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Discount rate	1%	1%	-4.15%	-5.13%	4.73%	6.08%
Attrition rate	1%	1%	-1.37%	-0.81%	1.52%	0.89%
Rate of return on plan assets	1%	1%	-4.15%	-5.13%	4.73%	6.08%
Salary escalation rate	1%	1%	4.49%	5.95%	-4.03%	-5.12%

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

Major category of plan assets are as follows:

(₹)

Particulars	As at March 31, 2022				As at March 31, 2021			
	Quoted	Unquoted	Total	in %	Quoted	Unquoted	Total	in %
Investment funds								
Insurance fund	-	5,02,272	5,02,272	100.00%	-	4,68,569	4,68,569	100.00%
	-	5,02,272	5,02,272	100.00%	-	4,68,569	4,68,569	100.00%

The weighted average duration of the defined benefit obligation is five years. The expected maturity analysis of gratuity is as follows:

(₹)

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years
Defined benefit obligation (gratuity)				
As at March 31, 2022	2,45,717	46,531	1,26,457	4,91,342
As at March 31, 2021	2,23,686	15,720	57,088	4,95,513

Note 24.4: Fair value measurements

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of tissue culture raised date palm plants that are recognised and 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 Company has classified its financial instruments into 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, 2022	Notes	Level 1	Level 2	Level 3	Total
Biological assets					
Tissue culture raised date palm plants	-	-	1,46,10,000	-	-
Total biological assets	-	-	1,46,10,000	-	-

(₹)

Assets and liabilities for which fair values are disclosed at March 31, 2021	Notes	Level 1	Level 2	Level 3	Total
Biological assets					
Tissue culture raised date palm plants	-	-	1,21,61,500	-	-
Total biological assets	-	-	-	-	-

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

(ii) Fair value measurements using significant unobservable inputs (level 2)

The following table presents the changes in level 2 items for the periods ended March 31, 2022 and March 31, 2021:

(₹)

Particulars	Tissue culture raised date palm plants	
	Mature	Immature
As at April 01, 2021	1,21,61,500	11,72,92,001
Increase in Mature due to production	11,28,914	
Increase Immature due to production	-	3,82,65,250
Increase in Mature plants due to transfer from Immature plants	26,13,454	
Decrease due to transfer to Mature plants	-	(26,13,454)
Increase due to separation		
Decrease due to sale	(60,47,189)	
Decrease due to write-off	-	(2,48,69,753)
Fair value less estimated cost - opening reversed	(52,52,010)	-
Fair value less estimated cost - closing	1,00,05,330	-
As at March 31, 2022	1,46,10,000	12,80,74,043



(iii) Valuation processes

The Finance department of the Company obtains assistance of independent and competent third party valuers to perform the valuations of biological assets (tissue culture raised date palm plants) required for financial reporting purposes, including level 2 fair values. These experts report to the Company Secretary and Financial Officer. Discussions of valuation processes and results are held between the CS and the valuation team at least once every three months, in line with the quarterly reporting periods of the Company. The main level 2 inputs used by the Company are derived and evaluated as follows: Tissue culture raised date palm plants is determined based on the market rate available for same categories of palm by deducting cost to sell.

(iv) Disclosure of recognition of change in fair value

(₹)

Particulars	2021-22	2020-21
Opening carrying amount of biological asset	12,94,53,501	13,19,65,419
Immature biological asset*	12,80,74,043	11,72,92,001
Mature biological asset**	1,46,10,000	1,21,61,500
Closing carrying amount of biological asset	14,26,84,043	12,94,53,501
Gain recognised due to change in fair value	1,32,30,542	(25,11,918)

*Immature biological asset calculated on cost.

(₹)

Location	Carrying amount
Laboratory	10,91,75,799
Green house	1,88,98,244
Total	12,80,74,043

The laboratory of the Company is the first of its kind in India. Due to the unique nature of industry; there is no scientific material published, which may justify or establish standard norms for multiplication ratio and mortality percentage at each stage of production under the geographical and climatic conditions of Jodhpur, Rajasthan, India. Therefore, the Company uses its own data as unobservable inputs to determine fair value of Immature tissue culture raised date palm plants as it is under the process of standardisation of production norms, particularly for multiplication ratio and mortality percentage at each stage of production.

Considering the unique nature of the industry and non-availability of unobservable inputs, it was suggested that measurement of fair value of Immature tissue culture raised date palm plants owned by the Company as at March 31, 2022 with any alternative method of valuation will be clearly unreliable. In such case, these Immature plants are to be measured at its cost less any accumulated depreciation and any accumulated impairment losses as per above table (paragraph 30 of Ind AS 41).

As per paragraph 30 of Ind AS 41, there is a presumption that fair value can be measured reliably for a biological asset. However, that presumption can be rebutted only on initial recognition for a biological asset for which quoted market prices are not available and for which alternative fair value measurements are determined to be clearly unreliable. In such a case, biological assets will be measured at their cost less any accumulated depreciation and any accumulated impairment losses. Once the fair value of a biological asset becomes reliably measurable, an entity will measure it at its fair value less costs to sell. Once a non-current biological asset meets the criteria to be classified as held for sale (or is included in a disposal group that is classified as held for sale) in accordance with Ind AS 105 non-current assets held for sale and discontinued operations, it is presumed that fair value can be measured reliably.

**Mature biological asset calculated in fair value is as follows:

(₹)

Location	Carrying amount
Shade house	1,46,10,000
Total	1,46,10,000

(v) Disclosure according para 56 of IND AS 41

During the year, the Company has transferred 3,346 number of Immature non-saleable biological assets into Mature saleable biological assets that is valued at cost. Due to this, the Company has recognised a profit of ₹ 132.30 lakhs (previous year loss of ₹ 25.11 lakhs) on change in fair value of closing carrying and opening carrying amount of biological assets. Normal mortality (2,942 Immature plants in green house) and abnormal mortality (40,606 Immature culture in laboratory) on account of fire has been accounted for in calculation of the aforesaid loss.

Note 24.5 Ratios							
No.	Ratio	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021	% Variance	Remark
a)	Current ratio	Current assets plus biological assets	Current liabilities	3.15	3.68	-14%	-
	Current ratio	Current assets plus biological assets	Current liabilities plus total borrowing	1.61	2.07	-22%	-
	Current ratio	Current assets	Current liabilities	0.43	0.51	-15%	-
b)	Debt-equity ratio	Debt	Equity	1.40	0.82	71%	Due to increase in current year debt by 37%
c)	Debt service coverage ratio	Net operating income	Interest cost	0.21	0.44	-52%	Due to decrease in current year net operating income by 42%
d)	Return on equity ratio	Profit after tax	Average shareholders equity	(140.32)	(123.61)	14%	-
e)	Invenotry turnover ratio	Net sales	Average inventory	0.09	0.19	-52%	Due to reduction of current year turnover by 50%
f)	Trade receivables turnover ratio	Net sales	Average receivables	31.16	17.07	82%	Due to reduction of current year turnover by 50% and average current year debtors by 72%



g)	Trade payables turnover ratio	Net sales	Average payables	0.59	1.24	-52%	Due to reduction of current year turnover by 50%
h)	Net capital turnover ratio	Net sales	Average working capital	0.12	0.25	-50%	Due to reduction of current year turnover by 50%
i)	Net profit ratio	Net sales	Profit after tax	(11,86.47)	(612.22)	94%	Due to reduction of current year turnover by 50%
j)	Return on capital employed	PBIT	Capital employed	(6.88)	(12.75)	-46%	-

Note 25 Earning per share

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

(₹)

Particulars		2021-22	2020-21
Profit for the year attributable to the equity shareholders		(1,51,84,280)	(1,36,73,029)
Basic Weighted average number of equity shares outstanding during the year	Number	81,100	81,100
Nominal value of equity share	₹	1,000	1,000
Basic and diluted EPS	₹	(187.23)	(168.59)

Note 25.1 Authorisation for issue of the Financial Statements

The Financial Statements were authorised for issue by the Board of Directors on June 10, 2022.

Note 25.2 Regrouped | Recast | Reclassified

Figures of the earlier year have been regrouped | recast | reclassified wherever necessary.

As per our attached report of even date

For and on behalf of the Board of Directors

For B M Kothari & Co
Chartered Accountants
Firm registration number: 002022C

Dinesh Kumar
(DIN: 00254801)
Chairman

A Kothari
Partner
Membership number: 73374

Gaje Singh Solanki
Company Secretary

Bharathy Mohanan
(DIN: 00198716)
Managing Director

Jodhpur
June 20, 2022

Jaipur
June 10, 2022

Notes

[illegible]



Corporate information

Directors

Mr Dinesh Kumar
(Chairman)

Mr Sunil Lalbhai
(Vice Chairman)

Mr Bharathy Mohanan
(Managing Director)

Mr Devendra Mehta

Mr Gopi Kannan Thirukonda

Mr Syed Irfan

Mr Gaje Singh Solanki
(Company Secretary)

Auditors
B M Kothari & Company

Registered office
Rajkiya Paudhshala
Chopasani
Jodhpur 342 009, Rajasthan
India

Bankers
RBL Bank
Union Bank of India

E-mail address: sec@ardp.co.in
Website: www.ardp.co.in

Atul Rajasthan Date Palms Ltd

Jodhpur 342 009, Rajasthan

India