

ATUL INFOTECH PRIVATE LIMITED

Directors' Report

Dear Members,

The Board of Directors (Board) presents the Annual Report of Atul Infotech Pvt Ltd together with the audited Financial Statements for the year ended March 31, 2020.

01. Financial results

	2019-20	2018-19
Revenue from operations	4.23	3.42
Other income	0.12	0.05
Total revenue	4.35	3.47
Profit before tax	0.42	0.25
Tax	0.10	0.07
Profit for the year	0.32	0.18

02. Performance

Revenue from operations increased by 23% from ₹ 3.42 cr to ₹ 4.23 cr. PBT increased from ₹ 0.25 cr to ₹ 0.42 cr due to decrease in income from outsourcing services and accordingly earning per share also increased to ₹ 10.72 from ₹ 7.89.

03. Dividend

The Board does not recommend any dividend on the equity shares for the financial year ended March 31, 2020.

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 as Annexure.

05. Insurance

The Company has taken adequate insurance to cover the risks to its employees, property (land and 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, 2020, and the Board believes that the controls are adequate.

08. Fixed deposits

During 2019-20, the Company did not accept any fixed deposits.

09. Prevention of Sexual Harassment of Women at Workplace

Pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013, the Company has framed a Policy on Prevention of Sexual Harassment of Women at Workplace and constituted Internal Complaints Committee. No complaint was received during 2019-20.

10. Loans, guarantees, investments and security

During 2019-20, the Company has not given any loans, provided guarantees or made any investments.

11. Subsidiary, associate and joint venture company

The Company have following associate company.

➤ Atul Polymer Products Ltd

12. Related Party Transactions

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

13. Corporate Social Responsibility

The provision of section 135 of the Companies Act, 2013 are not applicable to the Company.

14. Extract of the Annual Return

This is given as Annexure.

Annexure to the Directors' Report

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

1.1 Conservation of energy

1.1.1 Measures taken

No major steps were taken during the current year in view of very low usage of utilities in business activities.

1.2 Technology absorption

No major steps were taken during the current year.

1.3 Total foreign exchange used and earned

Nil

2. Extract of the Annual Return

Form number MGT – 9

Extract of the Annual Return as on March 31, 2020

{Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014}

2.1 Registration and other details

- » CIN: U72200GJ2000PTC038460
- » Registration date: July 31, 2000
- » Name of the company: Atul Infotech Pvt Ltd
- » Category | Sub-category of the company: Company limited by shares
- » Address of the registered office and contact details: Near River Par, N. H. 8, Atul Valsad 396 020
- » Telephone: (+91 2632) 230000
- » Whether listed company: No
- » Name, address and contact details of Registrar and Transfer Agent: not applicable

2.2 Principal business activities of the Company

All the business activities contributing 10% or more of the total revenue of the company will be started

No.	Name and description of main products services	National Industrial Classification code of the product service	% to total revenue of the Company
1.	Information technology and computer service activities	6209	100

2.3 Particulars of the holding, the subsidiary and the associate companies

No.	Name and address of the Company	Corporate Identification Number	Holding subsidiary associate	% of shares held	Applicable section
1.	Atul Polymers Products Ltd (Formerly known as Atul Elkay Polymers Ltd)	U24100GJ2011PLC065979	Associate	50.00	2(6)
	E-7 Post Atul Valsad 396 020				

h)	Trusts	-	-	-	-	-	-	-	-	-
	Sub total (B)(1)	-	-	-	-	-	-	-	-	-
02.	Non-institutions									
a)	Bodies corporate									
i)	Indian	-	-	-	-	-	-	-	-	-
ii)	Overseas	-	-	-	-	-	-	-	-	-
b)	Individuals									
i)	Shareholders holding nominal share capital up to ₹ 1 lakh	-	-	-	-	-	-	-	-	-
ii)	Shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
c)	Non-resident Indians (NRI)									
i)	NRI repatriable	-	-	-	-	-	-	-	-	-
ii)	NRI non-repatriable	-	-	-	-	-	-	-	-	-
iii)	Foreign bodies	-	-	-	-	-	-	-	-	-
iv)	Foreign nationals	-	-	-	-	-	-	-	-	-
d)	Any other	-	-	-	-	-	-	-	-	-
	Sub total (B)(2)	-	-	-	-	-	-	-	-	-
	Total public shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
	Total (A)+(B)	2,36,522	-	2,36,522	100.00	4	3,00,156	3,00,160	100.00	-
C.	Shares held by custodians and against which depository receipts have been issued									
01.	Promoter and promoter group	-	-	-	-	-	-	-	-	-
02.	Public	-	-	-	-	-	-	-	-	-
	Sub total (C)	-	-	-	-	-	-	-	-	-
	Grand total (A)+(B)+(C)	2,36,522	-	2,36,522	100.00	4	3,00,156	3,00,160	100.00	-

2.4.2 Shareholding of the promoters

No.	Name of the Shareholder	Shareholding as at April 01, 2019			Shareholding as at March 31, 2020			% change in shareholding during the year
		Number of shares held	% of total shares of the Company	% of shares pledged encumbered to total number of shares	Number of shares held	% of total shares of the Company	% of shares pledged encumbered to total number of shares	
1.	Atul Bio Space Ltd	1,18,261	50.00	-	1,50,080	50.00	-	-
2.	Atul Finserv Ltd	1,18,261	50.00	-	1,50,080	50.00	-	-

2.4.3 Change in the promoters' shareholding

No.	Particulars	Reason for change	Shareholding as at April 01, 2019		Cumulative shareholding during 2019-20	
			Number of shares	% of total shares of the Company	Number of shares	% of total shares of the Company
A.	Companies					
	At the beginning of the year		2,36,522	100.00	2,36,522	100.00
	Increase Decrease during the year	Preferential issue	63,638	100.00	3,00,160	100.00
	At the end of the year		3,00,160	100.00	3,00,160	100.00

2.4.4 Shareholding pattern of top 10 Shareholders (other than the Directors, the promoters and the holders of American Depository Receipts and Global Depository Receipts)

Nil

2.4.5 Shareholding of the Directors and the Key Managerial Personnel

Nil

2.5 Indebtedness

Nil

2.6 Remuneration of the Directors and the Key Managerial Personnel

2.6.1 Remuneration to the Managing Director, the Whole-time Directors and | or the Manager

Nil

2.6.2 Remuneration to the other Directors

Nil

2.6.3 Remuneration to the Key Managerial Personnel other than the Managing Director | the Manager | the Whole-time Director

Nil

2.7 Penalties | Punishment | Compounding of offences

There were no penalties | punishment | compounding of offences for the year ending March 31, 2020.

G R Parekh

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

Ghanshyam Parekh & Co.

Chartered Accountants

203, Akar Complex 1

Tithal Road,

Valsad 396001

INDEPENDENT AUDITOR'S REPORT

To the Members of Atul Infotech Private Limited Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

1. We have audited the accompanying Standalone Ind AS financial statements of Atul Infotech Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of changes in equity and Statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Management's Responsibility for the Standalone Ind AS Financial Statements

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

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

- i. The Company has no pending litigations on March 31, 2020;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

G. R. Parekh
Proprietor
(Membership No. 030530)
UDIN 20030530AAAAAJ3833

Atul,
Dated: April 15, 2020

Annexure A to the Independent Auditor's Report

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

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

1. We have audited the Internal Financial Controls over financial reporting of Atul Infotech Private Ltd (the Company) as of March 31, 2020 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

Management's responsibility for Internal Financial Controls

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

Auditor's responsibility

3. Our responsibility is to express an opinion on the Internal Financial Controls of the Company over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls. These Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls system over financial reporting and their operating effectiveness. Our audit of Internal Financial Controls over financial reporting included obtaining an understanding of Internal Financial Controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the Auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.
5. 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

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

Inherent limitations of Internal Financial Controls over financial reporting

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

Opinion

8. In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate Internal Financial Controls system over financial reporting and such Internal Financial Controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

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

G. R. Parekh
Proprietor
Membership Number: 030530
UDIN 20030530AAAAAJ3833

Place: Atul
Date: April 15, 2020

Annexure B to Independent Auditors' Report:

Referred to in paragraph 10 of the Independent Auditors' Report of the even date to the members of ATUL INFOTECH PRIVATE LIMITED for the year ended March 31, 2020.

- i(a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets;
 - (b) As explained to us, fixed assets, according to the practice of the Company, are physically verified by the management at reasonable intervals, which, in our opinion, is reasonable, looking to the size of the Company and the nature of its business. According to the information and explanations given to us, discrepancies noticed on physical verification have been adjusted in the books of account;
 - (c) The title deeds of immovable properties as disclosed in note relating to fixed Assets are held in the name of the Company.
- ii. The Company does not hold any inventory, therefore Clause 3(ii) of the Order is not applicable.
 - iii. The Company has not granted any loan secured or unsecured to Companies, Firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
 - iv. The Company has not granted any loans, or made any investments or provided guarantee or security to parties covered under Section 185 and 186 of the Companies Act, 2013, therefore the provisions of clause 3(iv) of the said order are not applicable to the Company.
 - v. The company has not accepted any deposits from public within the meaning of sections 73, 74, 75 and 76 of the Act and the Rules framed thereunder.
 - vi. The Central Government has not prescribed maintenance of Cost Records under Section 148(1) of the companies Act, 2013.
 - vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues including Provident Fund, Income tax, Sales tax, wealth tax, service tax, duty of Customs, duty of Excise, value added tax, cess, GST and other statutory Dues as applicable with the appropriate authorities.
 - (b) According to the explanation given to us there are no arrears of statutory dues which have remained outstanding at the last date of financial year, for a period of more than six month from the date they became payable;

(c) According to the information and explanation given to us, there are no dues of sales tax, duty of customs, wealth tax, duty of excise, value added tax or cess which have not been deposited on account of any dispute. The particulars of dues of income tax as at March 31, 2020 which have not been deposited on account of a dispute, are as follows:

Name of the Statute	Nature of Dues	Amount (Rs.)	Period to which the amount relates	Forum where the Dispute is pending
Income Tax Act 1961	Assessed Demand	11,210/-	A.Y. 2016-17 relevant to F.Y. 2015-16	Assessing Officer

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

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

Atul

Date : April 15, 2020

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

(G. R. Parekh)
Proprietor
Membership No.: 030530
UDIN 20030530AAAAAJ3833

Atul Infotech Pvt Ltd

Balance Sheet as at March 31, 2020

(₹)

Particulars	Note	As at	
		March 31, 2020	March 31, 2019
A ASSETS			
1 Non-current assets			
a) Property, plant and equipment	2	5,42,91,981	2,01,92,820
b) Capital work-in-progress		13,13,29,857	12,91,76,771
c) Financial assets			
i) Investments in associate company	3	2,49,980	2,49,980
ii) Other financial assets	4	3,29,715	3,29,715
d) Deferred tax assets (net)		1,76,442	4,10,401
e) Other non-current assets	5	1,27,65,321	1,24,80,631
Total non-current assets		19,91,43,296	16,28,40,318
2 Current assets			
a) Financial assets			
i) Current investment	6	95,58,136	50,45,830
ii) Trade receivables	7	38,84,210	32,62,472
iii) Cash and cash equivalents	8	7,69,436	9,25,334
iv) Bank balances other than cash and cash equivalents above	9	1,54,488	12,07,831
v) Other financial assets	4	1,69,107	4,96,543
b) Other current assets	5	-	1,02,995
Total current assets		1,45,35,377	1,10,41,005
Total assets		21,36,78,673	17,38,81,323
B EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	10	30,01,600	23,65,220
b) Other equity		20,43,81,464	16,69,80,352
Total equity		20,73,83,064	16,93,45,572
Liabilities			
1 Non-current liabilities			
a) Financial liabilities			
i) Other financial liabilities	11	-	-
Total non-current liabilities		-	-
2 Current liabilities			
a) Financial liabilities			
i) Trade payables			
a) Micro enterprises and small enterprises		-	-
b) Creditors other than micro enterprises and small enterprises	14	20,49,376	7,24,724
i) Other financial liabilities	11	17,37,500	15,38,844
b) Other current liabilities	13	8,84,741	8,14,452
c) Provisions	12	16,23,992	14,57,731
Total current liabilities		62,95,609	45,35,751
Total liabilities		62,95,609	45,35,751
Total equity and liabilities		21,36,78,673	17,38,81,323

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

As per our attached report of even date

For and on behalf of the Board of Directors

For Ghanshyam Parekh & Co.

Firm Registration Number: 131167W

G R Parekh

Proprietor

Membership Number: F-030530

Director

Director

Atul

April 15, 2020

Atul

April 15, 2020

Atul Infotech Pvt Ltd
Statement of Profit and Loss
for the year ended March 31, 2020

(₹)

Particulars	Note	2019-20	2018-19
INCOME			
Revenue from operations	15	4,22,94,168	3,42,93,352
Other income	16	12,17,039	4,17,085
Total Income		4,35,11,207	3,47,10,437
EXPENSES			
Employee benefit expense	17	3,54,72,134	2,90,67,409
Depreciation and amortisation expense		8,43,870	5,39,994
Other expenses	18	30,29,513	25,65,497
Total expenses		3,93,45,517	3,21,72,900
Profit before exceptional items and tax		41,65,690	25,37,537
Exceptional items		-	-
Profit before tax		41,65,690	25,37,537
Tax expense			
Current tax		7,12,858	6,98,310
Deferred tax		2,33,959	(27,960)
Total tax expense		9,46,817	6,70,350
Profit for the year		32,18,873	18,67,187
Other comprehensive income			
A) Items that will not be reclassified to profit and loss			
Remeasurement gains on defined benefit plans		(2,24,492)	(18,577)
Income tax on above item		56,500	4,784
Total other comprehensive income		(1,67,992)	(13,793)
Total comprehensive income		30,50,881	18,53,394
Basic and diluted earning ₹ per equity share of ₹ 10 each		10.72	7.89

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

As per our attached report of even date

For and on behalf of the Board of Directors

For Ghanshyam Parekh & Co.

Firm Registration Number: 131167W

G R Parekh

Proprietor

Membership Number: F-030530

Director

Director

Atul

April 15, 2020

Atul

April 15, 2020

Atul Infotech Pvt Ltd

Statement of changes in equity for the year ended March 31, 2020

A. Equity share capital

		(₹)
	Notes	Amount
As at March 31, 2018		23,65,220
Changes in equity share capital		-
As at March 31, 2019		23,65,220
Changes in equity share capital		6,36,380
As at March 31, 2020		30,01,600

B. Other equity

		Reserves and surplus		Total
	Notes	Securities premium	Retained earnings	Other equity
As at March 31, 2018		15,36,15,151	1,15,11,807	16,51,26,958
Profit for the year		-	18,67,187	18,67,187
Other comprehensive income		-	(13,793)	(13,793)
Total comprehensive income for the year		-	18,53,394	18,53,394
Transactions with owners in their capacity as owners:				
Issue of equity share		-	-	-
Dividend paid (including dividend distribution tax)		-	-	-
As at March 31, 2019		15,36,15,151	1,33,65,202	16,69,80,353
Profit for the year		-	32,18,873	32,18,873
Other comprehensive income		-	(1,67,992)	(1,67,992)
Total comprehensive income for the year		-	30,50,881	30,50,881
Transactions with owners in their capacity as owners:				
Issue of equity share		3,43,50,230	-	3,43,50,230
Dividend paid (including dividend distribution tax)		-	-	-
As at March 31, 2020		18,79,65,381	1,64,16,083	20,43,81,464

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

As per our attached report of even date

For and on behalf of the Board of Directors

For Ghanshyam Parekh & Co.

Firm Registration Number: 131167W

G R Parekh

Proprietor

Membership Number: F-030530

Director

Director

Atul

April 15, 2020

Atul

April 15, 2020

Atul Infotech Pvt Ltd

Statement of Cash Flows

for the year ended March 31, 2020

	(₹)	
Particulars	2019-20	2018-19
A. Cash flow from operating activities		
Profit before tax	41,65,690	25,37,537
Add:		
Depreciation and amortisation expenses	8,43,870	5,39,994
	8,43,870	5,39,994
	50,09,560	30,77,531
Less:		
Dividend received	5,12,306	3,13,800
Interest received	7,04,733	77,188
	12,17,039	3,90,988
Operating profit before working capital changes	37,92,521	26,86,543
Adjustments for:		
Trade receivables	(6,21,738)	(3,39,680)
Other current financial assets	3,27,436	(83,531)
Other current assets	1,42,074	63,120
Other non-current financial assets	-	(10,000)
Other non-current assets	-	1,13,799
Trade payables	13,24,652	(14,78,515)
Other current financial liabilities	29,777	14,445
Other current liabilities	32,097	(1,02,176)
Other financial liabilities	-	(10,000)
Short-term provisions	1,66,261	1,53,237
	14,00,559	(16,79,301)
Cash generated from operations	51,93,081	10,07,242
Less: Income Tax Paid (net)	9,97,548	12,51,370
Net cash flow from operating activities	A 41,95,533	(2,44,128)
B. Cash flow from investing activities		
Payment to acquire Property,Plant	(3,70,96,117.48)	(14,86,581)
Purchase of Investment in Equity Instrument Measured at cost	-	50,000
Payment for fixed deposit	10,53,343	(69,580)
Interest received	7,04,733	77,188
Dividend received	5,12,306	3,13,800
Net cash used in investing activities	B (3,48,25,735)	(11,15,173)
C. Cash flow from financing activities		
Proceeds from equity share capital	3,49,86,610	-
Net cash used in financing activities	C 3,49,86,610	-
Net change in cash and cash equivalents	A+B+C 43,56,408	(13,59,301)
Opening balance - cash and cash equivalents	59,71,164	73,30,465
Closing balance - cash and cash equivalents	1,03,27,572	59,71,164

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

As per our attached report of even date

For and on behalf of the Board of Directors

For Ghanshyam Parekh & Co.

Firm Registration Number: 131167W

G R Parekh

Proprietor

Membership Number: F-030530

Director

Director

Atul
April 15, 2020

Atul
April 15, 2020

Atul Infotech Private Ltd

Notes to Financial Statements

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

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

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

Use of Estimates :

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

Property, Plant and Equipment:

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

Depreciation :

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

Asset	Useful lives as per Part C of Schedule II
Building	60 years
Car	6 years
Computer	3 years

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

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

Atul Infotech Private Ltd

Notes to Financial Statements

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments :

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

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

Taxation:

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

Cash and cash equivalents:

In the Cash Flow Statement, cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

Earnings per share:

Earnings per share (EPS) is calculated by dividing the net profit or loss for the period attributable to Equity Shareholders by the weighted average number of Equity shares outstanding during the period. Earnings considered in ascertaining the EPS is the net profit for the period and any attributable tax thereto for the period.

Revenue recognition:

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

Employee benefits :

All employee benefits payable within twelve months of service such as salaries, wages, bonus, ex-gratia, medical benefits etc. are

- a) Defined contribution plan:

Contribution paid | payable by the Company during the period to Provident Fund, Superannuation Fund are recognised in

- b) Defined benefit plan:

Gratuity:

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

- c) Short-term leave encashment:

Short-term leave encashment is provided at undiscounted amount during the accounting period based on service rendered by employees.

Critical estimates and judgments:

The preparation of Financial Statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the Financial Statements.

The areas involving critical estimates or judgments are:

- Estimation of fair values of contingent liabilities – Note 21
- Estimation of current tax expense and payable – Note 23

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

Notes to the Financial Statements

(₹)

Note 2 Property, plant and equipment

Particulars	Land - Leasehold	Building	Vehicles	Computer	Total
Gross carrying amount					
As at March 31, 2018	2,06,97,211	-	6,00,000	2,95,000	2,15,92,211
Additions	-	-	-	-	-
Other adjustments	-	-	-	-	-
Deductions and adjustments	-	-	-	-	-
As at March 31, 2019	2,06,97,211	-	6,00,000	2,95,000	2,15,92,211
Additions	-	3,49,43,031	-	-	3,49,43,031
Other adjustments	-	-	-	-	-
Deductions and adjustments	-	-	-	-	-
As at March 31, 2020	2,06,97,211	3,49,43,031	6,00,000	2,95,000	5,65,35,242
Depreciation Amortisation Impairment					
Depreciation Amortisation					
Upto March 31, 2018	8,51,064	-	8,333	-	8,59,397
For the year	4,25,532	-	95,000	19,462	5,39,994
Deductions and adjustments	-	-	-	-	-
Upto March 31, 2019	12,76,596	-	1,03,333	19,462	13,99,391
For the year	4,25,532	2,76,630	95,000	46,708	8,43,870
Deductions and adjustments	-	-	-	-	-
Upto March 31, 2020	17,02,128	2,76,630	1,98,333	66,170	22,43,261
Net carrying amount					
As at March 31, 2019	1,94,20,615	-	4,96,667	2,75,538	2,01,92,820
As at March 31, 2020	1,89,95,083	3,46,66,401	4,01,667	2,28,830	5,42,91,981

Notes to the Financial Statements

(₹)

Note 3 Investments in associate company	Face Value	As at		As at	
		March 31, 2020		March 31, 2019	
		No of Shares	Value	Current	Non current
A Investment in equity instruments measured at cost unquoted					
Atul Elkay Polymers Ltd	10	24,998	2,49,980	24,998	2,49,980
			2,49,980	24,998	2,49,980

(₹)

Note 4 Other financial assets	As at		As at	
	March 31, 2020		March 31, 2019	
	Current	Non current	Current	Non current
a) Security deposits	30,030	3,29,715	30,030	3,29,715
b) Advances recoverable in cash	1,39,077	-	4,66,513	-
	1,69,107	3,29,715	4,96,543	3,29,715

(₹)

Note 5 Other assets	As at		As at	
	March 31, 2020		March 31, 2019	
	Current	Non current	Current	Non current
a) Balances with the Government department				
i) Tax paid in advance, net of provisions	-	1,27,65,321	-	1,24,80,631
ii) Balances with the statutory authorities	-	-	1,02,995	-
	-	1,27,65,321	1,02,995	1,24,80,631

(₹)

Note 6 Current investment	As at		As at	
	March 31, 2020		March 31, 2019	
	Current	Non current	Current	Non current
Investment in mutual funds measured at FVPL				
Quoted				
Investment in mutual funds		95,58,136		50,45,830
		95,58,136		50,45,830

(₹)

Note 7 Trade receivables	As at		As at	
	March 31, 2020		March 31, 2019	
	Current	Non current	Current	Non current
a) Unsecured, considered good				
i) Related parties		26,84,510		25,73,973
ii) Trade receivables		11,99,700		6,88,499
Total receivables		38,84,210		32,62,472
Current portion		38,84,210		32,62,472
Non-current portion		-		-

(₹)

Note 8 Cash and cash equivalents	As at		As at	
	March 31, 2020		March 31, 2019	
	Current	Non current	Current	Non current
a) Balances with banks				
i) In current accounts		7,69,436		9,25,334
		7,69,436		9,25,334

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

(₹)

Note 9 Bank balances other than cash and cash equivalents above	As at		As at	
	March 31, 2020		March 31, 2019	
	Current	Non current	Current	Non current
Short-term bank deposit with original maturity between 3 to 12 months		1,54,488		12,07,831
		1,54,488		12,07,831

Notes to the Financial Statements

Note 10 Equity share capital	As at	
	March 31, 2020	March 31, 2019
Authorised		
3,58,000 (March 31, 2019: 2,58,000) equity shares of ₹ 10 each	35,80,000	25,80,000
	35,80,000	25,80,000
Issued		
3,00,160 (March 31, 2019: 2,36,522) equity shares of ₹ 10 each	30,01,600	23,65,220
	30,01,600	23,65,220
Subscribed		
3,00,160 (March 31, 2019: 2,36,522) equity shares of ₹ 10 each	30,01,600	23,65,220
	30,01,600	23,65,220

a) Movement in equity share capital

	Number of shares	Equity share capital
As at March 31, 2019	2,36,522	23,65,220
As at March 31, 2020	3,00,160	30,01,600

b) Rights, preferences and restrictions:

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

i) Equity shares:

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts and Preference shares. The distribution will be in proportion to the number of equity shares held by the Shareholders. Each holder of equity shares is entitled to one vote per share.

ii) Dividend:

The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board is subject to the approval of the Shareholders in the ensuing Annual General Meeting.

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

No	Name of the Shareholder	As at		As at	
		March 31, 2020		March 31, 2019	
		Holding %	Number of shares	Holding %	Number of shares
1	Atul Bio Space Ltd	50.00%	1,50,080	50.00%	1,18,259
2	Atul Finserv Ltd	50.00%	1,50,080	50.00%	1,18,259

Note 11 Other financial liabilities	As at		As at	
	March 31, 2020	March 31, 2019	Current	Non current
a) Employee benefits obligation (refer note 24)	16,60,150	-	14,91,271	-
b) Others	77,350	-	47,573	-
	17,37,500	-	15,38,844	-

Note 12 Provisions	As at		As at	
	March 31, 2020	March 31, 2019	Current	Non current
Provision for leave entitlement	16,23,992	-	14,57,731	-
	16,23,992	-	14,57,731	-

(i) Information about individual provisions and significant estimates

	As at		As at	
	March 31, 2020	March 31, 2019	Current	Non current
a) Balance as at the beginning of the year	14,57,731	6,12,520		
Less: Utilised	(1,36,558)	(57,731)		
Provision made during the year	3,02,818	1,99,342		
	16,23,991	7,54,131		

Note 13 Other current liabilities	As at		As at	
	March 31, 2020	March 31, 2019	Current	Non current
a) Deferred Income on account of Government grant received				
a) Statutory dues	8,84,741	8,14,452		
	8,84,741	8,14,452		

Note 14 Trade payables	As at		As at	
	March 31, 2020	March 31, 2019	Current	Non current
i) Related party	-	980		
ii) Others	20,49,376	7,23,744		
	20,49,376	7,24,724		

Notes to the Financial Statements

(₹)

Note 15 Revenue from operations	2019-20	2018-19
Sale of services	4,22,94,168	3,42,93,352
	4,22,94,168	3,42,93,352

(₹)

Note 16 Other income	2019-20	2018-19
Dividend from investment measured at FVPL	5,12,306	3,13,800
Interest from others	7,04,733	77,188
Miscellaneous income	-	26,098
	12,17,039	4,17,085

(₹)

Note 17 Employee benefit expenses	2019-20	2018-19
Salaries, wages and bonus	3,39,33,942	2,77,44,133
Contribution to Provident and other funds (refer Note 28.6)	12,35,295	13,23,276
Staff welfare	3,02,897	-
	3,54,72,134	2,90,67,409

(₹)

Note 18 Other expenses	2019-20	2018-19
Accommodation charges	18,85,071	11,29,448
Rent	2,19,500	2,77,600
Rates and taxes	14,079	14,079
Insurance	45,127	24,570
Travelling and conveyance	1,08,577	1,35,842
Payments to the Statutory Auditors		
a) Audit fees	10,000	8,000
b) Other matters	5,000	5,000
Loss on assets sold, discarded or demolished	-	-
Miscellaneous expenses	7,42,158	9,70,958
	30,29,513	25,65,497

(₹)

Note 19 Other comprehensive income	2019-20	2018-19
A) Items that will not be reclassified to profit and loss		
Valuation change in Equity instruments through other comprehensive income	-	-
Remeasurement gains on defined benefit plans	(1,67,992)	(13,793)
	(1,67,992)	(13,793)
B) Items that will be reclassified to profit and loss		
Effective portion of gains and loss on hedging instruments in a cash flow hedge	-	-
	(1,67,992)	(13,793)

Notes to the Financial Statements

NOTE 20 Contingent Liability

(₹)

	As at March 31, 2020	As at March 31, 2019
Claims against the Company not acknowledged as debts in respects of:		
(a) Service tax	-	1,03,013
(b) Income tax	14,16,039	32,21,600
	14,16,039	33,24,613

Note 21.1 Related party information

Name of the related party and nature of relationship

No	Name of the related party	Description of relationship
01	Atul Ltd	Ultimate holding company
02	Aarnyak Urmi Ltd	
03	Aasthan Dates Ltd	
04	Amal Ltd	
05	Anchor Adhesives Pvt Ltd	
06	Atul Aarogya Ltd	
07	Atul Ayurveda Ltd	
08	Atul Bioscience Ltd	
09	Atul Biospace Ltd	
10	Atul Brasil Quimicos Ltd	
11	Atul China Ltd	
12	Atul Clean Energy Ltd	
13	Atul Crop Care Ltd	
14	Atul Deutschland GmbH	
15	Atul Entertainment Ltd	
16	Atul Europe Ltd	
17	Atul Fin Resources Ltd ¹	Subsidiary companies of ultimate holding company
18	Atul Finserv Ltd	
19	Atul Hospitality Ltd	
20	Atul Middle East FZ-LLC	
21	Atul Nivesh Ltd ¹	
22	Atul Rajasthan Date Palms Ltd ¹	
23	Atul (Retail) Brands Ltd	
24	Atul Seeds Ltd	
25	Atul USA Inc	
26	Biyaban Agri Ltd	
27	DPD Ltd ¹	
28	Gujrat Synthwood Ltd ²	
29	Jayati Infrastructure Ltd	
30	Lapox Polymers Ltd	
31	Osia Dairy Ltd	
32	Osia Infrastructure Ltd	
33	Raja Dates Ltd	
34	Rudolf Atul Chemicals Ltd	Joint venture company
35	Anaven LLP	Joint operation

¹ Investments held through subsidiary companies.

² Under liquidation.

Notes to the Financial Statements

(₹)

Note 21.2 Transactions with Related parties		2019-20	2018-19
Sales and income			
1	Service charges received	3,73,74,168	3,08,91,686
	Atul Ltd	3,73,74,168	3,07,61,686
	Amal Ltd	-	1,30,000
Purchase and expenses			
1	Service charges	19,97,139	12,42,565
	Atul Limited	19,97,139	12,42,565
2	Reimbursements	1,10,091	52,411
	Atul Limited	1,02,619	52,411
	Aarnayak Urmi Ltd	7,472	-
Other transactions			
3	Reimbursement received	26,400	3,91,430
	Aarnayak Urmi Ltd	-	300
	Aasthan Dates Ltd	-	1,300
	Atul Bio space Ltd	600	1,300
	Atul Aarogya Ltd	2,000	39,800
	Atul Ayurveda Ltd	2,000	37,450
	Atul Clean Energy Ltd	2,000	36,200
	Atul Crop Care Ltd	400	800
	Atul Elkay Polymers Ltd	400	800
	Atul Entertainment Ltd	2,000	36,200
	Atul Fin Resources Ltd	600	1,200
	Atul Finserv Ltd	-	600
	Atul Hospitality Ltd	1,600	37,480
	Atul Retail (Brands) Ltd	2,400	37,450
	Atul Nivesh Ltd	600	1,200
	Atul Rajasthan Date Palms Ltd	-	9,700
	Atul Seeds Ltd	2,400	36,200
	Biyaban Agri Ltd	-	1,300
	Jayati Infrastructure Ltd	2,400	36,200
	Lapox Polymers Ltd	400	800
	Osia Dairy Ltd	3,600	36,400
	Osia Infrastructure Ltd	2,400	37,450
	Raja Dates Ltd	600	1,300
3	Sales of investment of Aaranyak Urmi Ltd	-	50,000
	Atul Finserv Ltd	-	50,000
Outstanding balances as at year end			
1	Receivables	26,91,713	29,32,603
	Atul Ltd	26,84,513	25,73,973
	Atul Aarogya Ltd	400	38,600
	Atul Ayurveda Ltd	400	36,250
	Atul Clean Energy Ltd	400	35,000
	Atul Crop Care Ltd	-	-
	Atul Entertainment Ltd	400	35,000
	Atul Fin Resources Ltd	600	-
	Atul Hospitality Ltd	-	36,280
	Atul Retail (Brands) Ltd	800	36,250
	Atul Nivesh Ltd	600	-
	Atul Seeds Ltd	800	35,000
	Lapox Polymers Ltd	-	-
	Jayati Infrastructure Ltd	800	35,000
	Osia Dairy Ltd	1,200	35,000
	Osia Infrastructure Ltd	800	36,250
4	Payables	-	980
	Atul Limited	-	980

Notes to the Financial Statements

Note 23 : Current and Deferred tax

The major components of income tax expense for the years ended March 31, 2020 and March 31, 2019 are:

	(₹)	
	March 31, 2020	March 31, 2019
a) Income tax expense		
Current tax		
Current tax on profits for the year	7,12,858	6,98,310
Adjustments for current tax of prior periods	-	-
Total current tax expense	7,12,858	6,98,310
Deferred tax		
(Decrease) increase in deferred tax liabilities	(2,63,675)	(15,143)
Decrease (increase) in deferred tax assets	4,97,634	(12,817)
Total deferred tax expense (benefit)	2,33,959	(27,960)
Income tax expense	9,46,817	6,70,350

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

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

	(₹)	
	March 31, 2020	March 31, 2019
Statutory income tax rate	25.17%	26.00%
Differences due to:		
Expenses not deductible for tax purposes	0.30%	-0.90%
Income exempt from income tax	-3.10%	-3.22%
Income tax incentives	-6.62%	4.34%
Others	6.97%	0.19%
Effective income tax rate	22.73%	26.42%

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

	(₹)	
	March 31, 2020	March 31, 2019
e) Current tax liabilities		
Opening balance	-	-
Add: Current tax payable for the year	7,12,858	6,98,310
Less: Taxes paid	(7,12,858)	(6,98,310)
Closing balance	-	-

f) Deferred tax liabilities (net)

	(₹)	
	March 31, 2020	March 31, 2019
The balance comprises temporary differences attributable to:		
Property, plant and equipment	(2,32,284)	31,391
Total deferred tax liabilities	(2,32,284)	31,391
Provision for leave encashment	4,08,726	3,79,010
Total deferred tax assets	4,08,726	3,79,010
<i>Deferred tax asset or liability of subsidiary companies</i>		
Net deferred tax (asset) liability	(1,76,442)	(4,10,401)

	(₹)		
	Property plant and equipment	Provision for leave encashment	Total
Movement in deferred tax liabilities assets			
March 31, 2018	46,534	3,35,907	3,82,442
(Charged) credited:			
- to profit or loss	(15,143)	43,103	27,960
At March 31, 2019	31,391	3,79,010	4,10,401
(Charged) credited:			
- to profit or loss	(2,63,675)	29,716	(2,33,959)
At March 31, 2020	(2,32,284)	4,08,726	1,76,442

Notes to the Financial Statements

Note 24 : Employee benefit obligations

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

Defined contribution plans

Balance sheet amount (Gratuity)

Particulars	(₹)		
	Present value of obligation	Fair value of plan assets	Net amount
April 01, 2018	24,75,621	(22,76,821)	1,98,800
Current service cost	2,96,468	-	2,96,468
Interest expense (income)	1,90,870	(1,75,543)	15,327
Total amount recognised in profit and loss	4,87,338	(1,75,543)	3,11,795
<i>Remeasurements</i>			
Return on plan assets, excluding amount included in interest expense (income)	-	28,429	28,429
(Gain) loss from change in demographic assumptions	(22,632)	-	(22,632)
(Gain) loss from change in financial assumptions	3,090	-	3,090
Experience (gains) losses	9,690	-	9,690
Total amount recognised in other comprehensive income	(9,852)	28,429	18,577
Employer contributions	-	(3,86,923)	(3,86,923)
Benefit payments	(94,777)	94,777	-
March 31, 2019	28,58,330	(27,16,081)	1,42,249
Particulars	Present value of obligation	Fair value of plan assets	Net amount
March 31, 2019	28,58,330	(27,16,081)	1,42,249
Current service cost	3,00,576	-	3,00,576
Interest expense (income)	2,13,803	(2,03,163)	10,640
Total amount recognised in profit and loss	5,14,379	(2,03,163)	3,11,216
<i>Remeasurements</i>			
Return on plan assets, excluding amount included in interest expense (income)	-	29,897	29,897
(Gain) loss from change in demographic assumptions	(19,952)	-	(19,952)
(Gain) loss from change in financial assumptions	2,63,023	-	2,63,023
Experience (gains) losses	(48,476)	-	(48,476)
Total amount recognised in other comprehensive income	1,94,595	29,897	2,24,492
Employer contributions	-	(4,27,105)	(4,27,105)
Benefit payments	(29,882)	29,882	-
March 31, 2020	35,37,422	(32,86,570)	2,50,852

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

Particulars	(₹)	
	March 31, 2020	March 31, 2019
Present value of funded obligations	35,37,422	28,58,330
Fair value of plan assets	(32,86,570)	(27,16,081)
Deficit of gratuity plan	2,50,852	1,42,249

Significant estimates: Actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Particulars	March 31, 2020	March 31, 2019
Discount rate	6.43%	7.48%
Salary growth rate	6.43%	8.04%
Pension growth rate	14.00%	11.87%

Sensitivity analysis

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

Particulars	Impact on defined benefit obligation					
	Change in assumptions		Increase in assumptions		decrease in assumptions	
	March 31, 2020	March 31, 2020	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Discount rate	1%	1%	-5.49%	-6.02%	6.16%	6.82%
Salary growth rate	1%	1%	5.51%	6.20%	-5.10%	-5.70%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Major category of plan assets are as follows

Particulars	(₹)							
	March 31, 2020				March 31, 2019			
	Quoted	Unquoted	Total	in %	Quoted	Unquoted	Total	in %
Investment funds								
Insurance fund	32,86,570	-	32,86,570	100%	27,16,081	-	27,16,081	100%
	32,86,570	-	32,86,570	100%	27,16,081	-	27,16,081	100%

Notes to the Financial Statements

Note 25: Fair value measurements

Financial instruments by category

(₹)

	As at		As at	
	March 31, 2020		March 31, 2019	
	FVPL	Amortised cost	FVPL	Amortised cost
Financial assets				
Investments				
- Mutual funds	95,58,136	-	50,45,830	-
Trade receivables	-	38,84,210	-	32,62,472
Security deposits	-	3,59,745	-	3,59,745
Advances recoverable in cash	-	1,39,077	-	4,66,513
Cash and cash equivalents	-	7,69,436	-	9,25,334
Bank balances other than cash and cash equivalents above	-	1,54,488	-	12,07,831
Bank deposits with more than 12 months maturity	-	-	-	-
Total financial assets	95,58,136	53,06,956	50,45,830	62,21,895
Financial liabilities				
Trade payables	-	20,49,376	-	7,24,724
Others	-	77,350	-	47,573
Total financial liabilities	-	21,26,726	-	7,72,297

* Amount below the rounding off norm adopted by the company

(i) Fair value hierarchy

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

	(₹)		
	Level 1	Level 2	Total
Assets and liabilities measured at fair value - recurring fair value measurements			
At March 31, 2020			
Financial assets			
<u>Financial Investments at FVPL</u>			
Mutual funds	95,58,136	-	95,58,136
Total financial assets	95,58,136	-	95,58,136
Assets and liabilities for which fair values are disclosed			
At March 31, 2020			
Financial assets			
<u>Loans</u>			
Security deposits	-	3,59,745	3,59,745
Total financial assets	-	3,59,745	3,59,745
Financial Liabilities			
Borrowings	-	-	-
Security deposits	-	-	-
Total financial liabilities	-	-	-
Assets and liabilities measured at fair value - recurring fair value measurements			
At March 31, 2020			
Financial assets			
<u>Financial Investments at FVPL</u>			
Mutual funds	95,58,136	-	95,58,136
Total financial assets	95,58,136	-	95,58,136
Assets and liabilities for which fair values are disclosed			
At March 31, 2020			
<u>Loans</u>			
Security deposits	-	3,59,745	3,59,745
Total financial assets	-	3,59,745	3,59,745
Financial Liabilities			
Security deposits	-	-	-
Total financial liabilities	-	-	-

There were no transfers between any levels during the year.

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

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

Notes to the Financial Statements

Note 26 Earning per share

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

Particulars		2019-20	2018-19
Profit for the year attributable	₹ cr	32,18,873	18,67,187
Basic Weighted average	Number	3,00,160	2,36,522
Nominal value of Equity share	₹	10	10
Basic and diluted Earning per	₹	10.72	7.89

Note 27 The Financial Statements were authorised for issue by the Board of Directors on April 15, 2020

As per our attached report of even date

For and on behalf of the Board of Directors

For Ghanshyam Parekh & Co.

Firm Registration Number: 131167W

G R Parekh

Proprietor

Membership Number: F-030530

Director

Director

Atul

April 15, 2020

Atul

April 15, 2020