INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF EXCEL INDUSTRIES LIMITED

Report on the audit of the Standalone financial statements

Opinion

1. We have audited the accompanying standalone financial statements of Excel Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act 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.

Key audit matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters 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 these matters.

Key audit matter	How our audit addressed the key audit matter
Assessment of the valuation of investment in unquoted equity instruments: (Refer Note 2(a) and 8 to the standalone financial statements) The Company has investments in an investee Company amounting to ₹ 14,486.37 lakhs in unquoted equity instruments valued at 'Fair value through Other comprehensive income' in accordance with Accounting Standard (Ind AS 109), Financial Instruments at each reporting date. An independent external professional valuation expert is engaged by the management to determine the fair value, who ascertains the fair value based on the Comparable Companies' Multiple Inputs. The key judgements involved in the valuation are identification of comparable companies, assessment of maintainable EBIDTA and other relevant valuation parameters.	Our procedures in relation to management's assessment of the valuation of investments in unquoted equity instruments include following: • Understanding and evaluation of the design and testing of operating effectiveness of controls over determination of fair value (including valuation model and assumptions / judgements). • Evaluation of competence, capabilities and objectivity of the independent external professional valuation expert engaged by the Management. • Using auditors' expert to assist in audit of valuation approach, methodology and key valuation assumptions. • Assessing the reasonableness of the input data provided by management to the external professional valuation expert, such as revenue, EBIDTA, PAT of investee company for the year ended March 31, 2021.

Key audit matter	How our audit addressed the key audit matter
Given the inherent subjectivity in the valuation of the above investments, relative significance of these investments to the financial statements and the nature and extent of audit procedures involved, we determined this to be a key audit matter.	• Testing the mathematical accuracy of the valuation report. • Assessing adequacy of relevant disclosures in the standalone financial statements. Based on the audit procedures performed, we found management's assessment of valuation of investment in the unquoted equity instruments and related disclosures were considered to be reasonable.

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

   Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

   In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

   When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of management and those charged with governance for the standalone financial statements

6. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone 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 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.
7. In preparing the 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 unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

8. 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 could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

   - 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.
   - Obtain an understanding of internal control 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 with reference to financial statements in place and the operating effectiveness of such controls.
   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
   - Conclude on the appropriateness of management's use of the going concern basis of accounting 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 auditor's 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.
   - 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.

10. We communicate with those charged with governance regarding, among 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.

11. 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.

12. 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 would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

13. 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 Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

14. 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 (including other comprehensive income), the Statement of Changes in Equity and Statement of Cash Flow dealt with by this Report are in agreement with the books of account;

    d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act;

    e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

    f) With respect to the adequacy of the internal financial controls with reference to financial statements 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 disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 49 to the standalone financial statements;

        (ii) The Company has long-term contracts including derivative contracts as at March 31, 2021 for which there were no 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;

        (iv) The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2021.

15. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Nehal Upadhayay
Partner
Membership Number: 115872
UDIN: 21115872AAAABK6774

Place: Mumbai
Date: May 28, 2021

Annexure A to Independent Auditors' Report

Referred to in paragraph 14(f) of the Independent Auditors' Report of even date to the members of Excel Industries Limited on the standalone financial statements as of and for the year ended March 31, 2021

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Excel Industries Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). 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 company's policies, 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.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements 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") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements 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. A company's internal financial controls with reference to financial statements 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 company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control controls with reference to financial statements 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, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Nehal Upadhayay
Partner
Membership Number: 115872

Place: Mumbai
Date: May 28, 2021

Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of Excel Industries Limited on the standalone financial statements as of and for the year ended March 31, 2021

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of immovable properties, as disclosed in Note 3 on Property, Plant and Equipment, Note 4 on Right of use assets and Note 5 on Investment properties to the to the standalone financial statements, are held in the name of the Company.

ii. The physical verification of inventory (excluding stocks with third parties) have been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not material.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of the investments made by it. The Company has not granted any loans or made any investments, or provided any guarantees and security to the parties covered under Section 185.

v. In our opinion, and according to the information and explanations given to us, the Company has complied with the applicable provisions of Sections 73, 74, 75 and 76 or any other relevant provisions of the Act and the Rules framed thereunder to the extent notified, with regard to the deposits accepted from the public. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

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 the undisputed statutory dues, including provident fund, employees' state insurance, income tax, duty of customs, goods and service tax and other material statutory dues with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax, duty of customs and duty of excise as at March 31, 2021 which have not been deposited on account of dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ in lakhs)*	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax Demand	613.90	Assessment year 1998-99 to 2000-01 and 2002-03	High Court
Income Tax Act, 1961	Income Tax Demand	844.38	Assessment year 2010-11 to 2012-13	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax Demand	63.11	Assessment year 2016-17	Commissioner of Income Tax – Appeals
The Customs Act, 1962	Custom Duty	137.64	Financial Year 2011-2012 and 2012-2013	Customs, Excise and Service tax Appellate Tribunal

Name of the statute	Nature of dues	Amount (₹ in lakhs)*	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Excise Duty	34.81	June 2008 to November 2015	Customs, Excise and Service tax Appellate Tribunal
Central Excise Act, 1944	Excise Duty	2.80	December 15 to June 17	Commissioner Appeals

** Net of amount paid including under protest*

Further, according to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales-tax, service-tax, value added tax and goods and services tax as at March 31, 2021 which have not been deposited on account of any dispute.

viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank as at Balance Sheet date. The Company does not have any loans or borrowings from Government, nor has it issued any debentures as at the balance sheet date.

ix. In our opinion, and according to the information and explanations given to us, the moneys raised by way of term loans have been applied for the purposes for which they were obtained. The Company has not raised any moneys by way of initial public offer and further public offer (including debt instruments).

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 material fraud by the Company or on the 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. The Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act. (Also refer paragraph 15 of our main audit report).

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non cash transactions with its directors or persons connected with him covered within the meaning of Section 192 of the Act. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

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

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Nehal Upadhayay
Partner
Membership Number: 115872

Place: Mumbai
Date: May 28, 2021

STANDALONE BALANCE SHEET AS AT MARCH 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current assets			
Property, plant and equipment	3	34,593.80	33,201.52
Right-of-use assets	4	2,289.50	2,356.37
Capital work-in-progress		1,685.19	933.67
Investment properties	5	85.32	142.13
Intangible assets	6	1,918.46	1,940.72
Intangible assets under development		—	21.18
Investments in subsidiaries and joint venture	7	421.47	421.47
Financial assets			
(i) Investments	8	19,627.22	14,304.67
(ii) Loans	9	622.62	534.39
(iii) Other financial assets	10	4.17	—
Current tax assets (net)		1,803.98	1,462.58
Other non-current assets	11	218.32	157.92
Total non-current assets		**63,270.05**	**55,476.62**
Current assets			
Inventories	12	6,897.11	7,771.97
Financial assets			
(i) Investments	13	869.67	837.48
(ii) Trade receivables	14	17,264.02	14,972.97
(iii) Cash and cash equivalents	15	4,210.40	1,696.79
(iv) Bank balances other than (iii) above	16	954.97	134.53
(v) Loans	17	128.90	123.18
(vi) Other financial assets	18	83.17	90.17
Other current assets	19	1,662.20	1,166.01
Total current assets		**32,070.44**	**26,793.10**
Total assets		**95,340.49**	**82,269.72**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	20	628.53	628.53
Other equity	21	70,956.87	59,486.39
Total equity		**71,585.40**	**60,114.92**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	22	0.55	2.12
(ii) Lease liabilities	23	217.33	251.05
(iii) Other financial liabilities	24	—	889.19
Employee benefit obligations	25	1,296.45	1,273.41
Deferred tax liabilities (net)	26	6,503.73	4,937.42
Total non-current liabilities		**8,018.06**	**7,353.19**
Current liabilities			
Financial liabilities			
(i) Borrowings	27	607.12	2,126.15
(ii) Trade payables			
(a) total outstanding dues of micro and small enterprises	28	1,160.87	666.57
(b) total outstanding dues other than (ii) (a) above	28	11,137.58	9,823.46
(iii) Lease liabilities	29	33.73	28.52
(iv) Other financial liabilities	30	1,552.10	1,250.98
Employee benefit obligations	31	735.93	678.78
Current tax liabilities (net)		178.14	—
Other current liabilities	32	331.56	227.15
Total current liabilities		**15,737.03**	**14,801.61**
Total liabilities		**23,755.09**	**22,154.80**
Total equity and liabilities		**95,340.49**	**82,269.72**
Significant accounting policies	1		
Critical estimates and judgements	2		

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

NEHAL UPADHAYAY
Partner
Membership No.: 115872

Place : Mumbai
Date: May 28, 2021

For and on behalf of the Board of Directors of Excel Industries Limited

ASHWIN C. SHROFF
Executive Chairman
DIN: 00019952

HRISHIT A. SHROFF
Executive Director
DIN: 00033693

N.R. KANNAN
Chief Executive Officer

DEVENDRA P. DOSI
Chief Financial Officer

SURENDRA K. SINGHVI
Company Secretary

Place : Mumbai
Date: May 28, 2021

STATEMENT OF STANDALONE PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2021	Year ended March 31, 2020
INCOME			
Revenue from operations	33	74,946.60	70,248.44
Other income	34	825.78	807.87
Total income		**75,772.38**	**71,056.31**
EXPENSES			
Cost of materials consumed	35	35,904.44	33,128.61
Purchase of stock-in-trade	36	223.21	503.49
Changes in inventories of finished goods, work-in-progress and stock-in-trade	37	793.96	(774.90)
Employee benefit expenses	38	8,938.07	8,460.63
Depreciation and amortisation expense	39	2,715.32	2,278.05
Other expenses	40	17,009.53	15,984.70
Finance costs	41	217.57	255.21
Total expenses		**65,802.10**	**59,835.79**
Profit before tax		**9,970.28**	**11,220.52**
Income tax expense	26		
— Current tax		2,162.07	2,626.76
— Deferred tax		789.26	(753.58)
— Tax in respect of earlier years		—	—
Total tax expense		**2,951.33**	**1,873.18**
Profit for the year		**7,018.95**	**9,347.34**
Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
Remeasurement gains/(losses) on net defined benefit plans	42	(93.97)	(224.65)
Changes in Fair Value of Equity Instruments	8	5,322.55	(4,483.72)
(ii) Tax relating to above	26	(777.05)	783.02
B (i) Items that will be reclassified to profit or loss		—	—
(ii) Tax relating to above		—	—
Other comprehensive income for the year, net of tax		**4,451.53**	**(3,925.35)**
Total comprehensive income for the year		**11,470.48**	**5,421.99**
Earnings per share (in INR)	50		
Basic		55.84	74.36
Diluted		55.84	74.36

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

NEHAL UPADHAYAY
Partner
Membership No.: 115872

Place : Mumbai
Date: May 28, 2021

For and on behalf of the Board of Directors of Excel Industries Limited

ASHWIN C. SHROFF
Executive Chairman
DIN: 00019952

HRISHIT A. SHROFF
Executive Director
DIN: 00033693

N.R. KANNAN
Chief Executive Officer

DEVENDRA P. DOSI
Chief Financial Officer

SURENDRA K. SINGHVI
Company Secretary

Place : Mumbai
Date: May 28, 2021

STATEMENT OF STANDALONE CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before tax	**9,970.28**	**11,220.52**
Adjustments for:		
Depreciation and amortisation expenses	2,715.32	2,278.05
Finance costs	217.57	255.21
Provision for doubtful debts (net)	154.64	(53.95)
Provision for doubtful advances	83.78	—
Unrealised exchange differences (net)	13.68	(27.22)
Dividend income	(372.43)	(609.53)
Interest income	(153.61)	(41.90)
Gain on fair valuation of investments through profit and loss	(1.58)	(11.85)
Profit on sale of investment	—	(32.37)
Profit on sale of investment property	(137.05)	—
Net loss on sale / discard of property, plant and equipment	38.58	42.10
Operating profit before working capital changes	**12,529.18**	**13,019.06**
Adjustments for:		
(Increase) / decrease in Inventories	874.86	(897.29)
(Increase) / decrease in Trade receivables	(2,452.39)	1,085.05
(Increase) / decrease in Other bank balances	(820.44)	(30.89)
(Increase) / decrease in Loans (Current and Non current)	(93.95)	(159.30)
(Increase) / decrease in Other financial assets (Current and Non current)	3.35	113.97
(Increase) / decrease in Other assets (Current and Non current)	(604.13)	8.28
Increase / (decrease) in Trade payables	1,801.44	369.76
Increase / (decrease) in Other financial liabilities (Current and Non current)	11.86	(109.66)
Increase / (decrease) in Employee benefit obligations (Current and Non current)	(13.78)	259.66
Increase / (decrease) in Other current liabilities	104.41	71.93
	11,340.41	**13,730.57**
Less: Income taxes paid (net of refunds)	2,325.33	2,692.79
NET CASH INFLOW GENERATED FROM OPERATING ACTIVITIES — [A]	**9,015.08**	**11,037.78**
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Property, plant and equipment (including capital work-in-progress, capital advances and capital vendor)	(4,769.46)	(6,445.51)
Purchase of Intangible assets	(2.04)	(51.78)
Payment towards Acquisition of business (Refer Note 47)	(750.00)	(6,750.00)
Proceeds from sale of Property, plant and equipment	16.24	4.08
Proceeds from sale of Investment property	191.94	—
Proceeds from sale of Current investments	—	12,932.37
Interest received	153.09	32.94
Dividend received	372.43	609.53
Purchase of Current investments	(30.61)	(6,831.98)
NET CASH (OUTFLOW) FROM INVESTING ACTIVITIES — [B]	**(4,818.41)**	**(6,500.35)**

STATEMENT OF STANDALONE CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Borrowings	—	1,510.77
Repayment of Borrowings	(1,523.16)	(83.26)
Principal elements of Lease payments (Refer Note 55)	(50.39)	(24.34)
Transfer of Fixed deposits accepted from public (including Interest)	(0.97)	(1.14)
Dividend paid (Including Dividend distribution tax)	—	(4,356.95)
Interest paid	(108.54)	(190.47)
NET CASH (OUTFLOW) FROM FINANCING ACTIVITIES — [C]	**(1,683.06)**	**(3,145.39)**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS — [A+B+C]	2,513.61	1,392.04
Add: Cash and cash equivalents at the beginning of the year (Refer Note 15)	1,696.79	304.75
Cash and cash equivalents at the end of the year	**4,210.40**	**1,696.79**
Components of cash and cash equivalents		
Balances with Banks:		
In current accounts	498.83	1,688.76
Cash on hand	0.82	8.03
Deposits with maturity of less than three months	3,710.75	—
Total cash and cash equivalents	**4,210.40**	**1,696.79**

Notes:

1. The standalone cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.
2. The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

NEHAL UPADHAYAY
Partner
Membership No.: 115872

Place : Mumbai
Date: May 28, 2021

For and on behalf of the Board of Directors of Excel Industries Limited

ASHWIN C. SHROFF
Executive Chairman
DIN: 00019952

HRISHIT A. SHROFF
Executive Director
DIN: 00033693

N.R. KANNAN
Chief Executive Officer

DEVENDRA P. DOSI
Chief Financial Officer

SURENDRA K. SINGHVI
Company Secretary

Place : Mumbai
Date: May 28, 2021

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	Note	Amount
As at March 31, 2020		**628.53**
Changes in equity share capital	20	—
As at March 31, 2021		**628.53**

B. OTHER EQUITY

Particulars	Notes	Attributable to owners of Excel Industries Limited						
		Reserves and surplus			Other reserves			
		Securities premium	General Reserve	Capital redemption reserve	Capital Reserve	Retained Earnings	FVOCI – Equity investments	Total Other Equity
Balance at March 31, 2019		**534.37**	**29,537.32**	**16.75**	**0.01**	**13,478.05**	**14,854.85**	**58,421.35**
Profit for the year		—	—	—	—	9,347.34	—	9,347.34
Other comprehensive income	21	—	—	—	—	(168.11)	(3,757.24)	(3,925.35)
Total comprehensive income for the year		**—**	**—**	**—**	**—**	**9,179.23**	**(3,757.24)**	**5,421.99**
Transfer from Retained Earnings		—	5,000.00	—	—	(5,000.00)	—	—
Dividend paid (Including dividend distribution tax)	45	—	—	—	—	(4,356.95)	—	(4,356.95)
Balance at March 31, 2020		**534.37**	**34,537.32**	**16.75**	**0.01**	**13,300.33**	**11,097.61**	**59,486.39**
Profit for the year		—	—	—	—	7,018.95	—	7,018.95
Other comprehensive income	21	—	—	—	—	(70.32)	4,521.85	4,451.53
Total comprehensive income for the year		**—**	**—**	**—**	**—**	**6,948.63**	**4,521.85**	**11,470.48**
Transfer from Retained Earnings		—	5,000.00	—	—	(5,000.00)	—	—
Dividend paid (Including dividend distribution tax)	45	—	—	—	—	—	—	—
Balance at March 31, 2021		**534.37**	**39,537.32**	**16.75**	**0.01**	**15,248.96**	**15,619.46**	**70,956.87**

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

NEHAL UPADHAYAY
Partner
Membership No.: 115872

Place : Mumbai
Date: May 28, 2021

For and on behalf of the Board of Directors of Excel Industries Limited

ASHWIN C. SHROFF
Executive Chairman
DIN: 00019952

HRISHIT A. SHROFF
Executive Director
DIN: 00033693

N.R. KANNAN
Chief Executive Officer

DEVENDRA P. DOSI
Chief Financial Officer

SURENDRA K. SINGHVI
Company Secretary

Place : Mumbai
Date: May 28, 2021

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021
(All amounts in INR lakhs, unless otherwise stated)

BACKGROUND

Excel Industries Limited (the Company) is a public limited Company domiciled in India. Its shares are listed on BSE Limited and National Stock Exchange of India Limited. The Company is engaged in manufacturing and selling of Chemicals, Pharma intermediates and Environmental products. Chemicals comprising of Industrial and Specialty chemicals and Pesticides Intermediates. Environmental products comprising of Soil Enricher, Bio - Pesticides and other Bio-products. The Company caters to both domestic and international markets. The Company is also engaged in manufacturing activity on behalf of third parties.

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements. These accounting policies have been consistently applied to all the years presented by the Company unless otherwise stated.

These standalone financial statements were authorised for issue by the Company's Board of Directors on May 28, 2021.

A. Basis of preparation

(i) Compliance with Ind AS

The standalone 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.

(ii) Historical Cost Convention

The standalone financial statements have been prepared on historical cost basis, except the following:

- certain financial assets and liabilities (including derivative instruments) and deferred consideration is measured at fair value;
- defined benefit plans - plan assets measured at fair value.
- assets and liabilities acquired on account of business combination are measured at fair value.

(iii) Amended standards adopted by the Company

The Company has applied the following amendments to Ind AS for the first time for their annual reporting period commencing April 1, 2020.

* Amendments to Ind AS 1 and Ind AS 8, Definition of material.
* Amendments to Ind AS 103, Definition of Business.
* Amendments to Ind AS 116, Covid-19 related concessions.
* Amendments to Ind AS 109 and Ind AS 107, interest rate benchmark reform.

The amendments listed above did not have any impact on the standalone financial statements.

(iv) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

B. Segment Reporting

Operating segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker (CODM). The Executive Chairman and Managing Director are designated as CODM. Refer Note 46 for segment information presented.

C. Foreign Currency translation

(i) Functional and presentation currency

Items included in the standalone financial statements of each of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The standalone financial statements are presented in Indian Rupee (INR) which is the functional and presentation currency for the Company.

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES *(Contd.)*

(ii) Transaction and balances

Foreign currency transactions are translated into the functional currency at the exchange rates on the date of transactions. Foreign exchange gains and losses resulting from settlement of such transactions and from translation of monetary assets and liabilities at the year-end exchange rates are generally recognised in the Statement of Profit and Loss.

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 gains and losses are presented in the Statement of Profit and Loss on a net basis.

Non-monetary foreign currency items are carried at cost and accordingly the investments in shares of foreign entity are expressed in Indian currency at the rate of exchange prevailing at the time when the original investments are made or fair values determined. Exchange differences arising on the settlement of monetary items or on translating monetary items are recognised in the Statement of Profit and Loss.

D. Revenue recognition

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

In certain customer contracts, shipping and handling services are treated as a distinct separate performance obligation and the Company recognises revenue for such services over time when the performance obligation is completed.

Sale of goods:

Revenue from sale of products is recognized when the Company satisfies a performance obligation in accordance with the provisions of contract with the customer. This is achieved when control of the product has been transferred to the customer, which is generally determined when title, ownership, risk of obsolesce and loss pass to the customer and the Company has present right to payment, all of which occurs at a point in time upon shipment or delivery of goods. The Company collects goods and services tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

Income from services

Revenue from services is recognized over time by measuring progress towards satisfaction of performance obligation for the services rendered. The Company collects GST on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

Export incentives

Income from export incentives such as Duty drawback / MEIS scheme etc. are recognised on an accrual basis to the extent the ultimate realisation is reasonably certain.

Interest Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head “other income” in the Statement of Profit and Loss.

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES *(Contd.)*

Dividend

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

E. Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to the Statement of Profit and Loss on a straight-line basis over the expected lives of the related assets and presented within other income.

F. Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to 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. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. 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 substantially enacted by the end of the reporting period 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 entity 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 the Profit and Loss Statement, 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.

G. Leases

As a lessee

The leases are recognised as a right-of-use assets and corresponding liability at the date at which the leased assets are available for use by the Company. Contracts may contain both lease and non-lease components. The Company allocates the consideration in contract to the lease and non-lease components based on their relative stand-alone prices. However, for lease of real estate for which the Company is lessee, it has elected not to separate lease and non-lease components and instead accounts for these as single lease components.

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES *(Contd.)*

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments (as applicable):

(a) Fixed payments (including in-substance fixed payments), less any lease incentives receivable

(b) Variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date

(c) Amounts expected to be payable by the Company under residual value guarantees

(d) The exercise price of a purchase option if the Company is reasonably certain to exercise that option, and

(e) Payments of the penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for the leases in the Company, the lessees's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-to-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

(a) where possible, uses recent third party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.

(b) uses a build up approach that starts with a risk free interest rate adjusted for credit risk for leases held by the Company, which does not have recent third party financing, and

(c) makes adjustments specific to the lease, e.g. term, country, currency and security.

The Company is exposed to potential future increases in variable lease payments based on the index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use assets.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following (as applicable):

(a) the amount of the initial measurement of lease liability,

(b) any lease payments made at or before the commencement date less any lease incentives received,

(c) any initial direct costs, and

(d) restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use assets is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with lease term of 12 months or less. Low value assets comprises IT equipment and small items of office furniture.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES *(Contd.)*

and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature. The Company did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

H. Impairment of Non-Financial Assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in the Statement of Profit and Loss.

Non-financial assets (other than Goodwill) that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in Statement of Profit or Loss.

I. Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES *(Contd.)*

J. Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

K. Inventories

Raw materials, stores and spares, packing material, work in progress, stock in trade and finished goods are stated as lower of cost and net realisable value. Cost of Raw material, stores and spares, packing material and traded goods comprises of cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of monthly moving weighted average. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale.

Materials and other supplies held for use in production of inventories (work-in-progress and finished goods) are not written down below the cost if the finished products in which they will be used are expected to sell at or above the cost.

By-products and unserviceable / damaged finished goods are valued at estimated net realisable value.

L. Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations. The results of discontinued operations are presented separately in the Statement of Profit and Loss.

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES *(Contd.)*

M. Investments and other financial assets

(i) Classification

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

- those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
- those measured at amortised cost.

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

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

(ii) Recognition

Regular way purchases and sales of financial assets are recognised on trade-date, being the date on which the Company commits to purchase or sale the financial asset.

(iii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through the Statement of Profit and Loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through the Statement of Profit and Loss are expensed in the Statement of Profit and Loss.

Debt Instruments

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

Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in the Statement of Profit and Loss and presented in other gains/(losses). Impairment losses are presented as separate line item in the Statement of Profit and Loss.

Fair Value through Other Comprehensive Income (FVOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains and losses and impairment expenses are presented as separate line item in the Statement of Profit and Loss.

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES *(Contd.)*

Fair Value through Profit or Loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

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

(iv) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 44 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(v) Derecognition of financial assets

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

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

(vi) Income recognition

Interest income

Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost and financial assets at FVOCI is calculated using the effective interest method is recognised in the Statement of Profit and Loss as part of other income.

(All amounts in INR lakhs, unless otherwise stated)

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES *(Contd.)*

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Dividends

Dividends are received from financial assets at fair value through profit or loss and at FVOCI. Dividends are recognised as other income in the Statement of Profit and Loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of the investment.

N. Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period and impact is recorded in the Statement of Profit and Loss account.

The fair values of various derivative financial instruments used for hedging purposes are disclosed in Note 43. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

O. Off-setting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

P. Property, Plant and Equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation and impairments, if any. Historical cost includes tax, duties, freight and other incidental expenditure that is directly attributable to the acquisition of the items. Indirect expenses during construction period, which are required to bring the asset in the condition for its intended use by the management and are directly attributable to bringing the asset to its position, are also capitalized.

Subsequent costs are included in the asset's carrying amount 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. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Capital work-in-progress comprises the cost of fixed assets that are not yet ready for their intended use at the year end.

Depreciation methods, estimated useful lives and residual value

Following assets have different useful life from those prescribed in Schedule II of the Companies Act 2013, below on evaluation of estimated useful lives done by the management.

Description of Asset	Depreciation years	Schedule II years
Plant and Machinery - Metallic	1 to 18 years	20 years
Plant and Machinery - Non-metallic	1 to 8 years	20 years
Electrical installations	1 to 10 years	10 years
Buildings	3 to 60 years	60 years
Road	5 to 10 years	10 years
Laboratory equipment	2 to 10 years	10 years
Furniture, fixture and office equipment	2 to 10 years	10 years

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES *(Contd.)*

Assets individually costing INR 25,000 or less are depreciated fully in the year of acquisition.

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

The useful lives are based on historical experience with similar assets as well as anticipation of future events which are higher than those specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

Q. Investment property

Properties that are held for long-term rentals yields or for capital appreciation (including property under construction for such purposes) or both, and that are not occupied by the Company, is classified as investment property.

Investment properties are measured initially at cost, including related transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and cost of the item can be measured reliably. All the other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is de recognised.

Investment properties are depreciated using the straight-line method over their estimated useful lives. Investment properties generally have a useful life of 60 years. The useful life has been determined based on historical experience with similar assets as well as anticipation of future events.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on evaluation performed by an accredited external independent valuer.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Statement of Profit and Loss in the period of derecognition.

R. Intangible assets and Amortisation

Intangible assets are amortised over their respective individual estimated useful lives on a straight line basis, but not exceeding the period given here under:

(i) Goodwill

Goodwill on acquisitions of business is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which goodwill arose. The units of groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segment.

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES *(Contd.)*

(ii) Computer software

Computer software	4 years

(iii) Research and development

Research expenditure and development expenditure that do not meet the criteria mentioned in Ind AS 38 are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

S. 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 after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

T. 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 the Statement of Profit and 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. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

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 the Statement of Profit and Loss.

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. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

U. Borrowing Costs

General and specific 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.

V. Provisions, Contingent Liabilities and Contingent Assets

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES *(Contd.)*

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. 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 the 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.

A contingent asset is disclosed and not recognised, where an inflow of economic benefits is probable.

W. Employee Benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee’s services up to the end of the reporting and are measured at the amounts expected to be paid when the liabilities are settled. The liability are presented as current employee benefits obligation in the balance sheet.

(ii) Long-term employee benefit obligations

<u>Leave Obligation:</u>

The liabilities for leave obligation by actuaries which are not expected to be settled wholly within 12 months after the end of the period in which the employee render the related services. They are therefore measured as the present value of expected 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 on government bonds that have terms approximating to the terms of the related obligations. Remeasurements as a result of experience adjustments and changes in actuarial assumptions (i.e. actuarial losses/ gains) are recognised in the Statement of Profit and Loss.

<u>Long Service awards:</u>

The Company provides for the long service awards for eligible employees as per the scheme announced by the Company. The liability towards the long services awards is provided at each balance sheet date on the basis of independent actuary valuation.

<u>Defined benefit plan - Gratuity</u>

The liability or asset recognised in the balance sheet in respect of 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 defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by 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 estimated future payments are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES *(Contd.)*

The net interest cost, calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the plan assets, is recognised as employee benefit expenses 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.

<u>Defined benefit plan - Voluntary early separation scheme:</u>

The Company also has a defined benefit plan for its employees, i.e. Medical Voluntary retirement scheme in which employees suffering from continued ill-health not amounting to occupational disease and thereby unable to perform normal duties of their post. Under the Scheme, the benefits will be given for a retired employee for a maximum period up to 10 years or age of retirement, whichever is earlier. In case of early death of the employee, the legal heir of the employee shall get 50% of separation benefit for the rest of the benefit period. The costs of providing benefits under the said plan is determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for the plan using the projected unit credit method. 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. This Scheme is not funded.

<u>Defined Contribution Plan - Provident Fund:</u>

The Company pays provident fund contributions to publicly administered provident funds as per local regulatory authorities. The Company has no further obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

<u>Defined Contribution Plan - Superannuation Fund:</u>

The Company makes contribution to the Superannuation Scheme, a defined contribution scheme, administered by insurance companies. The Company has no obligation to the scheme beyond its monthly contributions.

There are no obligations other than the contribution payable to the Superannuation Fund Trust. The Company recognises contribution payable to the Superannuation Fund as an expenditure, when an employee renders the related service. The contribution is charged to the statement of profit and loss of the year when the contribution accrues. The scheme is funded with a insurance Company in the form of qualifying insurance policies.

(iii) Bonus plans

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

X. Business Combination

The Company applies the acquisition method in accounting for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred by the Company to obtain control of a business is calculated as the sum of the fair values of assets transferred, liabilities incurred to the former owners of acquired business, the equity interests issued by the Company and fair value of any assets or

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES *(Contd.)*

liabilities resulting from a contingent / deferred consideration arrangement as at the acquisition date i.e. date on which it obtains control of the acquired business. Acquisition related costs are recognised in the Statement of Profit and Loss as incurred, except to the extent related to the issue of debt or equity securities.

Identifiable tangible and intangible assets acquired and liabilities assumed in a business combination are measured initially at their fair values as at the acquisition date.

Goodwill is measured as the excess of the aggregate of the consideration transferred, the amount of any non-controlling interest in the acquired business and acquisition date fair value of any previous equity interest held in acquired entity/business, over the net identifiable assets acquired and liabilities assumed. Such goodwill is tested annually for impairment.

If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of acquisition. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Deferred consideration is classified as financial liability. Amount classified as financial liability are subsequently re-measured to fair value with changes in fair value recognised in the Statement of Profit and Loss.

Y. Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Z. Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

AA. Earnings Per Share

The Company presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

AB. Rounding of amounts

All amounts disclosed in the standalone financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

NOTE 2 - CRITICAL ESTIMATES AND JUDGEMENTS

In preparing the financial statements in confirming with accounting principle generally accepted in India, managements is required to make estimates and assumptions that affect reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of the financial statements and the amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Any revision to such estimates is recognised in the period in which the same is determined.

The following paragraphs explains areas that are considered more critical, involving a higher degree of judgement and complexity.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021
(All amounts in INR lakhs, unless otherwise stated)

NOTE 2 - CRITICAL ESTIMATES AND JUDGEMENTS *(Contd.)*

(a) Estimated fair value of unlisted securities:

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. This involves selection of valuation method, developing estimates, identification of comparable companies, assessment of maintainable EBITA and other relevant valuation parameters. Estimated fair values may vary from the actual price that would be achieved in an arms length transaction at the reporting date. (Refer Note 43)

(b) Useful lives of Property plant and equipment and Intangible assets

Depreciation and amortisation is based on management estimates of the future useful lives of the property, plant and equipment and intangible assets. Estimates may change due to technological developments, competition, changes in market conditions and other factors and may result in changes in the estimated useful life and in the depreciation and amortisation charges.

(c) Estimation of long term employee benefits:

The liabilities of the Company arising from long term employee benefit obligations and the related current service cost, are determined on an actuarial basis using various assumptions.

(d) Impairment of Goodwill:

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit is less than its carrying amount based on a number of factors including operating results, business plans, future cash flows and economic conditions. The recoverable amount is determined based on higher value-in-use and fair value less cost to sell. The goodwill impairment test is performed at the level of the cash generating unit or groups of cash generating units which are benefiting from the synergies of the acquisition and which represents the lower level at which goodwill is monitored for internal management purposes i.e. chemical segment.

Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital, and estimated operating margins. Cash flow projection takes into account past experience and represents management's best estimate about future developments. (Refer Note 46)

NOTE 3 - PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold Land	Buildings	Plant and machinery	Data processing equipment	Electrical installation	Laboratory equipment	Furniture, fixture and office equipment	Vehicles	Technical books	Total
Year ended March 31, 2020										
Gross carrying amount										
Opening gross carrying amount	**524.81**	**4,558.86**	**19,412.57**	**314.22**	**844.15**	**418.20**	**1,177.22**	**314.73**	**2.40**	**27,567.16**
Reclassification of assets classified as held for sale (Refer Note 52)	21.54	11.59	381.54	8.31	0.23	0.85	7.34	34.19	0.15	465.74
Additions	—	95.59	6,140.08	32.80	378.72	103.11	218.29	14.49	—	6,983.08
On account of business acquisition (Refer Note 47)	—	1,596.77	3,245.25	1.17	120.86	10.34	23.42	4.56	—	5,002.37
Disposals	—	(0.12)	(174.21)	(9.30)	—	(3.43)	(50.81)	(15.42)	—	(253.29)
Closing gross carrying amount	**546.35**	**6,262.69**	**29,005.23**	**347.20**	**1,343.96**	**529.07**	**1,375.46**	**352.55**	**2.55**	**39,765.06**
Accumulated Depreciation										
Opening accumulated depreciation	**—**	**377.77**	**3,328.85**	**132.50**	**206.28**	**83.78**	**253.85**	**89.56**	**0.77**	**4,473.36**
Reclassification of Accumulated depreciation classified as held for sale (Refer Note 52)	—	0.66	74.46	4.77	0.24	9.12	2.46	9.48	0.13	101.32
Depreciation charge during the year	—	170.61	1,561.49	58.20	103.51	46.81	211.74	43.20	0.41	2,195.97
Disposals	—	(0.12)	(141.58)	(9.06)	—	(1.03)	(49.60)	(5.72)	—	(207.11)
Closing accumulated depreciation	**—**	**548.92**	**4,823.22**	**186.41**	**310.03**	**138.68**	**418.45**	**136.52**	**1.31**	**6,563.54**
Net carrying amount	**546.35**	**5,713.77**	**24,182.01**	**160.79**	**1,033.93**	**390.39**	**957.01**	**216.03**	**1.24**	**33,201.52**

Particulars	Freehold land	Buildings	Plant and machinery	Data processing equipment	Electrical installation	Laboratory equipment	Furniture fixture and office equipment	Vehicles	Technical books	Total
Year ended March 31, 2021										
Gross carrying amount										
Opening gross carrying amount	**546.35**	**6,262.69**	**29,005.23**	**347.20**	**1,343.96**	**529.07**	**1,375.46**	**352.55**	**2.55**	**39,765.06**
Additions	980.44	302.25	2,146.71	35.29	50.41	4.28	528.77	—	—	4,048.15
Disposals	—	—	(139.22)	(13.39)	—	—	(3.96)	(19.15)	—	(175.72)
Closing gross carrying amount	**1,526.79**	**6,564.94**	**31,012.72**	**369.10**	**1,394.37**	**533.35**	**1,900.27**	**333.40**	**2.55**	**43,637.49**
Accumulated Depreciation										
Opening accumulated depreciation	**—**	**548.92**	**4,823.22**	**186.41**	**310.03**	**138.68**	**418.45**	**136.52**	**1.31**	**6,563.54**
Depreciation charge during the year	—	204.61	1,956.86	60.24	123.43	49.01	186.14	41.68	0.26	2,622.23
Disposals	—	—	(112.11)	(12.76)	—	—	(3.63)	(13.58)	—	(142.08)
Closing accumulated depreciation	**—**	**753.53**	**6,667.97**	**233.89**	**433.46**	**187.69**	**600.96**	**164.62**	**1.57**	**9,043.69**
Net carrying amount	**1,526.79**	**5,811.41**	**24,344.75**	**135.21**	**960.91**	**345.66**	**1,299.31**	**168.78**	**0.98**	**34,593.80**

Notes:

(a) Buildings include cost of shares in co-operative housing societies INR 0.01 lakhs (Previous Year: INR 0.01 lakhs) and Freehold Land include cost of shares in co-operative Industrial Estate Limited INR 0.01 lakhs (Previous Year: INR Nil lakhs).

(b) Property, plant and equipment pledged as security
Refer Note 27 (c) for information on property, plant and equipments pledged as security by the Company.

(c) Contractual obligations
Refer Note 49 (c) (i) for disclosure of contractual commitments for the acquisition of property, plant and equipments.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

NOTE 4 - RIGHT OF USE ASSETS

Particulars	As at March 31, 2021	As at March 31, 2020
Building *	63.46	94.30
Land *	2,226.04	2,262.07
Total	**2,289.50**	**2,356.37**

* Refer Note 55 for additional disclosure as per Ind AS 116

NOTE 5 - INVESTMENT PROPERTIES

Particulars	As at March 31, 2021	As at March 31, 2020
Gross Carrying amount		
Opening gross carrying amount	159.53	159.53
Disposals	(60.10)	—
Closing gross carrying amount	**99.43**	**159.53**
Accumulated depreciation		
Opening accumulated depreciation	**17.40**	**14.18**
Depreciation charge for the year	1.92	3.22
Disposals	(5.21)	—
Closing accumulated depreciation	**14.11**	**17.40**
Net Carrying amount	**85.32**	**142.13**

(i) Amounts recognised in the Statement of Profit or Loss for investment properties

Particulars	As at March 31, 2021	As at March 31, 2020
Rental income from operating leases	54.80	44.54
Direct operating expenses for property that generated rental income	1.47	1.03
Direct operating expenses for property that did not generate rental income	—	0.71
Profit from investment properties before depreciation	**53.33**	**42.80**
Depreciation	1.92	3.22
Profit from investment properties	**51.41**	**39.58**

(ii) Leasing arrangements

Certain investment properties are leased to tenants under operating leases with rentals payable monthly. Minimum lease payments receivable under non-cancellable operating leases of investment properties are as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Within 1 year	53.85	43.58
Later than 1 year but not later than 5 years	82.39	82.26
Later than 5 years	—	—
Total	**136.24**	**125.84**

(iii) Fair value of investment properties

Particulars	As at March 31, 2021	As at March 31, 2020
Investment Properties	631.99	714.74

(iv) Estimation of fair value

The Company periodically obtains independent valuations for its investment properties. The best evidence of fair value is current prices in an active market for similar properties.

The fair values of investment properties have been determined by independent valuer who holds recognised and relevant professional qualification.

(All amounts in INR lakhs, unless otherwise stated)

NOTE 6 - INTANGIBLE ASSETS

Particulars	Computer software	Goodwill	Total
Year ended March 31, 2020			
Gross carrying amount			
Opening gross carrying amount	**157.50**	**—**	**157.50**
Additions	51.78	—	51.78
On account of business acquisition (Refer Note 47)	—	1,885.28	1,885.28
Closing gross carrying amount	**209.28**	**1,885.28**	**2,094.56**
Accumulated amortisation			
Opening accumulated amortisation	125.51	—	125.51
Amortisation charge for the year	28.33	—	28.33
Closing accumulated amortisation	**153.84**	**—**	**153.84**
Closing Net carrying amount	**55.44**	**1,885.28**	**1,940.72**
Year ended March 31, 2021			
Gross carrying amount			
Opening gross carrying amount	209.28	1,885.28	2,094.56
Additions	2.04	—	2.04
Closing gross carrying amount	**211.32**	**1,885.28**	**2,096.60**
Accumulated amortisation			
Opening accumulated amortisation	153.84	—	153.84
Amortisation charge for the year	24.30	—	24.30
Closing accumulated amortisation	**178.14**	**—**	**178.14**
Closing net carrying amount	**33.18**	**1,885.28**	**1,918.46**

Impairment charges:

The goodwill is tested for impairment annually. No impairment charges were identified for the year ended March 31, 2021 and March 31, 2020.

Significant Cash Generating Units (CGUs)

The Company has identified its reportable segments, i.e. Chemical and Environment as the CGUs. The goodwill acquired through business combination has been allocated to CGU 'Chemical' segment of the Company. The carrying amount of goodwill is as under:

Particulars	As at March 31, 2021	As at March 31, 2020
Chemical	1,885.28	1,885.28
Total	**1,885.28**	**1,885.28**

Following key assumptions were considered while performing impairment testing

The recoverable amount of CGU has been calculated based on its value in use, estimated as the present value of projected future cash flows.

Particulars	As at March 31, 2021	As at March 31, 2020
Annual/Terminal Growth rate	4.00%	4.00%
Weighted Average Cost of Capital % (WACC) post tax (Discount rate)	10.95%	10.95%
Average segmental margin	49.75%	52.89%

The projections cover a period of five years, as the Company believes this to be the most appropriate timescale over which to review and consider annual performances before applying a fixed terminal value multiple to the final year cash flows. The growth rates and segmental margins used to estimate cash flows for the first five years are based on past performance, and on the Company's five-year strategic plan.

Weighted Average Cost of Capital % (WACC) = Risk free return + (Market risk premium x Beta for the Company).

Average segmental margins are based on FY 2020-21 performance

The Company has performed sensitivity analysis around the base assumptions and has concluded that there are no reasonably possible changes to key assumptions that would cause the carrying amount of a CGU to exceed its recoverable amount.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021
(All amounts in INR lakhs, unless otherwise stated)

NOTE 7 - INVESTMENTS IN SUBSIDIARIES AND JOINT VENTURE

Particulars	As at March 31, 2021	As at March 31, 2020
Unquoted equity instruments at cost		
Investments in wholly owned subsidiaries		
199,982 (March 31, 2020: 199,982) Equity shares of INR 100 each fully paid up in Kamaljyot Investments Limited	370.34	370.34
510,000 (March 31, 2020: 510,000) Equity shares of INR 10 each fully paid up in Excel Bio Resources Limited	51.13	51.13
	421.47	421.47
Investment in joint venture		
468,000 (March 31, 2020: 468,000) Equity shares of Hong Kong $ 1 each fully paid up in Wexsam Limited, Hong Kong	27.26	27.26
Less: Impairment in value of investment	(27.26)	(27.26)
	—	—
Total	**421.47**	**421.47**
Aggregate amount of unquoted Investments	421.47	421.47

Note: Wexsam Limited, Hong Kong, was dissolved on July 15, 2016 and is fully impaired in the financial statements.

NOTE 8 - NON-CURRENT INVESTMENTS

Particulars	As at March 31, 2021	As at March 31, 2020
Investment in Equity Instruments (fully paid-up)		
Quoted at FVOCI		
584,977 (March 31, 2020: 584,977) Equity shares of INR 10 each fully paid up in Punjab Chemicals and Crop Protection Limited	5,120.01	1,823.37
4,285 (March 31, 2020: 4,285) Equity shares of INR 10 each fully paid up in TIL Limited	6.50	4.27
13,400 (March 31, 2020: 13,400) Equity shares of INR 10 each fully paid up in Bank of India	9.09	4.32
	5,135.60	1,831.96
Unquoted at FVOCI		
888,750 (March 31, 2020: 888,750) Equity shares of INR 10 each fully paid up in TML Industries Limited	—	—
1,067,450 (March 31, 2020: 1,067,450) Equity shares of INR 10 each fully paid up in Transpek-Silox Industry Private Limited	14,486.37	12,467.46
2,500 (March 31, 2020: 2,500) Equity shares of INR 10 each fully paid up in The Saraswat Co-operative Bank Limited	0.25	0.25
50,000 (March 31, 2020: 50,000) Equity shares of INR 10 each fully paid up in Biotech Consortium India Limited	5.00	5.00
	14,491.62	12,472.71
Total	**19,627.22**	**14,304.67**
Aggregate amount of unquoted Investments	14,491.62	12,472.71
Aggregate amount of quoted Investments	5,135.60	1,831.96

NOTE 9 - LOANS – NON-CURRENT

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured considered good (unless otherwise stated)		
Loans to employees	5.14	7.27
Security deposits	617.48	527.12
Total	**622.62**	**534.39**

NOTE 10 - OTHER NON-CURRENT FINANCIAL ASSETS

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured considered good (unless otherwise stated)		
Margin Money deposits with maturity of more than 12 months*	4.17	—
Total	4.17	—

* Refer Note 16

NOTE 11 - OTHER NON-CURRENT ASSETS

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured considered good (unless otherwise stated)		
Capital advances		
Unsecured, considered good	125.87	89.63
Unsecured, considered doubtful	76.62	76.62
	202.49	166.25
Provision for doubtful capital advances	(76.62)	(76.62)
	125.87	89.63
Prepaid expenses	41.58	38.75
Balances with Government Authorities	50.87	29.54
Total	**218.32**	**157.92**

NOTE 12 - INVENTORIES

Particulars	As at March 31, 2021	As at March 31, 2020
Raw materials [including stock-in-transit INR 742.15 lakhs (March 31, 2020: INR 456.00 lakhs)]	1,960.48	2,126.04
Packing materials	145.44	128.29
Finished goods	1,693.54	2,068.90
Work-in-progress	2,427.77	2,820.27
Traded goods	103.86	129.96
Stores and spares (including fuel and coal)	566.02	498.51
Total	**6,897.11**	**7,771.97**

Refer Note 1(k) for basis of valuation.

Amounts recognised in Statement of Profit or Loss:

Inventory write downs are accounted, considering the nature of inventory, ageing, liquidation plan and net realisable value. Writedowns of inventories as at year end amounted to INR 118.25 lakhs (as at March 31, 2020 - INR 67.06 lakhs). These writedowns were recognised as an expense and included in ‘changes in inventories of finished goods, stock-in-trade and work-in-progress’ in the Statement of Profit and Loss.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

NOTE 13 - CURRENT INVESTMENTS

Particulars	As at March 31, 2021	As at March 31, 2020
Investments in Mutual Funds		
Unquoted at FVPL		
Edelweiss Liquid Fund - Direct Plan - Daily Dividend 1,869.270 (March 31, 2020: 1,807.055) units of INR 1,000 fully paid up	18.75	18.12
Kotak Liquid - Direct Plan - Daily Dividend 1,204.917 (March 31, 2020: 1,166.404) units of INR 1,000 fully paid up	14.73	14.26
Kotak Equity Arbitrage Fund - Direct Plan - Monthly Dividend 7,467,467.770 (March 31, 2020: 7,206,309.476) units of INR 10 fully paid up	836.19	805.10
Total	**869.67**	**837.48**
Aggregate amount of unquoted Investments	869.67	837.48

NOTE 14 - TRADE RECEIVABLES

Particulars	As at March 31, 2021	As at March 31, 2020
Trade receivables from related parties (Refer Note 48)	43.52	30.93
Other Trade receivables	17,509.39	15,076.29
Less: Allowance for doubtful debts/Expected credit loss	288.89	134.25
Total	**17,264.02**	**14,972.97**
Current portion	17,264.02	14,972.97
Non-current portion	—	—

Break-up of security details

Particulars	As at March 31, 2021	As at March 31, 2020
Secured, considered good	-	-
Unsecured, considered good	17,264.02	14,972.97
Doubtful	288.89	134.25
Total	**17,552.91**	**15,107.22**
Less : Allowance for doubtful debts / Expected credit loss	(288.89)	(134.25)
Total	**17,264.02**	**14,972.97**

Note: For credit risk and provision for loss allowance (Refer Note 44)

NOTE 15 - CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with Banks:		
In Current accounts	498.83	1,688.76
Cash on Hand	0.82	8.03
Deposits with maturity of less than three months	3,710.75	—
Total	**4,210.40**	**1,696.79**

Note: There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

NOTE 16 - BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2021	As at March 31, 2020
Margin money deposits (Refer Note below)	262.63	37.60
Unclaimed dividend account	82.02	96.93
Deposits with maturity of more than three months but less than 12 months	610.32	—
Total	**954.97**	**134.53**

Note:
Margin money deposits of INR 266.80 lakhs (March 31, 2020: INR 37.60 lakhs) have been given against Letter of Credit, Bank guarantees and other deposits. (also Refer Note 10)

NOTE 17 - LOANS – CURRENT

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured considered good (unless otherwise stated)		
Loans to employees	34.51	16.51
Security deposits	94.39	106.67
Total	**128.90**	**123.18**

NOTE 18 - OTHER CURRENT FINANCIAL ASSETS

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured considered good (unless otherwise stated)		
Interest accrued	30.18	29.66
Foreign exchange forward contracts	2.02	44.98
Export benefit receivable	14.43	13.78
Others	36.54	1.75
Total	**83.17**	**90.17**

NOTE 19 - OTHER CURRENT ASSETS

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured considered good (unless otherwise stated)		
Balances with Government Authorities	17.17	204.36
Prepaid expenses	228.19	219.38
Advances to suppliers		
Unsecured considered good	963.73	340.54
Unsecured considered doubtful	83.78	—
	1,047.51	340.54
Provision for doubtful advances	(83.78)	—
	963.73	**340.54**
Export benefits receivable	452.58	401.23
Others	0.53	0.50
Total	**1,662.20**	**1,166.01**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021
(All amounts in INR lakhs, unless otherwise stated)

NOTE 20 - EQUITY SHARE CAPITAL

Particulars	No. of shares	Amount
Authorised shares		
As at March 31, 2021		
Equity shares of INR 5/- each	38,000,000	1,900.00
11% Cumulative Redeemable Preference Shares of INR 10/- each	850,000	85.00
Unclassified Shares of INR 5/- each	300,000	15.00
As at March 31, 2020		
Equity shares of INR 5/- each	38,000,000	1,900.00
11% Cumulative Redeemable Preference Shares of INR 10/- each	850,000	85.00
Unclassified Shares of INR 5/- each	300,000	15.00
Issued, subscribed and paid-up		
As at March 31, 2021		
Equity shares of INR 5/- each fully paid-up	12,570,692	628.53
Total	**12,570,692**	**628.53**
As at March 31, 2020		
Equity shares of INR 5/- each fully paid-up	12,570,692	628.53
Total	**12,570,692**	**628.53**

(i) Movement in Equity Share Capital

Equity Shares	As at March 31, 2021		As at March 31, 2020	
	Nos.	Amount	Nos.	Amount
At the beginning of the year	12,570,692	628.53	12,570,692	628.53
Outstanding at the end of the year	**12,570,692**	**628.53**	**12,570,692**	**628.53**

(ii) Terms/ rights attached to equity shares

The Company has one class of equity shares having par value of INR 5 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Details of shares held by shareholders holding more than 5% shares in the Company:

Name of the shareholder	As at March 31, 2021		As at March 31, 2020	
	Nos. of Shares	% of holding	Nos. of Shares	% of holding
Anshul Specialty Molecules Private Limited	5,358,682	42.63%	5,358,682	42.63%
Life Insurance Corporation of India	888,463	7.07%	888,463	7.07%

(iv) Disclosure for shares of the company held by parent / ultimate parent company:

Name of the shareholder	As at March 31, 2021		As at March 31, 2020	
	Nos. of Shares	% of holding	Nos. of Shares	% of holding
Anshul Specialty Molecules Private Limited	5,358,682	42.63%	5,358,682	42.63%

(All amounts in INR lakhs, unless otherwise stated)

NOTE 21 - OTHER EQUITY

Particulars	As at March 31, 2021	As at March 31, 2020
Capital reserve	0.01	0.01
Securities premium	534.37	534.37
Capital redemption reserve	16.75	16.75
General reserve	39,537.32	34,537.32
Retained earnings	15,248.96	13,300.33
Other reserves	15,619.46	11,097.61
Total	**70,956.87**	**59,486.39**

(i) Capital Reserve

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	0.01	0.01
Closing balance	**0.01**	**0.01**

(ii) Securities Premium

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	534.37	534.37
Closing balance	**534.37**	**534.37**

(iii) Capital Redemption Reserve

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	16.75	16.75
Closing balance	**16.75**	**16.75**

(iv) General reserve

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	34,537.32	29,537.32
Add: Amount transferred from retained earnings	5,000.00	5000.00
Closing balance	**39,537.32**	**34,537.32**

(v) Retained earnings

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	13,300.33	13,478.05
Profit for the year	7,018.95	9,347.34
Dividend Paid	—	(3,614.07)
Dividend Distribution tax	—	(742.88)
Transfer to general reserve	(5,000.00)	(5,000.00)
Items of Other Comprehensive Income (OCI) recognised directly in retained earnings:		
– Remeasurement of Post Employment benefits obligations (net of tax)	(70.32)	(168.11)
Closing balance	**15,248.96**	**13,300.33**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021
(All amounts in INR lakhs, unless otherwise stated)

NOTE 21 - OTHER EQUITY *(Contd.)*

(vi) Other reserves – FVOCI – Equity Investments

Particulars	**As at March 31, 2021**	**As at March 31, 2020**
Opening Balance	11,097.61	14,854.85
Change in fair value of FVOCI equity investments (Refer Note 8)	5,322.55	(4,483.72)
Tax on above	(800.70)	726.48
	4,521.85	(3,757.24)
Closing balance	**15,619.46**	**11,097.61**

Nature and purpose of reserves

Capital Reserve

Capital reserve is utilised in accordance with provision of the Act.

Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

Capital Redemption Reserve

Represent reserve created during buy back of Equity Shares and it is a non-distributable reserve.

General Reserve

The General Reserve is used from time to time to record transfer of profit from retained earnings, for appropriation purposes. As general reserve is created by transfer from one component of equity to another and it is not an item of other comprehensive income.

Other reserves - FVOCI - Equity Investments

The Company has elected to recognise changes in the fair value of certain investments in equity securities in Other Comprehensive Income. These changes are accumulated within FVOCI equity investments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

NOTE 22 - NON-CURRENT BORROWINGS

Particulars	**As at March 31, 2021**	**As at March 31, 2020**
Term loan (Secured)		
From others		
Vehicle loan from a financial institution	0.55	2.12
Total	**0.55**	**2.12**

Notes:

(a) Term loan under vehicle finance from a financial institution amounting to INR 2.12 lakhs (March 31, 2020: INR 6.25 lakhs) carrying interest rate ranging from 12% to 14% per annum repayable in equated monthly instalments and secured by hypothecation of the vehicles acquired by utilising the said loans.

(b) Installments falling due within a year in respect of all the above Loans aggregating INR 1.57 lakhs (March 31, 2020: INR 4.13 lakhs) have been grouped under "Current maturities of long-term debt" (Refer Note 30)

(c) Refer Note 44(B) for liquidity risk.

(d) The carrying amounts of financial and non financial assets as security for secured borrowings are disclosed in Note 27 (c).

(e) Refer Note 27 (d) net debt reconciliation.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021
(All amounts in INR lakhs, unless otherwise stated)

NOTE 23 - LEASE LIABILITIES - NON CURRENT

Particulars	As at March 31, 2021	As at March 31, 2020
Lease liabilities (Refer Note 55)	217.33	251.05
Total	**217.33**	**251.05**

NOTE 24 - OTHER NON-CURRENT FINANCIAL LIABILITIES

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred consideration (Refer Note 47)	—	889.19
Total	**—**	**889.19**

NOTE 25 - EMPLOYEE BENEFIT OBLIGATIONS - NON-CURRENT

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for employee benefit obligations (Refer Note 42):		
Leave obligation	1,139.19	1,088.99
Medical voluntary retirement scheme	102.16	114.64
Long service award	55.10	69.78
Total	**1,296.45**	**1,273.41**

NOTE 26 - TAXATION

(a) Income tax expense

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Current tax		
Current tax on profits for the year	2,162.07	2,626.76
Total current tax expense	**2,162.07**	**2,626.76**
Deferred tax	789.26	(753.58)
Total deferred tax expense/(benefit)	**789.26**	**(753.58)**
Total Income tax expense	**2,951.33**	**1,873.18**

(b) Reconciliation of tax expense and accounting profit multiplied by statutory tax rates:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Profit before tax	9,970.28	11,220.52
Tax at the Indian tax rate of 25.168% (previous year 25.168%)	**2,509.32**	**2,823.98**
Add / (less) effects of :		
Exempt Income	(93.73)	(153.41)
One time deferred tax credit on transition to new tax regime *	—	(796.59)
Expenses disallowed (Donation & CSR)	90.48	80.42
Deferred tax on goodwill **	351.03	—
Adjustment to current tax of prior periods	81.02	—
Others	13.21	(81.22)
Income tax expense	**2,951.33**	**1,873.18**

* Pursuant to the Taxation Laws (Amendment) Ordinance 2019, the Company has decided to opt for the reduced tax rate and hence, the current tax and deferred tax has been computed based on the revised rate inclusive of surcharge and cess (i.e. 25.17%). Accordingly, the Company has recognised current tax and deferred tax expenses for the year ended March 31, 2020 on the revised rate and accounted for deferred tax credit of INR 796.59 lakhs on account of re-measurement of net deferred tax liabilities as at March 31, 2019.

** Finance Bill enacted in March 2021 has disallowed depreciation on goodwill retrospectively from April 1, 2020 for the purpose of tax deduction and Accordingly, the Company has accounted for deferred tax charge for the year ended March 31, 2021 amounting to INR 351.03 lakhs being the deferred tax liabilities on difference between book base and tax base of goodwill.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021
(All amounts in INR lakhs, unless otherwise stated)

NOTE 26 - TAXATION *(Contd.)*

(c) Deferred tax:

The balance comprises temporary differences attributable to:

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax assets		
Liabilities / provisions that are deducted for tax purposes when paid	400.37	535.91
Provision for doubtful receivables and advances	113.02	51.08
Other timing differences	(24.95)	81.78
Total deferred tax assets	**488.44**	**668.77**

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax liabilities		
Additional depreciation/amortisation on tangible and intangible assets for tax purposes due to higher tax depreciation rate	3,770.60	3,185.32
Financial assets at fair value through Other Comprehensive Income	3,221.57	2,420.87
Total deferred tax liabilities	**6,992.17**	**5,606.19**
Net deferred tax liabilities	**6,503.73**	**4,937.42**

Movement in deferred tax assets/(liabilities):

Particulars	As at March 31, 2020	Charged/ (credited) to profit and loss	Charged/ (credited) to OCI	As at March 31, 2021
For the year ended March 31, 2021				
Liabilities / provisions that are deducted for tax purposes when paid	535.91	159.19	(23.65)	400.37
Provision for doubtful receivables and advances	51.08	(61.94)	—	113.02
Additional depreciation/amortisation on tangible and intangible assets for tax purposes due to higher tax depreciation rate	(3,185.32)	585.28	—	(3,770.60)
Financial assets at fair value through Other Comprehensive Income	(2,420.87)	—	800.70	(3,221.57)
Other timing differences (net)	81.78	106.73	—	(24.95)
Total Deferred tax assets/(liabilities)	**(4,937.42)**	**789.26**	**777.05**	**(6,503.73)**

Particulars	As at March 31, 2019	Addition on business combination	Charged/ (credited) to profit and loss	Charged/ (credited) to OCI	As at March 31, 2020
For the year ended March 31, 2020					
Liabilities / provisions that are deducted for tax purposes when paid	537.49	—	58.12	(56.54)	535.91
Provision for doubtful receivables and advances	95.31	—	44.23	—	51.08
Additional depreciation/amortisation on tangible and intangible assets for tax purposes due to higher tax depreciation rate	(3,194.40)	479.11	(488.19)	—	(3,185.32)
Financial assets at fair value through Other Comprehensive Income	(3,147.35)	—	—	(726.48)	(2,420.87)
Other timing differences (net)	(285.96)	—	(367.74)	—	81.78
Total Deferred tax assets/(liabilities)	**(5,994.91)**	**479.11**	**(753.58)**	**(783.02)**	**(4,937.42)**

NOTE 27 - SHORT TERM BORROWINGS

Particulars	As at March 31, 2021	As at March 31, 2020
Secured		
Cash credits	15.90	1,067.35
Post shipment banking facility	—	170.98
Unsecured		
Post shipment banking facility	591.22	887.82
Total	**607.12**	**2,126.15**

Notes:

(a) Cash credit loan from banks are secured by hypothecation of all tangible movable assets both present and future including stock of raw materials, finished goods, goods in process, stores and trade receivables etc. and is further secured by a second charge on the immovable property at Roha and Lote Parashuram. The cash credit loan is repayable on demand and carries interest rates at 7.55% to 9.00% (March 31, 2020 - 9.00% to 10.85%).

(b) Post shipment banking facility amounting to INR Nil (March 31, 2020 INR 170.98 lakhs) is repayable within 30 to 120 days and are secured against assets as mentioned in point (a) above and carries interest rate of LIBOR + 3%. Post shipment banking facility amounting to INR 591.21 lakhs (March 31, 2020 INR 887.82 lakhs) is repayable within 30 to 120 days and are unsecured and carries interest rate of LIBOR + 1.5%.

(c) The carrying amounts of financial and non financial assets hypothecated / mortgaged as security for current and non-current borrowings are as under:

Particulars	As at March 31, 2021	As at March 31, 2020
Current Assets		
Financial Assets		
Trade Receivables	17,264.02	14,972.97
Non Financial Assets		
Inventories	6,897.11	7,771.97
Total Current Assets Pledged as Security	**24,161.13**	**22,744.94**
Non Current Assets		
Right of use assets	198.02	201.70
Freehold land	140.81	140.81
Buildings	3,064.26	2,886.77
Plant and machinery	20,706.95	20,476.23
Other Property Plant and Equipment	1,326.01	1,485.63
Total Non-current assets pledged as security	**25,436.05**	**25,191.14**
Total assets pledged as security	**49,597.18**	**47,936.08**

The Company is in the process of satisfaction of charge created on certain assets, in respect of loans which were repaid in the earlier year.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021
(All amounts in INR lakhs, unless otherwise stated)

NOTE 27 - SHORT TERM BORROWINGS *(Contd.)*

(d) Net debt reconciliation

Particulars	**As at March 31, 2021**	**As at March 31, 2020**
Cash and cash equivalents	(4,210.40)	(1,696.79)
Current investments in mutual funds	(869.67)	(837.48)
Non-Current Borrowings (Including current maturities)	2.12	6.25
Current Borrowings	607.12	2,126.15
Interest payable on above borrowings	—	0.06
Net Debt	**(4,470.83)**	**(401.81)**

Particulars	**Other assets**		**Liabilities from financing activities**		
	Cash and cash equivalents	**Current investments**	**Non-Current Borrowings**	**Current Borrowings**	**Interest payable on borrowings**
Net Debt as at March 31, 2020	**(1,696.79)**	**(837.48)**	**6.25**	**2,126.15**	**0.06**
Cash flow	(2,513.61)	—	—	—	—
Purchase of investments	—	(30.61)	—	—	—
Fair value adjustments and gain on investments	—	(1.58)	—	—	—
Repayment of loan	—	—	(4.13)	(1,519.03)	—
Interest expenses	—	—	—	—	108.48
Interest paid	—	—	—	—	(108.54)
Net Debt as at March 31, 2021	**(4,210.40)**	**(869.67)**	**2.12**	**607.12**	**—**

Particulars	**Other assets**		**Liabilities from financing activities**		
	Cash and cash equivalents	**Current investments**	**Non-Current Borrowings**	**Current Borrowings**	**Interest payable on borrowings**
Net Debt as at March 31, 2019	**(300.13)**	**(6,893.65)**	**89.51**	**615.38**	**0.24**
Cash flow from continuing operation	(1,392.04)	—	—	—	—
Cash and cash equivalents pertaining to discontinuing operations	(4.62)	—	—	—	—
Purchase of investments	—	(6,831.98)	—	—	—
Sales of investments	—	12,932.37	—	—	—
Fair value adjustments and gain on investments	—	(44.22)	—	—	—
Repayment of loan	—	—	(83.26)	1,510.77	—
Interest expenses	—	—	—	—	190.29
Interest paid	—	—	—	—	(190.47)
Net Debt as at March 31, 2020	**(1,696.79)**	**(837.48)**	**6.25**	**2,126.15**	**0.06**

(All amounts in INR lakhs, unless otherwise stated)

NOTE 28 - TRADE PAYABLES

Particulars	As at March 31, 2021	As at March 31, 2020
Total Outstanding due of micro and small enterprises	1,160.87	666.57
Total Outstanding due of creditors other than micro and small enterprises	11,137.58	9,823.46
Total	**12,298.45**	**10,490.03**

Notes:

(a) The Company has certain payables to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure pursuant to the said MSMED Act are as follows.

Particulars	As at March 31, 2021	As at March 31, 2020
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	1,160.87	666.57
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	—	—
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	40.53	96.65
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	—	—
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	3.30	—
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	0.08	2.94
Further interest remaining due and payable for earlier years	0.02	0.30

(b) Refer Note 44 for information about liquidity risk and market risk of trade payables.

NOTE 29 - LEASE LIABILITIES - CURRENT

Particulars	As at March 31, 2021	As at March 31, 2020
Lease liabilities (Refer Note 55)	33.73	28.52
Total	**33.73**	**28.52**

NOTE 30 - OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at March 31, 2021	As at March 31, 2020
Current maturities of long term debt (Refer Note (b) below)	1.57	4.13
Interest accrued and due	—	0.06
Unclaimed Dividend	82.02	96.93
Unclaimed Matured Fixed Deposits	5.33	5.81
Unclaimed interest on matured fixed deposits	1.73	2.22
Creditors for Capital Goods	395.74	329.29
Sundry Deposits	17.10	15.10
Foreign exchange forward contracts	—	3.39
Deferred consideration (Refer Note 47)	958.85	732.45
Others	89.76	61.60
Total	**1,552.10**	**1,250.98**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

NOTE 30 - OTHER CURRENT FINANCIAL LIABILITIES *(Contd.)*

Particulars	As at March 31, 2021	As at March 31, 2020

Notes:

(a) There are no amounts due for payment to the Investor Education and Protection Fund Under Section 125 of the Companies Act, 2013 as at the year end.

(b) Current maturities of long term debt includes amount due in next 12 months from various term loans and deposits as under (Refer Note 22):

Particulars	As at March 31, 2021	As at March 31, 2020
From others		
Vehicle loan from a financial institution	1.57	4.13
Total	**1.57**	**4.13**

NOTE 31 - EMPLOYEE BENEFIT OBLIGATIONS - CURRENT

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for employee benefit obligations (Refer Note 42):		
Leave obligation	106.66	116.37
Gratuity	560.49	510.55
Medical voluntary retirement scheme	44.20	37.58
Long service award	24.58	14.28
Total	**735.93**	**678.78**

NOTE 32 - OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2021	As at March 31, 2020
Statutory dues including provident fund and tax deducted at sources	223.18	105.18
Advances from customers	104.35	111.06
Other payables	4.03	10.91
Total	**331.56**	**227.15**

NOTE 33 - REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Revenue from contracts with customers:		
a) Sale of products		
Finished Goods (Refer note below)	71,806.50	66,994.09
Traded Goods	1,386.42	1,537.73
b) Sale of services		
Processing charges	567.69	240.52
Others	640.42	714.22
	74,401.03	**69,486.56**
Other operating revenue:		
a) Export incentives	289.82	466.16
b) Scrap sales	255.75	295.72
	545.57	**761.88**
Total	**74,946.60**	**70,248.44**

Reconciliation of gross revenue with the revenue from contracts with customer is missing.

Notes:

(a) The Company does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration.

(b) There are no material contracts for sale of services wherein, performance obligation is unsatisfied to which transaction price has been allocated.

(All amounts in INR lakhs, unless otherwise stated)

NOTE 34 - OTHER INCOME

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest income on		
Bank deposits	130.58	5.39
Others	23.03	36.51
	153.61	**41.90**
Dividend income		
From non current investments (Refer note below)	341.82	309.91
From current investments	30.61	299.62
	372.43	**609.53**
Others		
Rent (Refer Note 5)	65.27	55.73
Gain on fair valuation of current investments	1.58	11.85
Profit on sale of current investments	—	32.37
Profit on disposal of investment property	137.05	—
Others	95.84	56.49
	299.74	**156.44**
Total	**825.78**	**807.87**

Note:

All dividends from equity investments designated at FVOCI relate to investments held at the end of the reporting period.

NOTE 35 - COST OF MATERIALS CONSUMED

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
a. Raw materials		
Inventory at the beginning of the year	1,670.04	2,055.29
Add: Reclassification of Discontinuing operations (Refer Note 52)	—	10.92
Add: On account of business acquisition (Refer Note 47)	—	34.52
Add: Purchases	34,032.34	31,226.92
	35,702.38	**33,327.65**
Less: Inventory at the end of the year	1,218.33	1,670.04
Total cost of Raw materials consumed	**34,484.05**	**31,657.61**
b. Packing materials		
Inventory at the beginning of the year	128.29	82.35
Add: Reclassification of Discontinuing operations (Refer Note 52)	—	50.74
Add: On account of business acquisition (Refer Note 47)	—	0.54
Add: Purchases	1,437.54	1,465.66
	1,565.83	**1,599.29**
Less: Inventory at the end of the year	145.44	128.29
Total cost of Packing materials consumed	**1,420.39**	**1,471.00**
Total	**35,904.44**	**33,128.61**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021
(All amounts in INR lakhs, unless otherwise stated)

NOTE 36 - PURCHASE OF STOCK IN TRADE

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Chemicals and others	223.21	503.49
Total	**223.21**	**503.49**

NOTE 37 - (INCREASE)/DECREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK IN TRADE

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Inventories at the end of the year		
Finished goods	1,693.54	2,068.90
Work-in-progress	2,427.77	2,820.27
Stock in trade	103.86	129.96
	4,225.17	**5,019.13**
Inventories at the beginning of the year		
Finished goods	2,068.90	1,800.98
Work-in-progress	2,820.27	1,999.33
Stock in trade	129.96	—
Add: On account of business acquisition (Refer Note 47)	—	239.14
Add: Inventories of Discontinuing operations (Refer Note 52)		
Finished goods	—	35.83
Work-in-progress	—	4.81
Stock in trade	—	164.14
	5,019.13	**4,244.23**
Total	**793.96**	**(774.90)**

NOTE 38 - EMPLOYEE BENEFIT EXPENSES

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Salaries, wages and bonus	7,611.94	7,146.47
Contribution to provident and other funds	544.29	522.45
Provision/ payment of gratuity (Refer Note 42)	272.10	243.21
Workman and staff welfare expenses	509.74	548.50
Total	**8,938.07**	**8,460.63**

NOTE 39 - DEPRECIATION AND AMORTISATION EXPENSES

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation on Property, Plant and Equipment (Refer Note 3)	2,622.23	2,195.97
Depreciation on Right of use assets (Refer Note 55)	66.87	50.53
Depreciation on Investment Property (Refer Note 5)	1.92	3.22
Amortisation of Intangible Assets (Refer Note 6)	24.30	28.33
Total	**2,715.32**	**2,278.05**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

NOTE 40 - OTHER EXPENSES

Particulars		**Year ended March 31, 2021**		**Year ended March 31, 2020**
Consumption of stores and spares		88.40		60.91
Processing charges		103.88		179.95
Power and fuel		5,600.38		5,262.86
Effluent expenses		1,416.39		1,277.40
Rent (Refer Note 55)		433.76		295.60
Rates and taxes		99.62		78.31
Bank charges		84.38		124.08
Contractor's labour charges		432.29		278.94
Water charges		268.76		232.76
Sales commission		151.38		113.92
Insurance		295.12		249.29
Repairs and maintenance on:				
Plant and machinery		1,967.77		1,916.39
Buildings		68.90		84.92
Others		133.17		194.80
CSR expenditure (Refer Note 51)		296.31		258.07
Travelling and conveyance		87.07		290.26
Legal and professional fees		1,116.75		1,127.99
Directors' sitting fees (Refer Note 48)		22.90		20.00
Non Executive Directors' Commission (Refer Note 48)		68.00		68.00
Auditor's Remuneration (Refer details below)		50.64		51.88
Bad debts / sundry debit balances written off (net):				
Bad Debts written off during the year	—		7.93	
Less: Utilisation from Provision for doubtful debts	—	—	(7.93)	—
Expected credit loss / Provision for doubtful receivables (net)		154.64		(53.95)
Provision for doubtful advances to supplier		83.78		—
Freight outward and forwarding expenses		2,542.47		2,122.13
Charity and donations		63.16		217.99
Net foreign exchange loss		149.27		15.12
Net loss on disposal of property, plant and equipment		38.58		42.10
Miscellaneous expenses		1,191.76		1,474.98
Total		**17,009.53**		**15,984.70**

Particulars	**Year ended March 31, 2021**	**Year ended March 31, 2020**
Details of Auditor's Remuneration: (Net of credit for taxes)		
Audit fee	30.50	30.50
Tax audit fee	6.50	6.50
Limited review	9.75	9.75
Certification fees and other matters	3.60	3.60
Reimbursement of expenses	0.29	1.53
Total	**50.64**	**51.88**

NOTE 41 - FINANCE COSTS

Particulars	**Year ended March 31, 2021**	**Year ended March 31, 2020**
Interest	68.15	147.04
Interest on lease liabilities (Refer Note 55)	21.88	16.03
Other borrowing costs	40.33	33.24
Interest on deferred consideration (Refer Note 47)	87.21	58.90
Total	**217.57**	**255.21**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

NOTE 42 - EMPLOYEE BENEFIT OBLIGATIONS

(i) Leave Obligation

The Leave obligation cover Company's liability for earned leave. Amount recognised in the balance sheet is as under:

Particulars	As at March 31, 2021	As at March 31, 2020
Obligation not expected to be settled within next 12 months (non - current)	1,139.19	1,088.99
Obligation expected to be settled within next 12 months (current)	106.66	116.37
Total	**1,245.85**	**1,205.36**

(ii) Long Service Award

The Company provides for long service award to eligible employees upon achievement of certain years of service. Amount recognised in the balance sheet is as under:

Particulars	As at March 31, 2021	As at March 31, 2020
Obligation not expected to be settled within next 12 months (non - current)	55.10	69.78
Obligation expected to be settled within next 12 months (current)	24.58	14.28
Total	**79.68**	**84.06**

(iii) Gratuity

(a) The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity is calculated at specified number of days (15 days/22 days) of last drawn salary depending upon the tenure of service for each year of completed service. The gratuity plan is a funded plan.

(b) The amounts recognised in balance sheet and the movement in the gratuity over the year are as follows:

Particulars	Fair value of Plan Assets	Present Value of Obligations	Net amount
Balance as at March 31, 2019	4,040.72	4,201.59	160.87
Current service cost	—	230.80	230.80
Interest expense or cost	—	324.21	324.21
Investment income	311.80	—	(311.80)
Total amount recognised in Statement of Profit and Loss	**311.80**	**555.01**	**243.21**
Re-measurement (or Actuarial) (gain) / loss arising from:			
– change in financial assumptions	—	(186.11)	(186.11)
– experience variance	—	411.12	411.12
– return on plan assets, excluding amount recognised in net interest expense	1.18	—	(1.18)
Total amount recognised in Other Comprehensive Income	**1.18**	**225.01**	**223.83**
Benefits paid	—	(247.54)	(247.54)
Employer's contribution	104.72	—	(104.72)
Benefits paid	(234.90)	—	234.90
Balance as at March 31, 2020	**4,223.52**	**4,734.07**	**510.55**
Current service cost	—	237.97	237.97
Interest expense or cost	—	314.59	314.59
Investment income	280.46	—	(280.46)
Total amount recognised in Statement of Profit and Loss	**280.46**	**552.56**	**272.10**
Re-measurement (or Actuarial) (gain) / loss arising from:			
– change in financial assumptions	—	(32.75)	(32.75)
– experience variance	—	136.50	136.50
– return on plan assets, excluding amount recognised in net interest expense	—	—	—
Total amount recognised in Other Comprehensive Income	**—**	**103.75**	**103.75**
Benefits paid	—	(322.12)	(322.12)
Employer's contribution	306.17	—	(306.17)
Benefits paid	(302.38)	—	302.38
Balance as at March 31, 2021	**4,507.77**	**5,068.26**	**560.49**

(All amounts in INR lakhs, unless otherwise stated)

NOTE 42 - EMPLOYEE BENEFIT OBLIGATIONS *(Contd.)*

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

Particulars	As at March 31, 2021	As at March 31, 2020
Present value of funded obligation	5,068.26	4,734.07
Fair value of plan assets	4,507.77	4,223.52
Deficit of funded plan	**560.49**	**510.55**
Unfunded plans	—	—
Deficit of Gratuity plan	**560.49**	**510.55**

(d) Assumptions:

The principal financial assumptions used in valuation of Gratuity are as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Discount rate (per annum)	6.75%	6.65%
Salary growth rate (per annum)*	4.00% for first year and 7.00% thereafter	4.00% for first two years and 7.00% thereafter
Attrition rate (derived based on age)	1.00% to 5.00%	1.00% to 5.00%
Mortality rate	100% of Indian Assured Lives Mortality (2012-14)	100% of Indian Assured Lives Mortality (2012-14)

* The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion, and other relevant factors such as supply and demand factors in the employment market. (The expected rate of return on plan assets is based on the current portfolio of assets, investment strategy and market scenario.)

(e) The sensitivity of the defined benefit obligation to changes in the weighted key assumptions are:

Particulars	As at March 31, 2021			As at March 31, 2020		
	Change in Assumption	Increase in Rate / Increase (Decrease) in DBO	Decrease in Rate / Decrease (Increase) in DBO	Change in Assumption	Increase in Rate / Increase (Decrease) in DBO	Decrease in Rate / Decrease (Increase) in DBO
Discount rate	1.00%	-6.10%	6.90%	1.00%	-6.30%	7.20%
Salary growth rate	1.00%	7.40%	-6.70%	1.00%	7.70%	-7.00%
Attrition rate@	50.00%	-0.30%	0.40%	50.00%	-0.30%	0.30%

@ Represent increase or decrease in Attrition rate by 50%

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

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

(f) The major categories of plan assets are as follows:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Amount	%	Amount	%
Insurer Managed funds	4,507.77	100%	4,223.52	100%

(All amounts in INR lakhs, unless otherwise stated)

NOTE 42 - EMPLOYEE BENEFIT OBLIGATIONS *(Contd.)*

(g) Defined benefit liability and employer contributions:

The weighted average duration of the defined benefit obligation is 7 years (March 31, 2020 - 7 years). The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
1 year	830.30	769.26
2-5 years	1,567.44	1,347.23
6-10 years	2,773.81	2,540.01
More than 10 years	3,448.32	3,445.25

(iv) Medical Voluntary retirement scheme (MVRS):

(a) The Company has a defined benefit plan for its employees, viz., voluntary early separation scheme on account of continued ill-health not amounting to occupational disease and thereby unable to perform normal duties of their post. Under the Scheme, the benefits will be given for a retired employee for a maximum period upto 10 years or age of retirement, whichever is earlier. In case of early death of the employee, the legal heir of the employee shall get 50% of separation benefit for the rest of the benefit period. The costs of providing benefits under the said plan is determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for the plan using the projected unit credit method. Actuarial gains and losses for the defined benefit plan is recognised in full in the period in which they occur in the Statement of Profit and Loss. This Scheme is not funded.

(b) The amounts recognised in balance sheet and the movement in the obligation over the year are as follows:

Particulars	Amount
Balance as at March 31, 2019	**160.91**
Current service cost	21.86
Interest expense or cost	12.41
Re-measurement (or Actuarial) (gain) / loss arising from:	—
– change in financial assumptions	—
– experience variance	—
Total amount recognised in Statement of Profit and Loss	**34.27**
Re-measurement (or Actuarial) (gain) / loss arising from:	
– change in financial assumptions	4.13
– experience variance	(3.31)
Total amount recognised in Other Comprehensive Income	**0.82**
Benefits paid	(43.78)
Balance as at March 31, 2020	**152.22**
Current service cost	31.72
Interest expense or cost	10.12
Re-measurement (or Actuarial) (gain) / loss arising from:	—
– change in financial assumptions	—
– experience variance	—
Total amount recognised in Statement of Profit and Loss	**41.84**
Re-measurement (or Actuarial) (gain) / loss arising from:	
– change in financial assumptions	(0.36)
– experience variance	(9.42)
Total amount recognised in Other Comprehensive Income	**(9.78)**
Benefits paid	(37.92)
Balance as at March 31, 2021	**146.36**

NOTE 42 - EMPLOYEE BENEFIT OBLIGATIONS *(Contd.)*

(c) Assumptions:

The principal financial assumptions used in valuation of MVRS are as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Discount rate (per annum)	6.75%	6.65%
Mortality rate	100% (of LIC 96-98 mod ultimate)	

(d) The sensitivity of the defined benefit obligation to changes in the weighted key assumptions are:

Particulars	As at March 31, 2021			As at March 31, 2020		
	Change in Assumption	Increase in Rate / Increase (Decrease) in DBO	Decrease in Rate / Decrease (Increase) in DBO	Change in Assumption	Increase in Rate / Increase (Decrease) in DBO	Decrease in Rate / Decrease (Increase) in DBO
Discount Rate	1.00%	-2.40%	2.50%	1.00%	-2.60%	2.70%

(v) Defined Contribution Plan:

The Company has certain defined contribution plans such as provident fund, super annuation fund and family pension fund for the benefit of the employees. Contributions are made to provident fund in India for employee at the rate of 12% of basic salary as per regulations. The Contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expenses recognised during the period towards defined contribution plan is INR 544.29 lakhs (March 31, 2020 - INR 522.45 lakhs).

(vi) Risk Exposure for Gratuity (funded plan):

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

Assets Volatility: The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets under perform this yield, this will create a deficit. Most of the plan assets has investments in insurer managed funds. Hence, assets are considered to be secured.

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

NOTE 43 - FAIR VALUE MEASUREMENTS

(i) Financial instruments by category

Particulars	Note	As at March 31, 2021			As at March 31, 2020		
		FVOCI	FVPL	Amortised cost	FVOCI	FVPL	Amortised cost
Financial assets							
Equity investments	8	19,627.22	—	—	14,304.67	—	—
Investments in mutual funds	13	—	869.67	—	—	837.48	—
Trade receivables	14	—	—	17,264.02	—	—	14,972.97
Cash and cash equivalents	15	—	—	4,210.40	—	—	1,696.79
Bank balances other than cash and cash equivalents	16	—	—	954.97	—	—	134.53
Loans	9 and 17	—	—	751.52	—	—	657.57
Other financial assets	10 and 18	—	2.02	85.32	—	44.98	45.19
Total financial assets		**19,627.22**	**871.69**	**23,266.23**	**14,304.67**	**882.46**	**17,507.05**
Financial liabilities							
Borrowings	22 and 27	—	—	607.67	—	—	2,128.27
Leases liabilities	23 and 29	—	—	251.06	—	—	279.57
Trade payables	28	—	—	12,298.45	—	—	10,490.03
Deferred consideration	24 and 30	—	958.85	—	—	1,621.64	—
Other financial liabilities	24 and 30	—	—	593.25	—	3.39	515.14
Total financial liabilities		**—**	**958.85**	**13,750.43**	**—**	**1,625.03**	**13,413.01**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021
(All amounts in INR lakhs, unless otherwise stated)

NOTE 43 - FAIR VALUE MEASUREMENTS *(Contd.)*

(ii) 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.

Financial asset and liabilities measured at fair value - recurring fair value measurements:	Notes	Level 1	Level 2	Level 3	Total
As at March 31, 2021					
Financial Asset					
Financial Investment at FVOCI					
Equity investments	8	5,135.60	14,491.62	—	19,627.22
Financial Investment at FVPL					
Investments in mutual funds	13	869.67	—	—	869.67
Other financial assets	18	—	2.02	—	2.02
Total Financial Assets		**6,005.27**	**14,493.64**	**—**	**20,498.91**
Financial Liabilities					
Deferred consideration	24 and 30	—	958.85	—	958.85
Total Financial Liabilities		**—**	**958.85**	**—**	**958.85**

Financial asset and liabilities measured at fair value - recurring fair value measurements:	Notes	Level 1	Level 2	Level 3	Total
As at March 31, 2020					
Financial Asset					
Financial Investment at FVOCI					
Equity investments	8	1,831.96	12,472.71	—	14,304.67
Financial Investment at FVPL					
Investments in mutual Funds	13	837.48	—	—	837.48
Other financial assets	18	—	44.98	—	44.98
Total Financial Assets		**2,669.44**	**12,517.69**	**—**	**15,187.13**
Financial Liabilities					
Deferred consideration	24 and 30		1,621.64		1,621.64
Other financial liabilities	24 and 30	—	3.39	—	3.39
Total Financial Liabilities		**—**	**1,625.03**	**—**	**1,625.03**

The fair value of financial instruments as referred to in note above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurement) and lowest priority to unobservable inputs (level 3 measurements). The categories used are as follows:

Level 1: Financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds, mutual funds, bonds and debentures, that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV published by mutual fund.

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 considered here. For example, the fair value of forward exchange contracts, currency swaps and interest rate swaps is determined by discounting estimated future cash flows using a risk-free interest rate.

Level 3: The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs). When the fair value of unquoted instruments cannot be measured with sufficient reliability, the Company carries such instruments at cost less impairment, if applicable.

(All amounts in INR lakhs, unless otherwise stated)

NOTE 43 - FAIR VALUE MEASUREMENTS *(Contd.)*

(iii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- Investments in quoted equity instruments are valued using the closing price at National Stock Exchange (NSE) at the reporting period.
- the fair value of forward foreign exchange contracts is determined using forward exchange rates as at the balance sheet date, prevailing with Authorised Dealers dealing in foreign exchange.
- the use of Net Assets Value ('NAV') for valuation of mutual fund investment. NAV represents the price at which the issuer will issue further units and will redeem such units of mutual fund to and from the investors.
- the fair value of deferred consideration is determined based on present value computed using discount rate on transaction date.

(iv) Fair value measurements using "significant observable inputs (level 2)"

The following table presents the changes in level 2 items for the periods ended March 31, 2021 and March 31, 2020:

Particulars	Unquoted equity shares	Total
As at March 31, 2019	**14,753.89**	**14,753.89**
Gain/(loss) recognised in other comprehensive income (Refer Note 8)	(2,281.18)	(2,281.18)
As at March 31, 2020	**12,472.71**	**12,472.71**
Gain/(loss) recognised in other comprehensive income (Refer Note 8)	2,018.91	2,018.91
As at March 31, 2021	**14,491.62**	**14,491.62**
Unrealised gain/(loss) recognised in profit and loss related to assets and liabilities held at the end of reporting period		
Year ended March 31, 2021	—	—
Year ended March 31, 2020	—	—

(v) Fair value inputs and relationships to fair value

The following table summarises the quantitative information about the significant observable inputs used in level 2 fair value measurements. See (vi) below for the valuation techniques adopted.

Particulars	Fair Value as at		Significant unobservable inputs	Probability-weighted range		Sensitivity
	March 31, 2021	March 31, 2020		March 31, 2021	March 31, 2020	
Unquoted equity shares	14,491.62	12,472.71	EBITDA Multiple	5%	5%	2021: Increased EBITDA multiple 5% would increase FV by INR 625.53; decreased EBITDA multiple -5% would decrease FV by INR 625.53. 2020: Increased EBITDA multiple 5% would increase FV by INR 546.43; decreased EBITDA multiple -5% would decrease FV by INR 546.43.

(vi) Valuation process

The procedures used in evaluation of unlisted equity securities in the main level 2 by the Company are derived and evaluated as follow:

— The value of equity shares of the Company is derived from valuations of comparable Companies, as manifested through stock market valuation of listed companies. This valuation is based on the principle that market valuations taking place between informed buyers and informed sellers incorporate all factors relevant to valuation.

— used the profitability-based valuation multiple of comparable listed companies for the purpose of analysis.

— maintainable operating EBITDA has been computed considering its performance for the year end, and adjustments as appropriate for non-operating income and expenses.

— value arrived as above under Comparable Company Market Multiples Method ('CCM') is adjusted, as appropriate, for surplus assets, (cash and cash equivalent, investments, interest accrued on deposits), borrowings (including stretched creditors), surplus assets, deferred tax assets, contingent liabilities and other matters. The total value is then divided by the entity's shares outstanding as at the year end, to arrive at the value per equity share.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021
(All amounts in INR lakhs, unless otherwise stated)

NOTE 43 - FAIR VALUE MEASUREMENTS *(Contd.)*

(vii) Fair value of Financial assets and liabilities measured at amortised cost

Particulars	Note	As at March 31, 2021		As at March 31, 2020	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets					
Trade receivables	14	17,264.02	17,264.02	14,972.97	14,972.97
Cash and cash equivalents	15	4,210.40	4,210.40	1,696.79	1,696.79
Bank balances other than cash and cash equivalents	16	954.97	954.97	134.53	134.53
Loans	9 and 17	751.52	751.52	657.57	657.57
Other financial assets	10 and 18	85.32	85.32	45.19	45.19
Total Financial Assets		**23,266.23**	**23,266.23**	**17,507.05**	**17,507.05**
Financial Liabilities					
Borrowings	22 and 27	607.67	607.67	2,128.27	2,128.27
Lease liabilities	23 and 29	251.06	251.06	279.57	279.57
Trade payables	28	12,298.45	12,298.45	10,490.03	10,490.03
Other financial liabilities	24 and 30	593.25	593.25	515.14	515.14
Total Financial Liabilities		**13,750.43**	**13,750.43**	**13,413.01**	**13,413.01**

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other bank balances, loans and other financial assets and liabilities are considered to be the same as their fair values due to their short-term nature. The carrying amount of long term borrowings is not expected to be materially different than their fair values.

NOTE 44 - FINANCIAL RISK MANAGEMENT

In the course of its business, the Company is exposed to a number of financial risks: credit risk, liquidity risk and market risk. This note presents the Company's objectives, policies and processes for managing its financial risk. The key risks and mitigating actions are also placed before the Board of Directors of the Company. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company manages the risk through the finance department that ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The activities are designed to:

– protect the Company's financial results and position from financial risks;

– maintain market risks within acceptable parameters, while optimising returns; and

– protect the Company's financial investments, while maximising returns.

The note explains the Company's exposure to financial risks and how these risks could affect the Company's future financial performance.

(A) Credit Risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. Credit risks from balances with banks and financial institutions are managed in accordance with the Company's policy. For derivative and financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit ratings assigned by the credit rating agencies. The Company periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

In respect of its investments the company aims to minimize its financial credit risk through the application of risk management principles.

The gross carrying amount of trade receivables is INR 17,552.91 Lakhs (March 31, 2020: INR 15,107.22 Lakhs)

NOTE 44 - FINANCIAL RISK MANAGEMENT *(Contd.)*

Reconciliation of loss allowance provision- Trade receivables

Particular	**Year ended March 31, 2021**	**Year ended March 31, 2020**
Loss allowance at the beginning of the year	134.25	75.81
Add: Reclassification of Discontinuing operations (Refer Note 52)	—	120.32
Less: Provision write off / (utilised)	—	7.93
Add: Additional Provision made / (reversal)	154.64	(53.95)
Loss allowance at the end of the year	**288.89**	**134.25**

The Company maintains exposure in cash and cash equivalents, term deposits with banks, Investments, Loans, Security deposits and other financial assets.

Security deposits are interest free deposits given by the Company for properties taken on lease. Provision is taken on a case to case basis depending on circumstances with respect to non recoverability of the amount. The gross carrying amount of Security deposit is INR 711.87 lakhs (March 31, 2020: INR 633.79 lakhs)

Other advances are given for trade purpose which is in line with normal business activities of the Company . Provision is taken on a case to case basis depending on circumstances with respect to non recoverability of the amount. The gross carrying amount of capital advances is INR 202.49 lakhs (March 31, 2020: INR 166.25 lakhs)

Reconciliation of loss allowance provision- Capital advances

Particular	**Year ended March 31, 2021**	**Year ended March 31, 2020**
Loss allowance at the beginning of the year	76.62	41.62
Add: Reclassification of Discontinuing operations (Refer Note 52)	—	35.00
Loss allowance at the end of the year	**76.62**	**76.62**

(B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's approach for managing liquidity is to ensure that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking manage to Company's reputation. In addition, processes and policies related to such risks are overseen by the senior management. The management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturities of financial liabilities

Particular	**Note**	**Less than 1 year**	**1 year to 2 year**	**2 year to 3 year**	**3 year and above**	**Total**
As at March 31, 2021						
Borrowings	22 and 27	607.12	0.55	—	—	607.67
Lease liabilities	23 and 29	33.73	39.19	0.23	177.91	251.06
Trade payables	28	12,298.45	—	—	—	12,298.45
Deferred consideration	24 and 30	958.85	—	—	—	958.85
Other financial liabilities	30	593.25	—	—	—	593.25
Total non-derivative liabilities		**14,491.40**	**39.74**	**0.23**	**177.91**	**14,709.28**
Forward contracts for hedge purpose	30	—	—	—	—	—
Total derivative liabilities		**—**	**—**	**—**	**—**	**—**

Particular	**Note**	**Less than 1 year**	**1 year to 2 year**	**2 year to 3 year**	**3 year and above**	**Total**
As at March 31, 2020						
Borrowings	22 and 27	2,126.15	2.12	—	—	2,128.27
Lease liabilities	23 and 29	28.52	33.73	39.19	178.13	279.57
Trade payables	28	10,490.03	—	—	—	10,490.03
Deferred consideration	24 and 30	732.45	889.19	—	—	1,621.64
Other financial liabilities	30	515.14	—	—	—	515.14
Total		**13,892.29**	**925.04**	**39.19**	**178.13**	**15,034.65**
Forward contracts for hedge purpose	30	3.39	—	—	—	3.39
Total derivative liabilities		**3.39**	**—**	**—**	**—**	**3.39**

NOTE 44 - FINANCIAL RISK MANAGEMENT *(Contd.)*

(C) Market risk

The Company is exposed to risk from movements in foreign currency exchange rates, interest rates and market prices that affect its assets, liabilities and future transactions.

(i) Foreign exchange risk

Foreign currency risk is that risk in which the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company operates internationally and a portion of its business is transacted in multiple currencies and therefore the Company is exposed to foreign exchange risk through its overseas sales and purchases in various foreign currencies. The Company takes decision to hedge by forming view after discussions with it's advisors and as per policies set by Management.

Foreign exchange derivatives and exposures outstanding as at Balance Sheet date

The Company's exposure to foreign currency risk at the end of the reporting period as on March 31, 2021

Particular	Currency	In INR Lakhs	In Foreign Currency in Lakhs
Financial assets			
Export Receivables	USD	1,442.46	19.73
	EURO	801.58	9.35
Bank Balances	USD	1.46	0.02
Derivative asset			
Foreign exchange forwards	USD	677.00	9.26
Financial liabilities			
Import Payables	USD	2,734.31	37.40
Derivative liabilities			
Foreign exchange forwards	USD	1,220.94	16.70

The Company's exposure to foreign currency risk at the end of the reporting period as on March 31, 2020

Particular	Currency	In INR Lakhs	In Foreign Currency in Lakhs
Financial assets			
Export Receivables	USD	2,216.67	29.29
	EURO	592.59	7.15
Bank Balances	USD	1.51	0.02
Derivative asset			
Foreign exchange forwards	USD	43.89	0.58
Foreign exchange forwards	EURO	99.46	1.20
Financial liabilities			
Import Payables	USD	2,763.83	36.52
Derivative liabilities			
Foreign exchange forwards	USD	1,987.36	26.26

Foreign Currency Risk Sensitivity

A change of 5% in Foreign Currency would have the following impact on profit before tax

Particular	Increase in FC conversion rate		Decrease in FC conversion rate	
	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020
USD	(64.52)	(27.28)	64.52	27.28
EURO	40.08	29.63	(40.08)	(29.63)
Increase / (decrease) in profit or loss	**(24.44)**	**2.35**	**24.44**	**(2.35)**

(All amounts in INR lakhs, unless otherwise stated)

NOTE 44 - FINANCIAL RISK MANAGEMENT *(Contd.)*

(ii) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates.

The Company borrows at variable as well as fixed interest rates and the same is managed by the Company by constantly monitoring the trends and expectations. In order to reduce the overall interest cost, the Company has borrowed in a mix of short term and long term loans.

Exposure to interest rate risk

Particulars	As at March 31, 2021	As at March 31, 2020
Variable rate borrowings	607.12	2,126.15
Fixed rate borrowings	2.12	6.25
Total Borrowings	**609.24**	**2,132.40**

Interest rate sensitivity

A change of 50bps in interest rates would have following impact on profit before tax

Particulars	As at March 31, 2021	As at March 31, 2020
Interest rates - increase by 50 basis point (50 bps)	(3.05)	(10.66)
Interest rates - decrease by 50 basis point (50 bps)	3.05	10.66

(iii) Price Risk

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet as fair value through OCI.

To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio.

Particular	Impact on profit after tax	
	Year ended March 31, 2021	Year ended March 31, 2020
NSE/BSE increase in 1% of price/NAV		
Investments in Quoted equity shares	51.36	18.32
Investments in Mutual Fund	8.70	8.37
NSE/BSE decrease in 1% of price/NAV		
Investments in Quoted equity shares	(51.36)	(18.32)
Investments in Mutual Fund	(8.70)	(8.37)

NOTE 45 - CAPITAL MANAGEMENT

(a) Risk Managements

The Company's aim to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders.

The Company's capital management is driven by Company's policy to maintain a sound capital base to support the continued development of its business. The Board of Directors seeks to maintain a prudent balance between different components of the Company's capital. The Management monitors the capital structure and the net financial debt at individual currency level. Net financial debt is defined as current and non-current financial liabilities less cash and cash equivalents and short-term investments.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The debt equity ratio highlights the ability of a business to repay its debts. As at March 31, 2021, the ratio was -6.25% (March 31, 2020: -0.67%)

Particulars	As at March 31, 2021	As at March 31, 2020
Net Debt	(4,470.83)	(401.81)
Total Equity	71,585.40	60,114.92
Net debt to equity ratio	-6.25%	-0.67%

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021
(All amounts in INR lakhs, unless otherwise stated)

NOTE 45 - CAPITAL MANAGEMENT *(Contd.)*

(b) Dividend

Particulars	**As at March 31, 2021**	**As at March 31, 2020**
(i) Equity Shares		
Final dividend for the year ended March 31, 2019 - INR 18.75 per fully paid equity share	—	2,357.00
Dividend distribution tax on above	—	484.49
Interim Dividend for the year ended March 31, 2020 - INR 10.00 per fully paid equity share declared on March 9, 2020.	—	1,257.07
Dividend distribution tax on above	—	258.39
Final dividend for the year ended March 31, 2020 - INR Nil per fully paid equity share	—	—
Dividend distribution tax on above	—	—
(ii) Dividend not Recognised at the end of reporting period		
In addition to the above dividends, at year end the directors have recommended the payment of final dividend of INR 11.25 per fully paid equity share (March 31, 2020 - INR Nil). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting	1,414.20	—
Dividend distribution tax on proposed dividend	—	—

NOTE 46 - SEGMENT INFORMATION

(a) Description of segments and principal activities

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Chairman and Managing Director of the Company. The Company operates in following business segment as per Indian Accounting Standard 108 "operating segments":

(a) **Chemicals** - Comprising of Industrial and Specialty Chemicals, Pesticides Intermediates, Polymer and Pharma Intermediates

(b) **Environment** - Comprising of Soil enricher, Bio - pesticides and other Bio products (E&BT).

Segment revenue includes sales, export incentives, processing charges, scrap sales and other income from operations

Segment Revenue in the geographical segments considered for disclosure are as follows :

(a) Revenue within India includes sales to customers located within India.

(b) Revenue outside India includes sales to customers located outside India.

Segment Revenue, Results, Assets and Liabilities includes the respective amounts identifiable to each of segments and amounts allocated on a reasonable basis.

(b) Segment Result:

Particulars	**Year ended March 31, 2021**	**Year ended March 31, 2020**
Segment Results (Profit before tax and interest)		
Chemicals	13,080.08	15,106.40
Environment and Biotech	8.25	52.57
Total Segment Result	**13,088.33**	**15,158.97**
Less: Finance Cost	217.57	255.21
Other un-allocable expenditure (net of unallocable income)	2,900.48	3,683.24
Profit before tax	**9,970.28**	**11,220.52**

(All amounts in INR lakhs, unless otherwise stated)

NOTE 46 - SEGMENT INFORMATION *(Contd.)*

(c) Segment Revenue:

The segment revenue is measured in the same way as in the Statement of Profit and Loss.

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Segment Revenue (Revenue from operations)		
Chemicals	72,993.84	68,470.45
Environment and Biotech	1,952.76	1,777.99
Total Segment Revenue	**74,946.60**	**70,248.44**
Less: Inter segment revenue	—	—
Total Segment Revenue	**74,946.60**	**70,248.44**
Revenue from external customers:		
India	61,844.27	53,372.62
Other countries	13,102.33	16,875.82
Total Segment Revenue	**74,946.60**	**70,248.44**

(d) Segment Assets:

Segment assets are measured in the same way as in the financial statements. These assets are allocated based on the operations of the segment and the physical location of the asset.

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Segment Assets:		
Chemicals	61,441.26	58,492.61
Environment and Biotech	1,375.66	1,382.18
Unallocated	32,523.57	22,394.93
Total Assets as per balance sheet	**95,340.49**	**82,269.72**
Total assets of Company broken down by location of the assets, is shown below:		
India	93,094.99	79,458.95
Other countries	2,245.50	2,810.77
Total Assets	**95,340.49**	**82,269.72**

(e) Segment Liabilities:

Segment liabilities are measured in the same way as in the financial statements. These liabilities are allocated based on the operations of the segment.

Particulars	As at March 31, 2021	As at March 31, 2020
Segment Liabilities:		
Chemicals	12,824.58	12,894.61
Environment and Biotech	235.16	361.33
Unallocated	10,695.35	8,898.86
Total liabilities as per balance sheet	**23,755.09**	**22,154.80**
Total liabilities of Company broken down by location of the liabilities, is shown below:		
India	21,020.78	19,390.97
Other countries	2,734.31	2,763.83
Total Liabilities	**23,755.09**	**22,154.80**

The Company does not have any customers accounting for more than 10% of the Company's total revenue, for the year ended March 31, 2021 and March 31, 2020.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021
(All amounts in INR lakhs, unless otherwise stated)

NOTE 47- ACQUISITION OF CHEMICAL MANUFACTURING UNIT AT VISAKHAPATNAM

During the previous year, the Company has acquired a chemical manufacturing unit located at Visakhapatnam in Andhra Pradesh Special Economic Zone, as a going concern by way of slump sale with effect from October 25, 2019. Accordingly, the financial statements of previous year include impact of this acquisition with effect from October 25, 2019 and hence not comparable with the current year.

The Company has measured the acquired business of Seller at fair value determined in accordance with Ind AS 103 "Business Combination".

Details of the Purchase consideration, the net assets acquired and goodwill are as follows:

Particulars	Amounts	Amounts
Total Purchase Consideration		8,710.64
Assets acquired	7,789.54	
Liabilities acquired (Including deferred tax liabilities of INR 479.11 lakhs)	964.18	
Net identifiable assets acquired at fair value		6,825.36
Goodwill arising on acquisition		**1,885.28**

The Goodwill of ₹ 1,885.28 lakh comprises the value of expected synergies arising from the acquisition, trained manpower, ready to use manufacturing facility with requisite statutory approvals and availability of surplus land for future expansion, which has not been separately recognised.

There were no acquisition in the year ended March 31, 2021

NOTE 48 - RELATED PARTY DISCLOSURES AS PER IND AS 24

1. **Name of related parties and nature of relationship:**

(a) **Parent entity**

The Company is controlled by the following entity:

Name	Type	Place of incorporation	Ownership interest as at March 31, 2021	Ownership interest as at March 31, 2020
Anshul Specialty Molecules Private Limited	Immediate and Ultimate Parent Company	India	42.63%	42.63%

(b) **Subsidiaries**

Kamaljyot Investments Limited
Excel Bio Resources Limited

(c) **Key Management Personnel (KMP)**

— **Executive Directors**

Mr. Ashwin C. Shroff (Executive Chairman w.e.f. September 3, 2019 - Chairman and Managing Director up to September 2, 2019)
Late Mrs. Usha A. Shroff (Executive Vice Chairperson upto April 29, 2019)
Mr. Ravi A. Shroff (Managing Director w.e.f. September 3, 2019 - Executive Director up to September 2, 2019)
Mr. Hrishit A. Shroff (Executive Director w.e.f. June 27, 2019)

— **Non - Executive Directors (Independent Directors)**

Mr. R. N. Bhogale (Independent Director)
Mr. H. N. Motiwala (Independent Director)
Mr. P. S. Jhaveri (Independent Director)
Mr. M. B. Parekh (Independent Director)
Mr. S. S. Vaidya (Independent Director)
Mr. R. M. Pandia (Independent Director)
Mr. Dipesh K. Shroff (Non - Executive Director)
Mr. Atul G. Shroff (Non - Executive Director)
Mrs. Dr. Meena A. Galliara (Non - Executive Director w.e.f. June 27, 2019)
Mr. R. K. Sood (Nominee Director - LIC upto November 11, 2019)
Mr. P. K. Molri (Nominee Director - LIC w.e.f. February 7, 2020)

(d) **Relatives of KMP with whom transactions have taken place:**

Mrs. Anshul A. Bhatia (Daughter of Mr. Ashwin C. Shroff and Mrs. Usha A. Shroff)

(All amounts in INR lakhs, unless otherwise stated)

NOTE 48 - RELATED PARTY DISCLOSURES AS PER IND AS 24 *(Contd.)*

(e) Enterprise over which KMP or their relative have significant influence and transactions have taken place:

Agrocel Industries Private Limited
Divakar Techno Specialities & Chemicals Private Limited
Development & Eco-Friendly Enterprises
Mobitrash Recycle Ventures Private Limited *
Shree Vivekanand Research and Training Institute
C C Shroff Research Institute
Transpek Industry (Europe) Limited
Transpek Industry Limited
TML Industries Limited
Indian Centre for Climate and Societal Impact Research
C C Shroff Self Help Centre
Rashtriya Seva Trust
Shrujan Trust
Shrujan Creations
Shroff Family Charitable Trust

* also an associate company

(f) Other related parties with whom there are transactions during the year:

Excel Industries Limited, Employees Group Gratuity Fund - Post-employment benefits plan

(2) Related Party Transaction

Transactions carried out with related parties referred in 1 above, in ordinary course of business:

Particulars	Sale of goods	Sale of services	Purchase of traded goods	Purchase of services	Dividend paid	Sales commission	Contribution to Fund	Salary, Bonus & contribution to PF & Commission*	Director's sitting fees	CSR / Donation Expenditure
Parent entity										
Anshul Specialty Molecules Private Limited	**26.65**	**47.41**	—	**1.86**	—	—	—	—	—	—
	6.07	*37.01*	*0.01*	—	*1,540.62*	—	—	—	—	—
Subsidiaries										
Excel Bio Resources Limited	**4.24**	**0.14**	—	—	—	—	—	—	—	—
	—	*0.14*	—	—	—	—	—	—	—	—
Enterprises owned or significantly influenced by key management personnel or their relatives										
Agrocel Industries Private Limited	**3.95**	—	—	—	—	—	—	—	—	—
	2.31	*8.58*	*7.74*	—	—	—	—	—	—	—
Transpek Industry Limited	—	—	—	—	—	—	—	—	—	—
	3.26	—	—	—	*45.04*	—	—	—	—	—
Divakar Techno Specialities & Chemicals Private Limited	—	—	—	—	—	**5.00**	—	—	—	—
	—	—	—	—	—	*26.15*	—	—	—	—
C C Shroff Research Institute	—	**0.14**	—	—	—	—	—	—	—	—
	—	*0.13*	—	—	—	—	—	—	—	—
C C Shroff Self Help Centre	—	—	—	—	—	—	—	—	—	—
	—	—	*0.85*	—	—	—	—	—	—	—
Transpek Industry (Europe) Limited	—	—	—	**20.44**	—	—	—	—	—	—
	—	—	—	*13.14*	—	—	—	—	—	—
Mobitrash Recycle Ventures Private Limited	—	**0.51**	**1.85**	—	—	—	—	—	—	—
	0.51	*0.66*	—	—	—	—	—	—	—	—
TML Industries Limited	—	—	—	—	—	—	—	—	—	—
	19.34	—	—	—	—	—	—	—	—	—
Shree Vivekanand Research and Training Institute	—	—	—	—	—	—	—	—	—	**221.50**
	—	—	—	—	—	—	—	—	—	*211.74*
Rashtriya Seva Trust	—	—	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—	*2.50*
Shroff Family Charitable Trust	—	**3.68**	—	—	—	—	—	—	—	—
	—	*3.50*	—	—	—	—	—	—	—	*80.00*
Shrujan Trust	—	—	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—	*12.75*
Shrujan Creations	—	—	**0.08**	—	—	—	—	—	—	—
	—	—	*1.56*	—	—	—	—	—	—	—
Development & Eco-Friendly Enterprises	—	—	—	—	—	—	—	—	—	**5.00**
	—	—	—	—	—	—	—	—	—	—
Indian Centre for Climate and Societal Impact Research	—	—	—	—	—	—	—	—	—	**40.00**
	—	—	—	—	—	—	—	—	—	—
Other related parties with whom there are transactions during the year:										
Excel Industries Limited, Employees Group Gratuity Fund	—	—	—	—	—	—	**306.17**	—	—	—
	—	—	—	—	—	—	**104.72**	—	—	—

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

NOTE 48 - RELATED PARTY DISCLOSURES AS PER IND AS 24 *(Contd.)*

Particulars	Sale of goods	Sale of services	Purchase of traded goods	Purchase of services	Dividend paid	Sales commission	Contribution to Fund	Salary, Bonus & contribution to PF & Commission*	Director's sitting fees	CSR / Donation Expenditure
Key management personnel and their relatives										
Mr. Ashwin C. Shroff	**0.03**	—	—	—	—	—	—	**231.09**	—	—
	1.86	—	—	—	*23.88*	—	—	*213.50*	—	—
Mrs. Usha A. Shroff	—	—	—	—	—	—	—	—	—	—
	—	—	—	—	*1.87*	—	—	*32.90*	—	—
Mr. Ravi A. Shroff	—	—	—	—	—	—	—	**272.58**	—	—
	—	—	—	—	*13.71*	—	—	*239.00*	—	—
Mr. Hrishit A. Shroff	—	—	—	—	—	—	—	**117.66**	—	—
	—	—	—	—	*13.70*	—	—	*166.55*	—	—
Mr. R. N. Bhogale	—	—	—	—	—	—	—	**8.00**	**3.60**	—
	—	—	—	—	—	—	—	*8.00*	*3.30*	—
Mr. H. N. Motiwala	—	—	—	—	—	—	—	**8.00**	**4.10**	—
	—	—	—	—	—	—	—	*8.00*	*4.50*	—
Mr. P. S. Jhaveri	—	—	—	—	—	—	—	**8.00**	**2.80**	—
	—	—	—	—	—	—	—	*8.00*	*3.00*	—
Mr. M. B. Parekh	—	—	—	—	—	—	—	**6.00**	**1.60**	—
	—	—	—	—	—	—	—	*6.00*	*0.80*	—
Mr. S. S. Vaidya	—	—	—	—	—	—	—	**6.00**	**1.60**	—
	—	—	—	—	—	—	—	*6.00*	*1.00*	—
Mr. R. M. Pandia	—	—	—	—	—	—	—	**8.00**	**3.30**	—
	—	—	—	—	—	—	—	*8.00*	*2.60*	—
Mr. Dipesh K. Shroff	—	—	—	—	—	—	—	**6.00**	**1.60**	—
	—	—	—	—	*2.48*	—	—	*6.00*	*1.30*	—
Mr. Atul G. Shroff	—	—	—	—	—	—	—	**6.00**	**1.20**	—
	—	—	—	—	*17.19*	—	—	*6.00*	*1.20*	—
Dr. Meena Galliara	—	—	—	—	—	—	—	**6.00**	**1.90**	—
	—	—	—	—	—	—	—	*6.00*	*1.20*	—
Mr. R. K. Sood	—	—	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	*0.80*	—
Mr. P. K. Molri	—	—	—	—	—	—	—	**6.00**	**1.20**	—
	—	—	—	—	—	—	—	*6.00*	*0.20*	—
Mrs. Anshul A. Bhatia	—	—	—	—	—	—	—	—	—	—
	—	—	—	—	*6.21*	—	—	—	—	—

Amount in bold represent the amount of March 31, 2021, and amount in Italics represents amounts of March 31, 2020.

*The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are not determinable. Further, remuneration key managerial personnel includes INR 24.24 lakhs (March 31, 2020: INR 51.68 lakhs) towards contribution to provident fund and other funds.

3. Outstanding Balances

Particulars	As at March 31, 2021	As at March 31, 2020
The following balances are outstanding at the end of the reporting period in relation to transactions with related parties		
Receivables:		
Excel Bio Resources Limited	4.79	3.46
Anshul Specialty Molecules Private Limited	36.97	15.08
C C Shroff Research Institute	0.22	0.08
Mobitrash Recycle Ventures Private Limited	—	2.64
Agrocel Industries Private Limited	10.50	18.39
Shroff Family Charitable Trust	1.04	1.28
Payables:		
Anshul Specialty Molecules Private Limited	0.95	—
Divakar Techno Specialities & Chemicals Private Limited	30.51	10.23
Transpek Industry (Europe) Limited	8.24	5.66
Mobitrash Recycle Ventures Private Limited	1.96	0.11
Mr. Ashwin C. Shroff	103.27	69.34
Mr. Ravi A. Shroff	154.90	76.16
Mr. Hrishit. A. Shroff	51.63	39.21
Mr. R. N. Bhogale	8.00	8.00

(All amounts in INR lakhs, unless otherwise stated)

NOTE 48 - RELATED PARTY DISCLOSURES AS PER IND AS 24 *(Contd.)*

Particulars	As at March 31, 2021	As at March 31, 2020
Mr. H. N. Motiwala	8.00	8.00
Mr. P. S. Jhaveri	8.00	8.00
Mr. M. B. Parekh	6.00	6.00
Mr. S. S. Vaidya	6.00	6.00
Mr. R. M. Pandia	8.00	8.00
Mr. Dipesh K. Shroff	6.00	6.00
Mr. Atul G. Shroff	6.00	6.00
Mrs. Dr. Meena A. Galliara	6.00	6.00
Mr. P. K. Molri	6.00	6.00

NOTE 49 - CONTINGENT LIABILITIES, CONTINGENT ASSETS AND COMMITMENTS

(a) Contingent Liabilities:

Particular	As at March 31, 2021	As at March 31, 2020
Income tax	321.91	321.91
Excise duty	39.86	41.96
Sales tax	17.89	17.89
Custom duty	144.88	144.88
Claims against the Company not acknowledged as debts	36.28	36.28
Liability in respect of claims made by workers and contract labourers	Amount not ascertainable	Amount not ascertainable

(i) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above contingent liabilities pending resolution of the respective proceedings as it is determinable only on the receipt of judgments / decisions pending with various forums / authorities.

(ii) The Company does not except any reimbursements in respect of the above contingent liabilities.

(iii) The Company's pending litigation comprises of claims against the Company made by workers / others and pertaining to proceedings pending with various direct tax, indirect tax and other authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities, where applicable, in its standalone financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its standalone financial statements.

(b) Contingent Assets:

The Company did not have any Contingent assets as at the end of the year.

(c) Commitments:

Particulars	As at March 31, 2021	As at March 31, 2020
(i) Capital Commitments		
Capital expenditure contracted at the end of reporting period but not recognised as liabilities is as follows:		
Gross Capital Commitment	1,739.03	807.71
Less: Capital Advance (Refer Note 11)	125.87	89.63
Net Capital Commitments	**1,613.16**	**718.08**

(ii) Other Commitments

i) For other commitments relating to lease arrangements - (Refer Note 55)

ii) In terms of the Share Purchase Agreement (SPA) dated June 5, 2016 relating to the sale of shares in Excel Crop Care Limited, the Company, along with other selling shareholders, has agreed to certain indemnities, with overall restrictions on tenure, value etc., as more specifically agreed in the SPA. The Company has not received any such claims in terms of the SPA till March 31, 2021.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021
(All amounts in INR lakhs, unless otherwise stated)

NOTE 50 - EARNINGS PER SHARE

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Earnings per equity share attributable to the equity holders of the Company (in INR)		
(a) Basic earnings per share	55.84	74.36
(b) Diluted earnings per share	55.84	74.36

Earnings used in calculating earnings per share

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Basic earnings per share		
Profits/(Loss) attributable to the equity holders of the Company used in calculating basic earnings per share	7,018.95	9,347.34
Diluted earnings per share		
Profits/(Loss) attributable to the equity holders of the Company used in calculating diluted earnings per share	7,018.95	9,347.34

Weighted average number of shares used as the denominator

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
	Number of shares	**Number of shares**
Weighted average number of equity shares used as the denominator in calculating basic earning per share	1,25,70,692	1,25,70,692
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earning per share	1,25,70,692	1,25,70,692

NOTE 51 - DISCLOSURE IN RELATION TO CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Amount required to be spent as per Section 135 of the Act	294.85	239.95
Amount spent during the year on:		
(i) Construction/Acquisition of assets	—	—
(ii) On purpose other than (i) above	296.31	258.07
Total	**296.31**	**258.07**

(i) Details of excess CSR expenditure under section 135(5) of the Act.

Balance excess spent as at April 1, 2020	Amount required to be spent during the year	Amount spent during the year	Balance excess spent as at March 31, 2021
—	294.85	296.31	1.46

(ii) The Company does not carry any provision for corporate social responsibilities expenses for the current year and previous year.

(iii) The Company does not wish to carry forward excess amount of INR 1.46 lakhs spent during the current year.

(iv) The Company does not have any ongoing projects as at March 31, 2021.

NOTE 52 - DISCONTINUING OPERATIONS

On March 31, 2017, the Company signed a Business Transfer Agreement to sell Environment & Bio-tech (E&BT) division to Excel Bio Resources Limited, a wholly owned subsidiary. Accordingly, assets associated with E&BT division have been classified as held for sale along with liabilities directly associated with these assets upto year ended March 31, 2019.

There are certain conditions for completing divestment of business which are outside the control of the Company. While the Company continues to pursue for fulfilment of these conditions, it believes that some of these conditions may take longer than foreseeable future to be completed. Accordingly, the said divestment no longer meets the criteria for presentation as a discontinued operation in accordance with Ind AS 105 and had been reclassified as continuing operations in the standalone financial statements during the year ended March 31, 2020.

Under Ind AS 105, the reporting has to be adjusted in such a way that in the Statement of Profit and Loss, all expenses and income of the discontinued operations for the years ended March 31, 2020 are re-included in income from continuing operations, and analogously in the Statement of Cash Flows, all cash flows of the discontinued operations are re-allocated to continuing operations. Accordingly, Statement of Profit and Loss and Statement of Cash Flow for the year ended March 31, 2020 had been re-presented in the standalone financial statements for the year ended March 31, 2020. Further, the Balance Sheet was continued to shown as discontinued operations for the year ended March 31, 2019 and was reclassified as continuing operations for the year ended March 31, 2020.

NOTE 53 - RESEARCH AND DEVELOPMENT COSTS

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Research and Development costs, debited to the Statement of Profit and Loss are as under:		
Revenue expenses debited to Research and Development Expenses Account and other heads of accounts*	512.87	493.69
Depreciation on Research and Development Equipment	66.91	71.71
	579.78	**565.40**

* includes INR 248.05 lakhs, INR 131.70 lakhs and INR 133.12 lakhs (Previous Year: INR 257.54 lakhs, INR 102.17 lakhs and INR 133.98 lakhs) in respect of Research and Development units at Roha, Lote and Mumbai respectively which is approved by the Department of Scientific & Industrial Research, Ministry of Science & Technology.

Capital Expenditure incurred during the year on Research and Development INR 1,000.70 lakhs (Previous Year: INR 35.98 lakhs) [including capital expenditure on qualifying assets of INR 1.54 lakhs, INR 1.22 lakhs and INR 997.94 lakhs (Previous Year: INR 29.65 lakhs, INR 2.17 lakhs and INR 4.16 lakhs in respect of Research and Development Units at Roha, Lote and Mumbai respectively which is approved by the Department of Scientific & Industrial Research, Ministry of Science & Technology)].

NOTE 54 - DETAILS OF DONATION TO POLITICAL PARTY

The Company has given donation to political parties amounting to INR Nil Lakhs (Previous Year - INR 96.00 lakhs), which is included in Note - 40, Other expenses.

NOTE 55 - DISCLOSURE IN RELATION TO IND AS 116

This note provides information for leases where the Company is a lessee. For leases where the Company is a lessor, see Note 5. The Company leases various offices, warehouses, furniture, fittings and equipment. Rental contracts are made for 33 to 99 years in case of land and 3 years for building as per respective lease agreement, but may have extension options as described in (ii) below.

(i) Amounts recognised in balance sheet

Particulars	Building	Land	Total
Year ended March 31, 2021			
Gross carrying amount			
Opening gross carrying amount	125.15	2,281.75	2,406.90
Addition	—	—	—
Disposal	—	—	—
Closing gross carrying amount	**125.15**	**2,281.75**	**2,406.90**
Accumulated Depreciation			
Opening accumulated depreciation	30.85	19.68	50.53
Depreciation charged for the year	30.84	36.03	66.87
Disposal	—	—	—
Closing accumulated depreciation	**61.69**	**55.71**	**117.40**
Net carrying amount	**63.46**	**2,226.04**	**2,289.50**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021
(All amounts in INR lakhs, unless otherwise stated)

NOTE 55 - DISCLOSURE IN RELATION TO IND AS 116 *(Contd.)*

Particulars	**Building**	**Land**	**Total**
Year ended March 31, 2020			
Gross carrying amount			
Opening gross carrying amount	125.15	—	125.15
Transition impact of Ind AS 116	—	205.40	205.40
Addition	—	2,076.35	2,076.35
Disposal	—	—	—
Closing gross carrying amount	**125.15**	**2,281.75**	**2,406.90**
Accumulated Depreciation			
Opening accumulated depreciation	—	—	—
Depreciation charged for the year	30.85	19.68	50.53
Disposal	—	—	—
Closing accumulated depreciation	**30.85**	**19.68**	**50.53**
Net carrying amount	**94.30**	**2,262.07**	**2,356.37**

The following is the break-up of current and non-current lease liabilities.

Particulars	**As at March 31, 2021**	**As at March 31, 2020**
Lease Liability		
Non-current (Refer Note 23)	217.33	251.05
Current (Refer Note 29)	33.73	28.52
	251.06	**279.57**

The following is the movement in lease liabilities.

Particulars	**As at March 31, 2021**	**As at March 31, 2020**
Opening balance	279.57	125.15
Additions	—	172.74
Finance charge accrued during the year	21.88	6.02
Deduction	—	—
Payment of lease liability	(50.39)	(24.34)
Closing balance as at year end	**251.06**	**279.57**

The table below provides details regarding the contractual maturities of lease liabilities of non-cancellable contractual commitments as on an undiscounted basis:

Particulars	**As at March 31, 2021**	**As at March 31, 2020**
(a) Less than one year	53.32	50.39
(b) One year to five years	98.08	137.40
(c) More than five years	693.00	707.00
Total	**844.40**	**894.79**

NOTE 55 - DISCLOSURE IN RELATION TO IND AS 116 *(Contd.)*

(ii) Amounts recognised in the Statement of Profit and Loss

Following are the expenses recognised in the statement of profit and loss for the year ended March 31, 2021:

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
Depreciation charge of right-of-use assets			
Building	39	30.84	30.84
Land	39	36.03	19.69
Interest expense on lease liabilities	41	21.88	16.03
Expenses relating to short-term leases (Included in Other expenses)	40	318.88	187.45
Expenses relating to leases of low-value assets that are not shown above as short-term leases (Included in Other expenses)	40	114.88	108.15

The total cash outflow for leases for the year ended 31 March 2021 was INR 50.39 lakhs (March 31, 2020: INR 24.34 lakhs)

(iii) Extension and termination options

Extension and termination options are included in a number of property and equipment leases across the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. All extension options held are exercisable by the Company and termination rights are held by the Company and lessor both as per the respective lease agreements.

NOTE 56 - COVID-19 IMPACT ON STANDALONE FINANCIAL STATEMENT

Manufacturing facilities of the Company which were shut down in the last week of March 2020 due to countrywide lockdown in the wake of Covid-19 pandemic, resumed operations in a phased manner during the month of April 2020 after obtaining the requisite approvals. The Company continues to carry out it's operations in compliance with the guidelines issued by the various authorities from time to time.

The Company has carried out a detailed assessment of the Impact of the Covid-19, including current wave, on the operations, on its liquidity position and on the recoverability and carrying values of assets and has concluded that there are no adjustments required in the financial statement for the quarter and year ended March 31, 2021. Further, the Management is of the view that considering the nature of its business operations, existing customer and supplier relationships and its market position, impact on its business operations, if any, arising from Covid-19 pandemic is not expected to be significant.

However, the impact of Covid-19 pandemic may be different from that estimated as at the date of approval of these financial statements given the uncertainty associated with its nature and duration and accordingly the Company will continue to monitor any material changes to future economic conditions.

NOTE 57 - STANDARDS ISSUED BUT NOT YET EFFECTIVE

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021. MCA issued notifications dated March 24, 2021 to amend Schedule III to the Companies Act, 2013 to enhance the disclosures required to be made by the Company in its financial statements. These amendments are applicable to the Company for the financial year starting April 1, 2021.

As per our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

NEHAL UPADHAYAY
Partner
Membership No.: 115872

Place : Mumbai
Date: May 28, 2021

For and on behalf of the Board of Directors of Excel Industries Limited

ASHWIN C. SHROFF
Executive Chairman
DIN: 00019952

HRISHIT A. SHROFF
Executive Director
DIN: 00033693

N.R. KANNAN
Chief Executive Officer

DEVENDRA P. DOSI
Chief Financial Officer

SURENDRA K. SINGHVI
Company Secretary

Place : Mumbai
Date: May 28, 2021