Excel Industries Ltd.

Responsible Care®
OUR COMMITMENT TO SUSTAINABILITY

IS/ISO 9001:2008,
IS/ISO 14001:2004 &
IS 18001:2007
Certified by BIS.

01st September, 2020

To,

BSE Limited,
Listing Department
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai-400001

The National Stock Exchange of India, Listing Department
Exchange Plaza
Bandra Kurla Complex
Bandra (East), Mumbai- 400 051

Sub: Submission of Annual Report
Ref: BSE Scrip Code: 500650; NSE Scrip Code: EXCELINDUS

Dear Sir/Madam,

Pursuant to Regulations 34(1)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are pleased to submit herewith Annual Report of financial year 2019-20 including notice of the 59th Annual General Meeting of the Company for your record.

The Annual Report including Notice of the 59th AGM is also available on the website of the Company at: www.excelind.co.in

Kindly take the information on your record.

Thanking you,
Yours faithfully,
For Excel Industries Limited

SURENDRA KUMAR SINGHVI

Digitally signed by SURENDRA KUMAR SINGHVI
DN: c=IN, o=Personal, cn=SURENDRA KUMAR SINGHVI,
serialNumber=5e70cc04c4ed00df99c82df47d7291993b46a62124d4b36a2cb3ca6d5a962295,
postalCode=411030,
2.5.4.20=c7ba014f2f2b7307c1997f9ef176a29267350493ff4f3a80c72ebba828326bf9,
st=Maharashtra
Date: 2020.09.01 12:00:59 +05'30'

Surendra Singhvi
Company Secretary
Encl: a/a

Chemicals Business / Environment & Biotech Division
Polymer Inputs / Pharmaceuticals Intermediaries/Veterinary API's

Excel Industries Limited
184-87, S. V. Road, Jogeshwari (West),
Mumbai-400102, Maharashtra, India.
CIN: L24200MH1960PLC011807

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CARE

Across the pages

Please find our online version at:

http://www.excelind.co.in/annualreports.html

Or simply scan to download

Investor information

Market Capitalisation as at 31st March, 2020	:	₹ 562 Crores
CIN	:	L24200MH1960PLC011807
BSE Code	:	500650
NSE Symbol	:	EXCELINDUS
Bloomberg Code	:	EXL:IN
Interim Dividend	:	₹ 10/- (200%)
AGM Date	:	25th September, 2020
AGM Mode	:	Video Conferencing and Other Audio Visual means

Over our long history of existence, we have endeavoured to continuously respond to the needs of our customers, employees, communities and society, as a whole.

Our achievements have won the unwavering trust of our stakeholders.

Our foresightedness has allowed us to build a sustainable organisation by the after turning changes in the business environment into opportunities, as our way of responding to everyone's hopes and expectations.

In the current times when the daily lives and routines of people across the globe has undergone a massive change, we are playing a crucial role in ensuring the safety of our workforce and continuing with our endeavours of the betterment of the environment and the supporting communities.

THIS IS BECAUSE WE

CARE

KPIs: 2019-20

₹ 70,248 .44 Lakhs
Revenue from Operations

₹ 11,220.52 Lakhs
Profit before Tax

₹ 9,347.34 Lakhs
Profit after Tax

₹ 74.36
Earnings Per Share

15.55%
Return on Net Worth

Excel Industries Limited:

Building a Culture of CARE

Excel Industries Limited ('The Company' or 'Excel' or 'EIL' or 'We'), has a seven-decades rich experience and understanding of indigenous chemical technologies and waste practices in India, amalgamated with staunch values and a rich culture. Our complex product development has kept us ahead of the times through the adoption of best-in-class technological solutions.

We tailor and manufacture chemicals as per the client's requirement. Today our product streams comprise Agro Chemical Intermediates, Speciality Chemicals, Polymer Inputs and Pharmaceuticals API & Intermediates.

Our strategy is to continuously evolve and prosper by emphasising on sustainability, performance and value. This has led to hundreds of chemicals process breakthroughs in our flagship as well as emerging chemical products. In doing so, we have realigned our strategies in accordance with the Sustainable Development Goals (SDG goals). Besides, our innovative waste management solutions and environmental-friendly practices have allowed us to create sustainable value creation for our organisation and the society as a whole.

Our Values

We firmly believe that long term corporate success has its roots in strong value-based growth. Our values are the ideas that define and drive us, convey our vision for the future and the means with which we will realise this vision.

Dynamism

Agility and adaptability are essential qualities for a modern corporation. In a world where technology and market conditions are constantly in a state of flux, it is our ability to change that helps us emerge stronger.

Compassion

To balance the needs of others with our growth, it is essential that we first understand their concerns. From the senior management to the workers on the factory floor, everyone at the Excel Family is committed to making a difference towards our larger goals and it all begins with a sympathetic ear and an open mind.

Expertise

From research to manufacturing, from the factory floor to shipped goods, we strive for excellence in every facet of our operations.

Tradition

We are proud of our heritage and the ideals that have enabled our growth. As we poise for our next phase of growth, our Company traditions and values, suitably adapted to the changing environment over the time, will be our guiding lights.

Employees' Loyalty

The average service years of the employees are 20 years which reflects their trust and loyalty towards the Company.

1st
Domestic chemical manufacturer in India

997
Employees as on 31st March, 2020

Chairman's MESSAGE

> At Excel, we have always done our bit to **preserve** the **precious** by developing our products in a caring and responsible way.

Dear Stakeholders,

As I pen down my thoughts for this year's report, most part of world is still reeling under the COVID-19 pandemic. Our this year's Annual Report theme is about 'CARE', which now happens to be the focal point around the world post the outbreak. This translates to care for the people, care for environment and care for the society. The pandemic has also unleashed a new set of challenges in every possible realm. It has changed the working pattern and behaviour in a short span of time across different industries. Some are navigating through fogs of uncertainty, whereas others are positioning themselves to adapt to the new normal.

The economic lockdown has brought an unexpected relief from poor air quality. There were reports of clear blue skies emerging across the world during the lockdown, owing to declining mobility and closures of manufacturing units. The global $CO2$ emissions in 2020 dropped to the levels last seen in 2006. The particulate matter pollution across the world witnessed a similar decline. The outcome has reshaped the politics around climate change as there is a concern that global warming could bring about another catastrophe in future. Few days of the lockdown made us realise how has the environment changed with globalisation and exploitation of natural resources. The pandemic has given us time to evaluate our priorities and rectify the mistakes and minimise the impact on the environment

Besides the environment, ensuring mental and physical fitness has also taken a centre stage. At EIL, we reached out to all our employees to keep their morale high and help them stay positive and focussed to emerge out of the bad times. Additionally, we also offered medical insurance coverage, tele-consultancy / medicine facilities and provided medical treatment to them on priority through tie-ups with hospitals. We continued to extend our care towards our community development programs in the areas of rural development, education, healthcare, sanitation and women empowerment.

I would like to acknowledge the efforts of our employees for their constant dedication and commitment amidst the challenges. I would also like to thank all our stakeholders, customers and the Board Members for their continuous support. I hope by the time I write next year's letter, we all would have emerged out of this crisis, taking the right learnings and adapting to the new normal.

Stay Safe.

Best Wishes

Ashwin C. Shroff, *Executive Chairman*

Safety and precautionary measures being taken at the Roha Plant

MESSAGE from the Managing Director

"We are favourably placed as an **environment-friendly** and **quality-conscious manufacturer** and aim to emerge as a preferred supplier for both domestic and overseas customers."

Dear Shareholders,

Founded with an entrepreneurial spirit in the backdrop of World War-II, it gives me an pleasure to put forward, that the next fiscal year would mark the completion of the 80th year of our organisation. As we reach close to this milestone and prepare for the journey of next 20 years, there are few things that will remain constant. These include continuous value-creation for our stakeholders and how we stay committed to our ethos of care and sustainability, even in the new normal period.

The Indian chemical space plays an inevitable position in the country's trade as it contributes 9% to the total exports. With Government's focus on self-reliance through 'Atma Nirbhar Abhiyaan' and 'Vocal for Local', there would be a realignment of the supply chain scenario. The domestic downstream chemical companies will gradually explore sourcing the raw material from within the nation. Besides, several overseas customers are now favouring India as a preferred destination. This in turn will further provide opportunity for established players like us.

The legacy of strong Research & development (R&D) continues and will remain the focal point of our business. This constant pursuit of excellence has allowed us to build a sustainable manufacturing process. It has allowed us to meet emerging needs of the varied customers and build diversified revenue base. During the year, we successfully acquired the manufacturing unit of Net Matrix Crop Care, which is located in Andhra Pradesh. The facility produces Sodium Trichloropyridinol which has a high value potential and can generate healthy revenues and profitability margins for the Company, going ahead.

Our journey over the years is a testimony of our commitment towards our value-accretive growth. Today, we are favourably placed as an environment-friendly and quality conscious manufacturer and aim to emerge as a preferred supplier for both domestic and overseas customers.

Best Wishes,

Ravi A. Shroff, *Managing Director*

MESSAGE from the Executive Director

"The need for **scientific collection, treatment** and **disposal** of **waste** has gained greater importance owing to the restrictions of man and material movement"

Dear Shareholders,

As we see the transformational challenges in the business environment, waste management becomes an important driver to build a smart and sustainable business. It makes us socially and environmentally responsible because when waste is managed at source, it becomes a resource. I am glad to state that Solid Waste Management is now gaining traction and getting importance as an organised industry. With the COVID-19 pandemic, the need for scientific collection, treatment and disposal of waste has gained more importance owing to the restrictions of man and material movement. We are strongly positioned to seize these opportunities through our centralised and decentralised waste management, legacy waste management and bio-remediation of landfill sites.

During the year, we bagged the operations and maintenance contract of 600 TPD Municipal Solid Waste Plant at Varanasi, for a period of two years starting January 2020, and Bio Mining of 900 TPD Legacy Waste at Ahmedabad, starting January 2020.

Going ahead, we look forward to associate with Urban Local Bodies for Municipal Waste Management and also explore collaboration with Indian and international partners to unlock larger opportunities in the waste management sector in India.

Best Wishes

Hrishit A. Shroff, *Executive Director*

CEO's MESSAGE

"The acquisition of the Vizag site presents an exciting opportunity to explore **forward-looking strategies** for the Company."

Dear Stakeholders,

During the past couple of years, the Company has increasingly been focussed on aligning with customers and further improving the responsiveness of the supply chain. During the year 2019-20, the focus of actions were to strengthen the internal capabilities of the organisation.

Businesses operating from both Roha and Lote sites carried out debottlenecking of operations to build capacities for future demand. Both sites applied for necessary regulatory approvals to accommodate higher volumes. The Lote site obtained clearance from authorities during the year. The pharma team also worked on reducing the manufacturing cost further and aligned with the revised market conditions. The cross functional teams went through several learnings during these improvement exercises.

With a focus on sustainable operations, last year we upgraded our wastewater treatment systems of Roha. The facilities at Lote site too were upgraded and a Multiple Effect Evaporation (MEE) system was commissioned. A solvent recovery facility for Pharma was also set up at Lote and this is expected to add significant value to Pharma business. Based on the environmental clearances obtained from authorities, the Company intends to pursue further increase in business scale from the Lote Site, going ahead.

The acquisition of Vizag site presents an exciting opportunity to explore forward-looking strategic plans for the Company. Vizag site is a fully functional plant, coming with regulatory clearances and adequate open space for constructing new plants for products of future.

Working capital management was another area of focus during the year. Although the Company had become debt-free in the beginning of last year, it was also necessary to institute internal systems where our focus on free cash flow is further improved. While supply chain team reset inventory norms, the sales team coordinated well with customers to achieve targets in collections.

Towards the end of the year, the COVID-19 outbreak interrupted our momentum. As the pandemic started to spread, all our locations took adequate precautions to ensure safety of the Company's employees and worked to find out ways to sustain our activity levels. We will have to see how these events impact us in course of time.

On behalf of our entire leadership team, I would like to thank our employees, partners, clients and stakeholders for another successful year in taking our business forward. In bringing our strategy to life in the years ahead, we are excited by the opportunities ahead of us to make a real difference in the world.

Best wishes

N. R. Kannan, *Chief Executive Officer*

Glimpses of the Vizag facility

BOARD Of Directors

Mr. Ashwin C. Shroff, *Executive Chairman*

As an Executive Chairman, Mr. Ashwin C. Shroff has always led a formidable leadership. Affectionately called Ashwin bhai in the organisation, he always leads by example and is the bearer of all the values that make life at Excel so special. He is firmly committed to the Excel way of working, building consensus and democratic processes.

He has been serving the Company since for 50 years and his leadership continues to inspire the entire group to march ahead. He is on the board of several companies including Transpek Industry Limited, Anshul Specialty Molecules Private Limited and Kamaljyot Investments Limited.

He has been widely recognised for his contributions to the growth of the Indian chemical industry and has received the ICC Lifetime Achievement Award in 2012.

Mr. Ravi A. Shroff, *Managing Director*

Mr. Ravi A. Shroff is a young and dynamic Managing Director of the Company since 3rd September, 2019. He is the third generation industrialist in the A. C. Shroff group of companies. Before joining the Company, he served as an Executive Director for 7 years with Anshul Specialty Molecules Private Limited and spearheaded Anshul to the path of growth and diversification.

At Excel, he has been steering the chemical division including strategic new business of Pharmaceutical and Veterinary APIs and has launched several new pharmaceutical molecules / products under his stewardship. He is also a Director on the Board of reputed companies including Transpek Industry Limited, Anshul Specialty Molecules Private Limited, Kamaljyot Investments Limited and Transpek Industry (Europe) Limited. Academically, he is an Engineering Graduate (BE Chemical) from Mumbai University and a Post Graduate in Chemistry from Boston University, USA.

Mr. Hrishit A. Shroff, *Executive Director (w.e.f. 27th June, 2019)*

Mr. Hrishit A. Shroff was appointed as an Executive Director with effect from 27th June, 2019. He is a Commerce graduate and a Chartered Accountant. He has also successfully completed an executive management course at Harvard Business School.

Before becoming the Executive Director of the Company, Mr. Hrishit A. Shroff was working with the Company since 1st February, 2017 as the president (Environment & Biotech Business and Corporate Services). He has been heading and steering the Environment and Biotech Division and has successfully launched several Solid Waste Management solutions under his leadership.

Before joining the Company he was an Executive Director at Excel Crop Care Limited and has over 10 years of experience in agro chemicals industry and Business Management.

Amongst other positions, he holds Directorship in Excel Bio Resources Limited, a wholly-owned subsidiary of the Company, MobiTrash Recycle Ventures Private Limited, Associate of the Company and Agrocel Industries Private Limited.

Mr. Dipesh K. Shroff, *Non-Executive Director*

An industrialist with vast experience in the Chemicals and Agrochemicals Industries, Mr. Dipesh K Shroff holds diploma in civil Engineering and Owners'/ Presidents' Management Programme at Harvard Business School to his credit. He serves on the Board of a number of companies including Agrocel Industries Private Limited, Transpek Industry Limited and TML Industries Limited.

Mr. Atul G. Shroff, *Non-Executive Director*

A highly experienced Industrialist, Mr. Atul Shroff is the Director of Transpek Industry Limited. He is actively involved with the Excel Group and is on the Board for a number of Group Companies. He is part of the Board for Transchem Agritech Private Limited and Madison Investments Private Limited.

Mr. H. N. Motiwalla, *Independent Director*

Mr. Motiwalla is a Chartered Accountant by profession and a highly respected professional in corporate India. He is a senior partner of H. N. Motiwalla & Co. and Chajjed & Doshi. Mr. Motiwalla has vast experience in the field of Accounting, Audit, Finance, Taxation, Corporate Governance and Company Law. He serves as a Board member in several companies including Hitech Corporation Limited, Multibase India Limited, Balkrishna Paper Mills Limited, Ashapura Minechem Limited and LIC Mutual Fund Trustee Private Limited. He is also Chairman of the Audit Committee of several listed companies. Mr. Motiwalla has been serving the Board since 2002.

Mr. Priyam S. Jhaveri, *Independent Director*

Mr. Jhaveri is an industrialist with vast experience in chemicals and textile auxiliary industry. He has been a Director of Excel Industries Limited since 20th October, 2002. Apart from serving as the Chairman and Managing Director of Phthalo Colours & Chemicals (I) Limited and Indian Extractions Limited, he also holds directorship in quite a few companies including Sadhana Nitro Chem Limited. Mr. Jhaveri holds a B.Com degree from the Bombay University and a Diploma in Business Management.

Mr. R. N. Bhogale, *Independent Director*

Mr. Bhogale holds a Bachelor's degree in Mechanical Engineering and has a vast experience in auto components and kitchenware industries. He is an eminent industrialist and possesses versatile skills, experience and knowledge in the field of management and administration. Amongst other positions, he serves on the Board of Umasons Auto Compo Private Limited.

Mr. R. M. Pandia, *Independent Director*

Mr. Rajeev M. Pandia is a highly respected corporate professional in the chemical industry and is well known for his contribution to the industry through various forums.

He headed Herdillia Chemicals Limited (later Schenectady Herdillia Limited and SI Group, India) as the Vice Chairman and Managing Director from 1992 until December 2008. He was, thereafter, the Group Adviser and Director of SI Group (Global Markets), USA. During 2013, he was appointed on a Committee to draft the National Chemical Policy for India by the Ministry of Chemicals and Fertilisers, Government of India. He has been associated with high level audits for many years in respect of EHS, Sustainability and Technology functions. He was appointed on the Jury of World Chemistry Awards 2015, a global recognition program for the international chemical industry, being the only member from Asia. As a consultant, he now advises several Indian and international companies in the areas of Strategy, Project Execution and Operational Excellence. He is a graduate in Chemical Engineering from Indian Institute of Technology (IIT), Mumbai, India and holds the Master's degree in the same field from Stanford University, California. Among others, he is a director in Thirumalai Chemicals Ltd, Ultra Marin & Pigments Ltd, in GRP Limited and Supreme Industries Limited. He has been an Independent Director on the Board of the Company since 8th August, 2014.

Mr. S. S. Vaidya, *Independent Director*

Mr. S. S. Vaidya is a practicing advocate and solicitor. He is a partner in Messrs. Kanga and Company, a 125-year old and reputed law firm of advocates and solicitors.

He was the President of Indian Merchants' Chamber (Premier Chamber of Commerce in the Western India) for the year 2013-14. He is a Managing Committee Member of the India Merchants' Chamber and Bombay Incorporated Law Society. He is a also director in several public limited companies, including Apcotex Industries Limited. He has been an Independent Director on the Board of the Company since 8th August, 2014.

Mr. M. B. Parekh, *Independent Director*

Mr. M. B. Parekh holds a Post Graduate degree in Chemical Engineering from University of Wisconsin, USA, and he is an industrialist with rich experience in the chemical industry and consumer products. He is the Executive Chairman of Pidilite Industries Limited and Chairman and Managing Director of Vinyl Chemicals (India) Limited and also holds directorship in several other companies including Fevicol Company Limited.

Dr. Meena A. Galliara, *Independent Director*

(w.e.f. 27th June, 2019)

Dr. Meena A. Galliara was appointed as an Independent Director with effect from 27th June, 2019. She is a Director at Jasani Center for Social Entrepreneurship & Sustainability Management, Narsee Monjee Institute of Management Studies (NMIMS). She is alumna of Tata Institute of Social Sciences (TISS). She commenced her career as a Welfare Officer with Dharamsi Morarjee Chemicals Company Ltd. For little over a decade she worked as Faculty Member in the Department of Social Welfare Administration at TISS. In the duration of her work at TISS, she actively contributed to research in the area of political empowerment of women, impact assessment of social welfare schemes, labour welfare schemes and management of NGOs. She was deputed by TISS to set up Tata Council of Community Initiatives and was part of the Maharashtra state's research team on 73rd Amendment to the Constitution of India. She handled the field action project on humanising Child Welfare Institutions of Ulhasnagar. Apart from academics, Dr. Galliara serves as a Trustee on the Board of International Resources for Fairer Trade.

Mr. P. K. Molri, *Nominee Director*

Mr. P. K. Molri was appointed by the Board of Directors as Additional Director designated as Nominee Director w.e.f. 7th February, 2020. He is a Chartered Accountant and a Commerce Graduate (Honours). He joined LIC of India in July 1985 and has rich work experience of more than 34 years in different senior positions at LIC including Sr. Divisional Manager of two Divisions and Chief Risk Officer of the organisation. He has recently superannuated from LIC from the post of Executive Director- Investment Operations wherein he was heading Equity, Debt, Treasury, Pension & Group schemes and ULIP Portfolios. He also holds the directorship at Ambuja Cements Limited.

CORPORATE Social Responsibility

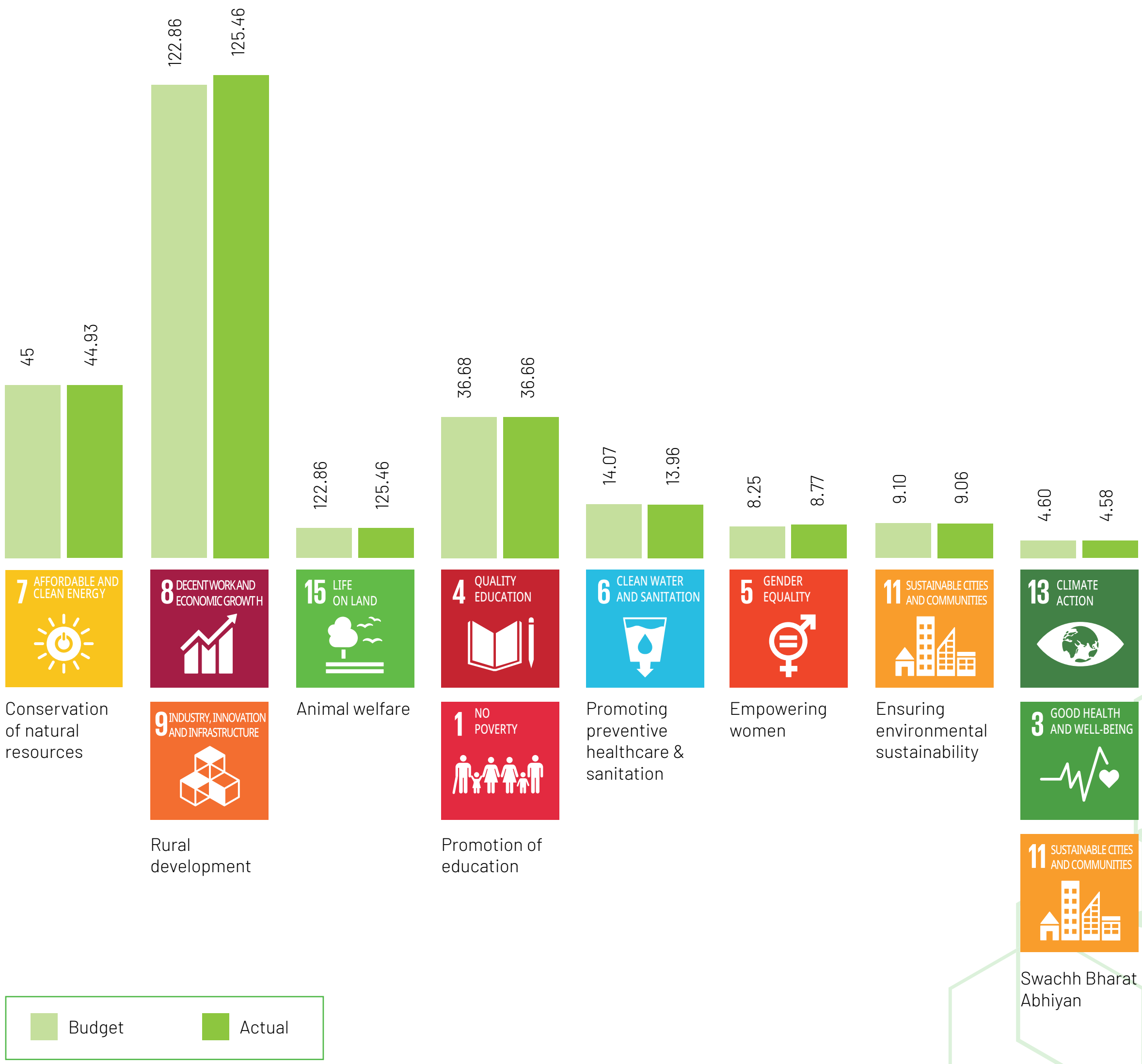
Focussing on what is important

Regardless of our business operations, to grow sustainably, we lay a special emphasis on our CSR activities. In a bid to address the growing challenges and combating universal issues, we have adopted the United Nation's 'Sustainable Development Goals (SDGs)'. As of now, we have met 11 out of 17 SDGs. We believe it is time to respond to these issues, especially in a nation like India, which has been impacted the most in terms of social, economic and environmental factors. At Excel, we work in team and take suitable actions to bring SDGs into force.

SDG Compass

Priority	Goals
Low	5, 6,
Medium	15
High	1, 4, 7, 8, 9, 11

We have identified SDG goals and have aligned the same with our existing CSR activities. We have tried to meet most of the SDGs and in future, we look to bring this in to a single framework by meeting all the goals, which will be done in a slow and gradual process as it is our long-term sustainability strategy.



Highlights: 2019-20

Conservation of Natural Resources

- 12 permanent check dams were constructed in 12 villages and 27,124 cubic meter water storage capacity and recharge created

5,400
Families benefitted

Rural Development

- Total 1,121 Farmers benefited and 331 Acres land cultivated for different varieties of crops to get income for farmers
- **Kharif Season:** Workshop conducted for paddy productivity and distributed paddy seeds
- **Rabi Season:** Distributed seeds and fertiliser, which resulted in cultivation of pulses and oilseed crops in large quantity

8
Acres land covered

Animal Welfare

- Provided well nutritious cattle feed and arranged for a vaccination camp of FMD vaccine with an awareness campaign. We also helped farmers in the poultry and dairy farming.

450
Cattle covered

Preventive Health Care

- Conducted a preventive health awareness campaign in 9 villages near our plant in Roha
- Provided supplementary food like Khajur, Chikki added groundnut, jaggary, rajgira, Ragi, Chana and vegetable seeds for kitchen garden cultivation
- Conducted health and eye check-up camp

729
Women covered

Entrepreneur Development

- Organised for an income generating training program in the field of beauty parlor, masala preparation, tailoring and grain flour mill machine

250
Women trained

6
Villages covered

Education

- Organised special coaching classes through expert faculty for 10th standard
- Provided computer training program to teachers
- 35 rural schools covered

2,000
Students covered

200
Teachers benefitted

Community Support

- Installed Convex Mirror at 12 locations in Roha with the support of Roha Nagar Parishad and Traffic Police Department
- Organised Swachatta Abhiyan by conducting awareness programs, display of boards and distribution of cotton bags, spreading the message of avoiding plastics and saving the environment
- Constructed roads, repaired bus stops and provided water filters

9
Villages covered

NOTICE

NOTICE is hereby given that the **59th ANNUAL GENERAL MEETING** of the members of **EXCEL INDUSTRIES LIMITED** will be held on **Friday, 25th September, 2020 at 03.00 p.m.** through two-way Video Conferencing or Other Audio Visual Means ("VC/OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the audited standalone and consolidated financial statements of the Company for the financial year ended 31st March, 2020, together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Dipesh K. Shroff (DIN 00030792), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. To consider appointment of Mr. P. K. Molri as a Nominee Director and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 149, 152 and 161(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. P. K. Molri (DIN 07810173), who was appointed as Additional Director and designated as Nominee Director by the Board with effect from 07th February, 2020 and who holds office until the date of this annual general meeting, and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as nominee director of the Company, whose period of office shall be liable to determination by retirement of directors by rotation."

   "RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

4. To ratify the remuneration of the Cost Auditors and in this regard to consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 148 (3) and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration of Cost Auditors M/s. Kishore Bhatia & Associates (Firm Registration Number: 00294) for the financial year 2020-21, fixed at ₹ 4,15,000/- plus applicable taxes and out-of-pocket expenses, by the Board of Directors at its meeting held on 26th June, 2020 be and is hereby ratified."

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to special business to be transacted at the meeting is annexed hereto.
2. Additional information pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of Directors being appointed /reappointed has been provided in the Annexure to this Notice.

3. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") vide its Circular No. 20 dated May 5, 2020 read with Circular No. 14 dated April 8, 2020 and Circular No. 17 dated April 13, 2020 (hereinafter collectively referred to as "MCA Circulars") and circular number SEBI/HO/CFD/ CMD1/CIR/P/2020/79 dated May 12, 2020 issued by the Securities and Exchange Board of India (the e-AGM circulars) have permitted the holding of Annual General Meeting through VC or OAVM without the physical presence of Members at a common venue. In compliance with these MCA Circulars and the relevant provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Annual General Meeting of the Members of the Company is being held through VC/ OAVM. For the purpose of recording the proceedings, the AGM will be deemed to be held at the registered office of the Company at 184-87, S V Road, Jogeshwari (West), Mumbai 400102. The Members are requested to attend the AGM from their respective locations by VC and do not visit the registered office to attend the AGM.

4. Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the Annual General Meeting and hence the Proxy Form and Attendance Slip are not annexed to the Notice.

5. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorization etc., authorizing its representative to attend the Annual General Meeting through VC/OAVM on its behalf and to vote through e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through their registered email address to pddiwan@yahoo.co.in with copies marked to the Company at investors@excelind.com and to its Registrar & Transfer Agent (RTA) at rnt.helpdesk@linkintime.co.in.

6. Members attending the meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Companies Act, 2013.

7. The Notice of the Annual General Meeting along with the Annual Report for the financial year 2019-20 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/Depositories in accordance with the aforesaid MCA Circulars and circular issued by SEBI. Members may note that the Notice of Annual General Meeting and Annual Report for the financial year 2019-20 will also be available on the Company's website www.excelind.co.in; websites of the Stock Exchanges i.e. National Stock Exchange of India Ltd and BSE Limited at www.nseindia.com and www.bseindia.com respectively.

8. Registration of email ID and Bank Account details:

In case the shareholder has not registered his/her/their email addresses with the Company/its RTA/Depositories and/or not updated the Bank Account mandate for receipt of dividend, the shareholders can do so by following the below instructions:

(i) In the case of Shares held in physical mode:

Kindly log in to the website of our RTA, Link Intime India Private Ltd., www.linkintime.co.in under Investor Services > Email/Bank detail Registration- fill in the details and upload the required documents and submit. **OR**

(ii) In the case of Shares held in Demat mode:

The shareholder may please contact the Depository Participant ("DP") and register the email address and bank account details in the demat account as per the process followed and advised by the DP.

9. Pursuant to the provisions of Sections 123 and 125 of the Companies Act, 2013, the amounts of dividends remaining unclaimed for a period of seven years from the date of declaration of dividend shall be transferred to the Investor Education and Protection Fund. The details of dividend paid for the financial year 2012-13 onwards are given below:

Date of Declaration	Dividend for the year	Dividend ₹ / Per Share	Due date of transfer of dividend to the Investor Education & Protection Fund
26.07.2013	2012-13	3.00	31.08.2020
26.09.2014	2013-14	3.75	01.11.2021
31.10.2014	2014-15	3.00	06.12.2021
10.09.2015	2014-15	4.00	16.10.2022
26.07.2016	2015-16	4.50	31.08.2023
03.08.2017	2016-17	6.00	08.09.2024
09.08.2018	2017-18	12.50	14.09.2025
13.08.2019	2018-19	18.75	18.09.2026
09.03.2020	2019-20 (Interim Div)	10.00	14.04.2027

10. Members who have not encashed the dividend warrants for the year 2012-2013 and/or any subsequent year(s) are requested to write to the Company for revalidation of dividend warrants before such unclaimed dividend is transferred to the Investor Education and Protection Fund.

11. The Members, whose unclaimed dividend/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority in Form No. IEPF 5 available on www.iepf.gov.in.

12. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.

13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.

14. In terms of the Listing Regulations, securities of listed companies can only be transferred in dematerialized form with effect from 1st April 2019. In view of the above, Members are advised to dematerialize shares held by them in physical form.

15. All documents referred to in the accompanying Notice of the AGM and the Explanatory Statement and the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available electronically for inspection by the members during the AGM upon log-in to InstaMeet URL: https://instameet.linkintime.co.in

16. In case the shareholders/members have any queries or issues regarding e-voting or e-AGM, they can write an email to instameet@linkintime.co.in or investors@excelind.com or Call us: - Tel : 022-49186175.

    All documents referred to in the Notice will also be available for electronic inspection by the Members without payment of any fee from the date of circulation of this Notice up to the date of AGM, i.e. September 25, 2020.

    Members seeking to inspect such documents are requested to send an email to investors@excelind.com. Inspection shall be provided at a mutually convenient time.

17. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide remote e-voting facility to its members to vote on the resolutions set out in the Notice.

    The remote e-voting period begins on Tuesday, the **22nd September, 2020 at 9.00 a.m.** and ends on Thursday, the **24th September, 2020 at 5.00 p.m.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **18th September, 2020** may cast their vote electronically. The remote e-voting module shall be disabled by Link Intime for voting thereafter.

    REMOTE E-VOTING INSTRUCTIONS FOR SHAREHOLDERS:

    i. Open the internet browser and launch the URL: https://instavote.linkintime.co.in

    Those who are first time users of Link Intime India Private Limited (LIIPL) e-voting platform or holding shares in physical mode have to mandatorily generate their own Password, as under:

    ▶ Click on **"Sign Up"** under **'SHARE HOLDER'** tab and register with your following details: -

    A. User ID: Enter your User ID

    - Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
    - Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
    - Shareholders/ members holding shares in **physical form shall provide** Event No + Folio Number registered with the Company

    B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable.

    C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

    D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

    - Shareholders/ members holding shares in **CDSL demat account shall provide either 'C' or 'D', above**
    - Shareholders/ members holding shares in **NSDL demat account shall provide 'D', above**
    - Shareholders/ members holding shares in **physical form** but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above

    ▶ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter).

    ▶ Click "confirm" (Your password is now generated).

    NOTE: If Shareholders/ members are holding shares in demat form and have registered on to e-Voting system of LIIPL: https://instavote.linkintime.co.in, and/or voted on an earlier event of any company then they can use their existing password to login.

    ii. Click on 'Login' under **'SHARE HOLDER'** tab.

    iii. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on **'Submit'**.

iv. After successful login, you will be able to see the notification for e-voting. Select **'View'** icon.

v. E-voting page will appear.

vi. Refer the Resolution description and cast your vote by selecting your desired option **'Favour / Against'** (If you wish to view the entire Resolution details, click on the **'View Resolution'** file link).

vii. After selecting the desired option i.e. Favour / Against, click on **'Submit'**. A confirmation box will be displayed. If you wish to confirm your vote, click on **'Yes'**, else to change your vote, click on 'No' and accordingly modify your vote.

viii. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIIPL at https://instavote.linkintime.co.in and register themselves as **'Custodian / Mutual Fund / Corporate Body'**. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the **'Custodian / Mutual Fund / Corporate Body'** login for the Scrutinizer to verify the same.

If you have forgotten the password:

- ◦ Click on **'Login'** under **'SHARE HOLDER'** tab and further Click **'forgot password?'**
- ◦ Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on **'Submit'**.

- In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
- Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
- The password should contain minimum 8 characters, at least one special character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Shareholders/ members holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.

In case shareholders/ members have any queries regarding remote e-voting, they may refer the **Frequently Asked Questions ('FAQs')** and **InstaVote e-Voting manual** available at https://instavote.linkintime.co.in, under **Help** section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 –4918 6000.

18. PROCESS AND MANNER FOR ATTENDING THE ANNUAL GENERAL MEETING THROUGH INSTAMEET:

(i) Shareholders/Members are entitled to attend the Annual General Meeting through InstaMeet VC/OAVM facility provided by Link Intime India Private Limited by following the below mentioned process. Facility for joining the Annual General Meeting through VC/OAVM shall open 30 minutes before the time scheduled for the Annual General Meeting and will be closed on expiry of 15 (fifteen) minutes from the scheduled time of the Annual General Meeting.

(ii) VC/OAVM facility is available for 1000 members only on first come first serve basis. Shareholders/Members with >2% shareholding, Promoters, Institutional Investors, Directors, KMPs, Chairpersons of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Auditors etc. may be allowed to the meeting without restrictions of first-come-first serve basis.

(iii) Shareholders/ Member shall register their details on InstaMeet facility and attend the Annual General Meeting as under: Open the internet browser and launch the URL: https://instameet.linkintime.co.in

▶ Select the **"Company"** and **'Event Date'** and register with your following details: -

A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No

- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
- Shareholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. Mobile No.: Enter your mobile number.

D. Email ID: Enter your email id, as recorded with your DP/Company.

▶ Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

Note:

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-FI or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

19. INSTRUCTIONS FOR SHAREHOLDERS/ MEMBERS TO SPEAK DURING THE ANNUAL GENERAL MEETING THROUGH INSTAMEET:

a. Members who would like to express their views/ask questions as a speaker at the Meeting are requested to pre-register themselves by sending a request from their registered email address mentioning their names, DP ID and Client ID/folio number, PAN and mobile number at **investors@excelind.com, at least 48 hours prior to the date of AGM i.e. on or before 3.00 p.m. on Wednesday, September 23, 2020. Those Members who have pre-registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM on first come first served basis**. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. The speaker shall ensure being connected to a device with a video/camera same along with good internet speed for the same. Those speakers whose names are called out by the Chairman/Moderator and are not available will not be allowed to speak later to ensure proper proceedings flow.

b. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.

c. Shareholders are requested to speak only when Chairman /Moderator of the meeting announce the name of the Speaker.

20. INSTRUCTIONS FOR SHAREHOLDERS/ MEMBERS TO VOTE DURING THE ANNUAL GENERAL MEETING THROUGH INSTAMEET:

Once the electronic voting is announced by the Chairman it will be activated by the Moderator of the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

a. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”

b. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMeet and click on ‘Submit’.

c. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.

d. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.

e. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.

f. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note:
Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting.

Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

OTHER INSTRUCTIONS FOR MEMBERS

a. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

b. The voting rights of Members shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date of i.e. **18th September, 2020**.

c. A person, whose name is recorded in the Register of Members as on the cut-off date only, shall be entitled to avail the facility of remote e-Voting or casting vote through e-Voting system during the meeting.

d. Members seeking any information with regard to any items provided in the AGM Notice including the Annual Accounts and any queries relating to the business /operations of the Company, are requested to write to the Company mentioning their name, DP ID and Client ID number /folio number and mobile number, at least seven days prior to the AGM i.e. on or before September 18, 2020 at investors@excelind.com and the same will be replied by the Company suitably at its discretion. Only questions in the English language will be taken into account.

e. Mr. Prashant Diwan, Practicing Company Secretary, (Membership No. FCS 1403), has been appointed as the Scrutinizer to scrutinize the e-voting process to be conducted in a fair and transparent manner for the Annual General Meeting.

f. The Chairman after responding to the questions raised by the Members in advance or as a Speaker at the 59th AGM, formally propose to the Members participating through VC/OAVM facility to vote on the resolutions as set out in the Notice of the 59th AGM and announce the start of the casting of vote through the e-Voting system. The e-Voting will be closed after 15 minutes from the formal announcement of closure of the 59th AGM.

g. The Scrutinizer shall after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting in the presence of at least two witnesses who are not in the employment of the Company and make a consolidated Scrutinizer's Report of the votes cast in favour or against, if any, to the Chairman or person authorized by him in writing.

h. The Chairman or the person authorized by him in writing shall declare the result of the voting on or before **27th September, 2020**. The results declared along with the Scrutinizer's Report shall be placed on the Company's website **www.excelind.co.in** immediately after the result is declared and the same shall be communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

i. Pursuant to the MCA Circulars and SEBI Circular, in view of the prevailing situation, owing to the difficulties involved in dispatching of physical copies of the Notice of the 59th AGM and the Annual Report for the year 2019-20 including therein the Audited Financial Statements for year ended 31st March, 2020, are being sent only by email to the Members. Therefore, those Members, whose email address is not registered with the Company or with their respective Depository Participant/s, and who wish to receive the Notice of the 59th AGM and the Annual Report for the year 2019-20 and all other communication sent by the Company, from time to time, can get their email address registered online by following the steps mentioned at note no. 8 herein above or by sending email at investors@excelind.com.

   For the Members holding shares in demat form, please update your email address through your respective Depository Participant/s.

j. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company's Registrar and Transfer Agent (in case of shares held in physical mode) and with relevant depository participant (in case of shares held in demat mode). A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by sending email at investors@excelind.com. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by submitting these declarations / documents on email at investors@excelind.com.

k. This AGM is being held through VC, therefore, the route map is not annexed to this Notice.

REQUEST TO THE MEMBERS

1. Members who have multiple folios in identical names in the same order are requested to send all the Share Certificates to the Company Secretary or to the Registrar and Transfer Agent, M/s Link Intime India Private Limited for consolidation of such folios into one to facilitate better services.

For and on behalf of the Board of Directors

ASHWIN C. SHROFF
Executive Chairman
DIN: 00019952

Registered Office:
184-87, Swami Vivekanand Road,
Jogeshwari (W),
Mumbai-400 102.

Mumbai, 13th August, 2020.

ANNEXURE TO THE NOTICE

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3

Mr. P. K. Molri, nominated by LIC of India in place of Mr. R. K. Sood (erstwhile Nominee Director), was appointed as additional director designated as nominee director by the Board of Directors of the Company at its meeting held on 7th February, 2020. Pursuant to Section 161 (1) of the Companies Act, 2013 read with Article 85 of the Articles of Association of the Company, he holds office up to the date of this annual general meeting.

Considering his professional background and experience, the association of Mr. P. K. Molri would be beneficial to the Company and it is therefore, proposed to appoint him as Nominee Director, liable to retire by rotation.

A notice along with the requisite deposit has been received from a member pursuant to Section 160 of the Companies Act, 2013, proposing the candidature of Mr. P. K. Molri for the office of Director of the Company.

The details of Mr. P. K. Molri as required under the provisions of Regulation 36 (3) of the Listing Regulations and other applicable provisions are provided in Annexure I to this notice.

The Company has received consent to act as Director from Mr. P. K. Molri.

None of the Directors or Key Managerial Personnel of the Company or their relatives, except Mr. P. K. Molri, is in any way, concerned or interested, financial or otherwise, in the resolution.

The Board recommends the ordinary resolution set out at item no. 3 of the Notice for approval of the Members.

Item No. 4

The Board of Directors at its meeting held on 26th June, 2020 appointed M/s Kishore Bhatia & Associates, practicing cost accountants, as Cost Auditors of the Company, in terms of Section 148 of the Companies Act, 2013 and fixed a sum of ₹ 4,15,000/- plus out of pocket expenses and taxes, as applicable, as the remuneration payable for the financial year 2020-21.

The remuneration, as recommended by the Audit Committee and approved by the Board of Directors, is required to be ratified by the members of the Company, as per the requirements of the Companies (Audit and Auditors) Rules, 2014, read with the Section 148(3) of the Companies Act, 2013.

None of the Directors or Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the resolution set out at item no. 4 of the Notice for approval of the members.

ANNEXURE I:

Agenda No. 2.

Name of Director	Mr Dipesh K Shroff
Date of Birth	03.02.1960
Academic Qualifications	Dip. In Civil Engineering, Owners'/Presidents' Management program at Harvard Business School, Boston, USA.
Experience and Expertise	Industrialist with vast experience in Chemical and Agrochemical Industries and has expertise in the field of business management
Terms & Conditions of Appointment	He shall be liable to retire by rotation. Being Non-Executive Director, he is entitled to profit related commission; and sitting fees for attending Board meetings and other Committee meetings.
Date of appointment on the Board	03.09.2003
Directorship in other public companies	Transpek Industry Ltd. TML Industries Ltd Shroff Engineering Ltd. Kutch Crop Service Ltd. ECCL Investments and Finance Ltd
No. of Membership(s)/Chairmanship(s) of Board Committees in other Companies	Member of Audit Committee, Member of CSR Committee, and Member of Nomination and remuneration Committee of Transpek Industries Ltd
No. of Shares held in the Company	8619
DIN	00030792
Relation with other Directors or Key Managerial Personnel	Mr. Ashwin Shroff and Mr. Atul Shroff are cousin brothers of Mr. Dipesh Shroff. Mr. Ravi Shroff and Mr. Hrishit Shroff are nephew of Mr. Dipesh Shroff
Number of Board Meetings attended during the financial year	4

Agenda No. 3.

Name of Director	Mr P K Molri
Date of Birth	19.10.1959
Academic Qualifications	Chartered Accountant, Commerce Graduate
Experience and Expertise	He joined LIC of India in July 1985 and has rich experience of more than 34 years of having worked in different senior positions including Sr. Divisional Manager of two Divisions and Chief Risk Officer of the organization. He has recently superannuated from LIC from the post of Executive Director- Investment Operations wherein he was heading Equity, Debt, Treasury, Pension & Group schemes and ULIP Portfolios.
Terms & Conditions of Appointment	He shall be liable to retire by rotation. Being Non-Executive Nominee Director, he is entitled to sitting fees for attending Board meetings. Profit related commission attributable to Mr P K Molri will be paid to LIC of India.
Date of appointment on the Board	07.02.2020
Directorship in other public companies	Ambuja Cements Limited
No. of Membership(s)/Chairmanship(s) of Board Committees in other Companies	NIL
No. of Shares held in the Company	NIL
DIN	07810173
Relation with other Directors or Key Managerial Personnel	Nil
Number of Board Meetings attended during the financial year	1

For and on behalf of the Board of Directors

ASHWIN C. SHROFF
Executive Chairman
DIN: 00019952

Registered Office:
184-87, Swami Vivekanand Road,
Jogeshwari (W),
Mumbai-400 102.

Mumbai, 13th August, 2020.

DIRECTORS' REPORT

To,
The Members,
Excel Industries Limited

Your Directors are pleased to present the 59th Annual Report on the business affairs of your Company together with the Audited Financial Statements for the year ended 31st March, 2020 including the Auditors Report thereon.

FINANCIAL HIGHLIGHTS

The Company's financial performance, for the year ended March 31, 2020 is summarized below:

₹/Lacs

	2019-20		2018-19	
Revenue from Operations	**70248.44**		82496.02	
Profit Before Tax		**11220.52**		23276.45
Provision for Taxation:				
– Current Tax	**2626.76**		7595.11	
– Deferred Tax	**(753.58)**	**1873.18**	474.87	8069.98
Profit After Tax		**9347.34**		15206.47
Other Comprehensive Income		**(3925.35)**		1697.20
Total Comprehensive Income		**5421.99**		16903.67

DIVIDEND

Your Directors have declared and paid an interim dividend of ₹ 10.00 per equity share of face value of ₹ 5/- each in the month of March, 2020 and the same has been considered as final dividend for the year 2019-20.

AMOUNT TRANSFERRED TO GENERAL RESERVE

Your Company has transferred ₹ 50 crores to the General Reserve.

PERFORMANCE REVIEW

During the year under review, the net revenue from operations decreased by 14.85% from ₹ 82,496.02 lakhs to ₹ 70,248.44 lakhs, mainly due to lower realization. The exports decreased by 27.45% from ₹ 23,260.22 lakhs to ₹ 16,875.82 lakhs due to lower demand of Agro Intermediates. Company's profit before tax declined by 51.79% from ₹ 23,276.45 lakhs to ₹ 11,220.52 lakhs. The Company's profit before tax was impacted due to lower export sales and drop in prices of Agro Intermediates due to competition from China. Net profit after tax for the year decreased by 38.53% from ₹15,206.47 lakhs to ₹ 9,347.34 lakhs. The decrease in net profit was contained due to lowering of corporate income tax rate by the Government.

The reserves excluding revaluation reserves as on 31.03.2020 are at ₹ 59,486.39 lakhs.

During the year, CRISIL Limited reviewed and reaffirmed the Credit Rating of the Company as "A+/Stable" for Long Term bank loan facilities and "A1" for Short Term bank loan facilities.

COVID-19 PANDEMIC AND ITS IMPACT

The COVID-19 pandemic is a worldwide crisis and the world is vehemently searching for a vaccine to end the disease. To curb the spread of the disease the Government initially imposed lockdowns, but gradually shifted its attention to opening of economies with safe operations and social distancing.

The Company has been strictly following the guidelines issued by the local, state and central governments and took all possible efforts to protect the health and well-being of its workforce and ensured minimum disruption to its customers. The Company shutdown all its three manufacturing facilities for about three weeks. Later, the operations at Roha Plant was temporarily suspended for four days from 2nd July, 2020 to 5th July, 2020 due to lockdown decision taken by Roha Industries Association. Further, Roha plant worked with 25% of its workforce from 15th July, 2020 midnight till 26th July, 2020 midnight due to Order from Raigad District Authority owing to rising of COVID-19 patients in Raigad District.

The Company has taken medical insurance for all its employees and made tie-ups with hospitals for providing medical treatment to its employees on priority. The Company has also made arrangements with hospitals / doctors for providing tele-consultancy and telemedicine facility to its employees.

Company's strong Free Cash Flow management focus has enabled it to weather the COVID-19 storm with confidence. The Company does not foresee significant shifts in the long term demand for its products due to COVID-19 pandemic, both in domestic and global markets. The Company's Management has carried out a detailed assessment of the impact of COVID-19 on its business operations and liquidity position, and on the recoverability and carrying values of its assets for the next one year, including Properties, Plants and Equipment, Trade Receivables, Inventories and Investments and is of the opinion that there would only be a limited impact of COVID-19 on its operations. However, the Company will continue to monitor any material changes to future economic conditions.

The Company through its CSR activities took up initiatives to serve the society particularly in and around its manufacturing operations in Roha, Lote and Vizag.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE COMPANY

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and date of this report. There has been no change in the nature of business of the Company.

ACQUISITION OF MANUFACTURING UNIT AT VIZAG

The Company has acquired a chemical manufacturing unit of NetMatrix Crop Care Limited located at Visakhapatnam at Andhra Pradesh Special Economic Zone (APSEZ), as a going concern by way of slump sale for a consideration of ₹ 8898.46 lakhs (net of working capital adjustment) on 25th October, 2019. The acquisition was accomplished fully through internal accruals. The purpose of the acquisition is to have additional manufacturing unit for the Company for capacity expansion and for diversification of product range.

MODERNIZATION / IMPROVEMENTS

Lote site of the Company has started a solvent recovery system to recycle and reuse various solvents being used in the chemical process.

A newly constructed Quality Control and Assurance facility complying with guidelines of FDA has been started at Roha site to cater pharmaceutical customer's requirements.

To gain thrust in the market, our Research and Development team has acquired two pressure reactors to study and develop high pressure Chlorination and Bromination.

UPDATE ON TRANSFER OF ENVIRONMENT AND BIO-TECH DIVISION OF THE COMPANY

The Business Transfer Agreement (BTA) which was executed on March 31, 2017 for transfer of Environment and Bio-Tech (ENBT) Division of the Company to Excel Bio Resources Limited, a wholly owned subsidiary of the Company, on a going concern basis by way of a slump sale, expired on 31st March, 2020. There were certain conditions precedent for completion of transfer of business which were subject to Government approvals. The Company tried its best to fulfil those conditions but it could not succeed in getting the necessary regulatory approvals. Consequently, the Company has re-classified ENBT as continuing operations in accordance with the Companies (Indian Accounting Standards) Rules, 2015.

ENVIRONMENT, HEALTH AND SAFETY

The Company was assessed by auditors of Indian Chemical Council for Responsible Care and the further permission has been granted for next 3 years. Lote site has got Environment Clearance for expansion and Roha Site proposal is under consideration.

To further strengthen our Environment, we have installed Multiple Effect Evaporator (MEE), Agitated Thin Film Dryer (ATFD) and Reverse Osmosis (RO) at our Lote Site. Similar activities have been taken up at Roha also to ensure that Company is maintained at the highest standards of compliance.

At our Quality Control laboratory, spot extractors exhaust system has been installed to improve the air quality of the Gas Chromatograph section.

This year also there were no reportable accidents and non-reportable / first aid cases are in reducing trend, due to strengthening of systems, procedures and training. To further percolate the health awareness among employees, interactive sessions, training and medical tips were provided by doctors to their families.

Our Roha site has received appreciation from National Safety Council: Maharashtra Chapter, for Meritorious Performance in Industrial Safety, in Chemicals and Fertilizers section.

This year our authorized transporter also bagged the ICC award for the Best Logistic service provider under Nicer Globe for bulk transportation of Phosphorus Trichloride.

QUALITY

A newly constructed Quality Control and Assurance facility complying with guidelines of Indian FDA has been started at Roha site to cater pharmaceutical customer's requirements.

Based on joint recommendations of R&D and Quality Assurance, the entire storage and packaging arrangements for DMTC has been revamped and the concept of cold room has been introduced to enhance the shelf life of the product.

Various studies like process reaction kinetics, validation critical control factors, and accelerated shelf life studies are in progress for new and existing products to gain meaningful insight about process and raw mix changes during scale ups and new product development.

We have preregistered our products at the Korean markets, under K-REACH and exports are being done regularly.

Many prominent pharmaceutical customers audited and approved our facilities for intermediates and API's.

INSURANCE

The Company continues to carry adequate insurance cover for all its assets against unforeseeable perils like fire, flood, earthquake, etc. The Company continues to maintain consequential Loss (Fire) Policy and the Liability Insurance Policy as per the provisions of Public Liability Insurance Act. The Company has also taken a Directors and Officers' Responsibility Policy. All the employees of the Company are insured against the COVID disease.

HUMAN RESOURCES

The commitment to cultivate a strong leadership bench, there has been a focus on the development of skills of the team. With this as key focal point, various employee development programs were conducted regularly throughout the year. These developmental programs are also driving performance now and in years to come.

The performance management system has started delivering value to the organisation by giving an idea about gaps thereby suggesting a learning and development plan, which becomes the enabler for a customised and company specific development program. The focus of recruitment strategy is also driven by the areas of the deficits in the existing teams.

The Company has culture where the focus is on employee well-being and general health. As part of the wellbeing program, a three month nutritional program was done for a focussed group of thirty executives, which yielded encouraging results. This involved in depth individual consultation focussed diet plans and a series of lectures were conducted by a practicing doctor and nutritionist.

With the Pandemic situation across world over, the company has been focused at employee safety and well-being. Apart from tie ups with hospitals, the company has conducted camps to help early detection of COVID-19 disease. Telemedicine facilities and distribution of preventive medicine for employees and their families have been done across sites. All employees of the company are covered under an insurance cover against the COVID disease.

Your Company has generally enjoyed cordial relations with its employees. A three year bonus agreement has been signed which is applicable to all employees. Worker and staff employees are paid in accordance with the wage agreement established with trade unions.

The employee strength of the Company has increased from 900 last year to 997 this year due to acquisition of manufacturing Plant at Vizag.

PUBLIC DEPOSITS

Details of deposits, covered under Chapter V of the Act are as under:

(a) The Company stopped accepting and renewing fixed deposits with effect from 1st April, 2014.

(b) There are no existing deposits from the public and the shareholders of the Company at the end of the FY 2019-20.

Total 15 Deposit holders did not claim their deposits after the date on which the deposits became due for payment. The amount due on such deposits and remaining unclaimed as on 31st March, 2020, was ₹ 5.80 lacs.

(c) There has been no default in repayment of deposits or payment of interest thereon during the year under review.

(d) All unclaimed deposits of the Company are in compliance with the requirements of Chapter V of the Act.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The loans, guarantees or investments made by the Company during the financial year 2019-20 are provided in Notes to Standalone Financial Statements.

SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES

The Company has two subsidiaries namely, Kamaljyot Investments Limited and Excel Bio Resources Limited. Also, the Company has one Associate company namely, MobiTrash Recycle Ventures Private Limited.

The salient features of the financial statements of the subsidiaries and the associate company as required under section 129 (3) of the Companies Act, 2013 are furnished in the annexures forming part of the financial statements.

The Policy for determining material subsidiaries as approved by the Board may be accessed on the Company's website at the link http://excelind.co.in/companyPolicies.html.

The financial statements of the subsidiary companies are not attached with this Annual Report. However, the Company will make available the annual accounts of the subsidiary companies and the related detailed information to any member of the Company who may be interested in obtaining the same in accordance with section 136 of the Companies Act, 2013. The annual accounts of the subsidiary companies will also be kept open for inspection at the Registered Office of the Company and are also available on the Company's website: http://excelind.co.in/annualReports.html. The Consolidated Financial Statements presented by the Company include the financial results of its subsidiary companies.

During the year, there was no addition of subsidiaries, associate companies or joint ventures of the Company neither any of the subsidiaries or associate company ceased to be so.

Kamaljyot Investments Limited is an investment Company registered under the provisions of RBI Act as a NBFC. The turnover for the year 2019-20 was ₹ 278.69 lakhs and Profit after tax was ₹ 228.20 lakhs.

Excel Bio-Resources Ltd. is a Company formed for carrying on the business of processing all kinds of waste including but not limited to municipal solid waste, urban waste, domestic waste, industrial waste, food processing waste etc. The turnover for the year 2019-20 was ₹ 4.90 lakhs and profit after taxation was ₹ 2.34 lakhs.

Mobitrash Recycle Ventures Pvt Ltd is a Company involved in recycling of all kinds of waste and scrap. The turnover of the Company for the year 2019-20 is ₹ 204.46 lakhs and loss incurred is ₹ 7.41 lakhs.

The contribution of the aforesaid subsidiaries and associate company to the overall performance of the Company is to the extent as provided in the consolidated financial statements of the Company.

NUMBER OF MEETINGS OF THE BOARD

During the FY 2019-20, seven meetings of the Board of Directors were held, details of the meetings held are provided in the Corporate Governance Report forming part of this Annual Report.

DIRECTORS

APPOINTMENTS AND RESIGNATIONS OF DIRECTORS

In accordance with the provisions of the Act and Articles of Association of the Company, Mr. Dipesh K Shroff, Director of the Company, will retire by rotation at the ensuing Annual General Meeting of the Company and, being eligible, offers himself for re-appointment.

During the year 2019-20, Mr. R. K. Sood, Nominee Director of LIC resigned and Mr. Praveen Kumar Molri was nominated in his place for the Directorship. Accordingly, the Board has appointed him as an Additional Director designated as Nominee Director and he will hold office up to this Annual General Meeting. The Company has received a notice from a member of the Company proposing his candidature for the office of Director. Mr. P. K. Molri is proposed to be appointed as the Nominee Director of the Company, liable to retire by rotation, at the ensuing AGM. Your Directors recommend his appointment as a Nominee Director of the Company. The Board placed on record its appreciation for the valuable contribution made by Mr. R. K. Sood during his association with the Company.

The brief resume and other related information of Mr. Dipesh Shroff and Mr. P. K. Molri are provided in **Annexure-I** to the Notice of this Annual General Meeting.

Mr. Ashwin C Shroff has been re-designated as Executive Chairman of the Company with effect from 3rd September, 2019. Also, Mr. Ashwin C Shroff has been re-appointed as Executive Chairman for a term of 5 years with effect from 1st February, 2020.

Mr. Ravi A Shroff has been elevated to the position of Managing Director of the Company and he has been re-appointed for a term of 5 years with effect from 3rd September, 2019.

Mr. Hrishit A Shroff has been appointed as an Executive Director for a term of 5 years with effect from 27th June, 2019.

The independent directors viz. Mr. H. N. Motiwalla, Mr. P. S. Jhaveri, Mr. R. N. Bhogale, Mr. M. B. Parekh, Mr. Shailesh S Vaidya and Mr. Rajeev M Pandia have been re-appointed for a second term of five years with effect from 13th August, 2019.

Dr. Meena Galliara has been appointed as an Independent Director for a period of 5 years with effect from 27th June, 2019. Dr. Meena Galliara is a Ph.D and an Academician in CSR & Social Entrepreneurship. Dr. Meena Galliara has been included in the data bank of independent directors maintained by the Indian Institute of Corporate Affairs (Institute). As per Rule 6(2) of Companies (Appointment and Qualification of Directors) Rules, every independent director whose name is so included in the data bank shall pass an online proficiency self-assessment test conducted by the Institute within a period of one year from the date of inclusion of his/ her name in the data bank. Dr. Meena Galliara is in the process of clearing the aforesaid proficiency self-assessment test.

In the opinion of the Board, the Independent Directors reappointed during the year possess integrity, rich experience and expertise relevant to the Company.

KEY MANAGERIAL PERSONNEL

Mr. Ashwin C. Shroff, Executive Chairman, Mr. Ravi A. Shroff, Managing Director, Mr. Hrishit A. Shroff, Executive Director, Mr. N. R. Kannan, Chief Executive Officer, Mr. Devendra Dosi, Chief Financial Officer and Mr. Surendra Singhvi, Company Secretary are the key managerial personnel of the Company.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules and disclosures relating to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are set out in Annexure I, forming part of this Report.

INDEPENDENT DIRECTOR

(i) Declaration from Independent Directors

The Board has received declaration from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(ii) Criteria for Performance Evaluation

Nomination and Remuneration Committee has laid down various criteria for performance evaluation of Independent Directors which, *inter-alia*, includes preparedness and attendance at the meetings, understanding of Company's operations and business, and contribution at Board Meetings.

(iii) Details of Familiarization Programme

The details of program for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at the link http://excelind.co.in/companyPolicies.html.

Separate meeting of Independent Directors

The separate Independent Directors' meeting scheduled on March 27, 2020 was rescheduled on June 26, 2020, due to the outbreak of COVID-19. This meeting was conducted through VC without the presence of Non-Independent Directors and members of the management in compliance with Regulation 25 (3) of the Listing Regulations and Schedule IV of the Act. At the said meeting, the Independent Directors, *inter-alia*, considered the following:

i. Reviewed the performance of Non-Independent Directors and the Board as a whole;

ii. Reviewed the performance of the Chairman of the Company, taking into account the views of executive directors and Non-Executive Directors;

iii. Assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

EVALUATION OF THE PERFORMANCE OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Nomination and Remuneration Committee has formulated a Nomination and Remuneration Policy which lays down the criteria and manner of Performance Evaluation of the Board as a whole, its Committees and individual Directors.

Pursuant to the provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out a formal annual evaluation of the performance of the Board, its Committees and of individual directors.

The Board as a whole is evaluated inter-alia on its ability to effectively supervise the functioning of the management, to discuss on operational and strategic issues, to take decisions in the best interest of the organization. The Committees of the Board are evaluated on their ability to address effectively the matters delegated to them in the charter, the ability to report to the Board the broad areas of concern appropriately and satisfactorily.

The evaluation of each of the directors was done, *inter-alia,* on the basis of his advisory role and contribution in the decision making, understanding of Company's business and risks and on the basis of the overall directions and guidance provided to the senior executives and supervision over their performance.

RELATED PARTY TRANSACTIONS

All transactions entered with Related Parties during the year were on arm's length basis and there were no material related party transactions during the year, therefore Form AOC – 2 is not provided.

All Related Party Transactions are placed before the Audit Committee for approval. Omnibus approval is obtained on a yearly basis for transactions which are of repetitive nature and are anticipated to be entered during the year. Transactions entered into pursuant to omnibus approval are placed before the Audit Committee for review on a quarterly basis. All related party transactions during the year are mentioned in the Note No. 51 to the Financial Statements. Under the said Note, Non-Executive Directors including Independent Directors of the Company are shown as Key Managerial Personnel (KMP) as per Indian Accounting Standard (Ind AS) 24. However, it is clarified that Non-Executive Directors including Independent Directors are not considered as KMP as defined under Section 203 of the Companies Act, 2013. Anshul Specialty Molecules Pvt. Ltd. is a part of the Promoter group and holds 42.63% of the share capital of the Company. In pursuance to regulation 2A of Schedule V of the SEBI (Listing Obligations and Requirements) Regulations, 2015, the transactions with Anshul Specialty Molecules Pvt Ltd are provided in Notes to Financial Statements. The Related Party Transaction Policy of the Company as approved by the Board may be accessed on the Company's website at the link http://excelind.co.in/companyPolicies.html.

VIGIL MECHANISM / WHISTLE BLOWER POLICY FOR THE DIRECTORS AND EMPLOYEES

Your Company believes in promoting a fair, transparent, ethical and professional work environment. The Board of Directors of the Company pursuant to the provisions of Section 177 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, has framed "Whistle Blower Policy" for Directors and employees of the Company for reporting their genuine concerns or grievances or cases of actual or suspected fraud or violation of the Company's Code of Conduct and Ethics Policy. The Whistle Blower Policy of the Company is available on the Company's website at http://excelind.co.in/companyPolicies.html.

NOMINATION AND REMUNERATION POLICY

The Company has a Nomination and Remuneration Policy for the appointment and remuneration of the directors, key managerial personnel (KMP) and other employees, approved by the Board on the recommendation of Nomination and Remuneration Committee.

The key objectives of the Policy are to lay down the criteria for appointment and remuneration of Directors, Key Managerial Personnel and Executives at Senior Management level and formulate the criteria and manner of effective evaluation of performance of the Board, its Committees and individual directors and review its implementation and compliance.

The Policy, *inter-alia*, includes criteria for determining qualifications, positive attributes, independence of a director, and expertise and experience required for appointment of Directors, KMP and Senior Management.

As per the Policy, the remuneration/ compensation to whole time Directors and senior management shall be recommended by the Nomination and Remuneration Committee to the Board for its approval. However, the remuneration / compensation to whole-time Directors shall be subject to the approval of the shareholders of the Company and will be in accordance with Section 197 of the Companies Act, 2013 read with Schedule V to the Act. Further, the Non-Executive Directors shall be entitled to fees for attending meetings of Board and Committees, and also to commission within the overall limit prescribed in the Companies Act, 2013 and as approved by the shareholders of the Company. Commission to the Non-Executive Directors is approved by the Board.

The Nomination and Remuneration Policy is available on the Company's website at http://excelind.co.in/companyPolicies.html.

CORPORATE SOCIAL RESPONSIBILITY

The Company firmly believes that the industry owes duty of welfare to the society at large and it shall pursue the commitment of Social Responsibility and carry out the social work directly and/ or through other registered voluntary organizations.

The Company's policy on Corporate Social Responsibility states various CSR activities that the Company could undertake to discharge its responsibilities towards the society. The Company's Policy on Corporate Social Responsibility can be accessed at http://www.excelind.co.in/companyPolicies.html.

In the FY 2019-20, the Company has undertaken various CSR activities at Roha, Lote and Mumbai. The CSR activities include Conservation of Natural Resources, Rural Development, Promotion of Education, Preventive Health Care, Empowering Women and ensuring Environmental Sustainability and Swachha Bharat Abhiyaan.

For the year ended 31st March, 2020, the Company has spent ₹ 258.07 lacs on aforesaid CSR activities directly or through other registered voluntary organizations like Vivekanand Research & Training Institute, etc.

Details on CSR spending as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 are set out in **Annexure II**, forming part of this Report.

BUSINESS RESPONSIBILITY REPORT

Pursuant to Regulation 34(2)(f) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Business Responsibility Report forms a part of the Annual Report.

RISK MANAGEMENT

Your Company has voluntarily constituted a Risk Management Committee to formulate a policy for risk management for implementing and monitoring the risk management plan of the Company.

The risk management committee is composed of Four Members including two independent Directors, the Managing Director and the Chief Executive Officer of the Company.

Your Company recognizes that Risks which includes the cyber security risk is an integral part of business process and is committed to managing the risks in a proactive and efficient manner. Your Company periodically assesses the risks existing in the internal and external environment and along with treating the risks also incorporates risk management plans in its strategy, business and operational plans.

Your Company, through its risk management process, strives to mitigate the impact and likelihood of the risks within the risk taking ability as agreed from time to time with the Board of Directors.

There are no risks which in the opinion of the Board threaten the existence of the Company. However, some of the risks which may pose challenges are set out in the Management Discussion and Analysis which forms part of this Report.

AUDIT COMMITTEE

The Audit Committee of Directors comprises of Mr. H N Motiwalla (Chairman of the Committee), Mr. P S Jhaveri, Mr. R N Bhogale, Mr. R. M. Pandia and Mr. Ravi A Shroff. All the recommendations made by the Audit Committee during the year were accepted by the Board of Directors of the Company. The terms of reference and other details of the Audit Committee are available in the Corporate Governance Report forming part of this Annual Report.

AUDITORS AND AUDITORS' REPORT

STATUTORY AUDITORS

At the 56th Annual General Meeting of the Company held on 03rd August, 2017, the members of the Company had approved the appointment of Price Water House, Chartered Accountants, LLP (Registration No. 012754N/N500016), as the Auditors of the Company for a term of 5(five) consecutive years from the conclusion of the 56th annual general meeting until the conclusion of the 61st annual general meeting.

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

The Auditors' Report on the Financial Statements for the year ended 31st March, 2020 does not contain any qualification, reservation, adverse remark or disclaimer and notes thereto are self-explanatory and do not require any explanations.

SECRETARIAL AUDITOR

The Board has appointed, Mr. Prashant Diwan, Practising Company Secretary as the Secretarial Auditor of the Company for the year 2019-20 to conduct Secretarial Audit of the Company. The Secretarial Audit Report of the Company issued by Mr. Prashant Diwan for the financial year ended 31st March 2020 is attached with this Report as **Annexure III**.

The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

COST AUDITORS

The Board of Directors at its meeting held on 24th May, 2019 had appointed M/s Kishore Bhatia & Associates (Firm Registration No. 00294), Cost Accountants, as the Cost Auditors of the Company for the financial year 2019-20 to conduct cost audit of all the applicable products of the Company. The Cost Audit Report for the year ended 31st March, 2019, which was required to be filed with the Ministry of Corporate Affairs on or before 26.10.2019, was filed on 5.10.2019.

REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Auditors have not reported any instance of fraud committed in the Company by its Officers or Employees to the Audit Committee under section 143(12) of the Companies Act, 2013.

CORPORATE GOVERNANCE & MANAGEMENT DISCUSSION AND ANALYSIS

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. Your Company continues to follow the principles of good Corporate Governance and the Board of Directors lays strong emphasis on transparency, accountability and integrity. Your Company has complied with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Management Discussion and Analysis and Corporate Governance Report together with Auditors' Certificate thereon form part of this Report.

EXTRACT OF ANNUAL RETURN

Pursuant to provisions of Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, extract of Annual Return in Form MGT 9 is available on the Company's website at http://www.excelind.co.in/ and forms part of this Annual Report as **Annexure IV**.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

The information on conservation of energy and technology absorption and foreign exchange earnings and outgo as required under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is set out in **Annexure V**, forming part of this Report.

MATERIAL ORDERS PASSED BY THE REGULATORY AUTHORITIES OR COURT

There is no significant material order passed by the regulators / courts / tribunals which can impact the going concern status of the Company and its future operations.

INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

The Company has adequate systems of internal financial controls to safeguard and protect its assets from unauthorized use or misappropriation. All the financial transactions are properly authorized, recorded and reported to the Management. The Company follows all the applicable Accounting Standards for proper maintenance of books of accounts for financial reporting.

SECRETARIAL STANDARDS

The Directors state that applicable Secretarial Standards have been duly followed by the Company. The Secretarial Auditor in his Secretarial Audit report confirms the same.

DIRECTORS RESPONSIBILITY STATEMENT

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31st March, 2020, the Board of Directors hereby confirms that:

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) they had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the Company for that period;

(c) they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) they had prepared the annual accounts on a going concern basis;

(e) they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

(f) they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

EXPLANATION OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE

The reports of Statutory Auditors and Secretarial Auditors are free from any qualification, reservation or adverse remark or disclaimer.

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE

The Company has formulated a Policy for Prevention of Sexual Harassment at Workplace. All individuals who are at the Company's premises, irrespective whether employees of the Company or outsiders are covered under this Policy. The Company has constituted an Internal Complaints committee to consider and resolve sexual harassment complaints lodged with the Committee. The constitution of the Committee is as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

No complaint was received from any employee during FY 2019-20 and hence no complaint is outstanding as on March 31, 2020 for redressal.

ACKNOWLEDGEMENTS

Your Directors acknowledge with gratitude the support and co-operation received from the Shareholders, Government Authorities, Bankers, Investors, Customers and Suppliers.

For and on behalf of the Board of Directors

Ashwin C. Shroff

Executive Chairman

DIN: 00019952

Date: 13th August, 2020

Place: Mumbai

ANNEXURE I TO DIRECTORS' REPORT

Disclosure required under Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. **Ratio of the remuneration of each director to the median remuneration of the employees for the FY 2019 – 20 and percentage change in the remuneration of each director in the FY 2019 – 20:**

Name of Directors	Designation	Ratio of remuneration of the Director to the median remuneration of the employees	% increase/ decrease in Remuneration (-) indicates decrease
Ashwin C. Shroff	Executive Chairman	42.87	-22.22
Late Usha. A. Shroff	Executive Vice Chairperson	@	@
Ravi A. Shroff	Managing Director	47.99	22.61
Hrishit A Shroff	Executive Director	33.44	#
Dipesh K. Shroff	Non Executive Director	1.47	-40.65
Atul G. Shroff	Non Executive Director	1.45	-40.00
H. N. Motiwalla	Independent Director	2.51	-35.57
R. N. Bhogale	Independent Director	2.27	-34.30
M. B. Parekh	Independent Director	1.37	-12.82
P. S. Jhaveri	Independent Director	2.25	-33.73
S. S. Vaidya	Independent Director	1.41	-12.50
R. M. Pandia	Independent Director	2.13	-36.53
Meena Galliara	Independent Director	1.45	#
R. K. Sood	Nominee Director	1.12	#
P. K. Molri	Nominee Director	0.28	#

Note:

\# Mr. Hrishit Shroff held the office of Executive Director with effect from 27th June, 2019.

Dr. Meena Galliara held the office of Director with effect from 27th June, 2019.

Mr. R K Sood held the office of Director till 11th November, 2019.

Mr. P. K. Molri held the office of Director with effect from 7th February, 2020.

@ Late Mrs. Usha A Shroff held office till 28th April, 2019. Hence the ratio of her remuneration to the median remuneration and comparison of her remuneration for 2019-20 to 2018-19 are not comparable.

2. **Percentage increase in the remuneration of Chief Executive Officer, Chief Financial Officer and Company Secretary in the FY 2019 – 20:**

Name	Designation	% increase in Remuneration
N. R. Kannan	Chief Executive Officer	11.86
Devendra Dosi	Chief Financial Officer	10.20
S. K. Singhvi	Company Secretary	17.62

3. **The median remuneration of employees of the Company has been increased by 2.00 % in the FY 2019-20 over the median remuneration of employees of the Company in FY 2018- 19.**

4. **There were 997 permanent employees on the rolls of the Company at the end of the FY 2019-20.**

5. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof.**

   The average increase in the salary of the employees other than the managerial personnel in FY 2019-20 is 13.98% and for managerial personnel there is decrease of 3.60% There is a decrease in managerial remuneration for the FY 2019-20 because the Executive Directors have accepted a modest amount of commission due to current COVID situation.

   The increment given to each individual employee is based on the employees' potential, experience as also their performance and contribution to the Company's progress over a period of time and also as per market trend.

   Note:

   Managerial Personnel includes Executive Chairman, Managing Director and the Executive Director.

6. **Affirmation that the remuneration is as per the remuneration policy of the Company**

   Remuneration paid to Directors, KMP and other employees is as per the remuneration policy of the Company.

For and on behalf of the Board of Directors

ASHWIN C. SHROFF

Executive Chairman

DIN: 00019952

Date: 13th August, 2020

Place: Mumbai

ANNEXURE I TO DIRECTOR'S REPORT

Disclosure required under Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014. Top Ten Employees in terms of Remuneration drawn.

Sr. No.	Name	Designation	Actual Remuneration (₹ in Lacs)	Nature of employment (Contractual or otherwise)	Qualifications	Experience (Years)	Joining Date	DOB	Age (Years)	Last Employment	% of Equity shares held by the Employee along with spouse and children	Relative of any Director / Manager
1.	ASHWIN CHAMPRAJ SHROFF	Executive Chairman	213.50	Contractual	B. Sc.	54	01.09.1965	22.01.1945	75	NA	0.66	Mr. Ashwin C Shroff, Late Mrs Usha A Shroff, Mr. Ravi A Shroff and Mr. Hrishit A Shroff are relatives
2.	LATE USHA ASHWIN SHROFF	Executive Vice Chairperson	32.90	Contractual	M. Com	51	01.11.1968	28.03.1947	72	NA	0.052	
3.	RAVI ASHWIN SHROFF	Managing Director	239.00	Contractual	BE-Chemical, PG in Chemistry, Boston University, USA	17	03.09.2014	05.02.1978	42	ANSHUL SPECIALTY MOLECULES PVT LTD	0.38	
4.	HRISHIT ASHWIN SHROFF	Executive Director	166.55	Contractual	CA	14	01.02.2017	21.02.1980	40	Excel Crop Care Limited	0.38	
5.	N.R. KANNAN	CEO	93.36*	Permanent	B.Sc., B.Sc. (Tech)	32	17.07.2017	08.09.1963	56	Sanmar Specialty Ltd	0	—
6.	DEVENDRA PARASMAL DOSI	CFO	71.77*	Permanent	C.A.	23	01.11.2017	22.06.1972	47	H R Johnson (A division of Prism Johnson Ltd.)	0	—
7.	ADITYA KUMAR NIGAM	Sr. VP - Manufacturing	70.43*	Permanent	B.Tech	33	18.08.2017	21.08.1962	57	Cheminova India Ltd.	0	—
8.	PRADEEP N GHATTU	Sr. VP - Chemicals Business	63.37*	Permanent	MBA	27	03.11.2004	02.01.1970	50	ABB India Ltd.	0	—
9.	SAURABH ANIL SHAH	VP - E&BT Business	53.80*	Permanent	M. S, MBA	16	03.10.2012	14.12.1980	39	Deccan Aviation Pvt. Ltd.	0	—
10.	RAVI TUKADEV KULKARNI	Asst VP - Operations	48.95*	Permanent	BE (Chemical)	27	12.12.2018	28.10.1969	50	Sequent Scientific Limited	0	—

Notes: 1. Late Mrs. Usha Shroff held office upto 28th April, 2019.

2. * The remuneration figures are as per the terms of employment.

ANNEXURE II TO DIRECTORS' REPORT

Details on CSR Activities of the Company for the financial year 2019-20

1. Excel believes that the industry seeks a license to exist from the community around it. Hence, it shall pursue the commitment of Corporate Social Responsibility and carry out the welfare work directly and/ or through other committed organizations.

   Excel's CSR Policy focuses on following key areas for carrying out its social responsibility

   Conservation of Natural Resources

   Rural development - Agriculture and Community Development

   Animal welfare

   Promotion of Education

   Promoting preventive health care & sanitation

   Empowering Women - Entrepreneurship Development

   Environmental Sustainability

   Swachhata Abhiyaan

   The Company's CSR Policy is available at http://excelind.co.in/companyPolicies.html

2. The CSR Committee consist of:

   Mr Ashwin C Shroff, Chairman

   Late Mrs Usha A Shroff (upto 28.04.2019)

   Mr R N Bhogale

   Mr M B Parekh

   Mr R M Pandia

   Dr Meena Galliara (w.e.f. 27.06.2019)

3. Average net profit of the Company calculated as per Section 198 for the last three FY preceeding 31st March, 2020 is **₹ 11,978 lacs.**

4. CSR expenditure prescribed under Sec 135 of the Companies Act, 2013 for the FY 2019-20 is **₹ 240 lacs.**

5. (a) The total amount spent by the company on CSR activities in FY 2019-20 is **₹ 258.07 lacs.**

   (b) Amount unspent , if any: **N.A.**

   (c) Manner in which the total amount spent by the company on CSR activities in FY 2019-20 is detailed below:

(₹ in Lacs)

Sr. No.	CSR Project/Activity Identified	Sector in which the project is covered	Area of project implementation (Name of the Dist./state/where project/program was undertaken)	Amount outlay (budget) project or program wise	Amount spent on project or program – Direct expenses	Amount spent on project or program – Overhead expenses	Cumulative expenditure up to reporting period	Name and amount spend through implementing agency	
								Amt.	Agency
1.1	Awareness on Rainwater harvesting, Recharging of Bore wells and Construction of permanent check dams	Conservation of Natural Resources	State: Maharashtra Dist: Ratnagiri	26.35	26.32	0.00	26.32	26.32	Shri. Vivekanand Research & Training Institute, Lote
1.2	Conservation of Natural Resourses - Construction of Permanent Check Dams	Conservation of Natural Resources	State: Maharashtra Mumbai (HO)	3.50	3.50	0.00	3.50	3.50	Shri. Vivekanand Research & Training Institute ,Mandavi, Kutch
1.3	Construction of permanent check dams, check dams using loose boulders, desilting and deepening, awareness campaign about water harvesting, Recharging bore wells	Conservation of Natural Resources	State: Maharashtra Dist: Raigad	15.15	15.11	0.00	15.11	15.11	Shri. Vivekanand Research & Training Institute, Roha
2.1	Promoting Kharif & Rabi season group farming,Developing training centre for farmers, Community Development	Rural Development -Agriculture & Community Dev.	State: Maharashtra Dist: Ratnagiri	32.60	32.56	0.00	32.56	32.56	Shri. Vivekanand Research & Training Institute, Lote
2.2	Agricultural Activities - Support to Seeds, Fertilzers, Farmers Melavas, Farmers Training Programs.	Rural Development -Agriculture & Community Dev.	State: Maharashtra Mumbai (HO)	42.46	42.46	0.00	42.46	42.46	AATAPI SEVA Founation & national council for climate change sustainable development and public leadership & Shri. Vivekanand Research & Training Institute, Mandavi, Kutch
2.3	Agriculture - Objective : Doubling Income of Farmers :- Facilitate to take Crop all round the year. Work on optimal productivity in each crop. Scale up in pulses area. Scale up in Horticulture area. Scale up in Vegetable cultivation area of individual farmers. Encourage lift irrigation. Abandoned farm land to be brought under cultivation.	Rural Development -Agriculture & Community Dev.	State: Maharashtra Dist: Raigad	48.00	47.74	0.00	47.74	47.74	Shri. Vivekanand Research & Training Institute, Roha
3.1	Poultry & Goat keeping training program, Training on Value addition of milk,Fodder cultivation & construction of poultryshed, support for good quality Desi breeds	Animal Welfare	State: Maharashtra Dist: Ratnagiri	4.35	4.33	0.00	4.33	4.33	Shri. Vivekanand Research & Training Institute, Lote & Dept. of Animal Husbandry Panchayat Samiti Khed

(₹ in Lacs)

Sr. No.	CSR Project/Activity Identified	Sector in which the project is covered	Area of project implementation (Name of the Dist./state/where project/program was undertaken)	Amount outlay (budget) project or program wise	Amount spent on project or program – Direct expenses	Amount spent on project or program – Overhead expenses	Cumulative expenditure up to reporting period	Name and amount spend through implementing agency	
								Amt.	Agency
3.2	Awareness programs for farmers on harnessing benefits from livestock. Animal feed and milk productivity. Producing high quality breeds. Animal Health and milk productivity.	Animal Welfare	State: Maharashtra Dist: Raigad	3.50	3.49	0.00	3.49	3.49	Shri. Vivekanand Research & Training Institute, Roha & Dept. of Animal Husbandry Panchayat Samiti-Roha
4.1	Conducting Career guidance, Personality development programs, Teachers training program, supporting maintenance of school buildings, Sanitation & drinking water facility & MPSC/UPSC coaching classes	Promotion Of Education	State: Maharashtra Dist: Ratnagiri	12.65	12.63	0.00	12.63	12.63	Shri. Vivekanand Research & Training Institute, Lote and Unique Academy Pune and R.C.Kale School, Chiplun
4.2	Skill development Program for drop out students.	Promotion Of Education	State: Maharashtra Mumbai (HO)	5.78	5.78	0.00	5.78	5.78	Salam Bombay & Touch Organisation Mumbai
4.3	Vocational skill development Program, Pradnya Vikas Program, Teachers Trainings, Special guidance program for 10th Std. Support Schools in up-gradation of Infrastructure, Chotte Scientist Program for Schools with help of Jnana Prabhodhini, Pune	Promotion Of Education	State: Maharashtra Dist: Raigad	18.25	18.25	0.00	18.25	18.25	Shri. Vivekanand Research & Training Institute, Roha & Jnana Prabhodhini, Pune
5.1	General Medical Check up camps in creek area & Nutrition awareness program for women Creating Awareness on Preventive Health Measures & Sanitation in villages	Health-Preventive Health Care	State: Maharashtra Dist: Ratnagiri	3.53	3.51	0.00	3.51	3.51	Shri. Vivekanand Research & Training Institute, Lote and SMS Hospital (Khed & Chiplun)
5.2	Cancer Operative Hospital - Aid provided for their Health Activities	Health-Preventive Health Care	State: Maharashtra Mumbai (HO)	5.04	5.04	0.00	5.04	5.04	Palkar Center - Hospital, Mumbai
5.3	Creating awareness on "Preventive Health Measures and Sanitation". BMI & HB Check up Camps, Nutrition program for undernourished adolescent girls and women up to 40 years of age. Preventive Health Awareness campaign in schools about Cleanliness, Hand Wash & Kitchen Garden. (Healthy Food)	Health-Preventive Health Care	State: Maharashtra Dist: Raigad	5.50	5.41	0.00	5.41	5.41	Shri. Vivekanand Research & Training Institute, Roha
6.1	Supporting entrepreneurial Women group in making value added products on commercial level from Ragi & Marketing	Empowering Women-Entrepreneurship Development	State: Maharashtra Dist: Ratnagiri	5.45	5.42	0.00	5.42	5.42	Shri. Vivekanand Research & Training Institute, Lote and CMRC Khed

(₹ in Lacs)

Sr. No.	CSR Project/Activity Identified	Sector in which the project is covered	Area of project implementation (Name of the Dist./state/where project/program was undertaken)	Amount outlay (budget) project or program wise	Amount spent on project or program – Direct expenses	Amount spent on project or program – Overhead expenses	Cumulative expenditure up to reporting period	Name and amount spend through implementing agency	
								Amt.	Agency
6.2	To conduct food Processing Training Programs, Vocational skills development programs, Form Bachat Gat to make value added products and support in Marketing.	Empowering Women-Entrepreneurship Development	State: Maharashtra Dist: Raigad	2.80	2.77	0.00	2.77	2.77	Shri. Vivekanand Research & Training Institute, Roha & Krushi Vidnyan Kendra & Jan Shikshan Sansthan, Alibag
7.1	Mass tree plantation, Nakshtra Udyan & Developing Biodiversity Park	Environment	State: Maharashtra Dist: Ratnagiri	7.10	7.08	0.00	7.08	7.08	Shri. Vivekanand Research & Training Institute, Lote
7.2	Awareness on Solid waste management, Training on Waste to Manure.	Environment	State: Maharashtra Dist: Raigad	2.00	1.98	0.00	1.98	1.98	Shri. Vivekanand Research & Training Institute, Roha
8	Awareness of Cleanliness, Not use plastic bags and use cotton bags.	Swachchata Abhiyan	State: Maharashtra Dist: Raigad	4.60	4.58	0.00	4.58	4.58	Shri. Vivekanand Research & Training Institute, Roha
9.1	VRTI office Renovation	VRTI office	State: Maharashtra Dist: Ratnagiri	3.40	3.39	0.00	3.39	3.39	Shri. Vivekanand Research & Training Institute, Lote
9.2	VRTI office Renovation	VRTI office	State: Maharashtra Dist: Raigad	1.45	1.44	0.00	1.44	1.44	Shri. Vivekanand Research & Training Institute, Roha
10.1	Administration Expenses	Admin	State: Maharashtra Dist: Ratnagiri	2.77	0.00	2.76	2.76	2.76	Shri. Vivekanand Research & Training Institute, Lote
10.2	Administration Expenses	Admin	State: Maharashtra Dist: Raigad	2.55	0.00	2.52	2.52	2.52	Shri. Vivekanand Research & Training Institute, Roha
	Grand Total			**258.78**	**252.79**	**5.28**	**258.07**	**258.07**	

For and on behalf of the Board of Directors

ASHWIN C SHROFF	RAVI A SHROFF
Chairman of the CSR Committee DIN: 00019952	Managing Director DIN: 00033505

Date: 13th August, 2020
Place: Mumbai

ANNEXURE III TO DIRECTORS' REPORT

SECRETARIAL AUDIT REPORT
FORM NO. MR-3
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

[Pursuant to section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
EXCEL INDUSTRIES LIMITED
184-187, Swami Vivekanand Road
Jogeshwari (West)
Mumbai – 400 102

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Excel Industries Limited** having CIN: L24200MH1960PLC011807 (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2020 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  (c) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

  (d) The Securities and Exchange Board of India (Depositories and Participants) Regulation, 2018.

(v) Further, as representation made by the management and relied upon by me, during the period under review, provisions of the Drugs and Cosmetics Act, 1940 and The Drugs and Cosmetics Rules, 1945 were complied by the Company.

As per the representations made by the management and relied upon by me, during the period under review, provisions of the following regulations/guidelines were not applicable to the Company:-

(i) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(ii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

  (a) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

  (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(d) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;

(e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and

(f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards 1 & 2 issued by the Institute of Company Secretaries of India under the Companies Act, 2013.

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above to this report.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is generally given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through and as informed, there were no dissenting members' views and hence not recorded as part of the minutes.

I further report that as per the explanations given to me in the representations made by the management and relied upon by me, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

As per the explanations given to me and the representations made by the management and relied upon by me, I further report that, during the audit period, there were no other specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, etc., having a major bearing on the Company's affairs except acquisition of a chemical manufacturing unit of NetMatrix Crop Care Limited located at Plot no. 15 & 15A, APSEZ, Atchutapuram, Visakhapatnam, Andhra Pradesh as a going concern by way of slump sale.

CS PRASHANT DIWAN
Practicing Company Secretary
FCS: 1403 CP: 1979
PR: 530/2017
UDIN: F001403B000578111

Date: 13.08.2020
Place: Mumbai

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

Annexure "A"

To
The Members
EXCEL INDUSTRIES LIMITED
184-187, Swami Vivekanand Road
Jogeshwari (West)
Mumbai – 400 102

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.
7. I have not carried out the physical verification of any records due to prevailing conditions of COVID-2019 in the country. I have relied on the records as made available by the Company through digital mode as well as I have also relied on the Management representation made by the Company.

CS PRASHANT DIWAN
Practicing Company Secretary
FCS: 1403 CP: 1979
PR: 530/2017
UDIN: F001403B000578111

Date: 13.08.2020
Place: Mumbai

ANNEXURE IV TO DIRECTORS' REPORT

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31st March, 2020

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	:	L24200MH1960PLCO11807
Registration Date	:	05.09.1960
Name of the Company	:	Excel Industries Limited
Category of the Company	:	Company limited by shares
Sub-Category of the Company	:	Indian Non-Government Company
Address of the Registered office and contact details	:	184-87, Swami Vivekanand Road, Jogeshwari (West), Mumbai 400 102. Maharashtra Tel : 91 22 66464200 Email : excel.mumbai@excelind.com
Whether listed company	:	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any:	:	Link Intime India Pvt. Ltd. C-101, 247 Park, L.B.S. Marg, Vikhroli (W), Mumbai 400 083 Tel : 022 49186000 / 91 22 49186270 Fax: 91 22 49186060

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1.	Diethyl ThioPhosphoryl Chloride	20119	35.95

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the Company	CIN	Holding/ subsidiary/ associate	% of shares held	Applicable section
1.	Kamaljyot Investments Limited **Address:** 184-87 Swami Vivekanand Road, Jogeshwari (W), Mumbai - 400 102	U65990MH1983PLC030597	Subsidiary	100%	2(87)(ii)
2.	Excel Bio Resources Limited **Address:** 184-87 Swami Vivekanand Road, Jogeshwari (W), Mumbai - 400 102	U01403MH2007PLC176907	Subsidiary	100%	2(87)(ii)
3.	Mobitrash Recycle Ventures Private Limited **Address:** 184-87 Swami Vivekanand Road, Jogeshwari (W), Mumbai - 400 102	U37100MH2015PTC269272	Associate	39.98%*	2(6)

* Shares held by subsidiaries of the Company.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter and Promoter Group									
(1) Indian									
a) Individuals / Hindu Undivided Family	423017	0	423017	3.37	423017	0	423017	3.37	0.00
b) Central Government / State Government(s)	0	0	0	0	0	0	0	0	0.00
c) Financial Institutions / Banks	0	0	0	0	0	0	0	0	0.00
d) Any Other (Specify)									
Bodies Corporate	6057100	0	6057100	48.18	6057100	0	6057100	48.18	0.00
Sub total (A)(1):	6480117	0	6480117	51.55	6480117	0	6480117	51.55	0.00
(2) Foreign									
a) Individuals (Non-Resident Individuals/ Foreign Individuals)	104082	0	104082	0.83	104082	0	104082	0.83	0.00
b) Government	0	0	0	0	0	0	0	0.00	0.00
c) Institutions	0	0	0	0	0	0	0	0.00	0.00
d) Foreign Portfolio Investor	0	0	0	0	0	0	0	0.00	0.00
e) Any Other (Specify)	0	0	0	0	0	0	0	0.00	0.00
Sub total (A)(2):	**104082**	**0**	**104082**	**0.83**	**104082**	**0**	**104082**	**0.83**	**0.00**
Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	**6584199**	**0**	**6584199**	**52.38**	**6584199**	**0**	**6584199**	**52.38**	**0.00**
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds / UTI	825	0	825	0.01	825	0	825	0.01	0.00
b) Venture Capital Funds	0	0	0	0	0	0	0	0.00	0.00
c) Alternate Investment Funds	676	0	676	0.01	0	0	0	0.00	-0.01
d) Foreign Venture Capital Investors	0	0	0	0	0	0	0	0.00	0.00
e) Foreign Portfolio Investor	102883	100	102983	0.82	32165	100	32265	0.26	-0.56
f) Financial Institutions / Banks	976813	194	977007	7.77	910388	194	910582	7.24	-0.53
g) Insurance Companies	0	1	1	0	0	1	1	0.00	0.00
h) Provident Funds/ Pension Funds	0	0	0	0	0	0	0	0.00	0.00
i) Any Other (Specify)									
Foreign Bank	24	398	422	0	24	398	422	0.00	0.00
Sub total (B)(1):	**1081221**	**693**	**1081914**	**8.61**	**943402**	**693**	**944095**	**7.51**	**-1.10**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Central Government/ State Government(s)/ President of India	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0.00**	**0.00**
Sub Total (B)(2)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0.00**	**0.00**
(3) Non-Institutions									
a) Individuals									
i) Individual shareholders holding nominal share capital up to ₹ 1 lakh.	2699054	221241	2920295	23.23	2877501	172053	3049554	24.26	1.03
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1267601	0	1267601	10.08	962031	0	962031	7.65	-2.43
b) NBFCs registered with RBI	1160	0	1160	0.01	0	0	0	0.00	-0.01
Trust Employee	0	0	0	0	270	0	270	0.00	0.00
c) Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0	0	0	0	0.00	0.00
d) Any Other (Specify)									
IEPF	67270	0	67270	0.54	73668	0	73668	0.59	0.05
Trusts	0	270	270	0.00	0	270	270	0.00	0.00
Hindu Undivided Family	159490	0	159490	1.27	159461	0	159461	1.27	0.00
Non Residents	110443	545	110988	0.88	159514	500	160014	1.27	0.39
Clearing Member	28512	0	28512	0.23	12705	0	12705	0.10	-0.13
Bodies Corporate	347525	1468	348993	2.78	475410	871	476281	3.79	1.01
Others	0	0	0	0.00	37264	9921	47185	0.38	0.38
Sub-total (B)(3)	**4681055**	**223524**	**4904579**	**39.02**	**4757824**	**183615**	**4941439**	**39.31**	**0.30**
Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)	**5762276**	**224217**	**5986493**	**47.62**	**5701226**	**184308**	**5885534**	**46.82**	**-0.80**
Total (A)+(B)	**12346475**	**224217**	**12570692**	**100.00**	**12285425**	**184308**	**12469733**	**99.20**	**-0.80**
(C) Non Promoter - Non Public									
(1) Custodian/DR Holder	**0**	**0**	**0**	**0.00**	**100959**	**0**	**100959**	**0.80**	**0.80**
(2) Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
Total (A)+(B)+(C)	**12346475**	**224217**	**12570692**	**100.00**	**12386384**	**184308**	**12570692**	**100.00**	**0**

ii. Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share-holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1	ANSHUL SPECIALTY MOLECULES PRIVATE LIMITED	5358682	42.63	0.00	5358682	42.63	0.00	0.00
2	DIPKANTI INVESTMENTS AND FINANCING PVT. LTD.	235732	1.88	0.00	235732	1.88	0.00	0.00
3	TRANSPEK INDUSTRY LIMITED	156650	1.25	0.00	156650	1.25	0.00	0.00
4	VIBRANT GREENTECH INDIA PRIVATE LIMITED	149991	1.19	0.00	149991	1.19	0.00	0.00
5	Dilipsinh G Bhatia	104082	0.83	0.00	104082	0.83	0.00	0.00
6	ASHWIN CHAMPRAJ SHROFF	83070	0.66	0.00	83070	0.66	0.00	0.00
7	PRITAMI INVESTMENTS PVT. LTD.	79862	0.64	0.00	79862	0.64	0.00	0.00
8	ATUL GOVINDJI SHROFF	59784	0.48	0.00	59784	0.48	0.00	0.00
9	RAVI ASHWIN SHROFF	47670	0.38	0.00	47670	0.38	0.00	0.00
10	HRISHIT ASHWIN SHROFF	47669	0.38	0.00	47669	0.38	0.00	0.00
11	HYDERABAD CHEMICAL PRODUCTS PRIVATE LIMITED	46833	0.37	0.00	46833	0.37	0.00	0.00
12	AMI KANTISEN SHROFF	31882	0.25	0.00	31882	0.25	0.00	0.00
13	SHRODIP INVESTMENTS PVT. LTD.	29350	0.23	0.00	29350	0.23	0.00	0.00
14	SHRUTI ATUL SHROFF	22018	0.18	0.00	22018	0.18	0.00	0.00
15	ANSHUL AMRISH BHATIA	21616	0.17	0.00	21616	0.17	0.00	0.00
16	PREETI DIPESH SHROFF	14110	0.11	0.00	14110	0.11	0.00	0.00
17	HIRAL TUSHAR DAYAL	10034	0.08	0.00	10034	0.08	0.00	0.00
18	DIPESH KANTISEN SHROFF	8619	0.07	0.00	8619	0.07	0.00	0.00
19	CHETANA P SARAIYA	8610	0.07	0.00	8610	0.07	0.00	0.00
20	USHA ASHWIN SHROFF	6497	0.05	0.00	6497	0.05	0.00	0.00
21	KANTISEN CHATURBHUJ SHROFF- HUF	5494	0.04	0.00	5494	0.04	0.00	0.00
22	PRAFUL MANILAL SARAIYA	2033	0.01	0.00	2033	0.01	0.00	0.00
23	TUSHAR CHARANDAS DAYAL	1310	0.01	0.00	1310	0.01	0.00	0.00
24	VISHWA ATUL SHROFF	905	0.01	0.00	905	0.01	0.00	0.00
25	ABHAY SUNIL SARAIYA	150	0.00	0.00	150	0.00	0.00	0.00
26	KANTISEN CHATURBHUJ SHROFF	51546	0.41	0.00	51546	0.41	0.00	0.00
	Total	**6584199**	**52.38**	**0.00**	**6584199**	**52.38**	**0.00**	**0.00**

iii. Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.		Cumulative Shareholding during the year 2018-19		Cumulative Shareholding during the year 2019-20	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year	6585125	**52.38**	6584199	**52.38**
	HiralTusharDayal sold 926 shares on 19.10.2018	(926)	0.00	0.00	0.00
	At the End of the year	6584199	**52.38**	6584199	**52.38**

iv. Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year		Increase/ Decrease in Shareholding during the year			Cumulative Shareholding at the end of the year	
		No. of Shares	% of total Shares of the Company	Date of change	Reason	No. of Shares	No. of Shares	% of total Shares of the Company
1	LIFE INSURANCE CORPORATION OF INDIA	962799	7.66				962799	7.66
				16 Aug 2019	SALE	(927)	961872	7.65
				06 Sep 2019	SALE	(2401)	959471	7.63
				27 Dec 2019	SALE	(5000)	954471	7.59
				31 Dec 2019	SALE	(10546)	943925	7.51
				03 Jan 2020	SALE	(7911)	936014	7.45
				10 Jan 2020	SALE	(9058)	926956	7.37
				17 Jan 2020	SALE	(4475)	922481	7.34
				24 Jan 2020	SALE	(32600)	889881	7.08
				07 Feb 2020	SALE	(760)	889121	7.07
				14 Feb 2020	SALE	(658)	888463	7.07
	AT THE END OF THE YEAR						888463	7.07
2	FINQUEST FINANCIAL SOLUTIONS PVT. LTD.	63105	0.50				63105	0.50
				26 Apr 2019	SALE	(3100)	60005	0.48
				31 May 2019	PURCHASE	31000	91005	0.72
				11 Oct 2019	PURCHASE	60000	151005	1.20
				28 Feb 2020	PURCHASE	2200	153205	1.22
				06 Mar 2020	PURCHASE	13000	166205	1.32
	AT THE END OF THE YEAR						166205	1.32
3	MUSADDILAL RAWAT	142367	1.13				142367	1.13
	AT THE END OF THE YEAR						142367	1.13
4	DEEP J MASTER	103000	0.82				103000	0.82
				26 Apr 2019	SALE	(250)	102750	0.82
				03 May 2019	SALE	(64)	102686	0.82
				10 May 2019	PURCHASE	64	102750	0.82
				23 Aug 2019	PURCHASE	500	103250	0.82
				30 Aug 2019	PURCHASE	250	103500	0.82
				06 Sep 2019	PURCHASE	750	104250	0.83

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year		Increase/ Decrease in Shareholding during the year			Cumulative Shareholding at the end of the year	
		No. of Shares	% of total Shares of the Company	Date of change	Reason	No. of Shares	No. of Shares	% of total Shares of the Company
				13 Sep 2019	PURCHASE	500	104750	0.83
				27 Sep 2019	PURCHASE	750	105500	0.84
				30 Sep 2019	PURCHASE	250	105750	0.84
				04 Oct 2019	PURCHASE	250	106000	0.84
				18 Oct 2019	PURCHASE	250	106250	0.85
				15 Nov 2019	PURCHASE	250	106500	0.85
				22 Nov 2019	PURCHASE	1250	107750	0.86
				29 Nov 2019	PURCHASE	250	108000	0.86
				06 Dec 2019	PURCHASE	250	108250	0.86
				13 Dec 2019	PURCHASE	250	108500	0.86
				20 Dec 2019	PURCHASE	250	108750	0.87
				31 Dec 2019	PURCHASE	250	109000	0.87
				10 Jan 2020	PURCHASE	500	109500	0.87
				17 Jan 2020	PURCHASE	250	109750	0.87
				07 Feb 2020	PURCHASE	750	110500	0.88
				14 Feb 2020	PURCHASE	1500	112000	0.89
				21 Feb 2020	PURCHASE	250	112250	0.89
				28 Feb 2020	PURCHASE	1000	113250	0.90
				06 Mar 2020	PURCHASE	2000	115250	0.92
				13 Mar 2020	PURCHASE	1500	116750	0.93
				20 Mar 2020	PURCHASE	750	117500	0.93
				27 Mar 2020	PURCHASE	1000	118500	0.94
				31 Mar 2020	PURCHASE	1000	119500	0.95
	AT THE END OF THE YEAR						119500	0.95
5	RAJJU D SHROFF	112352	0.89				112352	0.89
	AT THE END OF THE YEAR						112352	0.89
6	INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY MINISTRY OF CORPORATE AFFAIRS	67270	0.54				67270	0.54
				05 July 2019	Refund	(121)	67149	0.53
				09 Aug 2019	Refund	(75)	67074	0.53
				27 Sep 2019	Transfer to IEPF	7720	74794	0.60
				30 Sep 2019	Transfer to IEPF	6	74800	0.60
				11 Oct 2019	Refund	(22)	74778	0.59
				18 Oct 2019	Refund	(165)	74613	0.59
				06 Dec 2019	Refund	(270)	74343	0.59
				27 Dec 2019	Refund	(270)	74073	0.59
				24 Jan 2020	Refund	(405)	73668	0.58
	AT THE END OF THE YEAR						73668	0.58

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year		Increase/ Decrease in Shareholding during the year			Cumulative Shareholding at the end of the year	
		No. of Shares	% of total Shares of the Company	Date of change	Reason	No. of Shares	No. of Shares	% of total Shares of the Company
7	VINOD KUMAR OHRI	70000	0.56				70000	0.56
	AT THE END OF THE YEAR						70000	0.56
8	ARCHANA KHANDELWAL	53220	0.42				53220	0.42
	AT THE END OF THE YEAR						53220	0.42
9	KALPANA JAIN	51552	0.41				51552	0.41
	AT THE END OF THE YEAR						51552	0.41
10	VEENA K JAGWANI	50000	0.40				50000	0.40
	AT THE END OF THE YEAR						50000	0.40

v. Shareholding of Directors and Key managerial Personnel:

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year		Increase/Decrease in shareholding during the year			Shareholding at the end of the year	
		No. of shares	% of total shares of the Company	Date of change	Reason	No. of shares	No. of shares	% of total shares of the Company
	DIRECTORS							
1.	Mr. Ashwin C Shroff	83070	0.66	—	—	0	83070	0.66
2.	Late Mrs. Usha A Shroff	6497	0.05	—	—	0	6497	0.05
3.	Mr. Ravi A Shroff	47670	0.38	—	—	0	47670	0.38
4.	Mr. Hrishit A Shroff	47669	0.38	—	—	0	47669	0.38
5.	Mr. Atul G Shroff	59784	0.48	—	—	0	59784	0.48
6.	Mr. Dipesh K Shroff	8619	0.07	—	—	0	8619	0.07
7.	Mr. R.N. Bhogale	0	0	—	—	0	0	0
8.	Mr. H N Motiwalla	0	0	—	—	0	0	0
9.	Mr. P S Jhaveri	0	0	—	—	0	0	0
10.	Mr. M B Parekh	0	0	—	—	0	0	0
11.	Mr. P. K.Molri	0	0	—	—	0	0	0
12.	Mr.Shailesh Vaidya	0	0	—	—	0	0	0
13.	Mr. Rajeev M Pandia	0	0	—	—	0	0	0
14.	Dr. Meena Galliara	0	0	—	—	0	0	0
	Key Managerial Personnel (KMP)							
1.	Mr. S.K. Singhvi	100	0	—	—	0	100	0
2.	Mr. Devendra Dosi	—	—	—	—	0	0	0
3.	Mr. N. R. Kannan	—	—	—	—	0	0	0

V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director and Whole-time Directors:

(Amt. in ₹)

Sr. No.	Particulars of Remuneration				Total Amount	
		Ashwin C Shroff	**Late Usha A Shroff**	**Ravi A Shroff**	**Hrishit A Shroff**	**Total**
		Executive Chairman	Executive Vice Chairperson	Managing Director	Executive Director	
1.	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	80,00,000	3,82,667	87,40,000	50,23,333	2,21,46,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	42,56,361	2,59,600	51,84,223	28,19,548	1,25,19,732
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	—	—	—	—	—
2.	Stock Option	—	—	—	—	—
3.	Sweat Equity	—	—	—	—	—
4.	Commission	69,34,083	—	76,16,411	39,20,841	1,84,71,335
	– as % of profit	—	—	—	—	—
	– others, specify	—	—	—	—	—
5.	Others, please specify (UAS-Gratuity)	—	26,01,923	—	—	—
	Total (A)	**1,91,90,444**	**32,44,190**	**2,15,40,634**	**1,17,63,722**	**5,57,38,991**
	Ceiling as per the Act					11,06,03,864

B. Remuneration to Non-Executive Director

1. Independent Director

Sr. No.	Particulars of Remuneration	Name of Independent Directors							Total Amount
		Mr. R N Bhogale	**Mr. H N Motiwalla**	**Mr. P S Jhaveri**	**Mr. M B Parekh**	**Mr. S S Vaidya**	**Mr. R M Pandia**	**Dr. Meena Galliara**	
1.	Fee for attending Board/Committee Meetings	3,30,000	4,50,000	3,00,000	80,000	1,00,000	2,60,000	1,20,000	16,40,000
2.	Commission	8,00,000	8,00,000	8,00,000	6,00,000	6,00,000	8,00,000	6,00,000	50,00,000
3.	Others, please specify	—	—	—	—	—	—	—	—
	Total (B1)	**11,30,000**	**12,50,000**	**11,00,000**	**6,80,000**	**7,00,000**	**10,60,000**	**7,20,000**	**66,40,000**

2. Other Non-Executive Director

Sr. No.	Particulars of Remuneration	Name of Non-Executive Directors		Name of the Nominee Director	Name of the Nominee Director	Total Amount
		Mr. Atul G Shroff	Mr. Dipesh K Shroff	Mr. R. K. Sood	Mr. P. K. Molri	
1.	Fee for attending Board/ Committee Meetings	1,20,000	1,20,000	*80,000	*20,000	3,40,000
2.	Commission	6,00,000	6,00,000	*4,80,000	*1,20,000	18,00,000
3.	Others, please specify	—	—	—	—	—
	Total (B2)	**7,20,000**	**7,20,000**	**5,60,000**	**1,40,000**	**21,40,000**

Total Managerial remuneration to Non-Executive Director (B1 + B2)			**87,80,000**
Overall Ceiling as per the Act + Sitting Fees			1,10,60,386

* Sitting fees and Commission is paid to LIC for the period when the LIC Nominee Director is in employment with LIC. When the individual retires from LIC but continues to be a LIC Nominee Director on the Board of the Company, the sitting fees are paid to the individual, however the commission is paid to LIC. Accordingly, ₹ 80,000 paid as sitting fees to Mr. R. K. Sood includes ₹ 40,000 paid to LIC. ₹ 4,80,000 paid as Commission to Mr. R. K. Sood is actually paid to LIC. Similarly, Mr. P.K. Molri is not in the services of LIC, so ₹ 20,000 as sitting fees is paid to Mr. P.K. Molri but commission of ₹ 1,20,000 is actually paid to LIC.

Note: 1. Commission to the Directors pertains to the FY 2019-20.
2. Ceiling limits are for the year 2019-20

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sr. No.	Particulars of Remuneration	Name of Key Managerial Personnel			Total
		Mr. N. R. Kannan	Mr. Devendra Dosi	Mr. Surendra Singhvi	
		Chief Executive Officer	Chief Financial Officer	Company Secretary	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	80,96,490	69,46,474	23,35,215	1,73,78,179
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	3,51,321	—	21,600	3,72,921
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	—	—	—	—
2.	Stock Option	—	—	—	—
3.	Sweat Equity	—	—	—	—
4.	Commission	—	—	—	—
	– as % of profit	—	—	—	—
	– others, specify	—	—	—	—
5.	Others, please specify	—	—	—	—
	Total	**84,47,811**	**69,46,474**	**23,56,815**	**1,77,51,100**

VI. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment			**NIL**		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			**NIL**		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			**NIL**		
Compounding					

For and on behalf of the Board of Directors

ASHWIN C. SHROFF
Executive Chairman
DIN: 00019952

Date: 13th August, 2020
Place: Mumbai

ANNEXURE V TO DIRECTORS' REPORT 2019-20

(A) CONSERVATION OF ENERGY

(i) The steps taken or impact on conservation of energy:

1. Replacement of Approx., 150 conventional lamps of 65 Watt with 45 Watt LED lamps across site.
2. Installation of 15 Variable Frequency Drive (VFD) on motors of stirrers of reactors to cut down electrical power consumption by 10%.

(ii) The steps taken by the company for utilizing alternate sources of energy:

Agreement made from the authorized service provider for procurement of 5 Megawatt of Solar/wind electric energy through open access scheme.

(iii) The capital investments on energy conservation equipment 20 Lakhs.

(B) TECHNOLOGY ABSORPTION

(i) The efforts made towards technology absorption and benefits derived thereof:

1. The process of chlorination under pressure has been successfully scaled up and commercialized, uplifting our chlorine handling skill.
2. We have adopted alternate method of distillation to consume imported ethanol, thereby opening newer avenues for sustainability in production.
3. Process automation in plant operation done through novel methods of engineering controls, advanced instrumentation in three of our units to enhance process safety & also now daily operations is being from distance instead from fields from control rooms.
4. To further improve the market consolidation of phosphonates, an in-house process has been developed to use Phosphorus from any source for production of Phosphorus Trichloride keeping "Arsenic" content within limits.

In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): Nil.

(ii) The expenditure incurred on R& D for the FY 2019-20

(₹ in Lacs)

Capital	35.99
Recurring	565.40
Total	601.39
Total R&D expenditure as a percentage of total turnover	0.86%

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

The foreign exchange earned in terms of actual inflows during the FY 2019-20 is ₹ 19,263.75 lakhs and the foreign exchange outgo in terms of actual outflows during the FY 2019-20 is ₹ 15,160.04 lakhs.

For and on behalf of the Board of Directors

ASHWIN C. SHROFF
Executive Chairman
DIN: 00019952

Date: 13th August, 2020
Place: Mumbai

MANAGEMENT DISCUSSION AND ANALYSIS

The Company has two divisions viz the Chemicals Division and the Environment and Biotech Division. The total sales turnover of the Company for the year 2019 – 20 was ₹ **702** crores as against ₹ **825** crores for the year 2018-19.

The turnover of the Chemicals Division for the year 2019 – 20 was ₹ **685** crores and that of the Environment and Biotech Division was ₹ **17** crores.

CHEMICALS BUSINESS

The Chemicals Business is engaged in the manufacture of specialty chemicals, intermediates and actives catering to various end user segments like Agrochemicals, Water Treatment, Soaps and Detergents, Lube Oil Additives, Mining Chemicals, Polymer additives and Pharmaceuticals.

Industry Structure

- The Company is a leading manufacturer of specialty and performance chemicals.
- Specialty and performance chemicals are knowledge chemicals which require specialized skills and knowledge for manufacture in terms of chemistry and engineering capabilities, material handling and effluent treatment.
- Specialty chemicals are required in a number of end use applications ranging from the Life Sciences (Agrochemical and Pharmaceuticals) to Fast Moving Consumer Goods (FMCG). Production of specialty chemicals requires good knowledge of the requirements of the end user applications to whose needs they are meant to cater.
- All specialty chemicals are subject to varying degrees of regulatory requirements and the demand for these chemicals can be impacted by changes in regulations.
- The Size of the Indian specialty chemicals industry is estimated at US $ 63 billion. Agrochemicals and Pharmaceuticals (API & Intermediates) account for US $ 5.7 billion and US $ 12.8 billion respectively (Source – Report of Credit Suisse on the Agrochemicals segment & CII-KPMG report on Pharmaceuticals).
- Given the specialized knowledge component involved, there are limited number of producers in India for the range of products manufactured by the Company. However, there is a stiff competition from China given the huge capacities of Chinese producers and their access to locally available feedstock.
- Most of the basic raw materials (feedstock) required for the products manufactured by the Company are imported because the domestic availability is either non – existent / limited.

Outlook

- Several Chinese companies had stopped production over the past couple of years following the strict environmental and pollution control policies followed by the Chinese Government. In 2018 – 19 the capacities for some of these products came back after the units restarted operations. In order to be able to restart, the companies upgraded their ETP facilities or shifted the production operations to interior regions like Inner Mongolia.
- The increased supply from China coupled with low demand for downstream products (particularly agrochemicals like Chlorpyriphos) led to an oversupply situation in 2018 – 19. The Company combated this to maintain its market share. However, there was a significant price erosion.
- There will be an overall negative impact in Q 1 on the production and sales of the Company across all the product lines due to the Covid 19 situation. However, we expect production activities to restore to normal from Q 2 onwards.
- Going forward, during this financial year, we see a good demand for the Organophosphorous (OP) intermediates manufactured by the Company. The reason is that the good rabi harvest has helped in depleting the channel inventories. The IMD has forecast a normal monsoon in 2020 which augurs well for the demand of downstream agrochemicals in the Kharif season.

- The Phosphonate range of products find application in segments like water treatment, soaps and detergents, industrial and institutional cleaners (I & I) etc. The emphasis on sanitisation and cleaning in the wake of Covid 19 has meant a good demand for these products. The demand from the US market has been good and we expect this to continue for the balance of the year.
- The Company has been able to establish itself as a serious player in the pharmaceutical intermediates and API segment. The Company is backward integrated into these APIs and expects to consolidate its position and grow in these products. The Company is also working of developing new APIs and intermediates.

Opportunities

- In light of the supply disruptions from China in recent years, there is a conscious strategic drive on the part of customers to mitigate the risk of sourcing from China. The Company as an established player in the manufacture of specialty and performance chemicals sees itself as well poised to take advantage of this opportunity through appropriate expansion and new product launch activities.

Threats / Risks

- The product ranges in which the Company is present are subject to regulatory scrutiny. There is a constant threat of activism by Non-Governmental Organisations (NGOs) and at times, emotions can prevail over solid scientific reasoning. The Company keeps track of the regulatory developments and works with industry associations and peers for data based and scientific defence of these products. Simultaneously the Company is working of development of new products / businesses as a risk mitigation measure.
- Even though the prices of Chinese products have been correcting over the past few years, given the huge capacities, there is always a threat of aggressive pricing / dumping from China. The Company is engaging in continual improvement efforts to improve the yields and process efficiencies so as to improve its competitive position. If required, the Company will also initiate trade defence measures.

ENVIRONMENT AND BIOTECH BUSINESS

Industry Structure & Development

The Municipal Solid Waste Management activity in India, which was hitherto fragmented and unorganized, is finally taking shape of an organized industry on the back of streamlined legislation, legitimate players, as also availability of equity investments in the sector for credible and long term players setting up assets or offering services for the long term.

The Solid Waste Management Rules 2016, Plastic Waste Management Rules 2016, Hazardous Waste Management Rules 2016, CPCB Guidelines for Disposal of Legacy Waste 2019, Uniform Framework for Extended Producers Responsibility (under Plastic Waste Management Rules 2016) and Swachh Bharat Mission – Urban Advisory on Landfill Reclamation are cases in point for the above.

In the wake of the COVID-19 Pandemic, the need for scientific collection, treatment and disposal of waste will be highlighted more than ever before. Your company will look to seize these opportunities through its offerings in centralized and de-centralized waste management, legacy waste management and bio-remediation of landfill sites as also collaboration with Indian and International partners to unlock opportunities in India.

While the onset of COVID-19 Pandemic in India saw challenges such as curtailed operations keeping employees' safety in mind and challenges around manpower availability, your company has managed to keep its waste management plants and services operational.

Opportunities and Threats

COVID-19 has suddenly changed the dynamics of all businesses in India. The duration of the lockdown in various Indian cities and its direct and indirect impact on business will continue to be the largest threat to the business in the year 2020-21. This will include restrictions in man and material movement besides slowdown faced by most of our real-estate clients in the de-centralized waste management business.

Having said the above, there will be opportunities from Urban Local Bodies for Municipal Waste Management as also opportunities in Extended Producers' Responsibility services for which the company is putting the systems and processes in place.

Your Company has ventured into a new business stream of Bio Mining of Legacy Waste as there is an emerging demand for the same in the short and medium term across India.

Segment Performance & Outlook

Your company bagged two key projects in the FY 2019-20

1. Operations and Maintenance contract of 600 TPD Municipal Solid Waste Plant at Varanasi for a period of two years starting January 2020
2. Bio Mining of 900 TPD Legacy Waste at Ahmedabad starting January 2020

The ENBT business recorded a turnover of INR 17.78 Crores in the financial year 2019-20. The major contribution to the turnover is mainly due to the two key project mentioned above.

The FY 2020-21 will be a challenging year. The demand for Organic Waste Converter systems will be low. The Company will focus on additional sources of revenue to make existing projects profitable, namely through sale of Segregated Combustible Fuel (SCF) and Refuse Derived Fuel (RDF) There will be opportunities in centralized waste management projects for MSW Management as also Legacy Waste Treatment. There will also be opportunities in Extended Producers' Responsibility services on the back of the new legislation for the same.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has put in place adequate internal financial controls with reference to the financial statements, some of which are outlined below:

Your Company has adopted accounting policies which are in line with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 that continue to apply under Section 133 and other applicable provisions of the Companies Act, 2013 read with Rule 7 of the companies (Accounts) Rules, 2014. These are in accordance with generally accepted accounting principles in India. Changes in policies, if any, are approved by the Audit Committee in consultation with the Auditors.

The policies to ensure uniform accounting treatment are prescribed to the subsidiaries of your Company. The accounts of the subsidiary companies are audited and certified by their respective Auditors for consolidation.

The Company has proper and adequate system of internal audit and control which ensures that all the assets are safeguarded against loss from unauthorized use and that all transactions are authorized recorded and reported correctly.

The Company continuously improves upon the existing practices for each of its major functional areas with a view to strengthen the internal control systems.

The Company has assigned internal audit function to a firm of Chartered Accountants. Regular internal audit and checks are carried out to ensure that the responsibilities are discharged effectively. All major findings and suggestions arising out of internal audit are reported and reviewed by the Audit Committee. The management ensures implementation of these suggestions and reviews them periodically.

FINANCIAL PERFORMANCE AND ANALYSIS

During the year under review, the net sales from operations decreased from ₹ 82,496.02 lakhs to ₹ 70,248.44 lakhs, registering a decrease of 14.85%. The exports decreased from ₹ 23,260.22 lakhs to ₹ 16,875.82 lakhs registering a decrease of 27.45%. Further, the Company made a profit before tax from its operation ₹ 11,220.52 lakhs compared to ₹ 23,276.45 lakhs in the previous year. Net profit after tax for the year was ₹ 9,347.34 lakhs as compared to ₹ 15,206.47 lakhs in the previous year registering a decrease of 38.53%.

The reserves excluding revaluation reserves as on 31.03.2020 are ₹ 59,486.39 lakhs.

During the year, CRISIL Limited has reviewed and confirmed the Credit Rating of the Company as "A+/Stable" for Long Term bank loan facilities and "A1" for Short Term bank loan facilities.

KEY FINANCIAL RATIOS

In accordance with the amended SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company is required to give details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations thereof:

The Company has identified following ratios as key financial ratios:

Particular	FY 2019-20	FY 2018-19	% Change
Debtors Turnover Ratio	4.63	6.05	-23.47%
Inventory Turnover Ratio *1	9.77	13.91	-29.75%
Interest Coverage Ratio *2	78.04	120.17	-35.05%
Current Ratio*3	1.81	2.69	-32.76%
Debt Equity Ratio*4	0.04	0.01	236.30%
Operating Profit Margin (%)*5	18.43%	30.17%	-38.92%
Net Profit Margin (%)*5	13.15%	18.34%	-28.25%
Return on Net Worth RONW (%)*6	15.55%	25.75%	-39.62%

1. Change in inventory turnover ratio is due to increase in the inventory due to lock down and reduction in turnover by 14.85% during the year.
2. Change in interest coverage ratio is due to effective utilisation of borrowings and reduction in EBIT by 51.21% during the year.
3. Change in current ratio is due to reduction in current investments during the year.
4. Change in debt equity ratio is due to increase in utilisation of bank credit facilities by the Company during the year.
5. Change in profit margin ratio is due to reduction in turnover over and consequently reduction in the profits of the Company.
6. Change in RONW is mainly due to reduction in profitability.

HUMAN RESOURCE DEVELOPMENT/ INDUSTRIAL RELATIONS

The commitment to cultivate a strong leadership bench, there has been a focus on the development of skills of the team. With this as key focal point, various employee development programs were conducted regularly throughout the year. These developmental programs are also driving performance now and in years to come.

The performance management system has started delivering value to the organisation by giving an idea about gaps thereby suggesting a learning and development plan, which becomes the enabler for a customised and company specific development program. The focus of recruitment strategy is also driven by the areas of the deficits in the existing teams.

The Company has culture where the focus is on employee well-being and general health. As part of the wellbeing program, a three month nutritional program was done for a focussed group of thirty executives, which yielded encouraging results. This involved in depth individual consultation focussed diet plans and a series of lectures were conducted by a practicing doctor and nutritionist.

With the Pandemic situation across world over, the Company has been focused at employee safety and well-being. Apart from tie ups with hospitals, the Company has conducted camps to help early detection of COVID-19 disease. Telemedicine facilities and distribution of preventive medicine for employees and their families have been done across sites. All employees of the Company are covered under an insurance cover against the COVID disease.

Your Company has generally enjoyed cordial relations with its employees. A three year bonus agreement has been signed which is applicable to all employees. Worker and staff employees are paid in accordance with the wage agreement established with trade unions.

Employee strength of the Company as on 31st March, 2020 was 997.

CAUTIONARY STATEMENT

Statements in this report on Management Discussion and Analysis relating to the Company's objectives, projections, estimates, expectations or prediction may be forward looking within the meaning of applicable securities laws and regulations. These statements are based on certain assumptions and expectations of future events. Actual results might differ materially from those expressed or implied depending upon factors such as climatic conditions, global and domestic demand-supply conditions, raw materials cost, availability and prices of finished goods, foreign exchange market movements, changes in Government regulations, tax structure, economic and political developments within India and the countries where the Company conducts its business and other factors such as litigation and industrial relations. The Company assumes no responsibility in respect of forward looking statements herein which may undergo changes in future on the basis of subsequent developments, information or events.

CORPORATE GOVERNANCE REPORT:

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2020, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (The "Listing Regulations").

Corporate Governance is modus operandi of governing a corporate entity which includes a set of systems, procedures and practices which ensure that the Company is managed in the best interest of all corporate stakeholders i.e. shareholders, employees, suppliers, customers and society in general. Fundamentals of Corporate Governance include transparency, accountability, reporting and independence. For accomplishment of the objectives of ensuring fair Corporate Governance, the Government of India has put in place a framework based on the stipulations contained under the Companies Act, SEBI Regulations, Accounting Standards, Secretarial Standards, etc. Corporate Governance has become a buzzword in the corporate world. Globalization, widespread of shareholders, changing ownership structure, greater expectations, etc. has made good Corporate Governance sin-quo-non of modern management.

1. **Company's Philosophy on the Code of Governance**

   Corporate Governance primarily involves transparency, complete disclosure, independent monitoring of the state of affairs and being fair to all stakeholders.

   The objective of your Company is not only to meet the statutory requirements of the code but to go well beyond it by instituting such systems and procedures as are in accordance with the latest global trend of making management completely transparent and institutionally sound.

   Your Company has always believed in the concept of good Corporate Governance involving transparency, empowerment, accountability and integrity with a view to enhance stakeholder value. The Company has professionals on its Board of Directors who get actively involved in the deliberations of the Board as well as Committees of Directors on all important policy matters.

2. **Board of Directors**

   a) As on March 31, 2020, the Company's Board consists of Thirteen (13) Directors out of which Three (3) are Whole-time Directors and Ten (10) are Non-Executive Directors. Out of the Ten (10) Non-Executive Directors, two (2) are Promoter Directors, Seven (7) are Independent Directors and One (1) is Nominee Director of LIC of India.

   The Company has obtained the requisite disclosures from the Directors in respect of their directorship in other companies and membership in committees of other companies. Composition of the Board of Directors and their attendance at the Board Meetings during the year and at the last Annual General Meeting and also number of other directorships/ memberships of committees of other companies are as under:

Name	Category of Directorship in Excel industries Limited	No. of Board Meetings Attended During 2019-20	Attendance At Last AGM (13/08/2019)	No. Of Directorship Held in Listed Public Limited Companies	Name of listed companies where he/she is a Director		Membership of committees	Chairmanship of committees
					Company	Type of directorship		
Mr. Ashwin C. Shroff (Promoter) (DIN: 00019952)	Executive Chairman	7	Yes	2	Excel Industries Ltd. Transpek Industry Ltd.	Executive Chairman Promoter Director	Nil	Nil
Late Mrs. Usha A. Shroff (Promoter) (DIN:00020519)	Executive Vice-Chairperson upto 28.04.2019	0	N.A.	1	Excel Industries Limited	Executive Vice-Chairperson	2	Nil
Mr. Ravi A Shroff (Promoter) (DIN: 00033505)	Managing Director	6	Yes	2	Excel Industries Ltd. Transpek Industry Ltd.	Managing Director Promoter Director	2	Nil

Name	Category of Directorship in Excel industries Limited	No. of Board Meetings Attended During 2019-20	Attendance At Last AGM (13/08/2019)	No. Of Directorship Held in Listed Public Limited Companies	Name of listed companies where he/she is a Director		Membership of committees	Chairmanship of committees
					Company	Type of directorship		
Mr. Hrishit A. Shroff (Promoter) (DIN: 00033693)	Executive Director	4	Yes	1	Excel Industries Ltd.	Executive Director	Nil	Nil
Mr. Atul G. Shroff (Promoter) (DIN: 00019645)	Promoter – Non-Executive	6	Yes	2	Excel Industries Ltd. Transpek Industry Ltd.	Promoter Non-executive Director Director	1	Nil
Mr. Dipesh K. Shroff (Promoter) (DIN: 00030792)	Promoter – Non-Executive	4	Yes	2	Excel Industries Ltd. Transpek Industry Ltd.	Promoter Non-Executive Director Promoter Director	1	1
Mr. R. N. Bhogale (DIN: 00292417)	Independent Director	6	Yes	1	Excel Industries Ltd.	Independent Director	1	Nil
Mr. H. N. Motiwalla (DIN: 00029835)	Independent Director	7	Yes	6	Excel Industries Ltd. Multibase India Limited Ashapura Minechem Ltd. Balkrishna Paper Mills Ltd. Orient Abrasives Ltd. Hitech Corporation Ltd.	Independent Director	3	4
Mr. P. S. Jhaveri (DIN: 00045038)	Independent Director	6	Yes	3	Excel Industries Ltd. Sadhana Nitro ChemLtd. Indian Extractions Limited	Independent Director Director Chairman & MD	3	Nil

<table>
<tr><th rowspan="2">Name</th><th rowspan="2">Category of Directorship in Excel industries Limited</th><th rowspan="2">No. of Board Meetings Attended During 2019-20</th><th rowspan="2">Attendance At Last AGM (13/08/2019)</th><th rowspan="2">No. Of Directorship Held in Listed Public Limited Companies</th><th colspan="2">Name of listed companies where he/she is a Director</th><th rowspan="2">Membership of committees</th><th rowspan="2">Chairmanship of committees</th></tr>
<tr><th>Company</th><th>Type of directorship</th></tr>
<tr><td>Mr. M. B. Parekh (DIN: 00180955)</td><td>Independent Director</td><td>3</td><td>No</td><td>3</td><td>Excel Industries Ltd.
Pidilite Industries Ltd.
Vinyl Chemicals (India) Ltd.</td><td>Independent Director
Executive Chairman
Chairman & MD</td><td>2</td><td>Nil</td></tr>
<tr><td>Mr. S. S. Vaidya (DIN: 00002273)</td><td>Independent Director</td><td>5</td><td>Yes</td><td>2</td><td>Excel Industries Ltd..
Apcotex Industries Ltd.</td><td>Independent Director</td><td>1</td><td>Nil</td></tr>
<tr><td>Mr. R. M. Pandia (DIN: 00021730)</td><td>Independent Director</td><td>6</td><td>Yes</td><td>6</td><td>Excel Industries Ltd.
Thirumalai Chemicals Ltd.
Ultramarine & Pigments Ltd.
Supreme Petrochem Ltd.
GRP Limited Supreme Ind. Ltd.</td><td>Independent Director</td><td>4</td><td>1</td></tr>
<tr><td>Dr. Meena Galliara (DIN: 07118699)</td><td>Independent Director</td><td>5</td><td>Yes</td><td>1</td><td>Excel Industries Ltd.</td><td>Independent Director</td><td>Nil</td><td>Nil</td></tr>
<tr><td>Mr. R. K. Sood (DIN: 07127966)</td><td>Nominee Director (Equity Investor LIC of India) upto 11.11.2019</td><td>4</td><td>Yes</td><td>1</td><td>Excel Industries Ltd.</td><td>Nominee Director</td><td>Nil</td><td>Nil</td></tr>
<tr><td>Mr. P. K. Molri (DIN: 07810173)</td><td>Nominee Director (Equity Investor LIC of India) wef-07.02.2020</td><td>1</td><td>NA</td><td>2</td><td>Excel Industries Ltd.
Ambuja Cements Limited</td><td>Nominee Director</td><td>Nil</td><td>Nil</td></tr>
</table>

Notes:

1) Directorships exclude Private Limited Companies, Foreign Companies and Section 8 Companies.
2) Membership and Chairmanship of the Audit Committee and Stakeholders Relationship Committee are only considered.
3) Details of Director(s) retiring or being re-appointed are given in Annexure I to the Notice of Annual General Meeting.
4) Brief profiles of each of the above Directors are available on the Company's website:http://www.excelind.co.in/

b) Seven Board meetings of the Company were held during the year 2019-20. Dates of Board meetings held were:

24/05/2019	27/06/2019	13/08/2019	20/09/2019
08/11/2019	07/02/2019	09/03/2020	

c) Mr. Ashwin C. Shroff, Mr. Atul G. Shroff and Mr. Dipesh K. Shroff are cousin brothers and Mr. Ravi A. Shroff and Mr. Hrishit Shroff are sons of Mr. Ashwin C. Shroff and Late Mrs. Usha A. Shroff.

d) **No. of Shares held by Promoter Non-Executive Directors as on March 31, 2020**

Name of the Director(s)	**Shares Held (No.)**
Mr. Atul G. Shroff	59,784
Mr. Dipesh K. Shroff	8,619

e) **Familiarization Program for Independent Directors:**

The Company has conducted familiarization Program during the year for Independent Directors so as to assist them in performing their role as Independent Directors. Details of the Program are available on Company's website at http://www.excelind.co.in/companyPolicies.html.

f) **Skill, expertise and competence of the Board of Directors**

The Board comprises of qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and its Committees.

The table below summarizes the list of core skills, expertise, competencies identified by the Board as required in the context of the Company's business and as possessed by individual members of the Board. However, the absence of a mark against a member's name does not necessarily mean the member does not possess the corresponding qualification or skill.

Expertise in	Chemical Industry, Biotech and other allied industries	Business Management & Leadership	Finance	Legal Compliances	Corporate Governance	Global Business Development	Corporate Social Responsibility
Description	Knowledge and experience of Chemical and Biotech industry structure, manufacturing, operations and Research & Development	Knowledge and experience in corporate strategy, planning, risk management and business sustainability. Leadership experience in advisory and supervising corporate management.	Expert knowledge and understanding in Accounts, Finance, Banking, Auditing and Financial Control System.	Knowledge in the field of law and legal compliance management.	Experience in developing good governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.	Expertise in global business development, operation and strategy.	Experience and knowledge in the matters of Corporate Social Responsibility including environment protection and social development.

Expertise in	Chemical Industry, Biotech and other allied industries	Business Management & Leadership	Finance	Legal Compliances	Corporate Governance	Global Business Development	Corporate Social Responsibility
Ashwin C Shroff	✓	✓			✓	✓	✓
Ravi A Shroff	✓	✓	✓		✓	✓	✓
Hrishit A Shroff	✓	✓	✓	✓	✓	✓	✓
Atul G Shroff	✓	✓			✓	✓	✓
Dipesh K Shroff	✓	✓			✓	✓	✓
H. N. Motiwalla			✓	✓	✓		
R.N. Bhogale	✓	✓	✓		✓	✓	✓
P.S.Jhaveri	✓	✓	✓		✓	✓	✓
Rajeev M Pandia	✓	✓	✓		✓	✓	✓
S.S.Vaidya				✓	✓		
M.B.Parekh	✓	✓			✓	✓	✓
Meena Galliara					✓		✓
P.K.Molri		✓	✓	✓	✓		

g) **Confirmation of Independence**

There are seven Independent Directors on the Board of the Company. All the Independent Directors have provided a declaration of their independence for the year 2019-20 to the Board. The Board after undertaking due assessment of the veracity of the declaration is of the opinion that each Independent Director fulfills the conditions of independence as specified in the SEBI (Listing Obligations & Disclosure Requirements) Regulations and is independent of the management. No Independent Director has resigned during the year 2019-20 before the expiry of his/her tenure.

3. Audit Committee

a) **Terms of reference and composition:**

The role of the Audit Committee is to supervise the Company's financial reporting process, internal control and disclosure of its financial information, to approve appointment of CFO, to recommend the appointment of Statutory Auditors, Cost Auditors and Internal Auditors and fixation of their remuneration, to review and discuss with the Auditors about adequacy of internal control systems, the scope of audit including observations of the Auditors, major accounting policies and practices, compliances with IND AS, Listing Regulations and other legal requirements concerning financial statements and related party transactions. The Committee also reviews the Company's risk management systems and the Quarterly, Half Yearly and Annual financial statements before they are submitted to the Board of Directors.

b) The Minutes of the Audit Committee Meetings are circulated to the Members of the Board, discussed in the Board meetings and taken on record.

c) The Company has complied with the requirements of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as regard to the composition of the Audit Committee.

d) The Audit Committee of the Board of Directors of the Company comprised of five Members during the year 2019-20. Composition and attendance at the Committee Meetings during the financial year 2019-20 was as follows:

NAME OF DIRECTOR	CATEGORY	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
Mr. H. N. Motiwalla, Chairman	Independent Director	6	6
Mr. P. S. Jhaveri, Member	Independent Director	6	6
Mr. R. N. Bhogale, Member	Independent Director	6	6
Mr. R. M. Pandia, Member	Independent Director	6	5
Mr. Ravi A. Shroff, Member	Promoter, Managing Director	6	5

Audit Committee meetings are also attended by senior finance executives, Statutory Auditors and Internal Auditors. The Cost Auditors are also invited to the meetings, whenever required.

The Secretary of the Company acts as the Secretary to the Committee.

e) The Audit Committee meetings were held on the following dates during the financial year 2019 -20.

24/05/2019	27/06/2019	13/08/2019
20/09/2019	08/11/2019	07/02/2020

4. **Nomination and Remuneration Committee**

a) **Terms of reference and composition:**

The broad terms of reference of the Company's Nomination and Remuneration Committee are to identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment/removal, to formulate the criteria for evaluation of Independent Directors and the Board, to determine and recommend to the Board the remuneration payable to Whole-time Directors and senior management, to determine and recommend to the Board the payment of annual increments and commission to the Whole-time Directors and to formulate and recommend policy for remuneration to directors, key managerial personnel and other employees.

b) The Nomination and Remuneration Committee comprised of three Members during the year 2019-20. Composition and attendance at the Committee Meetings during the financial year 2019-20 was as follows:

NAME OF DIRECTOR	CATEGORY	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
Mr. H. N. Motiwalla, Chairman	Independent Director	3	3
Mr. R. N. Bhogale, Member	Independent Director	3	3
Mr. P. S. Jhaveri, Member	Independent Director	3	3

c) The Nomination and Remuneration Committee meetings were held on the following dates during the financial year 2019-20.

24/05/2019	27/06/2019	13/08/2019

5. **Remuneration of Directors:**

a) The Non-Executive Directors are paid sitting fees for attending meetings of the Board and Committees of Directors and commission, if any. There is no other pecuniary relationship or transaction of the non-executive directors with the Company.

b) The Company pays remuneration to its Executive Chairman, Managing Director and Executive Director by way of salary, commission, perquisites and allowances. Salary is paid within the range as approved by the Shareholders. The Board, on the recommendations of the Nomination and Remuneration Committee, approves annual increments to the Whole-time Directors. Commission of Whole-time Directors is range bound not exceeding 24 months' salary and is calculated with reference to the net profits of the Company in a particular financial year and is determined by the Board of Directors at the end of the financial year based on the recommendations of the Nomination and Remuneration Committee, subject to the overall ceiling as stipulated in Section 197 of the Companies Act, 2013.

The criteria of making payments to the Non-Executive Directors are laid down in the Nomination & Remuneration Policy of the Company which is available on Company's website at http://www.excelind.co.in/companyPolicies.html.

c) Given below are the details of remuneration paid to the Directors during the financial year 2019-20:

DIRECTORS	SITTING FEES FOR BOARD/ COMMITTEE MEETINGS (₹)	SALARIES, WAGES,BONUS AND OTHER PERQUISITES (₹)	COMMISSION (₹)	TOTAL (₹)
Mr. Ashwin C. Shroff (Executive Chairman)	N.A.	1,44,16,361	69,34,083	2,13,50,444
Late Usha A. Shroff (Executive Vice Chairperson)	N.A.	32,90,110	–	32,90,110
Mr. Ravi A. Shroff (Managing Director)	N.A.	1,62,84,023	76,16,411	2,39,00,434
Mr. Hrishit A Shroff (Executive Director)	N.A.	1,27,34,494	39,20,841	1,66,55,335
Mr. Atul G. Shroff (Non-Executive Director)	1,20,000	N.A.	6,00,000	7,20,000
Mr. Dipesh K. Shroff (Non-Executive Director)	1,20,000	N.A.	6,00,000	7,20,000
Mr. R. N. Bhogale (Independent Director)	3,30,000	N.A.	8,00,000	11,30,000
Mr. H. N. Motiwalla (Independent Director)	4,50,000	N.A.	8,00,000	12,50,000
Mr. P. S. Jhaveri (Independent Director)	3,00,000	N.A.	8,00,000	11,00,000

DIRECTORS	SITTING FEES FOR BOARD/ COMMITTEE MEETINGS (₹)	SALARIES, WAGES,BONUS AND OTHER PERQUISITES (₹)	COMMISSION (₹)	TOTAL (₹)
Mr. M. B. Parekh (Independent Director)	80,000	N.A.	6,00,000	6,80,000
Mr. S. S. Vaidya (Independent Director)	1,00,000	N.A.	6,00,000	7,00,000
Mr. R. M. Pandia (Independent Director)	2,60,000	N.A.	8,00,000	10,60,000
Dr. Meena Galliara (Independent Director)	1,20,000	N.A.	6,00,000	7,20,000
Mr. P. K. Molri (Nominee Director – LIC of India) wef 07.02.2020	*20,000	N.A.	*1,20,000	1,40,000
Mr. R. K. Sood (Nominee Director – LIC of India) upto 11.11.2019	*80,000	N.A.	*4,80,000	5,60,000

* Sitting fees and Commission is paid to LIC for the period when the LIC Nominee Director is in employment with LIC. When the individual retires from LIC but continues to be a LIC Nominee Director on the Board of the Company, the sitting fees are paid to the individual, however the commission is paid to LIC. Accordingly, ₹ 80,000 paid as sitting fees to Mr. R. K. Sood includes ₹ 40,000 paid to LIC. ₹ 4,80,000 paid as Commission to Mr. R. K. Sood is actually paid to LIC. Similarly, Mr. P. K. Molri is not in the services of LIC, so ₹ 20,000 as sitting fees is paid to Mr. P. K. Molri but commission of ₹ 1,20,000 is actually paid to LIC.

d) The employment of the Executive Chairman, Managing Director and Executive Director is contractual. The employment is for a period of five years and terminable by either party giving 3 months' notice.

e) Severance compensation is payable to the Whole-time Directors, if their employment is terminated before the contractual period, subject to the provisions and limitations specified in the Companies Act, 2013. There are no stock options or performance linked incentive to the Directors.

f) The Company offers benefits to retired Whole-time Directors as per a scheme in force duly approved by the Shareholders. The quantum of benefits in each individual case is decided by the Board of Directors at its discretion.

g) The Independent Directors were appointed for a period of five years pursuant to the provisions of sections 149, 150, 152 read with schedule IV and all other applicable provisions, and are not liable to retire by rotation.

h) Performance evaluation criteria for Independent Director:

The Company has laid down evaluation criteria separately for Independent Directors. The criteria for evaluation of Directors includes parameters such as attendance, maintaining effective relationship with fellow Board members, providing quality and valuable contribution during meetings, successfully bringing their knowledge and experience for formulating strategy of the company etc. Based on such criteria, the evaluation is done in a structured manner through consultation and discussion.

6. **Stakeholders' Relationship Committee:**

a) The Stakeholders' Relationship Committee looks into the stakeholders' complaints, if any, and redresses the same expeditiously.

b) The Stakeholders' Relationship Committee comprised of three members during the year 2019-20. Composition and attendance of Committee meetings during the financial year 2019-20 are as follows:

NAME OF DIRECTOR	CATEGORY	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
Mr. Dipesh K. Shroff, Chairman	Promoter, Non-Executive Director	11	4
Mr. H. N. Motiwalla, Member	Independent Director	11	11
Mr. Ravi A. Shroff, Member	Promoter, Managing Director	11	10

c) Mr. S. K. Singhvi, Company Secretary, is also designated as the Compliance Officer of the Company.

d) The Stakeholders' Relationship Committee meetings were held on the following dates during the financial year 2019-20.

24/05/2019	24/06/2019	17/07/2019	13/08/2019	23/09/2019
09/10/2019	08/11/2019	26/11/2019	18/12/2019	07/02/2020
20/02/2020				

e) During the year, 4 complaints were received from the investors, all of which were resolved to the satisfactions of shareholders. There are no pending complaints as on March 31, 2020.

7. **Corporate Social Responsibility Committee (CSR):**

a) The Board of Directors of the Company in its meeting held on March 28, 2014 constituted the Corporate Social Responsibility Committee.

b) The Role of the Committee is to formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013, to recommend the amount to be spent on the CSR activities, and institute a transparent monitoring mechanism for implementation of the CSR Projects undertaken by the Company, and to review and amend, the Corporate Social Responsibility Policy of the Company whenever required.

c) The Corporate Social Responsibility Committee comprised of five members during the year 2019-20. Composition and attendance of Committee meetings during the financial year 2019-20 was as follows:

NAME OF DIRECTOR	CATEGORY	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
Mr. Ashwin C. Shroff, Chairman	Promoter, Executive Chairman	3	3
Mr. R. N. Bhogale, Member	Independent Director	3	3
Mr. M. B. Parekh, Member	Independent Director	3	2
Mr. R. M. Pandia, Member	Independent Director	3	2
Dr. Meena Galliara, Member	Independent Director	3	2

d) The Corporate Social Responsibility Committee meetings were held on the following dates during financial year 2019-20.

24/05/2019	08/11/2019	07/02/2020

8. **Risk Management Committee:**

a) The Role of Committee is to review the risk management policy and plan of the Company from time to time and to guide and advise the executives in managing the business risks of the Company.

b) The Committee comprised of five members during the year 2019-20. Composition and attendance of Committee meetings during the financial year 2019-20 was as follows:

NAME OF DIRECTOR AND EXECUTIVES	CATEGORY	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
Mr. H. N. Motiwalla, Member	Independent Director	2	2
Mr. Rajeev M. Pandia, Chairman	Independent Director	2	2
Mr. Ravi A. Shroff, Member	Managing Director	2	1
Mr. N.R. Kannan, Member	Chief Executive Officer	2	2

c) The Risk Management Committee meetings were held on 27/06/2019 and 20/02/2020 during the financial year 2019-20.

9. **General Body Meetings:**

a) Location and time of the last three Annual General Meetings:

AGM	YEAR	LOCATION	DAY/DATE	TIME	NO. OF SPECIAL RESOLUTIONS
56th	2016-17	Rama and Sundri Watumull Auditorium, Kishinchand Chellaram College, Dinshaw Wacha Road, Churchgate, Mumbai - 400 020	Thursday, 03rd August, 2017	3.00 P.M.	1
57th	2017-18	Rama and Sundri Watumull Auditorium, Kishinchand Chellaram College, Dinshaw Wacha Road, Churchgate, Mumbai - 400 020	Thursday, 09th August, 2018	3.00 P.M.	0
58th	2018-19	Rama and Sundri Watumull Auditorium, Kishinchand Chellaram College, Dinshaw Wacha Road, Churchgate, Mumbai - 400 020	Tuesday, 13th August, 2019	3.00 P.M.	8

(b) Postal Ballot:

During the financial year 2019-20, no resolution was passed through postal ballot. No special resolution is proposed to be passed through postal ballot. Postal Ballot, whenever conducted, will be carried out as per the procedure mentioned in Rule 22 of Companies (Management and Administration) Rules, 2014, including any amendment thereof.

10. **Means of Communication:**

a) The Un-audited quarterly/ half yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within sixty days from the closure of the financial year as per the requirements of the Listing Regulations. However, due to declaration of lockdown by the Central Government/ State Govt, the audited results for the quarter and year ended 31st March, 2020 were announced on 26th June, 2020, which was in compliance with the amendments made by SEBI to the Listing Regulations vide its Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/3 dated 19th March, 2020.

b) The financial results of the Company are published in the newspapers viz. Business Standard (English) (All Edition) and Free Press Journal (English), and Navshakti (Marathi).

c) The financial results are also displayed on the Company's Website: http://www.excelind.co.in

d) NEAPS and BSE Listing are web-based application designed by NSE and BSE respectively for corporate filing. All periodical compliance filings, inter-alia, shareholding pattern, corporate governance report, corporate announcements amongst others are also filed electronically through their portal.

e) No presentation has been made by the Company to Institutional investors or analysts.

f) Management Discussion and Analysis Report forms part of the Annual Report.

11. **General Shareholder Information:**

(a) **Annual General Meeting**

Date and Time	:	Friday, 25th September, 2020 at 3.00 p.m.
Venue	:	The Annual General Meeting will be held through Video – Conferencing.

(b) **Financial Year** : April 01, 2019 to March 31, 2020

(c) **Dividend payment date** : An interim dividend of ₹ 10 per equity share of face value of ₹ 5 was paid for the year 2019-20. The dividend payment date was 25th March, 2020. The interim dividend of ₹ 10 be considered as final dividend for the year 2019-20.

(d) **Listing on Stock Exchanges** : The Company's Equity shares are listed on the following Stock Exchanges:

1) BSE Limited
PhirozeJeejeebhoy Towers,
Dalal Street, Mumbai – 400 001

2) National Stock Exchange of India Ltd. (NSE)
Exchange Plaza, 5th Floor, Plot No. C/1,
G Block, Bandra – Kurla Complex, Bandra (E),
Mumbai - 400 051

The Company has paid the listing fees to these Stock Exchanges for the year 2019-20.

(e) **Stock Codes (for shares):**

The Bombay Stock Exchange, (Physical Segment)	:	650
The Bombay Stock Exchange, (Demat Segment)	:	500650
National Stock Exchange of India Limited	:	EXCELINDUS
Demat ISIN Number in NSDL and CDSL	:	INE 369A01029

(f) **Market Price Data:**

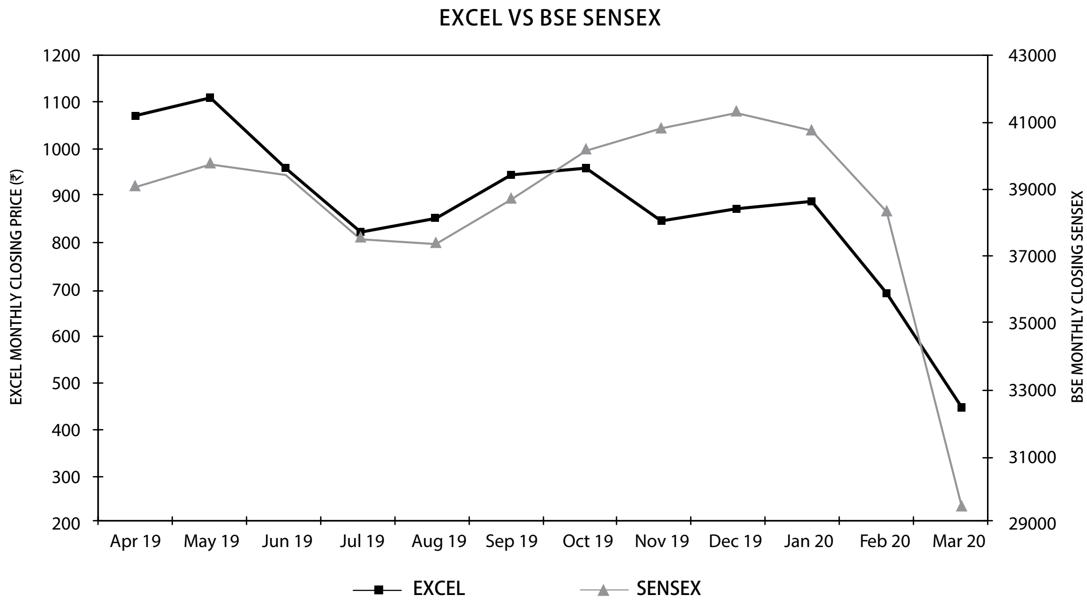
(₹)

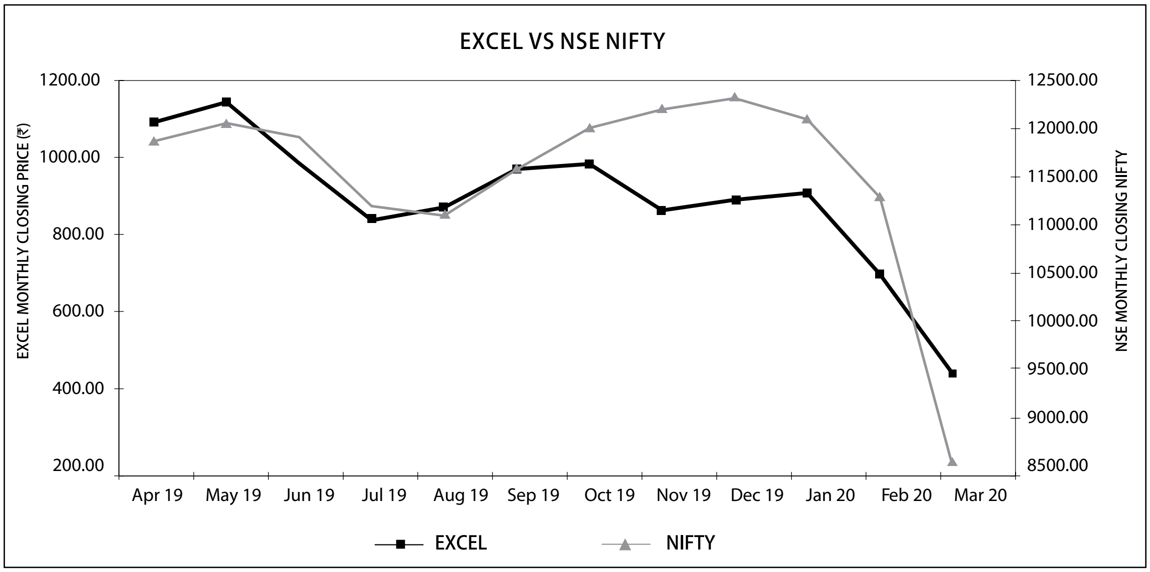
MONTH	Bombay Stock Exchange		National Stock Exchange	
	High	Low	High	Low
April-2019	1231.00	1021.20	1222.60	1020.00
May-2019	1150.95	965.00	1149.95	966.70
June-2019	1117.05	933.65	1118.00	936.00
July-2019	1040.00	810.00	1040.00	808.30
August-2019	909.90	735.15	907.30	733.60
September-2019	1013.90	798.50	1015.00	810.00
October-2019	986.30	850.05	985.05	851.15
November-2019	990.80	812.00	1000.00	813.00
December-2019	888.50	773.30	889.00	781.10
January-2020	989.40	816.20	988.00	814.00
February-2020	921.75	661.95	922.55	659.65
March-2020	713.90	374.50	714.90	375.50

(Source: This information is compiled from the data available from the website of BSE and NSE)

(g) **Share Price Movements:**

Share Price Movement for the period from April, 2019 to March 2020 Excel Industries Limited v/s BSE Sensex & NSE Nifty.





(h) **Share Transfer System:**

The share transfer function is carried out by the Registrar and Transfer Agent-Link Intime India Pvt. Ltd. SEBI vide its notification dated June 8, 2018, has amended the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to disallow listed companies from processing request for transfer of shares which are held in physical form, with effect from April 1, 2019. The shareholders, who continue to hold shares of the Company in physical form even after this date, will not be able to lodge the shares with the Company / RTA for further transfer. Shareholders will need to convert them to demat form compulsorily, if they wish to affect any transfer. Only the requests for transmission and transposition of shares in physical form will be accepted by the Company / RTA.

All the shareholders who are holding shares in physical form, should consider opening a demat account and submit request for dematerialization of their shares in order to protect the liquidity of the shares.

Requests for share transmission, transposition, duplicate share certificates etc. can be lodged at the office of Link Intime India Pvt. Ltd. at C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400 083 (Tel: +91 22 49186000 Fax: +91 22 49186060).

During the year 2019-20, share transfers and othershare related requests were considered for approval every fortnight by the Company's Officials who were authorized in this behalf.

(i) **Distribution of Shareholdings as on March 31, 2020**

- **By Folio Wise:**

SHAREHOLDING OF NOMINAL VALUE (INR)	NO. OF SHAREHOLDERS	PERCENTAGE	NO. OF SHARES	PERCENTAGE
1 - 2500	18023	92.94	1598418	12.72
2501 - 5000	767	3.95	556580	4.43
5001 - 10000	311	1.60	436276	3.47
10001 - 15000	89	0.46	218747	1.74
15001 - 20000	50	0.26	173849	1.38
20001 - 25000	32	0.17	147693	1.17
25001 - 50000	49	0.25	346390	2.76
Above 50000	72	0.37	9092739	72.33
Total	**19,393**	**100.00**	**12,570,692**	**100.00**

PAN wise categories of Shareholders as on March 31, 2020:

CATEGORY	NO. OF SHAREHOLDERS	NO. OF SHARES	VOTING STRENGTH %
Promoters	26	65,84,199	52.38
Body Corporates	213	476281	3.79
Non-Resident Individuals	457	160014	1.27
Indian Banks, Financial Institutions and Mutual Funds	13	911407	7.25
Foreign Institutional Investors & Foreign Banks	24	32687	0.26
Others	18035	4406104	35.05
Total	**18768**	**1,25,70,692**	**100.00**

(j) **Dematerialization of Shares and Liquidity:**

98.53% of the Company's share capital is held in dematerialized form as on March 31, 2020. The Company's shares are regularly traded on the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE).

(k) Outstanding GDRs, ADRs, Warrants or any convertible instruments – Not issued.

(l) Commodity Price Risk and Commodity Hedging Activities: The Company is not exposed to any commodity price risk.

(m) **Unclaimed Shares**

In compliance with Regulation 39(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule VI to the Regulations, the unclaimed shares of the Company lay in the "Excel Industries Limited Unclaimed Share Suspense Account" in demat form. Reminder letters are sent to the concerned shareholders at their registered address to claim their shares. Shares are transferred from the Unclaimed Share Suspense Account to the concerned shareholders account, who approach the Company in this regard. Status of account is as under:

Outstanding shares lying in the account at the beginning of the year		Number of shareholders approached and to whom the Company transferred shares from the Unclaimed Share Suspense Account to shareholder account during the year		Number of shares transferred to IEPF Account U/s 124 (6) of The Companies Act, 2013		Outstanding shares lying in the Unclaimed Suspense Account at the end of the year	
No. of Shareholders	No. of Shares	No. of Shareholders	No. of Shares	No. of Shareholders	No. of Shares	No. of Shareholders	No. of Shares
27	4191	0	0	27	4191	0	0

(n) **The details of unclaimed dividends and shares transferred to the IEPF during the year 2019-20 are as follows:**

Financial year	Amount of unclaimed dividend transferred	Number of shares transferred
2011-12	3,39,862	7726

The details of unclaimed dividend lying in the Unclaimed Dividend Accounts of the Company, details of shares transferred to IEPF and the shares due to be transferred to IEPF in the year 2020-21 are available on the website of the Company at www.excelind.com .

(o) **Plant Locations:**

(a)	Plot No. 112, M.I.D.C. Industrial Area, Dhatav, Roha, Dist. Raigad-402 116.	(c)	Narol Sarkhej Octroi Naka, Near Sewage Farm, Baherampura, Ahmedabad-380 022.
(b)	D-9, M.I.D.C., Lote Parshuram, Tal: Khed, Dist. Ratnagiri-415 722.	(d)	Plot No. 15, 15A, APSEZ, Atchutapuram, Visakhapatnam, Andhra Pradesh - 531011

(p) **Address for correspondence:**

Excel Industries Limited,
184-87, Swami Vivekanand Road, Jogeshwari (West),
Mumbai-400 102.
Tel.: 6646 4200
Fax.: 6696 3514 / 2678 3657
investors@excelind.com

(q) **Address for correspondence for share related work:**

LINK INTIME INDIA PVT. LTD.
C-101, 247 Park,
L.B.S. Marg, Vikhroli (W),
Mumbai-400 083
Tel: +91 22 49186000 Fax: +91 22 49186060

Help Desk contact

E-mail: rnt.helpdesk@linkintime.co.in

E-mail Address for Investor Grievances:

investors@excelind.com

(r) **Credit Ratings**

CRISIL ratings on the bank facilities to the Company received during the year

Total Bank Loan FacilitiesRated	₹ 149.5 Crores
Rating on Long-Termbank loan facilities	CRISIL A+/Stable (Reaffirmed)
Rating on Short-Term bank loan facilities	CRISIL A1 (Reaffirmed)

DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

The Company is committed to provide all its employees an environment free of gender based discrimination. In furtherance of this commitment, the Company strives to provide all its employees with equal opportunity and conditions of employment, free from gender based coercion, intimidation or exploitation. The Company is dedicated to ensure enactment, observance and adherence to guidelines and best practices that prevent and prosecute commission of acts of sexual harassment.

a. Number of complaints filed during the Financial year 2019-20 - NIL

b. Number of complaints disposed of during the Financial year 2019-20 - NIL

c. Number of complaints pending as on end of the Financial year 2019-20 - NIL

12. **Other Disclosures:**

Particulars	**Legal requirement**	**Details**	**Website link for details/policy**
Related party transactions	Regulation 23 of SEBI Listing Regulations and as defined under the Act	There were no material significant related party transactions during the year that have conflict with the interest of the Company. Transactions entered into with related parties during the financial year were in the ordinary course of business and at arm's length basis and were approved by the Audit Committee. The Board's approved policy for related party transactions is uploaded on the website of the Company. (Related Party Transaction Policy)	http://www.excelind.co.in/companyPolicies.html
Details of Non - Compliance by the Company, penalty, strictures imposed on the Company by the stock exchange, or Securities and Exchange Board of India ('SEBI') or any statutory authority on any matter related to capital markets, during the last three years	Schedule V(C) 10(b) to the SEBI Listing Regulations	There were no cases of non-compliance during the last three financial years, 2017-18, 2018-19 and 2019-20. There were no penalties or strictures imposed on the Company by Stock Exchanges, SEBI or any Statutory Authority on any matter related to capital markets during the last three years.	

Particulars	Legal requirement	Details	Website link for details/policy
Whistle Blower Policy and Vigil Mechanism	Regulation 22 of SEBI Listing Regulations	The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for directors and employees to report concerns about unethical behavior. No person has been denied access to the Chairman of the Audit Committee. The said policy has been uploaded on the website of the Company. (Whistle Blower Policy)	http://www.excelind.co.in/companyPolicies.html
Subsidiary Companies	Regulation 24 of SEBI Listing Regulations	The Audit Committee reviews the quarterly financial statements of the Company and the investments made by its unlisted subsidiary companies. The minutes of the Board meetings along with a report on significant developments of the unlisted subsidiary companies are periodically placed before the Board of Directors of the Company. The Company does not have any material unlisted Indian subsidiary company. The Company has a policy for determining material subsidiaries which is disclosed on its website. (Material Subsidiary)	http://www.excelind.co.in/companyPolicies.html
Policy on determination of materiality for disclosure	Regulation 23 of SEBI Listing Regulations	The Company has adopted a policy on determination of materiality of events for disclosures.(Determining Materiality of Events)	http://www.excelind.co.in/companyPolicies.html
Policy on archival and preservation of documents	Regulation 9 of SEBI Listing Regulations	The Company has adopted a policy on archival and preservation of documents. (Preservation of Documents)	http://www.excelind.co.in/companyPolicies.html
Code of Conduct	Regulation 17 of SEBI Listing Regulations	The members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them during the year ended March 31, 2020. The Annual Report of the Company contains a certificate by the Chief Executive Officer on the compliance declarations received from Directors and Senior Management (EIL Code of Conduct & Ethics)	http://www.excelind.co.in/companyPolicies.html
Terms of Appointment of Independent Directors	Regulation 46 of SEBI Listing Regulations and Section 149 read with Schedule IV of the Act	Terms and conditions of appointment of Independent Directors are available on the Company's website. (Terms of appointment of Independent Director)	http://www.excelind.co.in/companyPolicies.html

13. The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and clause (b) to (i) of sub-regulation (2) of Regulation 46.

    The discretionary requirements as stipulated in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, have been adopted to the extent and in the manner as stated under the appropriate headings in the Report on Corporate Governance.

14. **Particulars of Cost Auditor:**

Name of the Cost Auditor	M/s. Kishore Bhatia & Associates
Firm Registration No.	00294
Date of Appointment for the year 2019-20:	24/05/2019
Filing of Cost Audit Report for FY 2018-19:	
Due Date	20/10/2019
Actual Date	05/10/2019

15. Mr. Prashant Diwan, Practicing Company Secretary has given a certificate that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by SEBI, Ministry of Corporate Affairs or any such statutory authority.

16. There was no instance during the financial year 2019-20, where the Board of Directors had not accepted the recommendation of any Committee of the Board which it was mandatorily required to accept.

17. Total fees for all services paid by the Company to the statutory auditor are provided in Note no. 42 of the Notes to Standalone Financial Statements forming part of this Annual Report. The Statutory Auditors have not provided any services to the subsidiaries of the Company.

18. **Managing Directors Declaration on Code of Conduct and Ethics:**

    The Board of Directors of the Company has laid down Code of Conduct and Ethics (The Code) for the Company's Directors and Senior Executives. All the Directors and the Senior Executives covered by the code have affirmed compliance with the code on an annual basis.

For and on behalf of the Board of Directors

ASHWIN C. SHROFF
Executive Chairman
DIN: 00019952

Date: 13th August, 2020
Place: Mumbai

Auditors' Certificate regarding compliance of conditions of Corporate Governance

To the Members of Excel Industries Limited

We have examined the compliance of conditions of Corporate Governance by Excel Industries Limited, for the year ended March 31, 2020 as stipulated in Regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C , D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

Nehal Upadhayay
Partner
Membership Number: 115872
UDIN: 20115872AAAADQ6307

Place: Mumbai
Date: August 13, 2020

BUSINESS RESPONSIBILITY REPORT

[As per Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	:	L24200MH1960PLC011807
2	Name of the Company	:	EXCEL INDUSTRIES LIMITED
3	Registered Address	:	184-87, S.V. Road, Jogeshwari West, Mumbai-400102
4	Website	:	www.excelind.co.in
5	E-mail –Id	:	surendra.singhvi@excelind.com
6	Financial Year reported	:	April 1, 2019 to March 31, 2020
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	:	Chemicals NIC code: 20119 Environment & Biotech NIC code: 38 and 39
8	The key products/services that the Company manufactures/provides (as per Balance sheet)	:	1) Diethyl Thio Phosphoryl Chloride (% total of Turnover of company 35.95%)
9	Total number of locations where business activity is undertaken by the Company	:	(a) Number of International Locations - NIL (b) Number of National Locations -4
10	Markets served by the Company	:	National and International

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital (INR)	:	62,853,460
2	Total Turnover (INR)	:	70,248.44 lakhs
3	Profit After Tax (INR)	:	9347.34 lakhs
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	:	Company's total spending on CSR for the Financial Year 2019-20 is ₹ 258.07 lakhs which is 2.15% of average profit of last three years.
5	List of activities in which expenditure in 4 above has been incurred:		**A. Conservation of Natural Resources** **B. Rural Development** • Agriculture • Community Development • Animal Welfare **C. Promotion of Education** **D. Others** • Preventive Health Care • Women Empowerment • Environmental Sustainability • Swachh Bharat Abhiyaan **E. Administration**

SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company/ Companies?	:	Yes. The Company has two wholly owned subsidiaries.
2	Do the Subsidiary Company/Companies participate in the BR initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	:	The subsidiary companies participate in the BR initiatives of the Company by following the basic principles and practices of the Parent Company, to the extent applicable.
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities?	:	The Company encourages its Business Associates to support Company's BR initiatives, to the extent feasible.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for Business Responsibility

A	Details of the Director/Directors responsible for implementation of the BR policy/policies	a	DIN Number	:	00033695
		b	Name	:	Hrishit A Shroff
		c	Designation	:	Executive Director
B	Details of the BR head	a	Name	:	Surendra K. Singhvi
		b	Designation	:	Company Secretary
		c	Email ID	:	surendra.singhvi@excelind.com

2. Principle-wise (as per National Voluntary Guidelines (NVGs)) Business Responsibility (BR) Policy/policies

At Excel Industries Limited, the Business Responsibility is guided by "National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business" released by the Ministry of Corporate Affairs, which articulates nine principles as below:

P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
P3	Businesses should promote the well-being of all employees.
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
P5	Businesses should respect and promote Human Rights.
P6	Business should respect, protect and make efforts to restore the environment.
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
P8	Businesses should support inclusive growth and equitable development.
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

(a) Details of Compliances

S. no.	Question(s)	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Yes								
3	Does the policy conform to any national / international standards? If yes, specify?	Most of the policies are aligned to National Guidelines on Responsible Business Conduct (NGRBC) issued by Ministry of Corporate Affairs and some other standards such as Responsible Care principles.								
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Policies are approved by the Board of Directors and signed by the Executive Chairman of the Company.								
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	The Board from time to time will oversee the implementation of respective policies. The Functional Heads are authorized to oversee the implementation thereof.								
6	Indicate the link for the policy to be viewed online?	The policies are placed on the website of the Company can be viewed on http://www.excelind.co.in/companyPolicies.html								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	All the policies have been communicated to all relevant internal and external stakeholders of the Company. The policies for all relevant stakeholders are available on Company's website http://www.excelind.co.in/companyPolicies.html								
8	Does the Company have in-house structure to implement the policy/ policies?	Yes, the Company has necessary inhouse structure in place to implement the policies.								
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Yes, the Company provides redressal mechanism for all kinds of grievances.								
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The Policy relating to Environment, Health and Safety are evaluated by internal as well as external ISO audit agencies. Other policies will be evaluated internally or by respective Committee.								

3. Governance related to BR

a. Q. Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

Ans. The Executive Chairman, Managing Director, Executive Director, CEO, and CS will review the Business Responsibility performance of the Company during the Annual review meetings. Besides, the CSR Committee of the Board reviews the social performance of the Company on quarterly basis.

b. Q. Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Ans. The Business Responsibility Report forms part of the Directors' Report. The Report can be viewed on the website of the Company at www.excelind.co.in.

SECTION E: PRINCIPLE WISE PERFORMANCE

Principle 1 : Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1	Does the policy relating to ethics, bribery and corruption cover only the company? Does it extend to the Group/Joint Ventures/Suppliers/Contractors/ NGOs /Others?	:	The Company strives to adhere to the highest standards of integrity and behavior and ensure compliance and adherence to law and internal policies through its compliance systems. The Board of Directors of the Company has also adopted a Code of Conduct ('Çode') which applies to the Board Members, Key Managerial Personnel and other employees in the category "General Manager and above" of the Company. The Company obtains an annual confirmation affirming compliance with the Code from the Directors, Key Managerial Personnel and the Senior Management employees every year.
2	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.	:	The Company has not received any complaint from any stakeholders relating to ethics, bribery and corruption during the Financial Year 2019-20.

Principle 2 : Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.		(a) p-isopropoxy ethyl benzoate (RELD1000). (b) 1-Hydroxyethylidene-1, 1-Diphosphonic Acid (Codex 661). (c) O',O', Diethyl thiophosphoryl Chloride (DETC).
2	For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):		In all the products listed above, the raw material usage efficiency is monitored monthly. Where possible, unconverted raw materials are recovered from the process and are recycled back in subsequent batches. This way of recovery & recycles reduces the environmental burden. The batch size are so designed to have optimal energy consumption ratios that is possible and as permitted by the process. Waste water from all of our manufacturing processes are isolated and treated. In both Roha and Lote, we have commissioned Multiple Effect Evaporator systems to recover water and same is recycled back into process after purifying them by passing through Reverse Osmosis units.
	a.	Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?	
	b.	Reduction during usage by consumers (energy, water) has been achieved since the previous year?	
3	Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?		Yes. The Company is following a minimum two supplier practice and procedures are in place for sustainable sourcing including dedicated transportation for key products. We mentor drivers, transporters and provide them safety trainings as a part of Responsible Care and IS 18001 standards. Majority of our transporters are part of NICER GLOBE.

4	Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	Yes. We have given preference to local service providers for items used in routine manufacturing activities. Our technical persons regularly interact with local producers and service providers to continually improve the quality of goods, services and capability, be it for packaging materials, fabrication or contract labor etc., with an aim to improve their EHS standards also.
5	Does the Company have a mechanism to recycle products and waste?	Yes. We believe in the principles of Green Chemistry and 3R (reduce, reuse and recycle). With the help of our in-house R&D team, we are producing 5-10% value added products from waste stream.

Principle 3: Businesses should promote the wellbeing of all employees

1	Total number of Employees	997
2	Total number of employees hired on temporary/ contractual/ casual basis	551
3	Number of permanent women employees.	34
4	Number of permanent employees with disabilities	2
5	Do you have an employee association that is recognized by management	Yes, the Company has recognized union at Roha, Lote and Mumbai
6	What percentage of your permanent employees is members of this recognized employee association?	31%
7	Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last Financial Year and pending, as at the end of the Financial Year.	

s. no	Category	No. of Complaints filed during the Financial Year	No of Complaints pending as at the end of Financial Year
1	Child Labour / Forced Labour / Involuntary Labour	Nil	Nil
2	Sexual Harassment	Nil	Nil
3	Discriminatory Employment	Nil	Nil

8. Percentage of under mentioned employees who were given safety & skill up-gradation training in the last year?

s. no	Employees Category	Employees imparted safety training	Employees imparted skill up-gradation training
a.	Permanent Employees	502	412
b.	Permanent Women Employees	26	18
C.	Casual/Temporary/Contractual Employees	225	136
d.	Employees with Disabilities	2	1

Principle 4 : Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1	Has the Company mapped its internal and external stakeholders?	The Company has mapped its internal and external stakeholders. They are community, consumers, customers, employees, Government, lenders, NGOs and the Shareholders.
2	Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders.	The Company has identified poor, women and children as marginalized and disadvantaged groups through needs assessment and engagement with local communities in and around the Company's manufacturing sites under its Corporate Social Responsibility (CSR) initiatives. The Company has undertaken various programs under its CSR Policy in the areas of health, education and livelihood for such marginalized and disadvantaged groups.
3	Special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders	The initiatives undertaken by the Company for the disadvantaged, vulnerable and marginalized stakeholders are elaborated in Principle 8 and in the Annexure – II of the Directors' Report.

Principle 5: Businesses should respect and promote human rights

1	Does the policy of the Company on Human Rights cover only the Company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?	The Company follows its policy on Human Rights which are applicable to the Company, its Subsidiary and Contractors.
2	How many stakeholder complaints have been received in the past Financial Year and what percent was satisfactorily resolved by the management?	The Company has not received any stakeholder complaints in the Financial Year 2019-20 related to Human Rights.

Principle 6: Business should respect, protect, and make efforts to restore the environment

1	Does the policy related to Principle 6 cover only the Company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / others?	Yes, the Policy related to Principle 6 extends to the entire Group, Channel Partners, and applicable stakeholders.
2	Does the Company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc? If yes, please give hyperlink for webpage etc.	Yes, the Company focusses on wholesome sustainable development, incorporating principles Responsible Care and thereby working to address issues related to climate change, global warming etc. Webpage is currently not available on the Website of the Company.
3	Does the Company identify and assess potential environmental risks?	Yes, the Company identifies and assesses potential environmental risk relating to all of its existing and new products being developed
4	Does the Company have any project related to Clean Development Mechanism? If Yes, whether any environmental compliance report is filed?	Yes, the Company constantly endeavors in improving its environmental performance / GHG reduction for its existing products and new products under development by optimizing the process parameters & also monitoring emissions. SPCB has provided four star ratings to our plants for stack emissions standards.

5	Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. If yes, please give hyperlink for web page etc.	The Company constantly endeavors to adopt ideas furthering green initiatives, efficiency improvements & adoption of cleaner technology. Specific measures implemented include reduction in environmental burden by isolation & recycle of raw materials from waste streams, installation of LED lights at shop floor, street lights, and installation of energy efficiency motors and pumps etc. Webpage is currently not available on the Website of the Company.
6	Are the Emissions / Waste generated by the Company within the permissible limits given by CPCB/SPCB for the Financial Year being reported?	Yes. The emissions and wastes generated by manufacturing facilities of the Company are within the permissible limits given by SPCB.
7	Number of show cause / legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as at the end of Financial Year.	There were no pending show cause / legal notices received from Central and State Pollution Control Boards at the end of Financial Year 2019-20.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1	Is the Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with.	As on March 31, 2020, your Company is a member of the following trade associations: i. FICCI - Federation of Indian Chambers of Commerce and Industry ii. BCCI - Bombay Chamber of Commerce and Industry iii. ICC - Indian chemical council
2	Have you advocated/lobbied through above associations for the advancement or improvement of public good? If yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others).	The Company supports the initiatives taken by above associations in their endeavor for the advancement or improvement of public good.

Principle 8 : Businesses should support inclusive growth and equitable development

1	Does the Company have specified programs/initiatives/ projects in pursuit of the policy related to Principle 8?	The Company takes up program/ initiatives/ projects in pursuit of the principle of inclusive growth and equitable development in pursuance of its Corporate Social Responsibility ('CSR') Policy. Detailed information about the specified program and initiatives undertaken during the Financial Year 2019-20 in pursuit of the CSR Policy has been given in Annexure -II to the Directors' Report.
2	Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/ any other organization?	The programs/projects are undertaken through Implementing Agency, Shri Vivekanand Research & Training Institute (SVRTI) Foundation.
3	Have you done any impact assessment of your initiative?	The CSR programs and their impacts/ outcomes are monitored and reviewed by the CSR Committee of the Board and management periodically, to understand the impact of these programs.

4	What is your Company's direct contribution to community development projects.	During the Financial Year 2019-20, the Company spent ₹ 258.07 Lakhs on various CSR initiatives, detailed in Annexure - II to the Directors' Report.
5	Have you taken steps to ensure that this community development initiative is successfully adopted by the community?	Implementation of the CSR programs/projects is ensured through meetings, site visits, obtaining periodic progress reports from Implementing Agency.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

1	What percentage of customer complaints/consumer cases are pending as of the end of Financial Year.	For the Chemicals Business, there were two customer complaints pending as at the end of the Financial year - Both have since been resolved. For ENBT Business, there is one customer complaint pending at the end of Financial year. This complaint is still open due to the social restrictions under COVID-19 pandemic.
2	Does the Company display product information on the product label, over and above what is mandated as per local laws?	Yes, the Company adheres to all the applicable statutory laws regarding product labeling and displays relevant information on product label.
3	Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/ or anti-competitive behavior during the last five years and pending as at end of Financial Year.	There have been no cases relating to unfair trade practices, irresponsible advertising and/or anti-competitive behavior against the Company during the last five years and as at the end of Financial Year 2019-20.
4	Did the Company carry out any consumer survey/ consumer satisfaction trends?	Customer satisfaction surveys are conducted periodically for feedback, betterment of the products and improving delivering mechanism both in verbal and written form.

For and on behalf of the Board

ASHWIN C. SHROFF
Executive Chairman
DIN: 00019952

Date: 13th August, 2020
Place: Mumbai

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, 2020, and the Statement of Profit and Loss (including Other Comprehensive loss), 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, 2020, total comprehensive income (comprising of profit and other comprehensive loss), 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.

Emphasis of Matter

4. We draw your attention to the Note 59 to the Standalone financial statements, which describes the management's assessment of the impact of the outbreak of Coronavirus (Covid-19) on the business operations of the Company. The management believes that no adjustments are required in the standalone financial statements as it does not impact the current financial year, however, in view of the various preventive measures taken (such as complete lock-down restrictions by the Government of India, travel restrictions etc.) and highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve.

   Our opinion is not modified in respect of this matter.

Key audit matters

5. 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 8 to the standalone financial statements) The Company has investments amounting to ₹ 12,472.71 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.	Our procedures in relation to management's 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).

Key audit matter	How our audit addressed the key audit matter
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. 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.	• 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, 2020. • 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.
Assessment of Purchase Price Allocation (PPA) in case of acquisition of Chemical Manufacturing Unit at Vishakhapatnam in accordance with Ind-AS 103 Business Combination: (Refer Note 50 to the standalone financial statements) The Company acquired a Chemical manufacturing unit located at Vishakhapatnam as a going concern on October 25, 2019 by way of slump sale for a consideration of ₹ 8,898.46 lakhs. The Company determined the acquisition to be business combination in accordance with Ind AS 103 (the 'Standard'), which requires the identified assets and liabilities to be recognised at fair value at the date of acquisition with the excess of identified fair value of recognised assets and liabilities over the acquisition cost as Goodwill. An independent external professional valuation expert was engaged by the Management to perform valuation of tangible and intangible assets. Such valuation was performed as a part of Purchase Price Allocation (PPA). Consequently, the Company has recognised tangible and intangible assets (excluding goodwill) of ₹ 6,906.01 lakhs and Goodwill of ₹ 1,885.28 lakhs. Significant assumptions and estimates were used by the Management and the external professional valuation expert in areas such as determination of the fair values of the identified assets acquired and liabilities assumed in the transaction, resultant impact on deferred taxes, discounted fair value of the consideration and thus we consider this to be a key audit matter.	Our procedures included the following: • Understanding and evaluation of the design and testing of operating effectiveness of controls over the accounting of business combination. • Reviewing the business transfer agreement and other documents related to acquisition to obtain an understanding of the transaction and to confirm the consideration. • Evaluation of the competence, capabilities and objectivity of the Management's expert. • Understanding of the work of the expert, and evaluation of the appropriateness of the expert's work. • Involving auditor's valuation expert, as "auditor's expert", to review the PPA reports to assess reasonableness of the underlying key assumptions used in determining the fair value of assets and liabilities as at the acquisition date. • Assessing adequacy of relevant disclosures in the standalone financial statements. Based on our procedures performed above, we noted that the management's assessment of PPA in case of acquisition of Chemical Manufacturing Unit at Vishakhapatnam in accordance with the Ind-AS 103 Business Combination is reasonable.

Other Information

6. 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 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 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

7. 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.
8. 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

9. 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.

10. 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.

11. 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.
12. 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.
13. 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

14. 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.
15. 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 loss), 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;

f) With respect to the adequacy of the internal financial controls 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 52(a) to the standalone financial statements;

(ii) The Company has long-term contracts including derivative contracts as at March 31, 2020 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, 2020.

16. 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: 20115872AAAACS4262

Place: Mumbai
Date: June 26, 2020

Annexure A to Independent Auditors' Report

Referred to in paragraph 15(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, 2020

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, 2020 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, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. Also, refer paragraph 4 of the main audit report.

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

Nehal Upadhayay
Partner
Membership Number: 115872

Place: Mumbai
Date: June 26, 2020

Annexure B to Independent Auditors' Report

Referred to in paragraph 14 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, 2020

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 standalone financial statements, are held in the name of the Company.

ii. The physical verification of inventory have been conducted at reasonable intervals by the Management during the year. 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 or 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 some 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, 2020 which have not been deposited on account of a 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	144.88	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, 2020 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 the 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 16 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: June 26, 2020

STANDALONE BALANCE SHEET AS AT MARCH 31, 2020

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-current assets			
Property, plant and equipment	3	33,201.52	23,299.20
Right of use assets	4	2,356.37	—
Capital work-in-progress		933.67	1,150.85
Investment properties	5	142.13	145.35
Intangible assets	6	1,940.72	31.99
Intangible assets under development		21.18	—
Investments in subsidiaries and joint venture	7	421.47	421.47
Financial assets			
i. Investments	8	14,304.67	18,788.39
ii. Loans	9	534.39	336.51
iii. Other financial assets	10	—	0.33
Current tax assets (net)		1,462.58	1,309.08
Other non-current assets	11	157.92	391.52
Total non-current assets		**55,476.62**	**45,874.69**
Current assets			
Inventories	12	7,771.97	6,601.75
Financial assets			
i. Investments	13	837.48	6,893.65
ii. Trade receivables	14	14,972.97	15,386.62
iii. Cash and cash equivalents	15	1,696.79	300.13
iv. Bank balances other than (iii) above	16	134.53	66.34
v. Loans	17	123.18	85.58
vi. Other financial assets	18	90.17	194.01
Other current assets	19	1,166.01	1,155.37
Total current assets		**26,793.10**	**30,683.45**
Assets classified as held for sale	20	—	1,328.66
Total assets		**82,269.72**	**77,886.80**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	21	628.53	628.53
Other equity	22	59,486.39	58,421.35
Total equity		**60,114.92**	**59,049.88**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i. Borrowings	23	2.12	6.25
(ii) Lease liabilities	24	251.05	—
(iii) Other financial liabilities	25	889.19	—
Employee benefit obligations	26	1,273.41	1,133.83
Deferred tax liabilities (net)	27	4,937.42	5,994.91
Total non-current liabilities		**7,353.19**	**7,134.99**
Current liabilities			
Financial liabilities			
i. Borrowings	28	2,126.15	615.38
ii. Trade payables			
(a) total outstanding dues of micro and small enterprises	29	666.57	2.00
(b) total outstanding dues other than (ii) (a) above	29	9,823.46	9,798.48
iii. Lease liabilities	30	28.52	—
iv. Other financial liabilities	31	1,250.98	570.38
Employee benefit obligations	32	678.78	244.05
Current tax liabilities (net)		—	—
Other current liabilities	33	227.15	167.44
Total current liabilities		**14,801.61**	**11,397.73**
Liabilities directly associated with assets classified as held for sale	34	—	304.20
Total liabilities		**22,154.80**	**18,836.92**
Total equity and liabilities		**82,269.72**	**77,886.80**
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: June 26, 2020

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

ASHWIN C. SHROFF
Executive Chairman
DIN: 00019952

RAVI A. SHROFF
Managing Director
DIN: 00033505

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: June 26, 2020

STATEMENT OF STANDALONE PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2020	Year ended March 31, 2019 (Re presented Refer Note 49)
INCOME			
Revenue from operations	35	70,248.44	82,496.02
Other income	36	807.87	440.22
Total income		**71,056.31**	**82,936.24**
EXPENSES			
Cost of materials consumed	37	33,128.61	35,369.22
Purchase of stock in trade	38	503.49	536.50
(Increase)/decrease in inventories of finished goods, work-in-progress and stock in trade	39	(774.90)	(850.60)
Employee benefit expenses	40	8,460.63	7,601.15
Depreciation and amortisation expense	41	2,278.05	1,812.46
Other expenses	42	15,984.70	14,947.50
Finance Costs	43	255.21	243.56
Total expenses		**59,835.79**	**59,659.79**
Profit before tax		**11,220.52**	**23,276.45**
Tax expense	27		
— Current tax		2,626.76	7,595.11
— Deferred tax		(753.58)	474.87
Total tax expense		**1,873.18**	**8,069.98**
Profit for the year		**9,347.34**	**15,206.47**
Other comprehensive income/(loss)			
A (i) Items that will not be reclassified to profit or loss			
Remeasurement gains/(losses) on net defined benefit plans	44	(224.65)	146.60
Changes in Fair Value of Equity Instruments	8	(4,483.72)	1,826.15
(ii) Tax relating to above	27	783.02	(275.55)
B (i) Items that will be reclassified to profit or loss		—	—
(ii) Tax relating to above		—	—
Other Comprehensive Income/(loss) for the year, net of tax		**(3,925.35)**	**1,697.20**
Total comprehensive income for the year		**5,421.99**	**16,903.67**
Earnings per share (in INR)	53		
Basic		74.36	120.97
Diluted		74.36	120.97

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: June 26, 2020

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Chief Executive Officer

DEVENDRA P. DOSI
Chief Financial Officer

SURENDRA K. SINGHVI
Company Secretary

Place : Mumbai
Date: June 26, 2020

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before tax	11,220.52	23,276.45
Adjustments for:		
Depreciation and amortisation expenses	2,278.05	1,812.47
Finance costs	255.21	243.56
Provision for doubtful debts receivables (net)	(53.95)	43.12
Unrealised exchange differences (net)	(27.22)	38.30
Dividend income	(609.53)	(321.71)
Interest income	(41.90)	(33.98)
Gain on fair valuation of investments through profit and loss	(11.85)	(1.64)
Profit on sale of investment	(32.37)	(0.29)
Net loss on sale / discard of property, plant and equipment	42.10	63.09
Operating profit before working capital changes	**13,019.06**	**25,119.37**
Adjustments for:		
(Increase) / decrease in Inventories	(897.29)	(1,290.26)
(Increase) / decrease in Trade receivables	1,085.05	(3,518.14)
(Increase) / decrease in Other bank balances	(30.89)	45.26
(Increase) / decrease in Loans (Current and Non current)	(159.30)	55.59
(Increase) / decrease in Other financial assets (Current and Non current)	113.97	(0.24)
(Increase) / decrease in Other assets (Current and Non current)	8.28	(302.12)
Increase / (decrease) in Trade payables	369.76	1,314.21
Increase / (decrease) in Other financial liabilities (Current and Non current)	(109.66)	51.93
Increase / (decrease) in Employee benefit obligations (Current and Non current)	259.66	(84.40)
Increase / (decrease) in Other current liabilities	71.93	(192.71)
	13,730.57	**21,198.49**
Less: Income taxes paid (net of refunds)	2,692.79	7,667.83
NET CASH INFLOW GENERATED FROM OPERATING ACTIVITIES — [A]	**11,037.78**	**13,530.66**
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Property, plant and equipment (including capital work in progress, capital advances and capital vendor)	(6,445.51)	(4,641.68)
Purchase of Intangible assets	(51.78)	(8.77)
Payment towards Acquisition of business (Refer Note 50)	(6,750.00)	—
Proceed from sale of Property, plant and equipment	4.08	144.74
Proceeds from sale of Current investments	12,932.37	2,000.00
Interest received	32.94	31.09
Dividend received	609.53	321.71
Purchase of Current investments	(6,831.98)	(8,764.66)

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
NET CASH (OUTFLOW) FROM INVESTING ACTIVITIES — [B]	**(6,500.35)**	**(10,917.57)**
CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Borrowings	1,510.77	—
Repayment of Borrowings	(83.26)	(296.43)
Principal elements of Lease payments (Refer Note 58)	(24.34)	—
Repayment of Fixed deposits accepted from public (including Interest)	(1.14)	(4.38)
Dividend paid (Including Dividend distribution tax)	(4,356.95)	(1,894.33)
Interest paid	(190.47)	(243.33)
NET CASH (OUTFLOW) FROM FINANCING ACTIVITIES — [C]	**(3,145.39)**	**(2,438.47)**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS — [A+B+C]	1,392.04	174.62
Add: Cash and cash equivalents at the beginning of the year (Refer Note 15)	304.75	130.13
Cash and cash equivalents at the end of the year	**1,696.79**	**304.75**
Components of cash and cash equivalents		
Balances with Banks:		
In current accounts	1,688.76	300.13
Cash on Hand	8.03	—
Cash and cash equivalents pertaining to discontinuing operations (Refer Note 49)	—	4.62
Total cash and cash equivalents	**1,696.79**	**304.75**

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.
3. Refer Note 49 for disclosure relating to discontinuing operations.

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: June 26, 2020

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

ASHWIN C. SHROFF
Executive Chairman
DIN: 00019952

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DEVENDRA P. DOSI
Chief Financial Officer

SURENDRA K. SINGHVI
Company Secretary

Place : Mumbai
Date: June 26, 2020

STANDALONE STATEMENT OF CHANGES IN EQUITY

(All amounts in INR lakhs, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	Note	Amount
As at March 31, 2019		**628.53**
Changes in equity share capital	21	—
As at March 31, 2020		**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, 2018		**534.37**	**24,537.32**	**16.75**	**0.01**	**5,070.05**	**13,253.51**	**43,412.01**
Profit for the year		—	—	—	—	15,206.47	—	15,206.47
Other comprehensive income	22	—	—	—	—	95.86	1,601.34	1,697.20
Total comprehensive income for the year		**—**	**—**	**—**	**—**	**15,302.33**	**1,601.34**	**16,903.67**
Transfer from Retained Earnings		—	5,000.00	—	—	(5,000.00)	—	—
Dividend paid (Including dividend distribution tax)	47	—	—	—	—	(1,894.33)	—	(1,894.33)
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 / (loss)	22	—	—	—	—	(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)	47	—	—	—	—	(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**

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: June 26, 2020

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Chief Financial Officer

SURENDRA K. SINGHVI
Company Secretary

Place : Mumbai
Date: June 26, 2020

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(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 (E&BT). 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 June 26, 2020

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;
- assets held for sale - measured at lower of carrying amount or fair value less cost to sell; and
- 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 Ind AS pronouncements and amendments for the first time with effect from April 1, 2019.

* Ind AS 116, Leases.

* Uncertainty over Income Tax Treatments - Appendix C to Ind AS 12 - Income taxes.

* Amendments to Ind AS 103, Business Combinations and Ins AS 111, Joint Arrangements.

* Amendments to Ind AS 12, Income Taxes.

* Amendments to Ind AS 23, Borrowing Costs.

* Plan amendments, curtailment or settlement - Amendments to Ins AS 19, Employee Benefits.

The Company has adopted Ind AS 116, Leases and applied the same to lease contracts existing on April 1, 2019 using the modified retrospective approach. Accordingly, the comparative figures have not been restated, and continuous to be reported under Ind AS 17. This resulted in recognition of lease liability with an equivalent amount recognised as right of use of assets as of April 1, 2019. The adoption of Ind AS 116 did not have any material impact on the standalone financial statements. (Refer Note 58)

Other 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.

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

B. Segment Reporting

Operating segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker (CODM). Executive Chairman and Managing Director are designated as CODM. Refer Note 48 for segment information presented.

C. Foreign Currency translation

(i) Functional and presentation currency

Items included in the standalone financial statements 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.

(ii) Transaction and balances

Foreign currency transactions are translated into the functional currency at the exchange rates on the date of transaction. 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 recognized in the 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 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.

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

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 service tax / 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 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.

Dividend

Dividends are recognised in profit or 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 Grant

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 profit or 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 profit or 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

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

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.

Minimum Alternative Tax (MAT) credit, which is equal to the excess of MAT (calculated in accordance with provisions of Section 115JB of the Income tax Act, 1961) over normal income-tax is recognized as an item in deferred tax asset by crediting the Statement of Profit and Loss only when and to the extent there is convincing evidence that the Company will be able to avail the said credit against normal tax payable during the period of fifteen succeeding assessment years.

G. Leases

Till March 31, 2019:

As a lessee

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the Statement of Profit and 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.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

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 unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

With effective from April 1, 2019:

The Company has applied Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17.

As a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
(All amounts in INR lakhs, unless otherwise stated)

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

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

Fixed payments, including in-substance fixed payments; – Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date; – Amounts expected to be payable under a residual value guarantee; and – The exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position. (Refer Note 58).

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases of real estate properties that have a lease term of 12 months. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Comparative Information under Ind AS 17

In the comparative period, as a lessee the Company classified leases that transfer substantially all of the risks and rewards of ownership as finance leases. When this was the case, the leased assets were measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Minimum lease payments were the payments over the lease term that the lessee was required to make, excluding any contingent rent.

Subsequently, the assets were accounted for in accordance with the accounting policy applicable to that asset

Assets held under other leases were classified as operating leases and were not recognised in the Company's statement of financial position. Payments made under operating leases were recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received were recognised as an integral part of the total lease expense, over the term of the lease.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to the ownership of an asset to the Company. All other leases are classified as operating leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the 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.

Land under perpetual lease for is accounted as finance lease which is recognised at upfront premium paid for the lease and the present value of the lease rent obligation. The corresponding liability is recognised as a finance lease obligation. Land under non-perpetual lease is treated as operating lease.

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

Operating lease payments for land are recognised as prepayments and amortised on a straight-line basis over the term of the lease. Contingent rentals, if any, arising under operating leases are recognised as an expense in the period in which they are incurred.

As a lessor

Leases for which the Company is a lessor is classified as finance or operating lease. Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

H. Impairment of Non-Financial Assets

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.

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.

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

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.

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 profit or 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.

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

For assets measured at fair value, gains and losses will either be recorded in profit or 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 profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or 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 profit or 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.

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

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

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 46 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.

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 profit or 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.

(All amounts in INR lakhs, unless otherwise stated)

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

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 profit and loss account.

The fair values of various derivative financial instruments used for hedging purposes are disclosed in Note 45. 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/amortisation 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 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

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.

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

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 or loss.

Q. Investment property

Properties that is held for long-term rentals yields or for capital appreciation (including property under construction for such purposes) or both, and that is 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 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 profit or 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.

(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

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

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 profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. 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 or 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.

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 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.

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

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

Leave Obligation:

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.

Long Service awards:

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.

Defined benefit plan — Gratuity

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.

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.

Defined benefit plan — Voluntary early separation scheme:

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

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

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.

Defined Contribution Plan — Provident Fund:

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.

Defined Contribution Plan — Superannuation Fund:

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 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.

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

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.

(a) Estimation of current tax expenses and payable:

Taxes recognized in the financial statements reflect management's best estimate of the outcome based on the facts known at the balance sheet date. These facts include but are not limited to interpretation of tax laws of various jurisdictions where the Company operates. Any difference between the estimates and final tax assessments will impact the income tax as well the resulting assets and liabilities.

(b) 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.

(c) 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

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

factors and may result in changes in the estimated useful life and in the depreciation and amortisation charges.

(d) Estimation of long term benefit obligation:

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.

(e) Impairment of financial assets (including trade receivables):

Allowance for doubtful receivables represent the estimate of losses that could arise due to inability of the Customer to make payments when due. These estimates are based on the customer ageing, customer category, specific credit circumstances and the historical experience of the company as well as forward looking estimates at the end of each reporting period

(f) Estimation of Provisions and contingencies:

Provisions are liabilities of uncertain amount or timing recognised where a legal or constructive obligation exists at the balance sheet date, as a result of a past event, where the amount of the obligation can be reliably estimated and where the outflow of economic benefit is probable. Contingent liabilities are possible obligations that may arise from past event whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events which are not fully within the control of the Company. The Company exercises judgement and estimates in recognizing the provisions and assessing the exposure to contingent liabilities relating to pending litigations. Judgement is necessary in assessing the likelihood of the success of the pending claim and to quantify the possible range of financial settlement. Due to this inherent uncertainty in the evaluation process, actual losses may be different from originally estimated provision.

(g) Accounting of Business Combination:

As per Ind AS 103 - Business Combination, all the identifiable tangible and intangible assets acquired and liabilities assumed in a business combination are required to measure initially at their fair values as at the acquisition date. Significant assumptions and estimates are used by the Management in areas such as determination of the fair values of the identified assets acquired and liabilities assumed in the transaction, resultant impact on deferred taxes, discounted fair value of the consideration etc. The management has also involved the external professional valuation expert to perform valuation of tangible and intangible assets.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts in INR lakhs, unless otherwise stated)

NOTE 3 - PROPERTY, PLANT AND EQUIPMENT

Particulars	Leasehold Land	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, 2019											
Gross carrying amount											
Opening gross carrying amount	**216.47**	**524.81**	**4,203.07**	**15,741.67**	**205.64**	**670.57**	**347.87**	**398.95**	**254.02**	**1.19**	**22,564.26**
Additions	—	—	483.62	3,827.56	108.87	178.87	70.40	784.80	70.33	1.21	5,525.66
Disposals/adjustments	—	—	(127.83)	(156.66)	(0.29)	(5.29)	(0.07)	(6.53)	(9.62)	—	(306.29)
Closing gross carrying amount	**216.47**	**524.81**	**4,558.86**	**19,412.57**	**314.22**	**844.15**	**418.20**	**1,177.22**	**314.73**	**2.40**	**27,783.63**
Accumulated Depreciation											
Opening accumulated depreciation	7.38	—	234.63	2,116.34	81.80	119.62	43.87	122.42	53.73	0.37	2,780.16
Depreciation charge during the year	3.69	—	149.68	1,248.47	50.95	86.66	39.94	133.78	38.26	0.40	1,751.83
Disposals	—	—	(6.54)	(35.96)	(0.25)	—	(0.03)	(2.35)	(2.43)	—	(47.56)
Closing accumulated depreciation	**11.07**	**—**	**377.77**	**3,328.85**	**132.50**	**206.28**	**83.78**	**253.85**	**89.56**	**0.77**	**4,484.43**
Net carrying amount	**205.40**	**524.81**	**4,181.09**	**16,083.72**	**181.72**	**637.87**	**334.42**	**923.37**	**225.17**	**1.63**	**23,299.20**

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 49)	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 50)	—	1,596.77	3,245.25	1.17	120.86	10.34	23.42	4.56	—	5,002.37
Disposals/adjustments	—	(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 49)	—	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**

Notes:

(a) Buildings include cost of shares in co-operative housing societies **INR 0.01 lakhs** (Previous Year: INR 0.01 lakhs).

(b) Leased assets:

Property, plant and equipment includes the following assets where the Company is a lessee under a finance lease:

Particulars	As at March 31, 2020	As at March 31, 2019
Plant and machinery		
Gross carrying amount	—	1,585.03
Accumulated depreciation	—	(298.89)
Net carrying amount	**—**	**1,286.14**

The lease term in respect of assets acquired under finance leases generally expire within three to five years. The legal title to these items vests with lessor during lease period. At the expiry of lease period, the Company has the option to acquire the leased assets at a nominal price as mentioned in lease arrangement. As at March 31, 2020, Plant and Machinery having net carrying value of INR Nil (Previous year : INR 153.69) lakhs are pending transfer in name of the Company for which lease obligations have been fully discharged and are included in INR Nil (Previous Year : INR 1,286.14 lakhs) above.

(c) Leasehold land:

Leasehold land has been accounted as Right of use assets with effect from April 1, 2019 - Refer Note 58 for transition disclosure for Ind AS 116

(d) Property, plant and equipment pledged as security

Refer Note 28(c) for information on Property, plant and equipment pledged as security by the Company.

(e) Contractual obligations

Refer Note 52 (c) (i) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(f) Disposal/adjustments for the previous year includes INR 57.24 lakhs (Gross carrying amount) and INR 6.34 lakhs (Accumulated depreciation) being transfer to investment properties, Refer Note 5.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
(All amounts in INR lakhs, unless otherwise stated)

NOTE 4 - RIGHT OF USE ASSETS

Particulars	As at March 31, 2020	As at March 31, 2019
Building *	94.30	—
Land *	2,262.07	—
	2,356.37	**—**

* Refer Note 58 for transition disclosure for Ind AS 116

NOTE 5 - INVESTMENT PROPERTIES

Particulars	As at March 31, 2020	As at March 31, 2019
Gross Carrying amount		
Opening gross carrying amount/Deemed Cost	159.53	102.29
Add: Transfer from Property, Plant and Equipment (Refer Note 3(f))	—	57.24
Closing gross carrying amount	**159.53**	**159.53**
Accumulated depreciation		
Opening accumulated depreciation	**14.18**	**4.62**
Add: Transfer from Property, Plant and Equipment (Refer Note 3(f))	—	6.34
Add: Depreciation charge for the year	3.22	3.22
Closing accumulated depreciation	**17.40**	**14.18**
Net Carrying amount	**142.13**	**145.35**

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

Rental income	44.54	44.21
Direct operating expenses for property that generated rental income	1.03	1.17
Direct operating expenses for property that did not generate rental income	0.71	0.84
Profit from investment properties before depreciation	**42.80**	**42.20**
Depreciation	3.22	3.22
Profit from investment properties	**39.58**	**38.98**

(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:

Within 1 year	43.58	39.59
Later than 1 year but not later than 5 years	82.26	112.35
Later than 5 years	—	—
Total	**125.84**	**151.94**

(iii) Fair value of investment properties

Investment Properties	714.74	693.39

(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.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
(All amounts in INR lakhs, unless otherwise stated)

NOTE 6 - INTANGIBLE ASSETS

Particulars	Computer software	Goodwill	Total
Year ended March 31, 2019			
Gross carrying amount			
Opening gross carrying amount	**149.20**	**—**	**149.20**
Additions	8.30	—	8.30
Closing gross carrying amount	**157.50**	**—**	**157.50**
Accumulated amortisation			
Opening accumulated amortisation	101.03	—	101.03
Amortisation charge for the year	24.48	—	24.48
Closing accumulated amortisation	**125.51**	**—**	**125.51**
Closing Net carrying amount	**31.99**	**—**	**31.99**
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 50)	—	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**

NOTE 7 - INVESTMENT IN SUBSIDIARIES AND JOINT VENTURE

Particulars	As at March 31, 2020	As at March 31, 2019
Unquoted equity instruments at cost		
Investments in wholly owned subsidiaries		
199,982 (March 31, 2019: 199,982) Equity shares of INR 100 each fully paid up in Kamaljyot Investments Limited	370.34	370.34
510,000 (March 31, 2019: 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, 2019: 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

(All amounts in INR lakhs, unless otherwise stated)

NOTE 8 - NON-CURRENT INVESTMENTS

Particulars	As at March 31, 2020	As at March 31, 2019
Investment in Equity Instruments (fully paid-up)		
Quoted at FVOCI		
584,977 (March 31, 2019: 584,977) Equity shares of INR 10 each fully paid up in Punjab Chemicals and Crop Protection Limited	1,823.37	4,009.43
4,285 (March 31, 2019: 4,285) Equity shares of INR 10 each fully paid up in TIL Limited	4.27	11.10
13,400 (March 31, 2019: 13,400) Equity shares of INR 10 each fully paid up in Bank of India	4.32	13.97
	1,831.96	4,034.50
Unquoted at FVOCI		
888,750 (March 31, 2019: 888,750) Equity shares of INR 10 each fully paid up in TML Industries Limited	—	18.16
1,067,450 (March 31, 2019: 1,067,450) Equity shares of INR 10 each fully paid up in Transpek-Silox Industry Private Limited	12,467.46	14,730.48
2,500 (March 31, 2019: 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, 2019: 50,000) Equity shares of INR 10 each fully paid up in Biotech Consortium India Limited	5.00	5.00
	12,472.71	14,753.89
Total	**14,304.67**	**18,788.39**
Aggregate amount of unquoted Investments	12,472.71	14,753.89
Aggregate amount of quoted Investments	1,831.96	4,034.50

NOTE 9 - LOANS – NON-CURRENT

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured considered good (unless otherwise stated)		
Loans to employees	7.27	5.65
Security deposits	527.12	330.86
Total	**534.39**	**336.51**

NOTE 10 - OTHER NON-CURRENT FINANCIAL ASSETS

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured considered good (unless otherwise stated)		
Margin Money deposits with maturity of more than 12 months@	—	0.33
Total	**—**	**0.33**

@ Refer Note 16

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts in INR lakhs, unless otherwise stated)

NOTE 11 - OTHER NON-CURRENT ASSETS

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured considered good (unless otherwise stated)		
Capital advances		
Unsecured, considered good	89.63	341.95
Unsecured, considered doubtful	76.62	41.62
	166.25	383.57
Provision for doubtful capital advances	(76.62)	(41.62)
	89.63	341.95
Prepaid expenses	38.75	20.03
Balances with Government Authorities	29.54	29.54
Total	**157.92**	**391.52**

NOTE 12 - INVENTORIES

Particulars	As at March 31, 2020	As at March 31, 2019
Raw materials [including stock-in-transit INR 456.00 lakhs (March 31, 2019: INR 227.81 lakhs)]	2,126.04	2,283.10
Packing materials	128.29	82.35
Finished goods	2,068.90	1,800.98
Work-in-progress	2,820.27	1,999.33
Traded goods	129.96	—
Stores and spares [including fuel and coal]	498.51	435.99
Total	**7,771.97**	**6,601.75**

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 67.06 lakhs (as at March 31, 2019 - INR 21.10 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.

NOTE 13 - CURRENT INVESTMENTS

Particulars	As at March 31, 2020	As at March 31, 2019
Investments in Mutual Funds		
Unquoted at FVPL		
Edelweiss Liquid Fund - Direct Plan - Daily Dividend 1,807.055 (March 31, 2019: 1,733.538) units of INR 1,000 fully paid up	18.12	17.39
Kotak Liquid - Direct Plan - Daily Dividend 1,166.404 (March 31, 2019: 346,209.464) units of INR 1,000 fully paid up	14.26	4,235.12
Kotak Equity Arbitrage Fund - Direct Plan - Monthly Dividend 7,206,309.476 (March 31, 2019: 23,993,742.854) units of INR 10 fully paid up	805.10	2,641.14
Total	**837.48**	**6,893.65**
Aggregate amount of unquoted Investments	837.48	6,893.65

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
(All amounts in INR lakhs, unless otherwise stated)

NOTE 14 - TRADE RECEIVABLES

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Receivables from related parties (Refer Note 51)	30.92	45.54
Other Trade receivables	15,076.30	15,416.89
Less: Allowance for doubtful debts/Expected credit loss	134.25	75.81
Total	**14,972.97**	**15,386.62**
Current portion	14,972.97	15,386.62
Non-current portion	—	—

Break-up of security details

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Secured, considered good	—	—
Unsecured, considered good	14,972.97	15,386.62
Doubtful	134.25	75.81
Total	**15,107.22**	**15,462.43**
Less : Allowance for doubtful debts / Expected credit loss	(134.25)	(75.81)
Total	**14,972.97**	**15,386.62**

Note: For credit risk and provision for loss allowance (Refer Note 46)

NOTE 15 - CASH AND CASH EQUIVALENTS

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Balances with Banks:		
In Current accounts	1,688.76	300.13
Cash on Hand	8.03	—
Total	**1,696.79**	**300.13**

NOTE 16 - BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Margin money deposits (Refer Note below)	37.60	6.38
Unclaimed dividend account	96.93	59.96
Total	**134.53**	**66.34**

Note:
Margin money deposits of INR 37.60 lakhs (March 31, 2019: INR 6.71 lakhs) have been given against Letter of Credit, Bank guarantees and other deposits.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
(All amounts in INR lakhs, unless otherwise stated)

NOTE 17 - LOANS – CURRENT

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured considered good (unless otherwise stated)		
Loans to employees	16.51	18.23
Security deposits	106.67	67.35
Total	**123.18**	**85.58**

NOTE 18 - OTHER CURRENT FINANCIAL ASSETS

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured considered good (unless otherwise stated)		
Interest accrued	29.66	19.44
Foreign exchange forward contracts	44.98	70.90
Others	15.53	103.67
Total	**90.17**	**194.01**

NOTE 19 - OTHER CURRENT ASSETS

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured considered good (unless otherwise stated)		
Balances with Government Authorities	204.36	129.93
Prepaid expenses	219.38	212.71
Advances to suppliers	340.54	305.98
Export benefits receivable	401.23	506.25
Others	0.50	0.50
Total	**1,166.01**	**1,155.37**

NOTE 20 - ASSETS CLASSIFIED AS HELD FOR SALE

Particulars	As at March 31, 2020	As at March 31, 2019
Disposal Group (Refer Note below)	—	1,328.66
Total	**—**	**1,328.66**

Note:

Refer Note 49 for disclosures pertaining to Discontinuing Operations.

Refer Note 34 for information about liabilities of the disposal segment (E&BT division) that is classified as held for sale at balance sheet date.

(All amounts in INR lakhs, unless otherwise stated)

NOTE 21 - EQUITY SHARE CAPITAL

Particulars	No. of shares	Amount
Authorised shares		
As at March 31, 2020		
Equity shares of INR 5/- each	3,80,00,000	1,900.00
11% Cumulative Redeemable Preference Shares of INR 10/- each	8,50,000	85.00
Unclassified Shares of INR 5/- each	3,00,000	15.00
As at March 31, 2019		
Equity shares of INR 5/- each	3,80,00,000	1,900.00
11% Cumulative Redeemable Preference Shares of INR 10/- each	8,50,000	85.00
Unclassified Shares of INR 5/- each	3,00,000	15.00
Issued, subscribed and paid-up		
As at March 31, 2020		
Equity shares of INR 5/- each fully paid-up	1,25,70,692	628.53
Total	**1,25,70,692**	**628.53**
As at March 31, 2019		
Equity shares of INR 5/- each fully paid-up	1,25,70,692	628.53
Total	**1,25,70,692**	**628.53**

(i) Movement in Equity Share Capital

Equity Shares	As at March 31, 2020		As at March 31, 2019	
	Nos.	Amount	Nos.	Amount
At the beginning of the year	1,25,70,692	628.53	1,25,70,692	628.53
Outstanding at the end of the year	**1,25,70,692**	**628.53**	**1,25,70,692**	**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, 2020		As at March 31, 2019	
	Nos. of Shares	% of holding	Nos. of Shares	% of holding
Anshul Specialty Molecules Private Limited	53,58,682	42.63%	53,58,682	42.63%
Life Insurance Corporation of India	9,62,799	7.66%	9,62,799	7.66%

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

Name of the shareholder	As at March 31, 2020		As at March 31, 2019	
	Nos. of Shares	% of holding	Nos. of Shares	% of holding
Anshul Specialty Molecules Private Limited	53,58,682	42.63%	53,58,682	42.63%

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
(All amounts in INR lakhs, unless otherwise stated)

NOTE 22 - OTHER EQUITY

Particulars	As at March 31, 2020	As at March 31, 2019
Capital reserve	0.01	0.01
Securities premium	534.37	534.37
Capital redemption reserve	16.75	16.75
General reserve	34,537.32	29,537.32
Retained earnings	13,300.33	13,478.05
Other reserves	11,097.61	14,854.85
Total	**59,486.39**	**58,421.35**

(i) Capital Reserve

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance	0.01	0.01
Closing balance	**0.01**	**0.01**

(ii) Securities Premium

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance	534.37	534.37
Closing balance	**534.37**	**534.37**

(iii) Capital Redemption Reserve

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance	16.75	16.75
Closing balance	**16.75**	**16.75**

(iv) General reserve

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance	29,537.32	24,537.32
Add: Amount transferred from retained earnings	5,000.00	5000.00
Closing balance	**34,537.32**	**29,537.32**

(v) Retained earnings

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance	13,478.05	5,070.05
Profit for the year	9,347.34	15,206.47
Dividend Paid	(3,614.07)	(1,571.34)
Dividend Distribution tax	(742.88)	(322.99)
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)	(168.11)	95.86
Closing balance	**13,300.33**	**13,478.05**

NOTE 22 - OTHER EQUITY (contd.)

(vi) Other reserves – FVOCI – Equity Investments

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Opening Balance	14,854.85	13,253.51
Change in fair value of FVOCI equity instruments (Refer Note 8)	(4,483.72)	1,826.15
Tax on above	726.48	(224.81)
	(3,757.24)	1,601.34
Closing balance	**11,097.61**	**14,854.85**

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 23 - NON-CURRENT BORROWINGS

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Term Loans (Secured)		
From others		
Vehicle loan from a financial institution	2.12	6.25
Total	**2.12**	**6.25**

Notes:

(a) Term loans under vehicle finance from a financial institution amounting to INR 6.25 lakhs (March 31, 2019: INR 22.52 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) Finance lease obligation amounting to INR Nil (March 31, 2019: INR 66.99 lakhs) from Siemens Financial Services Private Limited for a period of three years and is secured by hypothecation of equipments taken on lease. It will be discharged by monthly lease rental payments on various dates and carry the interest @ 11.50% to 12.50% per annum.

(c) Installments falling due within a year in respect of all the above Loans aggregating INR 4.13 lakhs (March 31, 2019: INR 83.26 lakhs) have been grouped under "Current maturities of long-term debt" (Refer Note 31)

(d) Refer Note 46(B) for liquidity risk.

(e) The carrying amounts of financial and non financial assets as security for secured borrowings are disclosed in Note 28 (c)

(f) Refer Note 28 (d) net debt reconciliation.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
(All amounts in INR lakhs, unless otherwise stated)

NOTE 24 - LEASE LIABILITIES - NON CURRENT

Particulars	As at March 31, 2020	As at March 31, 2019
Lease liabilities (Refer Note 58)	251.05	—
Total	**251.05**	**—**

NOTE 25 - OTHER NON-CURRENT FINANCIAL LIABILITIES

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred consideration (Refer Note 50)	889.19	—
Total	**889.19**	**—**

NOTE 26 - EMPLOYEE BENEFIT OBLIGATIONS - NON CURRENT

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for Employee benefit obligations (Refer Note 44):		
Leave obligation	1,088.99	948.18
Medical voluntary retirement scheme	114.64	114.01
Long service award	69.78	71.64
Total	**1,273.41**	**1,133.83**

NOTE 27 - TAXATION

(a) Income tax expense

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Current tax		
Current tax on profits for the year	2,626.76	7,595.11
Total current tax expense	**2,626.76**	**7,595.11**
Deferred tax	(753.58)	474.87
Total deferred tax expense/(benefit)	**(753.58)**	**474.87**
Total Income tax expense	**1,873.18**	**8,069.98**

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

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Profit before tax	11,220.52	23,276.45
Tax at the Indian tax rate of 25.168% (Previous year - 34.944%)	**2,823.98**	**8,133.72**
Add / (less) effects of :		
Exempt Income	(153.41)	(80.26)
Revenue expenditure on scientific research u/s 35 (2)AB	—	(82.12)
One time deferred tax credit on transition to new tax regime *	(796.59)	—
Others	(0.80)	98.64
Income tax expense	**1,873.18**	**8,069.98**

* 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 ₹ 796.59 lakhs on account of re-measurement of net deferred tax liabilities as at March 31, 2019.

(All amounts in INR lakhs, unless otherwise stated)

NOTE 27 - TAXATION (contd.)

(c) Deferred tax:

The balance comprises temporary differences attributable to:

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Deferred tax assets		
Liabilities / provisions that are deducted for tax purposes when paid	535.91	537.49
Provision for doubtful receivables and advances	51.08	95.31
Other timing differences	81.78	140.22
Total deferred tax assets	**668.77**	**773.02**
Deferred tax liabilities		
Additional depreciation/amortisation on tangible and intangible assets for tax purposes due to higher tax depreciation rate.	3,185.32	3,194.40
Financial assets at fair value through Other Comprehensive Income	2,420.87	3,147.35
Other timing differences	—	426.18
Total deferred tax liabilities	**5,606.19**	**6,767.93**
Net deferred tax liabilities	**4,937.42**	**5,994.91**

Movement in deferred tax assets/(liabilities):

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)**

Particulars	**As at March 31, 2018**	**Charged/(credited) to profit and loss**	**Charged/(credited) to OCI**	**As at March 31, 2019**
For the year ended March 31, 2019				
Liabilities / provisions that are deducted for tax purposes when paid	556.47	(31.77)	50.74	537.49
Provision for doubtful receivables and advances	108.79	13.48	—	95.31
Additional depreciation/amortisation on tangible and intangible assets for tax purposes due to higher tax depreciation rate	(2,654.51)	539.89	—	(3,194.40)
Financial assets at fair value through Other Comprehensive Income	(2,922.55)	—	224.81	(3,147.35)
Other timing differences (net)	(332.67)	(46.71)	—	(285.96)
Total Deferred tax assets/(liabilities)	**(5,244.47)**	**474.89**	**275.55**	**(5,994.91)**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
(All amounts in INR lakhs, unless otherwise stated)

NOTE 28 - SHORT TERM BORROWINGS

Particulars	As at March 31, 2020	As at March 31, 2019
Secured		
Cash credits	1,067.35	615.38
Post shipment banking facility	170.98	—
Unsecured		
Post shipment banking facility	887.82	—
Total	**2,126.15**	**615.38**

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 Property, Plant and Equipment at Roha and Lote Parashuram. The cash credit loan is repayable on demand and carries interest rates at 9.00% to 10.85% (March 31, 2019 - 9.45% to 11.20%).

(b) Post shipment banking facility amounting to 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 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, 2020	As at March 31, 2019
Current Assets		
Financial Assets		
Trade Receivables	14,972.97	15,837.71
Non Financial Assets		
Inventories	7,771.97	6,874.69
Total Current Assets Pledged as Security	**22,744.94**	**22,712.40**
Non Current Assets		
Right of use assets	201.70	—
Freehold land	140.81	346.20
Buildings	2,886.77	2,914.12
Plant and machinery	20,476.23	15,539.72
Other Property Plant and Equipment	1,485.63	1,178.13
Total Non-current assets pledged as security	**25,191.14**	**19,978.17**
Total assets pledged as security	**47,936.08**	**42,690.57**

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

(All amounts in INR lakhs, unless otherwise stated)

NOTE 28 - SHORT TERM BORROWINGS (contd.)

(d) Net debt reconciliation

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Cash and cash equivalents	(1,696.79)	(300.13)
Current investments in mutual funds	(837.48)	(6,893.65)
Non Current Borrowings (Including current maturities)	6.25	89.51
Current Borrowings	2,126.15	615.38
Interest payable on above borrowings	0.06	0.24
Net Debt	**(401.81)**	**(6,488.65)**

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 (Refer Note 49)	(4.62)	—	—	—	—
Purchase of investments	—	(6,831.98)	—	—	—
Sales of investments	—	12,932.37	—	—	—
Fair value adjustments and gain on investments	—	(44.22)	—	—	—
Acquisition of loan	—	—	—	1,510.77	—
Repayment of loan	—	—	(83.26)	—	—
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**

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, 2018	**(124.69)**	**(127.06)**	**340.58**	**660.74**	**0.01**
Cash flow from continuing operation	(174.62)	—	—	—	—
Cash flow from discontinuing operation	(0.82)	—	—	—	—
Purchase of investments	—	(8,764.66)	—	—	—
Sales of investments	—	2,000.00	—	—	—
Fair value adjustments	—	(1.93)	—	—	—
Repayment of loan	—	—	(251.07)	(45.36)	—
Interest expenses	—	—	—	—	243.56
Interest paid	—	—	—	—	(243.33)
Net Debt as at March 31, 2019	**(300.13)**	**(6,893.65)**	**89.51**	**615.38**	**0.24**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
(All amounts in INR lakhs, unless otherwise stated)

NOTE 29 - TRADE PAYABLES

Particulars	As at March 31, 2020	As at March 31, 2019
Total Outstanding due of micro and small enterprises	666.57	2.00
Total Outstanding due of creditors other than micro and small enterprises	9,823.46	9,798.48
Total	**10,490.03**	**9,800.48**

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, 2020	As at March 31, 2019
— Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	666.57	2.00
— Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	—	0.03
— Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	96.65	308.81
— 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	—	68.42
— Interest due and payable towards suppliers registered under MSMED Act, for payments already made	2.94	2.94
— Further interest remaining due and payable for earlier years	0.30	—

(b) Refer Note 46 for information about liquidity risk and market risk of trade payables.

NOTE 30 - LEASE LIABILITIES - CURRENT

Particulars	As at March 31, 2020	As at March 31, 2019
Lease liabilities (Refer Note 58)	28.52	—
Total	**28.52**	**—**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
(All amounts in INR lakhs, unless otherwise stated)

NOTE 31 - OTHER CURRENT FINANCIAL LIABILITIES

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Current maturities of long term debt (Refer Note (b) below)	4.13	83.26
Interest accrued and due	0.06	0.24
Unclaimed Dividend	96.93	59.96
Unclaimed Matured Fixed Deposits	5.81	6.56
Unclaimed interest on matured fixed deposits	2.22	2.61
Creditors for Capital Goods	329.29	273.77
Sundry Deposits	15.10	15.10
Foreign exchange forward contracts	3.39	54.67
Deferred consideration (Refer Note 50)	732.45	—
Others	61.60	74.21
Total	**1,250.98**	**570.38**

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 23):

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
From others		
Vehicle loan from a financial institution	4.13	16.27
Finance lease obligation	—	66.99
Total	**4.13**	**83.26**

NOTE 32 - EMPLOYEE BENEFIT OBLIGATIONS - CURRENT

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Provision for Employee benefit obligations (Refer Note 44):		
Leave obligation	116.37	91.93
Gratuity	510.55	89.94
Medical voluntary retirement scheme	37.58	46.90
Long service award	14.28	15.28
Total	**678.78**	**244.05**

NOTE 33 - OTHER CURRENT LIABILITIES

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Statutory dues including provident fund and tax deducted at sources	105.18	53.34
Advances from customers	111.06	104.48
Other payables	10.91	9.62
Total	**227.15**	**167.44**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
(All amounts in INR lakhs, unless otherwise stated)

NOTE 34 - LIABILITIES DIRECTLY ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE

Particulars	As at March 31, 2020	As at March 31, 2019
Disposal Group (Refer Note below)	—	304.20
Total	**—**	**304.20**

Note:

Refer Note 49 for disclosures pertaining to Discontinuing Operations.

Refer Note 20 for information about assets of the disposal segment (E&BT division) that is classified as held for sale at balance sheet date.

NOTE 35 - REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from contracts with customers:		
a) Sale of products		
Finished Goods	66,994.09	79,191.60
Traded Goods	1,537.73	1,895.72
b) Sale of services		
Processing charges	240.52	326.98
Others	714.22	128.32
	69,486.56	81,542.62
a) Export incentives	466.16	674.19
b) Scrap sales	295.72	279.21
	761.88	**953.40**
Total	**70,248.44**	**82,496.02**

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from contracts with customers disaggregated based on geography:		
- Domestic	53,372.62	59,235.80
- Exports	16,875.82	23,260.22
Total	**70,248.44**	**82,496.02**

Reconciliation of Gross revenue with the revenue from contracts with customers

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Gross Revenue	70,488.42	82,560.09
Less: Discounts	239.98	64.07
Net revenue recognised from contracts with customers	**70,248.44**	**82,496.02**

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 36 - OTHER INCOME

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest income on		
Bank deposits	5.39	23.03
Others	36.51	10.95
	41.90	**33.98**
Dividend income		
From non current investments (Refer note below)	309.91	229.70
From current investments	299.62	92.01
	609.53	**321.71**
Others		
Rent (Refer Note 5)	55.73	55.09
Gain on fair valuation of current investments	11.85	1.64
Profit on sale of current investments	32.37	0.29
Others	56.49	27.51
	156.44	**84.53**
Total	**807.87**	**440.22**

Note:

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

NOTE 37 - COST OF MATERIALS CONSUMED

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
a. Raw materials		
Inventory at the beginning of the year	2,055.29	1,591.26
Add : Reclassification of Discontinuing operations (Refer Note 49)	10.92	7.80
Add: On account of business acquisition (Refer Note 50)	34.52	—
Add : Purchases	31,226.92	34,436.54
	33,327.65	**36,035.60**
Less : Inventory at the end of the year	1,670.04	2,055.29
Less : Reclassification of Discontinuing operations (Refer Note 49)	—	10.92
Total cost of Raw materials consumed	**31,657.61**	**33,969.39**
b. Packing materials		
Inventory at the beginning of the year	82.35	79.60
Add : Reclassification of Discontinuing operations (Refer Note 49)	50.74	36.68
Add: On account of business acquisition (Refer Note 50)	0.54	—
Add : Purchases	1,465.66	1,416.64
	1,599.29	**1,532.92**
Less : Inventory at the end of the year	128.29	82.35
Less : Reclassification of Discontinuing operations (Refer Note 49)	—	50.74
Total cost of Packing materials consumed	**1,471.00**	**1,399.83**
Total	**33,128.61**	**35,369.22**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts in INR lakhs, unless otherwise stated)

NOTE 38 - PURCHASE OF STOCK IN TRADE

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Chemicals and others	503.49	536.50
Total	**503.49**	**536.50**

NOTE 39 - (INCREASE)/DECREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK IN TRADE

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Inventories at the end 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: Inventories of Discontinuing operations (Refer Note 49)		
Finished goods	—	35.83
Work-in-progress	—	4.81
Stock in trade	—	164.14
	5,019.13	**4,005.09**
Inventories at the beginning of the year		
Finished goods	1,800.98	1,479.60
Work-in-progress	1,999.33	1,395.31
Add: On account of business acquisition (Refer Note 50)	239.14	—
Add: Inventories of Discontinuing operations (Refer Note 49)		
Finished goods	35.83	82.72
Work-in-progress	4.81	2.02
Stock in trade	164.14	194.84
	4,244.23	**3,154.49**
Total	**(774.90)**	**(850.60)**

NOTE 40 - EMPLOYEE BENEFIT EXPENSES

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Salaries, wages and bonus	7,146.47	6,406.16
Contribution to provident and other funds	522.45	479.66
Provision/ payment of gratuity (Refer Note 44)	243.21	210.87
Workman and staff welfare expenses	548.50	504.46
Total	**8,460.63**	**7,601.15**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
(All amounts in INR lakhs, unless otherwise stated)

NOTE 41 - DEPRECIATION AND AMORTISATION EXPENSES

Particulars	**Year ended March 31, 2020**	**Year ended March 31, 2019**
Depreciation on Property Plant and Equipment (Refer Note 3) *	2,195.97	1,784.76
Depreciation on Right of use assets (Refer Note 58)	50.53	—
Depreciation on Investment Property (Refer Note 5)	3.22	3.22
Amortisation of Intangible Assets (Refer Note 6)	28.33	24.48
Total	**2,278.05**	**1,812.46**

* includes depreciations of ₹ 32.94 lakhs as discontinuing operations for previous year (Refer Note 49)

NOTE 42 - OTHER EXPENSES

Particulars		**Year ended March 31, 2020**	**Year ended March 31, 2019**
Consumption of stores and spares		60.91	72.86
Processing charges		179.95	128.90
Power and fuel		5,262.86	4,761.43
Effluent expenses		1,277.40	1,191.24
Rent (Refer Note 58)		295.60	333.57
Rates and taxes		78.31	42.01
Bank charges		124.08	99.75
Contractor's labour charges		278.94	175.70
Water charges		232.76	187.64
Sales commission		113.92	104.27
Insurance		249.29	107.27
Repairs and maintenance on:			
Plant and machinery		1,916.39	1,990.11
Buildings		84.92	132.77
Others		194.80	148.90
CSR expenditure (Refer Note 54)		258.07	129.93
Travelling and conveyance		290.26	312.06
Legal and professional fees		1,127.99	921.25
Directors' sitting fees (Refer Note 51)		20.00	17.80
Non Executive Directors' Commission (Refer Note 51)		68.00	100.00
Auditor's Remuneration (Refer details below)		51.88	41.74
Bad debts/sundry debit balances written off (net):			
Bad Debts written off during the year	7.93		81.72
Less: Utilisation from Provision for doubtful debts	(7.93)	—	(81.72)
Expected credit loss/Provision for doubtful receivables/advances (net)		(53.95)	43.12
Freight outward and forwarding expenses		2,122.13	2,055.81
Charity and donations		217.99	179.51
Net foreign exchange loss		15.12	170.50
Net loss on disposal of property, plant and equipment		42.10	63.09
Miscellaneous expenses		1,474.98	1,436.27
Total		**15,984.70**	**14,947.50**

Details of Auditor's Remuneration: (Net of credit for taxes)

Audit Fee	30.50	24.00
Tax Audit Fee	6.50	5.50
Limited Review	9.75	6.00
Certification fees and other matters	3.60	5.15
Reimbursement of expenses	1.53	1.09
Total	**51.88**	**41.74**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
(All amounts in INR lakhs, unless otherwise stated)

NOTE 43 - FINANCE COSTS

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest	147.04	195.73
Interest on lease liabilities (Refer Note 58)	16.03	—
Other borrowing costs	33.24	47.83
Interest on deferred consideration (Refer Note 50)	58.90	—
Total	**255.21**	**243.56**

NOTE 44 - 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, 2020	As at March 31, 2019
Obligation not expected to be settled within next 12 months (non - current)	1,088.99	967.26
Obligation expected to be settled within next 12 months (current)	116.37	91.93
Total*	**1,205.36**	**1,059.19**

*Includes amount pertaining to discontinued operation INR Nil (March 31, 2019 - INR 19.08 lakhs)

(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, 2020	As at March 31, 2019
Obligation not expected to be settled within next 12 months (non - current)	69.78	71.64
Obligation expected to be settled within next 12 months (current)	14.28	15.28
Total	**84.06**	**86.92**

(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, 2018	4,082.21	4,288.54	206.33
Current service cost	—	195.00	195.00
Interest expense or cost	—	329.98	329.98
Investment income	314.11	—	(314.11)
Total amount recognised in Statement of Profit and Loss	**314.11**	**524.98**	**210.87**
Re-measurement (or Actuarial) (gain) / loss arising from:			
- change in financial assumptions	—	—	—
- experience variance	—	(187.92)	(187.92)
- return on plan assets, excluding amount recognised in net interest expense	(11.94)	—	11.94
Total amount recognised in Other Comprehensive Income	**(11.94)**	**(187.92)**	**(175.98)**
Benefits paid	—	(424.01)	(424.01)
Employer's contribution	55.71	—	(55.71)
Benefits paid	(399.37)	—	399.37
Balance as at March 31, 2019 **	**4,040.72**	**4,201.59**	**160.87**

NOTE 44 - EMPLOYEE BENEFIT OBLIGATIONS *(Contd.)*

Particulars	Fair value of Plan Assets	Present Value of Obligations	Net amount
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**

** Includes present value obligations pertaining to discontinuing operations INR Nil (March 31, 2019 - INR 70.93 lakhs)

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

Particulars	As at March 31, 2020	As at March 31, 2019
Present value of funded obligation	4,734.07	4,201.59
Fair value of plan assets	4,223.52	4,040.72
Deficit of funded plan	**510.55**	**160.87**
Unfunded plans	—	—
Deficit of Gratuity plan	**510.55**	**160.87**

(d) Assumptions:

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

Particulars	As at March 31, 2020	As at March 31, 2019
Discount rate (per annum)	6.65%	7.70%
Salary growth rate (per annum)*	4.00% for first two years and 7.00% thereafter	8.50%
Attrition rate (derived based on age)	1.00% to 5.00%	1.00% to 5.00%
Mortality rate	% of Indian Assured Lives Mortality (2012-14)	% of Indian Assured Lives Mortality (2006-08)

* 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.)

(All amounts in INR lakhs, unless otherwise stated)

NOTE 44 - EMPLOYEE BENEFIT OBLIGATIONS *(Contd.)*

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

Particulars	As at March 31, 2020			As at March 31, 2019		
	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%	-6.30%	7.20%	1.00%	-6.80%	7.70%
Salary growth rate	1.00%	7.70%	-7.00%	1.00%	7.20%	-6.50%
Attrition rate@	50.00%	-0.30%	0.30%	50.00%	-0.50%	0.50%

@ 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, 2020		As at March 31, 2019	
	Amount	%	Amount	%
Insurer Managed funds	4,223.52	100%	4,040.72	100%

(g) Defined benefit liability and employer contributions:

The weighted average duration of the defined benefit obligation is 7 years (March 31, 2019 - 8 years).The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
1 year	769.26	566.16
2-5 years	1,347.23	1,141.03
6-10 years	2,540.01	2,360.42
More than 10 years	3,445.25	4,325.54

(iv) Medical Voluntary retirement scheme (MVRS):

(a) The Company also 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.

(All amounts in INR lakhs, unless otherwise stated)

NOTE 44 - EMPLOYEE BENEFIT OBLIGATIONS *(Contd.)*

(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, 2018	**167.45**
Current service cost	—
Interest expense or cost	12.88
Re-measurement (or Actuarial) (gain) / loss arising from:	—
– change in financial assumptions	—
– experience variance	—
Total amount recognised in Statement of Profit and Loss	**12.88**
Re-measurement (or Actuarial) (gain) / loss arising from:	
– change in financial assumptions	—
– experience variance	29.38
Total amount recognised in Other Comprehensive Income	**29.38**
Benefits paid	(48.80)
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**

(c) Assumptions:

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

Particulars	As at March 31, 2020	As at March 31, 2019
Discount rate (per annum)	6.65%	7.70%
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, 2020			As at March 31, 2019		
	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%	-2.60%	2.70%	1.00%	-2.30%	2.50%

NOTE 44 - EMPLOYEE BENEFIT OBLIGATIONS *(Contd.)*

(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 522.45 lakhs (March 31, 2019 - INR 479.66 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 underperform 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 45 - FAIR VALUE MEASUREMENTS

(i) Financial instruments by category

Particulars	Note	As at March 31, 2020			As at March 31, 2019		
		FVOCI	FVPL	Amortised cost	FVOCI	FVPL	Amortised cost
Financial assets							
Equity Investments	8	14,304.67	—	—	18,788.39	—	—
Investments in Mutual Funds	13	—	837.48	—	—	6,893.65	—
Trade receivables	14	—	—	14,972.97	—	—	15,386.62
Cash and cash equivalents	15	—	—	1,696.79	—	—	300.13
Bank balances other than cash and cash equivalents	16	—	—	134.53	—	—	66.34
Loans	9 and 17	—	—	657.57	—	—	422.09
Other financial assets	10 and 18	—	44.98	45.19	—	70.90	123.44
Total financial assets		**14,304.67**	**882.46**	**17,507.05**	**18,788.39**	**6,964.55**	**16,298.62**
Financial liabilities							
Borrowings	23 and 28	—	—	2,128.27	—	—	621.63
Lease liabilities	24 and 30	—	—	279.57	—	—	—
Trade payables	29	—	—	10,490.03	—	—	9,800.48
Deferred consideration	25 and 31		—	1,621.64	—	—	—
Other financial liabilities	31	—	3.39	515.14	—	54.67	515.71
Total financial liabilities		**—**	**3.39**	**15,034.65**	**—**	**54.67**	**10,937.82**

(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, 2020					
Financial Asset					
Financial Investment at FVOCI					
Equity Instruments	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		**1,831.96**	**13,355.17**	**—**	**15,187.13**
Financial Liabilities					
Other financial liabilities	31	—	3.39	—	3.39
Total Financial Liabilities		**—**	**3.39**	**—**	**3.39**

(All amounts in INR lakhs, unless otherwise stated)

NOTE 45 - FAIR VALUE MEASUREMENTS *(Contd.)*

Financial asset and liabilities measured at fair value - recurring fair value measurements:	Notes	Level 1	Level 2	Level 3	Total
As at March 31, 2019					
Financial Asset					
Financial Investment at FVOCI					
Equity Instruments	8	4,034.50	14,753.89	—	18,788.39
Financial Investment at FVPL					
Investments in Mutual Funds	13	—	6,893.65	—	6,893.65
Other financial assets	18	—	70.90	—	70.90
Total Financial Assets		**4,034.50**	**21,718.44**	**—**	**25,752.94**
Financial Liabilities					
Other Financial Liabilities	31	—	54.67	—	54.67
Total Financial Liabilities		**—**	**54.67**	**—**	**54.67**

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.

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. The mutual funds are valued using the closing NAV published by mutual fund.

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.

(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 unobservable inputs (level 2)

The following table presents the changes in level 2 items for the periods ended March 31, 2020 and March 31, 2019:

Particulars	Unquoted equity shares	Total
As at March 31, 2018	**14,658.63**	**14,658.63**
Gain/(loss) recognised in other comprehensive income (Refer Note 8)	95.26	95.26
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**
Unrealised gain/(loss) recognised in profit and loss related to assets held		
Year ended March 31, 2020	—	—
Year ended March 31, 2019	—	—

(All amounts in INR lakhs, unless otherwise stated)

NOTE 45 - FAIR VALUE MEASUREMENTS *(Contd.)*

(v) Fair value inputs and relationships to fair value

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

Particulars	Fair Value as at		Significant unobservable inputs	Probability-weighted range		Sensitivity
	March 31, 2020	March 31, 2019		March 31, 2020	March 31, 2019	
Unquoted equity shares	12,472.71	14,753.89	EBITDA Multiple	5%	5%	2020: Increased EBITDA multiple 5% would increase FV by INR 546.43; decreased EBITDA multiple -5% would decrease FV by INR 546.43. 2019: Increased EBITDA multiple 5% would increase FV by INR 744.24; decreased EBITDA multiple -5% would decrease FV by INR 744.24.

(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:

— value of equity shares of the companies is derived from valuations of comparable companies, as manifest 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 ended, and adjustments, as appropriate, for non operating income and expenses.

— value arrived as above under CCM method 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 then divided by the entity share outstanding as at March 31, to arrive at the value per equity share.

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

Particulars	Note	As at March 31, 2020		As at March 31, 2019	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets					
Trade receivables	14	14,972.97	14,972.97	15,386.62	15,386.62
Cash and cash equivalents	15	1,696.79	1,696.79	300.13	300.13
Bank balances other than cash and cash equivalents	16	134.53	134.53	66.34	66.34
Loans	9 and 17	657.57	657.57	422.09	422.09
Other financial assets	10 and 18	45.19	45.19	123.44	123.44
Total Financial Assets		**17,507.05**	**17,507.05**	**16,298.62**	**16,298.62**
Financial Liabilities					
Borrowings	23 and 28	2,128.27	2,128.27	621.63	621.63
Leases liabilities	24 and 30	279.57	279.57		
Trade payables	29	10,490.03	10,490.03	9,800.48	9,800.48
Deferred consideration	25 and 31	1,621.64	1,621.64	—	—
Other Financial Liabilities	31	515.14	515.14	515.71	515.71
Total Financial Liabilities		**15,034.65**	**15,034.65**	**10,937.82**	**10,937.82**

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 46 - 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 15,107.22 Lakhs (March 31, 2019: INR 15,462.43 Lakhs)

Reconciliation of loss allowance provision- Trade receivables

Particular	Year ended March 31, 2020	Year ended March 31, 2019
Loss allowance at the beginning of the year	75.81	80.58
Add: Reclassification of Discontinuing operations (Refer Note 49)	120.32	—
Less: Provision write off / (utilised)	7.93	72.96
Add: Additional Provision made / (reversal)	(53.95)	68.19
Loss allowance at the end of the year	**134.25**	**75.81**

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 633.79 lakhs (March 31, 2019: INR 398.21 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 166.25 lakhs (March 31, 2019: INR 383.57 Lakhs)

Reconciliation of loss allowance provision- Capital advances

Particular	Year ended March 31, 2020	Year ended March 31, 2019
Loss allowance at the beginning of the year	41.62	41.62
Add: Reclassification of Discontinuing operations (Refer Note 49)	35.00	—
Loss allowance at the end of the year	**76.62**	**41.62**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
(All amounts in INR lakhs, unless otherwise stated)

NOTE 46 - FINANCIAL RISK MANAGEMENT *(Contd.)*

(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, 2020						
Borrowings	23 and 28	2,126.15	2.12	—	—	2,128.27
Trade payables	29	10,490.03	—	—	—	10,490.03
Other financial liabilities	25 and 31	515.14	—	—	—	515.14
Total non-derivative liabilities		**13,131.32**	**2.12**	**—**	**—**	**13,133.44**
Derivatives (Net-settled)						
Forward contracts for hedge purpose	31	3.39	—	—	—	3.39
Deferred consideration	25 and 31	732.45	889.19	—	—	1,621.64
Total derivative liabilities		**735.84**	**889.19**	**—**	**—**	**1,625.03**

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, 2019						
Borrowings	23 and 28	615.38	4.13	2.12	—	621.63
Trade payables	29	9,800.48	—	—	—	9,800.48
Other financial liabilities	25 and 31	515.71	—	—	—	515.71
Total		**10,931.57**	**4.13**	**2.12**	**—**	**10,937.82**
Derivatives (Net-settled)						
Forward contracts for hedge purpose	31	54.67	—	—	—	54.67
Total derivative liabilities		**54.67**	**—**	**—**	**—**	**54.67**

(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, 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

NOTE 46 - FINANCIAL RISK MANAGEMENT *(Contd.)*

The Company's exposure to foreign currency risk at the end of the reporting period as on March 31, 2019

Particular	Currency	In INR Lakhs	In Foreign Currency in Lakhs
Financial assets			
Export Receivables	USD	4,696.72	67.96
	EURO	290.87	3.75
Bank Balances	USD	1.38	0.02
Derivative asset			
Foreign exchange forwards	USD	3,590.26	51.95
Foreign exchange forwards	EURO	214.09	2.76
Financial liabilities			
Import Payables	USD	2,934.72	42.46
Derivative liabilities			
Foreign exchange forwards	USD	1,581.93	22.89

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, 2020	Year ended March 31, 2019	Year ended March 31, 2020	Year ended March 31, 2019
USD	(27.28)	88.17	27.28	(88.17)
EURO	29.63	14.54	(29.63)	(14.54)
Increase / (decrease) in profit or loss	**2.35**	**102.71**	**(2.35)**	**(102.71)**

(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, 2020	As at March 31, 2019
Variable rate borrowings	2,126.15	615.38
Fixed rate borrowings	6.25	89.51
Total Borrowings	**2,132.40**	**704.89**

Interest rate sensitivity

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

Particulars	As at March 31, 2020	As at March 31, 2019
Interest rates - increase by 50 basis point (50 bps)	(10.66)	(3.52)
Interest rates - decrease by 50 basis point (50 bps)	10.66	3.52

(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.

(All amounts in INR lakhs, unless otherwise stated)

NOTE 46 - FINANCIAL RISK MANAGEMENT *(Contd.)*

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, 2020	Year ended March 31, 2019
NSE/BSE increase in 1% of price/NAV		
Investments in Quoted equity shares	18.32	40.35
Investments in Mutual Fund	8.37	68.94
NSE/BSE decrease in 1% of price/NAV		
Investments in Quoted equity shares	(18.32)	(40.35)
Investments in Mutual Fund	(8.37)	(68.94)

NOTE 47 - 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, 2020, the ratio was -0.67%

Particulars	As at March 31, 2020	As at March 31, 2019
Net Debt	(401.81)	(6,488.65)
Total Equity	60,114.92	59,049.88
Net debt to equity ratio	-0.67%	-10.99%

(b) Dividend

Particulars	As at March 31, 2020	As at March 31, 2019
(i) Equity Shares		
Final Dividend for the year ended March 31, 2019 INR 18.75 (March 31, 2018 - INR 12.50) per fully paid equity share	2,357.00	1,571.34
Dividend distribution tax on above	484.49	322.99
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	—
(ii) Dividend not Recognised at the end of reporting period		
In addition to the above dividends, since year end the directors have recommended the payment of final dividend of INR Nil per fully paid equity share (March 31, 2019 - INR 18.75). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting	—	2,357.00
Dividend distribution tax on proposed dividend	—	484.49

(All amounts in INR lakhs, unless otherwise stated)

NOTE 48 - 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 are responsible for allocating resources and assessing performance of the operating segments, have been identified as 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. The Environment and Bio Tech (E&BT) segment was identified as discontinuing operations. Also Refer Note 49.

Segment revenue includes sales, export incentives, processing charges 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, 2020	Year ended March 31, 2019
Segment Results (Profit before tax and interest)		
Chemicals	15,106.40	26,756.29
Environment and Biotech	52.57	24.68
Total Segment Result	**15,158.97**	**26,780.97**
Less: Finance Cost	255.21	243.56
Other un-allocable expenditure (net of unallocable income)	3,683.24	3,260.96
Profit before tax	**11,220.52**	**23,276.45**

(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, 2020	Year ended March 31, 2019
Segment Revenue (Revenue from operations)		
Chemicals	68,470.45	80,600.30
Environment and Biotech	1,777.99	1,895.72
Total Segment Revenue	**70,248.44**	**82,496.02**
Less: Inter segment revenue	—	—
Total Segment Revenue	**70,248.44**	**82,496.02**
Revenue from external customers:		
India	53,372.62	59,235.80
Other countries	16,875.82	23,260.22
Total Segment Revenue	**70,248.44**	**82,496.02**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts in INR lakhs, unless otherwise stated)

NOTE 48 - SEGMENT INFORMATION *(Contd.)*

(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, 2020**	**Year ended March 31, 2019**
Segment Assets:		
Chemicals	58,492.61	47,479.48
Environment and Biotech	1,382.18	1,328.66
Unallocated	22,394.93	29,078.66
Total Assets as per balance sheet	**82,269.72**	**77,886.80**
Total assets of Company broken down by location of the assets, is shown below:		
India	79,458.95	72,897.83
Other countries	2,810.77	4,988.97
Total Assets	**82,269.72**	**77,886.80**

(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, 2020**	**As at March 31, 2019**
Segment Liabilities:		
Chemicals	12,894.61	9,650.98
Environment and Biotech	361.33	304.20
Unallocated	8,898.86	8,881.74
Total liabilities as per balance sheet	**22,154.80**	**18,836.92**
Total liabilities of Company broken down by location of the liabilities, is shown below:		
India	19,390.97	15,902.20
Other countries	2,763.83	2,934.72
Total Liabilities	**22,154.80**	**18,836.92**

The Company has a customer based in Outside India which has accounted for more than 10% of the Company's total revenue amounting to ₹ 8,318.25 lakhs during the year ended March 31, 2019. The Company does not have any single customer accounting for more than 10% of the Company's total revenue for the year ended March 31, 2020.

NOTE 49 - DISCONTINUING OPERATIONS

(a) Description:

On March 29, 2017, the Board of Directors of the Company approved divestment of Environment & Bio-tech (E&BT) division to Excel Bio Resources Limited (EBRL), a wholly owned subsidiary. Accordingly, on March 31, 2017, the Company signed a Business Transfer Agreement (BTA) to sell E&BT division to EBRL for consideration of INR 975 lakhs which is subject to net working capital and other adjustments as on the date of completion. 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 and has had to be reclassified accordingly in the standalone financial statements for 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 and March 31, 2019 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. In each case the comparative figures must be re-presented except Statement of Assets and liabilities which is continued to shown as discontinued operations in the previous year and is been reclassified as continuing operations in the current year.

(All amounts in INR lakhs, unless otherwise stated)

NOTE 49 - DISCONTINUING OPERATIONS *(Contd.)*

(b) The carrying amount of assets and liabilities pertaining to discontinuing operations:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Assets classified as held for sale		
Non-current assets		
Property, plant and equipment	—	364.45
Capital work-in-progress	—	32.62
Other intangible assets	—	0.47
Financial assets	—	75.61
Other non-current assets	—	52.47
Current assets		
Inventories	—	272.94
Trade receivables	—	451.09
Financial assets	—	1.75
Cash and cash equivalents	—	4.62
Other current assets	—	72.64
Total assets of disposal group held for sale	**—**	**1,328.66**
Liabilities directly associated with assets classified as held for sale		
Trade payables	—	180.64
Financial liabilities	—	45.77
Other non-current and current liabilities	—	77.79
Total liabilities of disposal group held for sale	**—**	**304.20**

NOTE 50 - ACQUISITION OF CHEMICAL MANUFACTURING UNIT AT VISAKHAPATNAM

The Board of Directors at its meeting dated June 27, 2019 had approved the acquisition of a chemical manufacturing unit of Netmatrix Crop Care Limited ('Seller') located at Visakhapatnam in Andhra Pradesh Special Economic Zone, as a going concern by way of slump sale. Pursuant to this, the Company had entered into a Business Transfer Agreement ('BTA') dated July 4, 2019 with the Seller.

The said acquisition has been completed on October 25, 2019 on compliance with relevant conditions precedent specified in the BTA by the respective parties. The Company has measured the acquired business of Seller at fair value determined in accordance with Ind AS 103 "Business Combination". An independent external professional valuation expert was engaged by the management to perform valuation of tangible and intangible assets as a part of Purchase Price Allocation (PPA).

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

(a) Purchase Consideration:

Particulars	Amounts
Cash paid	6,500.00
Net working capital	398.46
Deferred consideration	2,000.00
	8,898.46
Less: Fair valuation impact on deferred consideration	(187.82)
Total Purchase Consideration	**8,710.64**

(b) Assets Acquired and Liabilities assumed at fair value based on PPA

The Details of assets and liabilities recognised as a result of the business acquisition are as follow:

Particulars	Amounts
Assets:	
Property, Plant & Equipment	5,002.37
Right of use assets	1,903.64
Inventories	322.30
Trade receivables	475.68
Other loans and advances	85.55
	7,789.54

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
(All amounts in INR lakhs, unless otherwise stated)

NOTE 50 - ACQUISITION OF CHEMICAL MANUFACTURING UNIT AT VISAKHAPATNAM *(Contd.)*

Particulars	**Amounts**
Liabilities:	
Trade payables	485.07
Deferred tax liabilities	479.11
	964.18
Net identifiable assets acquired at fair value	**6,825.36**

(c) Calculation of Goodwill

Particulars	**Amounts**
Total Purchase Consideration - Refer (a) above	8,710.64
Less: Net identifiable assets acquired - Refer (b) above	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. Goodwill of ₹ 1,406.17 Lakh is tax deductible.

There were no acquisition in the year ended March 31, 2019.

(d) Acquired receivables:

Particulars	**Amounts**
Fair value of acquired trade receivables	475.68
Gross contractual amount for trade receivable	475.68
Contractual cash flow not expected to be collected	—

(e) Revenue and profit contribution:

From the date of acquisition, business of acquired chemical manufacturing unit has contributed INR 1,529.02 Lakhs to revenue and loss of INR 150.66 lakhs to the profit before tax at the Company level.

(f) Acquisition related costs:

Acquisition related costs of INR 59.90 lakhs that were not directly attributable are included in Other Expenses in the Statement of Profit and Loss and in operating cash flows in the Statement of Cash Flows.

(g) Purchase consideration - cash outflow:

Particulars	**Amounts**
Outflow of cash to acquire business, net of cash acquired	
Cash consideration	6,750.00
Less: Cash/ Bank overdraft acquired	—
Net outflow of cash - investing activity #	**6,750.00**

excluding deferred contribution of ₹ 1,750.00 lakhs fair valued at ₹ 1,567.44 lakhs as on the date of balance sheet.

(h) pursuant to the above, figure of current year are not comparable to those of previous year.

(All amounts in INR lakhs, unless otherwise stated)

NOTE 51 - 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, 2020	Ownership interest as at March 31, 2019
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)

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)
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)

Relatives of KMP with whom transactions have taken place:

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

(d) 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
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
C C Shroff Self Help Centre
Rashtriya Seva Trust
Shrujan Trust
Shrujan Creations
Shroff Family Charitable Trust
Shroff Foundation Trust

* also an associate company

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts in INR lakhs, unless otherwise stated)

NOTE 51 - RELATED PARTY DISCLOSURES AS PER IND AS 24 *(Contd.)*

(2) Related Party Transaction

Particulars	Sale of goods	Sale of services	Purchase of traded goods	Purchase of Services	Dividend Paid	Sales commission	Salary, Bonus, contribution to PF & Commission*	Directors Sitting fees	CSR / Donation Expendi-ture
Parent entity									
Anshul Specialty Molecules Private Limited	**6.07**	**37.01**	**0.01**	—	**1,540.62**	—	—	—	—
	0.55	*35.25*	*4.34*	—	*669.84*	—	—	—	—
Subsidiaries									
Excel Bio Resources Limited	—	**0.14**	—	—	—	—	—	—	—
	2.69	*0.14*	—	—	—	—	—	—	—
Enterprises owned or significantly influenced by key management personnel or their relatives									
Agrocel Industries Private Limited	**2.31**	**8.58**	**7.74**	—	—	—	—	—	—
	0.50	*21.56*	*2.12*	—	—	—	—	—	—
Transpek Industry Limited	**3.26**	—	—	—	**45.04**	—	—	—	—
	—	—	—	—	*19.58*	—	—	—	—
Divakar Techno Specialities & Chemicals Private Limited	—	—	—	—	—	**26.15**	—	—	—
	—	—	—	—	—	*30.40*	—	—	—
C C Shroff Research Institute	—	**0.13**	—	—	—	—	—	—	—
	—	*0.11*	—	—	—	—	—	—	—
C C Shroff Self Help Centre	—	—	**0.85**	—	—	—	—	—	—
	—	—	*0.05*	—	—	—	—	—	—
Transpek Industry (Europe) Limited	—	—	—	**13.14**	—	—	—	—	—
	—	—	—	*0.49*	—	—	—	—	—
Mobitrash Recycle Ventures Private Limited	**0.51**	**0.66**	—	—	—	—	—	—	—
	12.55	*0.37*	—	—	—	—	—	—	—
TML Industries Limited	**19.34**	—	—	—	—	—	—	—	—
	0.53	—	—	—	—	—	—	—	—
Shree Vivekanand Research and Training Institute	—	—	—	—	—	—	—	—	**211.74**
	—	—	—	—	—	—	—	—	*100.85*
Rashtriya Seva Trust	—	—	—	—	—	—	—	—	**2.50**
	—	—	—	—	—	—	—	—	*5.00*
Shroff Family Charitable Trust	—	**3.50**	—	—	—	—	—	—	**80.00**
	—	*2.80*	—	—	—	—	—	—	—
Shroff Foundation Trust	—	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	*50.00*
Shrujan Trust	—	—	—	—	—	—	—	—	**12.75**
	—	—	—	—	—	—	—	—	*10.10*
Shrujan Creations	—	—	**1.56**	—	—	—	—	—	—
	—	—	*3.21*	—	—	—	—	—	—
Mr. Ashwin C. Shroff	**1.86**	—	—	—	**23.88**	—	**213.50**	—	—
	—	—	—	—	*10.38*	—	*274.48*	—	—
Mrs. Usha A. Shroff	—	—	—	—	**1.87**	—	**32.90**	—	—
	—	—	—	—	*0.81*	—	*185.45*	—	—
Mr. Ravi A. Shroff	—	—	—	—	**13.71**	—	**239.00**	—	—
	—	—	—	—	*5.96*	—	*194.93*	—	—
Mr. Hrishit A. Shroff	—	—	—	—	**13.70**	—	**166.55**	—	—
	—	—	—	—	*5.96*	—	*81.71*	—	—
Mr. R. N. Bhogale	—	—	—	—	—	—	**8.00**	**3.30**	—
	—	—	—	—	—	—	*14.00*	*3.20*	—
Mr. H. N. Motiwala	—	—	—	—	—	—	**8.00**	**4.50**	—
	—	—	—	—	—	—	*15.00*	*4.40*	—
Mr. P. S. Jhaveri	—	—	—	—	—	—	**8.00**	**3.00**	—
	—	—	—	—	—	—	*14.00*	*2.60*	—
Mr. M. B. Parekh	—	—	—	—	—	—	**6.00**	**0.80**	—
	—	—	—	—	—	—	*7.00*	*0.80*	—
Mr. S. S. Vaidya	—	—	—	—	—	—	**6.00**	**1.00**	—
	—	—	—	—	—	—	*7.00*	*1.00*	—
Mr. R. M. Pandia	—	—	—	—	—	—	**8.00**	**2.60**	—
	—	—	—	—	—	—	*14.00*	*2.70*	—
Mr. Dipesh K. Shroff	—	—	—	—	**2.48**	—	**6.00**	**1.30**	—
	—	—	—	—	*1.08*	—	*11.00*	*1.30*	—
Mr. Atul G. Shroff	—	—	—	—	**17.19**	—	**6.00**	**1.20**	—
	—	—	—	—	*7.47*	—	*11.00*	*1.00*	—
Mrs. Dr. Meena A. Galliara	—	—	—	—	—	—	**6.00**	**1.20**	—
	—	—	—	—	—	—	—	—	—
Mr. R. K. Sood	—	—	—	—	—	—	—	**0.80**	—
	—	—	—	—	—	—	*7.00*	*0.80*	—
Mr. P. K. Molri	—	—	—	—	—	—	**6.00**	**0.20**	—
	—	—	—	—	—	—	—	—	—
Mrs. Anshul A. Bhatia	—	—	—	—	**6.21**	—	—	—	—
	—	—	—	—	*2.70*	—	—	—	—

Amount in bold represent the amount of March 31, 2020 and amount in italics represents amount of March 31, 2019.

*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 to the key managerial personnel includes INR 51.69 lakhs (March 31, 2019 : INR 37.13 lakhs) towards contribution to provident fund and other funds.

(All amounts in INR lakhs, unless otherwise stated)

NOTE 51 - RELATED PARTY DISCLOSURES AS PER IND AS 24 *(Contd.)*

3. Outstanding Balances

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
The following balances are outstanding at the end of the reporting period in relation to transactions with related parties		
Receivables:		
Excel Bio Resources Limited	3.46	3.29
Anshul Specialty Molecules Private Limited	15.08	4.05
C C Shroff Research Institute	0.08	0.04
Transpek Industry Limited	—	0.02
Mobitrash Recycle Ventures Private Limited	2.64	30.32
Agrocel Industries Private Limited	8.39	16.97
TML Industries Limited	—	0.56
Shroff Family Charitable Trust	1.28	0.29
Payables:		
Divakar Techno Specialities & Chemicals Private Limited	10.23	17.45
Transpek Industry (Europe) Limited	5.66	—
C C Shroff Self Help Centre	—	0.05
Rashtriya Seva Trust	—	5.00
Shrujan Creations	—	0.16
Mobitrash Recycle Ventures Private Limited	0.11	0.11
Mr. Ashwin C. Shroff	69.34	129.00
Mrs. Usha A. Shroff	—	87.48
Mr. Ravi A. Shroff	76.16	91.87
Mr. Hrishit. A. Shroff	39.21	—
Mr. R. N. Bhogale	8.00	14.00
Mr. H. N. Motiwala	8.00	15.00
Mr. P. S. Jhaveri	8.00	14.00
Mr. M. B. Parekh	6.00	7.00
Mr. S. S. Vaidya	6.00	7.00
Mr. R. M. Pandia	8.00	14.00
Mr. Dipesh K. Shroff	6.00	11.00
Mr. Atul G. Shroff	6.00	11.00
Mrs. Dr. Meena A. Galliara	6.00	—
Mr. R. K. Sood	—	7.00
Mr. P. K. Molri	6.00	—

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
(All amounts in INR lakhs, unless otherwise stated)

NOTE 52- CONTINGENT LIABILITIES, CONTINGENT ASSETS AND COMMITMENTS

(a) Contingent Liabilities:

Particular	As at March 31, 2020	As at March 31, 2019
Income-tax	321.91	322.68
Excise duty	41.96	109.99
Sales tax	17.89	17.89
Custom duty	144.88	144.88
Claims against the Company not acknowledged as debts	36.28	30.28
Liability in respect of claims made by workers and contract labourers	Amount not ascertainable	Amount not ascertainable

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.

(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, 2020	As at March 31, 2019
(i) Capital Commitments		
Capital expenditure contracted at the end of reporting period but not recognised as liabilities is as follows:		
Gross Capital Commitment	807.71	1,738.50
Less: Capital Advance (Refer Note 11)	89.63	341.95
Net Capital Commitments	**718.08**	**1,396.55**

(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, 2020.

NOTE 53 - EARNINGS PER SHARE

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Earnings per equity share attributable to the equity holders of the Company (in INR)		
(a) Basic earnings per share	74.36	120.97
(b) Diluted earnings per share	74.36	120.97

Earnings used in calculating earnings per share

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Basic earnings per share		
Profits/(Loss) attributable to the equity holders of the Company used in calculating basic earnings per share	9,347.34	15,206.47
Diluted earnings per share		
Profits/(Loss) attributable to the equity holders of the Company used in calculating diluted earnings per share	9,347.34	15,206.47

NOTE 53 - EARNINGS PER SHARE *(Contd.)*

Weighted average number of shares used as the denominator

Particulars	**Year ended March 31, 2020**	**Year ended March 31, 2019**
	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 54 - DETAILS OF CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE:

Particulars	**Year ended March 31, 2020**	**Year ended March 31, 2019**
Amount required to be spent as per Section 135 of the Act	239.95	80.99
Amount spent during the year on:		
(i) Construction/Acquision of assets	—	—
(ii) On purpose other than (i) above	258.07	129.93
Total	**258.07**	**129.93**

NOTE 55 - LEASE

Operating Lease:

Office premises, godowns and furniture and fixture are obtained on operating leases for various tenors.

These lease arrangements range for a period between 11 months and 9 years, which include both cancellable and non-cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms and also include escalation clauses. From April 1, 2019 the Company has recognised right-Of-use assets for these leases, except for short term lease, see Note 4 and Note 58 for further information.

Particulars	**As at March 31, 2019**
Commitments for minimum lease payments in relation to non - cancellable operating leases are payable as follows:	
(a) Not later than one year	104.44
(b) Later than one year but not later than five years	95.76
(c) Later than five years	—
Lease payments recognized in the Statement of Profit and Loss during the year	116.28

NOTE 56 - RESEARCH AND DEVELOPMENT COSTS

Particulars	**Year ended March 31, 2020**	**Year ended March 31, 2019**
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*	493.69	667.91
Depreciation on Research and Development Equipment	71.71	71.91
	565.40	**739.82**

* includes INR 257.54 lakhs, INR 102.17 lakhs and INR 133.98 lakhs (Previous Year: INR 245.62 lakhs, INR 105.62 lakhs and INR 282.86 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 35.98 lakhs (Previous Year INR 13.92 lakhs) [including capital expenditure on qualifying assets of INR 29.65 lakhs, INR 2.17 lakhs and INR 4.16 lakhs (Previous Year: INR 9.93 lakhs, INR 2.71 lakhs and INR 1.28 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 57 - DETAILS OF DONATION TO A POLITICAL PARTY

The Company has given donation to political parties amounting to INR 96.00 Lakhs (Previous Year - INR Nil lakhs), which is included in Note-42, Miscellaneous expenses.

NOTE 58 - 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

Following are the changes in the carrying value of right of use for the year ended March 31, 2020:

Particulars	Building	Land	Total
Gross carrying amount			
As at April 1, 2019	125.15	—	125.15
Transition impact of Ind AS 116 - Leasehold land	—	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			
As at April 1, 2019	—	—	—
Depreciation charged for the year	30.84	19.69	50.53
Disposal	—	—	—
Closing accumulated depreciation	**30.84**	**19.69**	**50.53**
Net carrying amount	**94.31**	**2,262.06**	**2,356.37**

The following is the break-up of current and non-current lease liabilities for the year ended March 31, 2020:

Particulars	As at March 31, 2020
Lease Liability	
Non-current (Refer Note 24)	251.05
Current (Refer Note 30)	28.52
	279.57

The following is the movement in lease liabilities for the year ended March 31, 2020:

Particulars	As at March 31, 2020
As at April 1, 2019	125.15
Additions	172.74
Finance charge accrue during the year	6.02
Payment of lease liability	(24.34)
	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, 2020
(a) Less than one year	50.39
(b) One year to five years	137.40
(c) More than five years	707.00
	894.79

NOTE 58 - 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, 2020:

Particulars	Notes	As at March 31, 2020
Depreciation charge of right-of-use assets		
— Building	41	30.84
— Land	41	19.69
Interest expense on lease liabilities	43	16.03
Expenses relating to short-term leases (Included in Other expenses)	42	187.45
Expenses relating to leases of low-value assets that are not shown above as short-term leases (Included in Other expenses)	42	108.15

The total Cash outflow for leases for the year ended March 31, 2020 was 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.

Impact on the financial statements – lessee accounting

Indicated in Note 1(A)(iii), the Company has adopted Ind AS 116 retrospectively from April 1, 2019, but has not restated comparatives for year ended March 31, 2019, as permitted under the specific transition provisions in the standard. The reclassifications and the adjustments arising from the new leasing rules are therefore recognised in the opening balance sheet on April 1, 2019. The new accounting policies are disclosed in Note 1(G).

On adoption of Ind AS 116, the Company recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of Ind AS 17, Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of April 1, 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on April 1, 2019 was 8.00%.

(i) Practical expedients applied

In applying Ind AS 116 for the first time, the Company has used the following practical expedients permitted by the standard:

- applying a single discount rate to a portfolio of leases with reasonably similar characteristics
- relying on previous assessments on whether leases are onerous as an alternative to performing an impairment review – there were no onerous contracts as at April 1, 2019
- accounting for operating leases with a remaining lease term of less than 12 months as at April 1, 2019 as short-term leases
- excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application, and
- using hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The Company has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the Company relied on its assessment made applying Ind AS 17 and Appendix C to Ind AS 17, Determining whether an Arrangement contains a Lease.

(ii) Measurement of lease liabilities

Particulars	Amounts
Operating lease commitments disclosed as at March 31, 2019	200.20
(Less): short-term leases not recognised as a liability	(200.20)
Add/(less): contracts reassessed as lease contracts	125.15
Lease liability recognised as at April 1, 2019	**125.15**
Of which are:	
Current lease liabilities	28.33
Non-current lease liabilities	96.82
Total	**125.15**

(All amounts in INR lakhs, unless otherwise stated)

NOTE 58 - IND AS 116 *(Contd.)*

(iii) Measurement of right-of-use assets

The associated right-of-use assets for property leases were measured on a retrospective basis as if the new rules had always been applied.

(iv) Adjustments recognised in the balance sheet on 1 April 2019

The change in accounting policy affected the following items in the balance sheet on April 1, 2019:

Particulars	Amounts
— property, plant and equipment – decrease by	205.40
— right-of-use assets – increase by	330.55
— deferred tax assets (net) – increase by	—
— lease liabilities – increase by	125.15
The net impact on retained earnings on April 1, 2019	—

(v) Lessor accounting

The Company did not need to make any adjustments to the accounting for assets held as lessor under operating leases (Refer Note 5) as a result of the adoption of Ind AS 116.

NOTE 59 - IMPACT OF COVID-19 ON THE STANDALONE FINANCIAL STATEMENTS

The spread of COVID-19 has severely impacted businesses around the globe. In many countries, including India, there has been severe disruption to regular business operations due to lock-downs, disruptions in transportation, supply chain, travel bans, quarantines, social distancing and other emergency measures. Plants of the Company which had shut down operations during lock down period have since resumed operations in a phased manner.

The Company has assessed its liquidity position for a period of at least one year from the balance sheet date along with the recoverability and carrying values of its all assets and ability to pay its liabilities as they become due, and has concluded that there are no material adjustments required in the standalone financial statements for the year ended March 31, 2020.

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. The Company will continue to monitor any material changes to future economic conditions.

NOTE 60 - STANDARDS ISSUED BUT NOT YET EFFECTIVE

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, 2020. There are no standards that are issued but not yet effective on March 31, 2020.

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: June 26, 2020

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

ASHWIN C. SHROFF
Executive Chairman
DIN: 00019952

RAVI A. SHROFF
Managing Director
DIN: 00033505

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: June 26, 2020

INDEPENDENT AUDITOR'S REPORT

To the Members of Excel Industries Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying Consolidated financial statements of Excel Industries Limited (hereinafter referred to as the 'Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), and its associate company (refer Note 48 to the attached consolidated financial statements), which comprise the Consolidated Balance Sheet as at March 31, 2020, the Statement of Consolidated Profit and Loss (including Other Comprehensive loss), the Consolidated Statement of Changes in Equity and the Statement of Consolidated Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information prepared based on the relevant records. (hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group and its associate company as at March 31, 2020, of consolidated total comprehensive income (comprising of profit and other comprehensive loss), consolidated changes in equity and its consolidated 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 Consolidated Financial Statements section of our report. We are independent of the Group and its associate company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 15 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

4. We draw your attention to the Note 58 to the Consolidated financial statements, which describes the management's assessment of the impact of the outbreak of Coronavirus (Covid-19) on the business operations of the Group. The management believes that no adjustments are required in the consolidated financial statements as it does not impact the current financial year, however, in view of the various preventive measures taken (such as complete lock-down restrictions by the Government of India, travel restrictions etc.) and highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve.

   Our opinion is not modified in respect of this matter.

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated 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 8 to the consolidated financial statements) The Company has investments amounting to ₹ 12,472.71 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. 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.	Our procedures in relation to management's 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, 2020. • Testing the mathematical accuracy of the valuation report. • Assessing adequacy of relevant disclosures in the conslidated 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.
Assessment of Purchase Price Allocation (PPA) in case of acquisition of Chemical Manufacturing Unit at Vishakhapatnam in accordance with Ind-AS 103 Business Combination: (Refer Note 47 to the consolidated financial statements) The Company acquired a Chemical manufacturing unit located at Vishakhapatnam as a going concern on October 25, 2019 by way of slump sale for a consideration of ₹ 8,898.46 lakhs. The Company determined the acquisition to be business combination in accordance with Ind AS 103 (the 'Standard'), which requires the identified assets and liabilities to be recognised at fair value at the date of acquisition with the excess of identified fair value of recognised assets and liabilities over the acquisition cost as Goodwill. An independent external professional valuation expert was engaged by the Management to perform valuation of tangible and intangible assets. Such valuation was performed as a part of Purchase Price Allocation (PPA). Consequently, the Company has recognised tangible and intangible assets (excluding goodwill) of ₹ 6,906.01 lakhs and Goodwill of ₹ 1,885.28 lakhs.	Our procedures included the following: • Understanding and evaluation of the design and testing of operating effectiveness of controls over the accounting of business combination. • Reviewing the business transfer agreement and other documents related to acquisition to obtain an understanding of the transaction and to confirm the consideration. • Evaluation of the competence, capabilities and objectivity of the Management's expert. • Understanding of the work of the expert, and evaluation of the appropriateness of the expert's work. • Involving auditor's valuation expert, as "auditor's expert", to review the PPA reports to assess reasonableness of the underlying key assumptions used in determining the fair value of assets and liabilities as at the acquisition date. • Assessing adequacy of relevant disclosures in the consolidated financial statements.

Key audit matter	How our audit addressed the key audit matter
Significant assumptions and estimates were used by the Management and the external professional valuation expert in areas such as determination of the fair values of the identified assets acquired and liabilities assumed in the transaction, resultant impact on deferred taxes, discounted fair value of the consideration and thus we consider this to be a key audit matter.	Based on our procedures performed above, we noted that the management's assessment of PPA in case of acquisition of Chemical Manufacturing Unit at Vishakhapatnam in accordance with the Ind- AS 103 Business Combination is reasonable.

Other Information

6. The Holding 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 consolidated financial statements and our and other 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 consolidated 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 consolidated 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 Consolidated Financial Statements

7. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group including its Associate company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate company are responsible for assessing the ability of the Group and of its associate company 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 Group or to cease operations, or has no realistic alternative but to do so.

9. The respective Board of Directors of the companies included in the Group and of its associate company are responsible for overseeing the financial reporting process of the Group and of its associate company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

    - Identify and assess the risks of material misstatement of the consolidated 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 Holding 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 ability of the Group and its associate company 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 consolidated 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 Group and its associate company to cease to continue as a going concern.

    - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

    - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

12. We communicate with those charged with governance of the Holding Company of which we are the independent auditors 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.

13. 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.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated 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.

Other Matter

15. We did not audit the financial statements of two subsidiaries whose financial statements reflect total assets of ₹ 11,890.82 lakhs and net assets of ₹ 10,396.55 lakhs as at March 31, 2020, total revenue of ₹ Nil, total comprehensive loss (comprising of profit and other comprehensive loss) of ₹ 932.49 lakhs and net cash inflows amounting to ₹ 341.38 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of total comprehensive income (comprising of loss and other comprehensive income) of ₹ Nil as considered in the consolidated financial statements, in respect of one associate company, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and associate company and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiaries and associate company, is based solely on the reports of the other auditors.

    Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

16. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.

    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

    (c) The Consolidated Balance Sheet, the Statement of Consolidated Profit and Loss (including other comprehensive loss), Consolidated Statement of Changes in Equity and the Statement of Consolidated Cash Flow dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

    (d) In our opinion, the aforesaid consolidated 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 of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate company incorporated in India, none of the directors of the Group companies and its associate company incorporated in India is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

    (f) With respect to the adequacy of internal financial controls with reference to financial statements of the Group 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

        (i) The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group and its associate company - Refer Note 50(a) to the consolidated financial statements.

(ii) The Holding Company had long-term contracts including derivative contracts as at March 31, 2020 for which there were no material foreseeable losses. The subsidiary companies and associate company did not have any long-term contracts including derivative contracts as at March 31, 2020.

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company. During the year, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary companies and associate company incorporated in India.

(iv) The reporting on disclosures relating to Specified Bank Notes is not applicable to the Group for the year ended March 31, 2020.

17. The Holding 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: 20115872AAAACT7006

Place: Mumbai
Date: June 26, 2020

Annexure A to Independent Auditors' Report

Referred to in paragraph 16(f) of the Independent Auditors' Report of even date to the members of Excel Industries Limited on the consolidated financial statements as of and for the year ended March 31, 2020

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. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2020, we have audited the internal financial controls with reference to financial statements of Excel Industries Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date. Reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is not applicable to one associate company incorporated in India namely MabiTrash Recycle Ventures Private Limited, pursuant to MCA notification GSR 583(E) dated 13 June 2017.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding company and its subsidiary companies, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on 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 the respective 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.

Auditor's 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") issued by the ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, 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 control 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 control 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 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 Holding Company and its subsidiary companies, which are companies incorporated in India, have, 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, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. Also, refer Paragraph 4 of the main audit report.

Other Matters

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to two subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not qualified in respect of this matter.

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

Nehal Upadhayay
Partner
Membership Number: 115872

Place: Mumbai
Date: June 26, 2020

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2020

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-current assets			
Property, plant and equipment	3	33,201.52	23,663.62
Right of use assets	4	2,356.37	—
Capital work-in-progress		933.67	1,162.14
Investment properties	5	142.13	145.35
Intangible assets	6	1,940.72	31.99
Intangible assets under development		21.18	21.18
Investments in joint venture and associate	7	—	—
Financial assets			
(i) Investments	8	24,960.74	31,704.31
(ii) Loans	9	534.39	412.11
(iii) Other financial assets	10	—	0.33
Current tax assets (net)		1,464.58	1,399.27
Other non-current assets	11	157.92	356.52
Total non-current assets		**65,713.22**	**58,896.82**
Current assets			
Inventories	12	7,771.97	6,874.68
Financial assets			
(i) Investments	13	1,466.06	7,652.59
(ii) Trade receivables	14	14,969.51	15,838.76
(iii) Cash and cash equivalents	15	2,092.37	358.94
(iv) Bank balances other than (iii) above	16	150.08	81.00
(v) Loans	17	223.18	436.16
(vi) Other financial assets	18	93.58	202.42
Other current assets	19	1,254.59	1,228.33
Total current assets		**28,021.34**	**32,672.88**
Total assets		**93,734.56**	**91,569.70**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	20	628.53	628.53
Other equity	21	69,460.43	69,327.87
Total equity		**70,088.96**	**69,956.40**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	22	2.12	6.25
(ii) Lease liabilities	23	251.05	—
(iii) Other financial liabilities	24	889.19	—
Employee benefit obligations	25	1,273.41	1,152.91
Deferred tax liabilities (net)	26	6,419.00	8,765.02
Total non-current liabilities		**8,834.77**	**9,924.18**
Current liabilities			
Financial liabilities			
(i) Borrowings	27	2,126.15	615.38
(ii) Trade payables			
(a) total outstanding dues of micro and small enterprises	28	666.57	2.00
(b) total outstanding dues other than (ii) (a) above	28	9,824.20	9,979.71
(iii) Lease liabilities	29	28.52	—
(iv) Other financial liabilities	30	1,250.98	616.15
Employee benefit obligations	31	678.78	314.97
Current tax liabilities (net)		5.72	3.18
Other current liabilities	32	229.91	157.73
Total current liabilities		**14,810.83**	**11,689.12**
Total liabilities		**23,645.60**	**21,613.30**
Total equity and liabilities		**93,734.56**	**91,569.70**
Significant accounting policies	1		
Critical estimates and judgements	2		

The accompanying notes are an integral part of these consolidated 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: June 26, 2020

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

ASHWIN C. SHROFF
Executive Chairman
DIN: 00019952

RAVI A. SHROFF
Managing Director
DIN: 00033505

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: June 26, 2020

STATEMENT OF CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2020

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2020	Year ended March 31, 2019
INCOME			
Revenue from operations	33	70,248.44	82,496.02
Other income	34	1,083.98	589.57
Total income		**71,332.42**	**83,085.59**
EXPENSES			
Cost of materials consumed	35	33,128.61	35,369.22
Purchase of stock in trade	36	503.49	536.50
(Increase)/decrease in inventories of finished goods, work-in-progress and stock in trade	37	(774.90)	(850.61)
Employee benefit expenses	38	8,460.63	7,601.15
Depreciation and amortisation expenses	39	2,278.05	1,812.46
Other expenses	40	15,990.19	14,952.37
Finance costs	41	255.76	243.70
Total expenses		**59,841.83**	**59,664.79**
Profit before share of net profits of investments accounted for using equity method and tax		**11,490.59**	**23,420.80**
Share of net profit / (loss) of joint venture and associate accounted for using equity method		—	—
Profit before tax		**11,490.59**	**23,420.80**
Tax expense	26		
— Current tax		2,635.64	7,600.40
— Deferred tax		(755.53)	474.87
— Tax in respect of earlier years		3.23	0.10
Total tax expense		**1,883.34**	**8,075.37**
Profit for the year		**9,607.25**	**15,345.43**
Other comprehensive income / (loss)			
A (i) Items that will not be reclassified to profit or loss			
Remeasurement gains/(losses) on net defined benefit plans	42	(224.65)	146.60
Changes in fair value of equity instruments	8	(6,962.69)	4,333.76
(ii) Tax relating to above	26	2,069.60	(1,222.37)
B (i) Items that will be reclassified to profit or loss		—	—
(ii) Tax relating to above		—	—
Other Comprehensive Income / (loss) for the year, net of tax		**(5,117.74)**	**3,257.99**
Total comprehensive income for the year		**4,489.51**	**18,603.42**
Earnings per share (in INR)	51		
Basic		76.43	122.07
Diluted		76.43	122.07

The accompanying notes are an integral part of these consolidated 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: June 26, 2020

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

ASHWIN C. SHROFF
Executive Chairman
DIN: 00019952

RAVI A. SHROFF
Managing Director
DIN: 00033505

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: June 26, 2020

STATEMENT OF CONSOLIDATED CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before tax	11,490.59	23,420.80
Adjustments for:		
Depreciation and amortisation expenses	2,278.05	1,812.46
Finance costs	255.76	243.70
Provision for doubtful debts receivables (net)	(53.95)	43.12
Unrealised exchange differences (net)	(27.22)	38.30
Dividend income	(857.53)	(435.37)
Interest income	(75.14)	(50.76)
Gain on fair valuation of investments through profit and loss	(5.87)	(19.72)
Profit on sale of investment	(32.37)	(0.29)
Net loss on sale / discard of property, plant and equipment	42.10	63.09
Operating profit before working capital changes	**13,014.42**	**25,115.33**
Adjustments for:		
(Increase) / decrease in Inventories	(897.29)	(1,290.25)
(Increase) / decrease in Trade receivables	1,089.56	(3,517.91)
(Increase) / decrease in Other bank balances	(32.11)	44.32
(Increase) / decrease in Loans (Current and Non current)	(159.30)	55.60
(Increase) / decrease in Other financial assets (Current and Non current)	114.94	(0.34)
(Increase) / decrease in Other assets (Current and Non current)	(44.98)	(302.31)
Increase / (decrease) in Trade payables	369.92	1,308.91
Increase / (decrease) in Other financial liabilities (Current and Non current)	(67.57)	51.97
Increase / (decrease) in Employee benefit obligations (Current and Non current)	259.66	(84.40)
Increase / (decrease) in Other current liabilities	72.18	(191.67)
	13,719.43	**21,189.25**
Less: Income taxes paid (net of refunds)	2,701.64	7,673.74
NET CASH INFLOW GENERATED FROM OPERATING ACTIVITIES — [A]	**11,017.79**	**13,515.51**
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Property, plant and equipment (including capital work in progress, capital advances and capital vendor)	(6,523.27)	(4,620.66)
Purchase of Intangible assets	(51.78)	(29.48)
Payment towards Acquisition of business (Refer Note 47)	(6,750.00)	—
Proceed from sale of Property, plant and equipment	4.08	145.05
Proceeds from sale of Current investments	13,235.03	2,421.00
Interest received	69.37	43.80
Dividend received	857.53	435.37
Inter corporate deposit given/(repaid)	250.00	(250.00)
Purchase of current and non current investments	(7,229.38)	(9,266.53)
NET CASH INFLOW / (OUTFLOW) FROM INVESTING ACTIVITIES — [B]	**(6,138.42)**	**(11,121.45)**

STATEMENT OF CONSOLIDATED CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Borrowings	1,510.77	—
Repayment of Borrowings	(83.26)	(296.43)
Principal elements of Lease payments (Refer Note 57)	(24.34)	—
Repayment of Fixed deposits accepted from public (including Interest)	(1.14)	(4.38)
Dividend paid (Including Dividend distribution tax)	(4,356.95)	(1,894.33)
Interest paid	(191.02)	(243.47)
NET CASH (OUTFLOW) FROM FINANCING ACTIVITIES — [C]	**(3,145.94)**	**(2,438.61)**
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS — [A+B+C]	1,733.43	(44.55)
Add: Cash and cash equivalents at the beginning of the year (Refer Note 15)	358.94	403.49
Cash and cash equivalents at the end of the year	**2,092.37**	**358.94**
Components of cash and cash equivalents		
Balances with Banks		
In current accounts	2,084.34	358.94
Cash on Hand	8.03	—
Total cash and cash equivalents	**2,092.37**	**358.94**

Notes:

1. The consolidated 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 consolidated 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: June 26, 2020

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

ASHWIN C. SHROFF
Executive Chairman
DIN: 00019952

RAVI A. SHROFF
Managing Director
DIN: 00033505

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: June 26, 2020

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

(All amounts in INR lakhs, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	Note	Amount
As at March 31, 2019		**628.53**
Changes in equity share capital	20	—
As at March 31, 2020		**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	Statutory Reserve	FVOCI – Equity investments	Total other equity
Balance at March 31, 2018		**534.37**	**24,587.32**	**16.77**	**0.01**	**7,240.92**	**428.80**	**19,810.59**	**52,618.78**
Profit for the year		—	—	—	—	15,345.43	—	—	15,345.43
Other comprehensive income	21	—	—	—	—	95.86	—	3,162.13	3,257.99
Total comprehensive income for the year		—	**—**	**—**	**—**	**15,441.29**	**—**	**3,162.13**	**18,603.42**
Transfer from Retained earnings		—	5,000.00	—	—	(5,022.06)	22.06	—	—
Dividend paid (Including dividend distribution tax)	45	—	—	—	—	(1,894.33)	—	—	(1,894.33)
Balance at March 31, 2019		**534.37**	**29,587.32**	**16.77**	**0.01**	**15,765.82**	**450.86**	**22,972.72**	**69,327.87**
Profit for the year		—	—	—	—	9,607.25	—	—	9,607.25
Other comprehensive income / (loss)	21	—	—	—	—	(168.11)	—	(4,949.63)	(5,117.74)
Total comprehensive income for the year		**—**	**—**	**—**	**—**	**9,439.14**	**—**	**(4,949.63)**	**4,489.51**
Transfer from Retained earnings		—	5,000.00	—	—	(5,047.54)	47.54	—	—
Dividend paid (Including dividend distribution tax)	45	—	—	—	—	(4,356.95)	—	—	(4,356.95)
Balance at March 31, 2020		**534.37**	**34,587.32**	**16.77**	**0.01**	**15,800.47**	**498.40**	**18,023.09**	**69,460.43**

The accompanying notes are an integral part of these consolidated 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: June 26, 2020

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

ASHWIN C. SHROFF
Executive Chairman
DIN: 00019952

RAVI A. SHROFF
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DIN: 00033505

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Executive Director
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N.R. KANNAN
Chief Executive Officer

DEVENDRA P. DOSI
Chief Financial Officer

SURENDRA K. SINGHVI
Company Secretary

Place : Mumbai
Date: June 26, 2020

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts in INR lakhs, unless otherwise stated)

BACKGROUND

Excel Industries Limited (the Company or the Holding Company), its subsidiaries, associate and joint venture together referred to as the Group. Excel Industries Limited (The Company or the Holding Company) a public company domiciled in India. Its shares are listed on BSE Limited and National Stock Exchange of India Limited. The Holding 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 (E&BT). The Holding Company caters to both domestic and international markets. The Holding Company is also engaged in manufacturing activity on behalf of third parties. Excel Bio Resources Limited is a wholly owned subsidiary of the Company and is in the process of exploring business opportunities in the areas of renewable bio-resources, waste management, renewable energy and biotechnological processes. Kamaljyot Investments Limited, a Non Banking Financial Company, another wholly owned subsidiary of the Company, is primarily engaged in activities of Investment Holding and Financing.

NOTE 1 — SIGNIFICANT ACCOUNTING POLICIES:

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

These consolidated financial statements were authorised for issue by the Company's Board of Directors on June 26, 2020.

A. Basis of Preparation

(i) Compliance with Ind AS

The consolidated 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 consolidated 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;
- assets held for sale - measured at lower of carrying amount or fair value less cost to sell; and
- 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 Group

The Group has applied the following Ind AS pronouncements and amendments for the first time with effect from April 1, 2019.

* Ind AS 116, Leases.
* Uncertainty over Income Tax Treatments - Appendix C to Ind AS 12 - Income taxes.
* Amendments to Ind AS 103, Business Combinations and Ins AS 111, Joint Arrangements.
* Amendments to Ind AS 12, Income Taxes.
* Amendments to Ind AS 23, Borrowing Costs.
* Plan amendments, curtailment or settlement - Amendments to Ins AS 19, Employee Benefits.

The Group has adopted Ind AS 116, Leases and applied the same to lease contracts existing on April 1, 2019 using the modified retrospective approach. Accordingly, the comparative figures have not been restated, and continuous to be reported under Ind AS 17. This resulted in recognition of lease liability with an equivalent

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (Contd.)

amount recognised as right of use of assets as of April 1, 2019. The adoption of Ind AS 116 did not have any material impact on the consolidated financial statements. (Refer Note 57).

Other amendments listed above did not have any impact on the consolidated financial statements.

(iv) Current and non current classification

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

B. Principles of consolidation and equity accounting

The Consolidated financial statements comprise of the financial statements of Excel Industries Limited ("the Holding Company"), its subsidiaries, associate and joint venture. The details of the share holding held by the Group is given in Note 48.

(i) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the financial statements of the Holding Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(ii) Associate

Associate is an entity over which the Group has significant influence but not control or joint control. This is generally the case where The Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see note (iv) below), after initially being recognised at cost.

(iii) Joint ventures

Investments in joint ventures are accounted for using the equity method (See note (iv) below), after initially being recognised at cost in the consolidated balance sheet.

(iv) Equity Method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in statement of profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts in INR lakhs, unless otherwise stated)

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (Contd.)

C. SEGMENT REPORTING

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

D. FOREIGN CURRENCY TRANSLATION

(i) Functional and presentation currency

Items included in the consolidated financial statements of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian Rupee (INR) which is the functional and presentation currency of the Group.

(ii) Transaction and balances

Foreign currency transactions are translated into the functional currency at the exchange rates on the date of transaction. 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 recognized in the 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.

(iii) Group Companies:

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate as on that balance sheet date,
- income and expenses are translated at average exchange rates, and
- all resulting exchange differences are recognised in other comprehensive income.

When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

E. 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 Group 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 Group 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.

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (Contd.)

In certain customer contracts, shipping and handling services are treated as a distinct separate performance obligation and the Group 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 Group satisfies a performance obligation in accordance with the provisions of contract with 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 Group has present right to payment, all of which occurs at a point in time upon shipment or delivery of goods. The Group collects goods and services tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the Group. 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 Group collects service tax / GST on behalf of the government and, therefore, it is not an economic benefit flowing to the Group. Hence, it is excluded from revenue.

Export incentives

Income from export incentives such as Duty drawback / MEIS scheme etc. are recognised on 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.

Dividend

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

Gain on sales of Securities

Gain and losses on sale of securities are recognised on trade date basis. Gains and losses on sale of securities are determined based on the weighted average cost method of accounting.

F. Government Grant

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

Government grants relating to income are deferred and recognised in the profit or 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 profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

G. 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.

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (Contd.)

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 consolidated 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.

Minimum Alternative Tax (MAT) credit, which is equal to the excess of MAT (calculated in accordance with provisions of Section 115JB of the Income tax Act, 1961) over normal income-tax is recognized as an item in deferred tax asset by crediting the Statement of Profit and Loss only when and to the extent there is convincing evidence that the Group will be able to avail the said credit against normal tax payable during the period of fifteen succeeding assessment years.

H. Leases

Till 31 March 2019:

As a lessee

Leases of property, plant and equipment where the Group, as lessee, had substantially all the risks and rewards of ownership were classified as finance leases. Finance leases were capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, were included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost was 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. The property, plant and equipment acquired under finance leases was 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 group will obtain ownership at the end of the lease term.

Leases in which a significant portion of the risks and rewards of ownership were not transferred to the group as lessee were classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the Group is a lessor was recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (Contd.)

With effective from 1 April 2019:

The group has applied Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17.

As a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:–

Fixed payments, including in-substance fixed payments; – Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date; – Amounts expected to be payable under a residual value guarantee; and – The exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right of use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position. (Refer Note 57).

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short term leases of real estate properties that have a lease term of 12 months. The group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Comparative Information under Ind AS 17

In the comparative period, as a lessee the Group classified leases that transfer substantially all of the risks and rewards of ownership as finance leases. When this was the case, the leased assets were measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Minimum lease payments were the payments over the lease term that the lessee was required to make, excluding any contingent rent.

Subsequently, the assets were accounted for in accordance with the accounting policy applicable to that asset.

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (Contd.)

Assets held under other leases were classified as operating leases and were not recognised in the Group's statement of financial position. Payments made under operating leases were recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received were recognised as an integral part of the total lease expense, over the term of the lease.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to the ownership of an asset to the Group. All other leases are classified as operating leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the 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.

Land under perpetual lease for is accounted as finance lease which is recognised at upfront premium paid for the lease and the present value of the lease rent obligation. The corresponding liability is recognised as a finance lease obligation. Land under non-perpetual lease is treated as operating lease.

Operating lease payments for land are recognised as prepayments and amortised on a straight-line basis over the term of the lease. Contingent rentals, if any, arising under operating leases are recognised as an expense in the period in which they are incurred.

As a lessor

Leases for which the Group is a lessor is classified as finance or operating lease. Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

I. Impairment of Non-Financial Assets

At the end of each reporting period, the group 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 Group 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

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (Contd.)

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.

J. 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.

K. 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 Group 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.

L. Inventories

Raw material, stores and spares, packing material, work in progress, traded and finished goods are stated as lower of cost and net realisable value. Cost of Raw material store and spare, 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 simple 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.

M. Investments and other financial assets

(i) Classification

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

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or 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 profit or 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 Group 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 group commits to purchase or sale the financial asset.

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (Contd.)

(iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt Instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group 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. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

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 in other gains and losses and impairment expenses are presented as separate line item in the statement of profit and loss.

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 Group subsequently measures all equity investments at fair value. Where the Group'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 group'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 Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments.

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (Contd.)

The impairment methodology applied depends on whether there has been a significant increase in credit risk Note 44 details how the group determines whether there has been a significant increase in credit risk.

For trade receivables only, the Group 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 Group 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 Group 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 Group has not retained control of the financial asset. Where the Group 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.

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 profit or 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 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

(All amounts in INR lakhs, unless otherwise stated)

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (Contd.)

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 group 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/amortisation 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 Group 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 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

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 Group 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 statement profit or loss.

Q. Investment property

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

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (Contd.)

future economic benefits associated with the expenditure will flow to the Group 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 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 Group 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 profit or 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.

(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 Group 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 profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. 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 or loss.

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

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (Contd.)

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 Group 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.

Provisions are recognised when The Group 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.

Provisions are measured at the present value of best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

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.

(ii) Long-term employee benefit obligations

Leave Obligation:

The liabilities for leave obligation 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

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (Contd.)

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.

Long Service awards:

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

Defined benefit plan — Gratuity:

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.

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.

Defined benefit plan — Voluntary early separation scheme:

The Group 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.

Defined Contribution Plan — Provident Fund:

The Group pays provident fund contributions to publicly administered provident funds as per local regulatory authorities. The Group 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts in INR lakhs, unless otherwise stated)

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (Contd.)

Defined Contribution Plan — Superannuation Fund:

The Group makes contribution to the Superannuation Scheme, a defined contribution scheme, administered by insurance companies. The Group 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 Group 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 Group in the form of qualifying insurance policies.

(iii) Bonus plans

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

X. Business Combination

The Group 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 Group 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 group and fair value of any assets or 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 Group, on or before the end of the reporting period but not distributed at the end of the reporting period.

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (Contd.)

AA Earnings Per Share

The Group 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 Group 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 consolidated 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 ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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.

(a) Estimation of current tax expenses and payable:

Taxes recognized in the financial statements reflect management's best estimate of the outcome based on the facts known at the balance sheet date. These facts include but are not limited to interpretation of tax laws of various jurisdictions where the Group operates. Any difference between the estimates and final tax assessments will impact the income tax as well the resulting assets and liabilities.

(b) 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.

(c) 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.

(d) Estimation of Long Term Employee Benefits:

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

(e) Impairment of financial assets (including trade receivables):

Allowance for doubtful receivables represent the estimate of losses that could arise due to inability of the customer to make payments when due. These estimates are based on the customer ageing, customer category, specific credit circumstances and the historical experience of the Group as well as forward looking estimates at the end of each reporting period.

(f) Estimation of Provisions and contingencies:

Provisions are liabilities of uncertain amount or timing recognised where a legal or constructive obligation exists at the balance sheet date, as a result of a past event, where the amount of the obligation can be reliably estimated and where the outflow of economic

NOTE 2. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (Contd.)

benefit is probable. Contingent liabilities are possible obligations that may arise from past event whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events which are not fully within the control of the Group. The Group exercises judgement and estimates in recognizing the provisions and assessing the exposure to contingent liabilities relating to pending litigations. Judgement is necessary in assessing the likelihood of the success of the pending claim and to quantify the possible range of financial settlement. Due to this inherent uncertainty in the evaluation process, actual losses may be different from originally estimated provision.

(g) Accounting of Business Combination:

As per Ind AS 103 - Business Combination, all the identifiable tangible and intangible assets acquired and liabilities assumed in a business combination are required to measure initially at their fair values as at the acquisition date. Significant assumptions and estimates are used by the Management in areas such as determination of the fair values of the identified assets acquired and liabilities assumed in the transaction, resultant impact on deferred taxes, discounted fair value of the consideration etc. The management has also involved the external professional valuation expert to perform valuation of tangible and intangible assets.

NOTE 3. PROPERTY, PLANT AND EQUIPMENT

Particulars	Leasehold Land	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, 2019											
Gross carrying amount											
Opening gross carrying amount	216.47	546.35	4,214.68	16,110.68	212.29	670.80	348.72	405.65	273.78	1.34	23,000.76
Additions	—	—	483.62	3,840.08	110.54	178.87	70.40	785.74	84.76	1.21	5,555.22
Disposals/Adjustments	—	—	(127.85)	(156.65)	(0.30)	(5.29)	(0.07)	(6.83)	(9.62)	—	(306.61)
Closing gross carrying amount	**216.47**	**546.35**	**4,570.45**	**19,794.11**	**322.53**	**844.38**	**419.05**	**1,184.56**	**348.92**	**2.55**	**28,249.37**
Accumulated depreciation											
Opening accumulated depreciation	7.38	—	235.05	2,164.99	84.56	119.86	52.85	123.99	59.38	0.50	2,848.56
Depreciation charge during the year	3.69	—	149.92	1,274.28	52.97	86.66	40.08	134.67	42.09	0.40	1,784.76
Disposals	—	—	(6.54)	(35.96)	(0.26)	—	(0.03)	(2.35)	(2.43)	—	(47.57)
Closing accumulated depreciation	11.07	**—**	**378.43**	**3,403.31**	**137.27**	**206.52**	**92.90**	**256.31**	**99.04**	**0.90**	**4,585.75**
Net carrying amount	**205.40**	**546.35**	**4,192.02**	**16,390.80**	**185.26**	**637.86**	**326.15**	**928.25**	**249.88**	**1.65**	**23,663.62**

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	546.35	4,570.45	19,794.11	322.53	844.38	419.05	1,184.56	348.92	2.55	28,032.90
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 / Adjustments	—	(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	—	378.43	3,403.31	137.27	206.52	92.90	256.31	99.04	0.90	4,574.68
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**

Notes:

(a) Buildings include cost of shares in co-operative housing societies INR 0.01 lakhs (Previous Year: INR 0.01 lakhs).

(b) Leased assets

Property, plant and equipment includes the following assets where the Group is a lessee under a finance lease:

Particulars	As at March 31, 2020	As at March 31, 2019
Plant and machinery		
Gross carrying amount	—	1,585.03
Accumulated depreciation	—	(298.89)
Net carrying amount	—	**1,286.14**

The lease term in respect of assets acquired under finance leases generally expire within three to five years. The legal title to these items vests with lessor during lease period. At the expiry of lease period, the Group has the option to acquire the leased assets at a nominal price as mentioned in lease arrangement. As at March 31, 2020, Plant and Machinery having net carrying value of INR Nil (Previous year : INR 153.69) lakhs are pending transfer in name of the Group for which lease obligations have been fully discharged and are included in INR Nil (Previous Year : INR 1,286.14 lakhs) above..

(c) Leasehold land:

Leasehold land has been accounted as Right of use assets with effect from April 1, 2019 - Refer Note 57 for transition disclosure for Ind AS 116.

(d) Property, plant and equipment pledged as security

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

(e) Contractual obligations

Refer Note 50 (c) (i) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(f) Disposal/adjustments for the previous year includes INR 57.24 lakhs (Gross carrying amount) and INR 6.34 lakhs (Accumulated depreciation) being transfer to investment properties, Refer Note 5.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
(All amounts in INR lakhs, unless otherwise stated)

NOTE 4. RIGHT OF USE ASSETS

Particulars	As at March 31, 2020	As at March 31, 2019
Building *	94.30	—
Land *	2,262.07	—
	2,356.37	**—**

* Refer Note 57 for transition disclosure for Ind AS 116

NOTE 5. INVESTMENT PROPERTIES

Particulars	As at March 31, 2020	As at March 31, 2019
Gross Carrying amount		
Opening gross carrying amount/Deemed Cost	159.53	102.29
Add: Transfer from Property, plant and equipment (Refer Note 3(f))	—	57.24
Closing gross carrying amount	**159.53**	**159.53**
Accumulated depreciation		
Opening accumulated depreciation	**14.18**	**4.62**
Add: Transfer from Property, plant and equipment (Refer Note 3(f))	—	6.34
Less: Depreciation charge for the year	3.22	3.22
Closing accumulated depreciation	**17.40**	**14.18**
Net Carrying amount	**142.13**	**145.35**

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

Particulars	As at March 31, 2020	As at March 31, 2019
Rental income	44.54	44.21
Direct operating expenses for property that generated rental income	1.03	1.17
Direct operating expenses for property that did not generate rental income	0.71	0.84
Profit from investment properties before depreciation	**42.80**	**42.20**
Depreciation	3.22	3.22
Profit from investment properties	**39.58**	**38.98**

(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, 2020	As at March 31, 2019
Within 1 year	43.58	39.59
Later than 1 year but not later than 5 years	82.26	112.35
Later than 5 years	—	—
Total	**125.84**	**151.94**

(iii) Fair value of investment properties

Particulars	As at March 31, 2020	As at March 31, 2019
Investment Properties	714.74	693.39

(iv) Estimation of fair value

The Group 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, 2019			
Gross carrying amount			
Opening gross carrying amount	**149.20**	**—**	**149.20**
Additions	8.30	—	8.30
Closing gross carrying amount	**157.50**	**—**	**157.50**
Accumulated amortisation			
Opening accumulated amortisation	101.03	—	101.03
Amortisation charge for the year	24.48	—	24.48
Closing accumulated amortisation	**125.51**	**—**	**125.51**
Closing Net carrying amount	**31.99**	**—**	**31.99**
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**

NOTE 7. INVESTMENTS IN JOINT VENTURE AND ASSOCIATE

Particulars	As at March 31, 2020	As at March 31, 2019
Unquoted equity instruments at cost (Refer Note 48)		
Investments in associate		
3,998 (March 31, 2019: 3,998) Equity shares of INR 10 each fully paid up in Mobitrash Recycle Ventures Private Limited	0.40	0.40
Less : Share of loss on associate restricted to the carrying value of investment	(0.40)	(0.40)
	—	—
Investment in joint venture		
468,000 (March 31, 2019: 468,000) Equity shares of Hongkong $ 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	**—**	**—**
Aggregate amount of unquoted Investments	—	—

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts in INR lakhs, unless otherwise stated)

NOTE 8. NON-CURRENT INVESTMENTS

Particulars	As at March 31, 2020	As at March 31, 2019
Investment in Equity Instruments (fully paid-up)		
Quoted at FVOCI		
584,977 (March 31, 2019: 584,977) Equity shares of INR 10 each fully paid up in Punjab Chemicals and Crop Protection Limited	1,823.37	4,009.43
4,285 (March 31, 2019: 4,285) Equity shares of INR 10 each fully paid up in TIL Limited	4.27	11.10
13,400 (March 31, 2019: 13,400) Equity shares of INR 10 each fully paid up in Bank of India	4.32	13.97
6,198 (March 31, 2019: 6,198) Equity share of INR 10 each fully paid in Aimco Pesticides Limited	3.07	7.94
1,000 (March 31, 2019: 1,000) Equity share of INR 2 each fully paid in Ajanta Pharma Limited	13.66	10.30
702,703 (March 31, 2019: 702,703) Equity share of INR 10 each fully paid in Transpek Industry Limited	8,631.65	10,560.22
14 (March 31, 2019: 8) Equity share of INR 10 each fully paid in Bayer Cropscience Limited	0.51	0.35
40 (March 31, 2019: 40) Equity share of INR 2 each fully paid in Birla Precision Technologies Limited @	—	0.01
3,500 (March 31, 2019: 3,500) Equity share of INR 1 each fully paid in Elgi Rubber Company Limited	0.39	0.84
4,700 (March 31, 2019: 4,700) Equity Share of INR 10 each fully paid in Gujarat State Financial Corporation	0.06	0.06
50,000 (March 31, 2019: 50,000) Equity share of INR 10 each fully paid in GTL Infrastructure Limited	0.11	0.47
1,000 (March 31, 2019: 1,000) Equity share of INR 1 each fully paid in Hindalco Industries Limited	0.96	2.05
250 (March 31, 2019: 250) Equity share of INR 10 each fully paid in Hester BioScience Limited	2.31	3.86
100 (March 31, 2019: 100) Equity share of INR 10 each fully paid in Indokem Limited	0.01	0.01
Nil (March 31, 2019: 10) Equity share of INR 10 each fully paid in Monsanto India Limited	—	0.26
105,000 (March 31, 2019: 105,000) Equity share of INR 5 each fully paid in Navin Fluorine International Limited	1,285.83	746.71
830,925 (March 31, 2019: 670,880) Equity share of INR 10 each fully paid in Tanfac Industries Limited	657.68	1,458.83
100 (March 31, 2019: 100) Equity share of INR 2 each fully paid in Uniphos Enterprises Limited	0.04	0.11
200 (March 31, 2019: 100) Equity share of INR 1 (March 31, 2019; INR 2) each fully paid in Vinati Organics Limited	1.54	1.64
500 (March 31, 2019: 500) Equity share of INR 10 each fully paid in Aksharchem (India) Limited	0.76	1.64
688 (March 31, 2019: 688) Equity share of INR 5 each fully paid in Alkyl Amines Chemicals Limited	8.29	5.77
2,000 (March 31, 2019: 2,000) Equity share of INR 2 each fully paid in Amines & Plasticizers Limited	0.40	0.67
471 (March 31, 2019: 471) Equity share of INR 2 each fully paid in Balaji Amines Limited	1.18	2.30
250 (March 31, 2019: 250) Equity share of INR 2 each fully paid in Bodal Chemicals Limited	0.11	0.32

(All amounts in INR lakhs, unless otherwise stated)

NOTE 8. NON-CURRENT INVESTMENTS (Contd.)

Particulars	As at March 31, 2020	As at March 31, 2019
2,500 (March 31, 2019: 2,500) Equity share of INR 1 each fully paid in Camlin Fine Sciences Limited	0.99	1.25
1,000 (March 31, 2019: 1,000) Equity share of INR 10 each fully paid in Cosco (India) Limited	0.61	1.68
250 (March 31, 2019: 250) Equity share of INR 10 each fully paid in Cosmo Films Limited	0.52	0.49
27,699 (March 31, 2019: 27,699) Equity share of INR 10 each fully paid in Daikaffil Chemicals (India) Limited	4.88	10.33
500 (March 31, 2019: 500) Equity share of INR 10 each fully paid in Deep Industries Limited	0.26	0.70
3,500 (March 31, 2019: 3,500) Equity share of INR 2 each fully paid in Deepak Nitrite Ltd	13.54	9.61
500 (March 31, 2019: 500) Equity share of INR 2 each fully paid in Graphite India Limited	0.64	2.23
2,858 (March 31, 2019: 2,858) Equity share of INR 10 each fully paid in Indo Amines Limited	0.81	2.69
500 (March 31, 2019: 500) Equity share of INR 5 each fully paid in Kabra Extrusion Techink Limited	0.22	0.43
250 (March 31, 2019: 250) Equity share of INR 2 each fully paid in Lupin Limited	1.47	1.85
4,000 (March 31, 2019: 4,000) Equity share of INR 10 each fully paid in Mangalam Organics Limited	7.11	21.99
100 (March 31, 2019: 100) Equity share of INR 10 each fully paid in MPS Limited	0.20	0.48
75 (March 31, 2019: 75) Equity share of INR 10 each fully paid in Nilkamal Limited	0.75	1.07
1,000 (March 31, 2019: 500) Equity share of INR 5 (March 31, 2019: INR 10) each fully paid in Sadhana Nitro Chem Limited	1.12	1.66
250 (March 31, 2019: 250) Equity share of INR 2 each fully paid in Sanghvi Movers Limited	0.12	0.28
500 (March 31, 2019: 500) Equity share of INR 1 each fully paid in Skipper Limited	0.09	0.38
100 (March 31, 2019: 100) Equity share of INR 10 each fully paid in Talwalkar Better Value Fitness Limited #	—	0.05
15,000 (March 31, 2019: 15,000) Equity share of INR 1 each fully paid in Thirumalai Chemicals Limited	5.30	13.33
2,500 (March 31, 2019: 2,500) Equity share of INR 10 each fully paid in Tinna Rubber and Infrastructure Limited	0.48	1.05
2,050 (March 31, 2019: 2,050) Equity share of INR 10 each fully paid in Tina Trade Limited	0.43	0.44
50 (March 31, 2019: 50) Equity share of INR 10 each fully paid in TVS Srichakra Limited	0.45	1.10
1,500 (March 31, 2019: 1,500) Equity share of INR 10 each fully paid in Universal Starch Chem Allied Limited	0.29	0.71
100 (March 31, 2019: 100) Equity share of INR 10 each fully paid in Talwalkars Healthclubs Limited (formerly known as Talwalkar Lifestyle Limited) $	—	0.12
2,500 (March 31, 2019: 2,500) Equity share of INR 10 each fully paid in I G Petrochemicals Limited	2.32	7.47
50,000 (March 31, 2019: 50,000) Equity share of INR 10 each fully paid in Jiya Eco Products Limited	3.49	27.00
2,000 (March 31, 2019: 2,000) Equity share of INR 10 each fully paid in Star Paper Mills Limited	1.42	2.52
	12,488.03	16,949.77

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
(All amounts in INR lakhs, unless otherwise stated)

NOTE 8. NON-CURRENT INVESTMENTS (Contd.)

Particulars	As at March 31, 2020	As at March 31, 2019
Unquoted at FVOCI		
920,500 (March 31, 2019: 920,500) Equity shares of INR 10 each fully paid up in TML Industries Limited	—	18.81
1,067,450 (March 31, 2019: 1,067,450) Equity shares of INR 10 each fully paid up in Transpek-Silox Industry Private Limited	12,467.46	14,730.48
2,500 (March 31, 2019: 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, 2019: 50,000) Equity shares of INR 10 each fully paid up in Biotech Consortium India Limited	5.00	5.00
1,000 (March 31, 2019: 1,000) Equity Shares of INR 10 each fully paid up in Alpic Finance Limited	—	—
4,900 (March 31, 2019: 4,900) Equity shares of INR 10 each fully paid up in Ashok Organic Industries Limited	—	—
5 (March 31, 2019: 5) Equity shares of INR 5 each fully paid up in Syngenta India Limited	—	—
420 (March 31, 2019: 420) Equity shares of INR 10 each fully paid up in Lloyds Finance Limited	—	—
	12,472.71	14,754.54
Total	**24,960.74**	**31,704.31**
Aggregate amount of unquoted investments	12,472.71	14,754.54
Aggregate amount of quoted investments	12,488.03	16,949.77

@ Amount below rounding off norms as on March 31, 2020 - INR 178.40

Amount below rounding off norms as on March 31, 2020 - INR 100.00

$ Amount below rounding off norms as on March 31, 2020 - INR 79.00

NOTE 9. LOANS – NON-CURRENT

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured considered good (unless otherwise stated)		
Loans to employees	7.27	7.67
Security deposits	527.12	404.44
Total	**534.39**	**412.11**

NOTE 10. OTHER NON-CURRENT FINANCIAL ASSETS

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured considered good (unless otherwise stated)		
Margin money deposits with maturity of more than 12 months @	—	0.33
Total	**—**	**0.33**

@ Refer Note 16

NOTE 11. OTHER NON-CURRENT ASSETS

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured considered good (unless otherwise stated)		
Capital advances		
Unsecured, considered good	89.63	306.95
Unsecured, considered doubtful	76.62	76.62
	166.25	383.57
Provision for doubtful capital advances	(76.62)	(76.62)
	89.63	306.95
Prepaid expenses	38.75	20.03
Balances with Government Authorities	29.54	29.54
Total	**157.92**	**356.52**

NOTE 12. INVENTORIES

Particulars	As at March 31, 2020	As at March 31, 2019
Raw materials [including stock-in-transit INR 456.00 lakhs (March 31, 2019: INR 227.81 lakhs)]	2,126.04	2,294.02
Packing materials	128.29	133.09
Finished goods	2,068.90	1,836.81
Work-in-progress	2,820.27	2,004.14
Traded goods	129.96	164.14
Stores and spares [including fuel and coal]	498.51	442.48
Total	**7,771.97**	**6,874.68**

Refer Note 1(L) 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 67.06 lakhs (as at March 31, 2019 - INR 21.10 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.

NOTE 13. CURRENT INVESTMENTS

Particulars	As at March 31, 2020	As at March 31, 2019
Investments in Mutual Funds		
Quoted at FVPL		
Nippon India Mutual Fund 7.464 (March 31, 2019: Nil) units of INR 100 fully paid up	0.07	—
Reliance ETF Liquid BeEs 176.355 (March 31, 2019: 171.o60) units of INR 100 fully paid up	1.76	1.77
	1.83	**1.77**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts in INR lakhs, unless otherwise stated)

NOTE 13. CURRENT INVESTMENTS (Contd.)

Particulars	As at March 31, 2020	As at March 31, 2019
Unquoted at FVPL		
Kotak Medium Term Fund - Growth - Regular Plan - 784,562.245 (March 31, 2019: 784,562.245) units of INR 10 fully paid up	127.82	119.91
Edelweiss Liquid Fund - Direct Plan - Daily Dividend 1,807.055 (March 31, 2019: 1,733.538) units of INR 1,000 fully paid up	18.12	17.39
Kotak Liquid - Direct Plan - Daily Dividend 1,166.404 (March 31, 2019: 346,209.464) units of INR 1,000 fully paid up	14.26	4,235.12
Kotak Equity Arbitrage Fund - Deposit Plan - Monthly Dividend 8,142,779.359 (March 31, 2019: 25,342,280.125) units of INR 10 fully paid up	905.23	2,785.54
Aditya Birla Sun Life Liquid Fund - Growth - Regular Plan 1,382.836 (March 31, 2019: 1,278.083) units of INR 10 fully paid up	4.39	0.38
ASK India 2025 Equity Fund 10,403.007 (March 31, 2019: 3,335.708) units of INR 10 fully paid up	88.12	32.56
Reliance Arbitrage Fund - Monthly Dividend Plan Nil (March 31, 2019: 771,912.688) units of INR 10 fully paid up	—	82.03
IDFC Low Duration Fund - Growth (Regular Plan) 15,875.106 (March 31, 2019: Nil) units of INR 10 fully paid up	4.54	—
IDFC Arbitrage Fund - Monthly Dividend - (Regular Plan) 2,372,127.685 (March 31, 2019: 2,966,801.943) units of INR 10 fully paid up	301.75	377.89
	1,464.23	**7,650.82**
Total	**1,466.06**	**7,652.59**
Aggregate amount of quoted investments	1.83	1.77
Aggregate amount of unquoted investments	1,464.23	7,650.82

NOTE 14. TRADE RECEIVABLES

Particulars	As at March 31, 2020	As at March 31, 2019
Receivables from related parties (Refer Note 49)	27.46	45.32
Other trade receivables	15,076.30	15,989.57
Less: Allowance for doubtful debts / Expected credit loss	134.25	196.13
Total	**14,969.51**	**15,838.76**
Current portion	14,969.51	15,838.76
Non-current portion	—	—

Break-up of security details

Particulars	As at March 31, 2020	As at March 31, 2019
Secured, considered good	—	—
Unsecured, considered good	14,969.51	15,838.76
Doubtful	134.25	196.13
Total	**15,103.76**	**16,034.89**
Less : Allowance for doubtful debts / Expected credit loss	(134.25)	(196.13)
Total	**14,969.51**	**15,838.76**

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

NOTE 15. CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2020	As at March 31, 2019
Balances with Banks:		
In Current accounts	2,084.34	358.94
Cash on Hand	8.03	—
Total	**2,092.37**	**358.94**

NOTE 16. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2020	As at March 31, 2019
Margin money deposits (Refer Note below)	37.60	6.38
Unclaimed dividend account	96.93	59.96
Fixed deposits with maturity of more than three months and less than twelve months	15.55	14.66
Total	**150.08**	**81.00**

Note:
Margin money deposits of INR 37.60 lakhs (March 31, 2019: INR 6.71 lakhs) have been given against Letter of Credit, Bank guarantees and other deposits.

NOTE 17. LOANS – CURRENT

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured considered good (unless otherwise stated)		
Loans to a related party (Refer Note 49)	100.00	100.00
Loans to employees	16.51	18.81
Loans to others	—	250.00
Security deposits	106.67	67.35
Total	**223.18**	**436.16**

NOTE 18. OTHER CURRENT FINANCIAL ASSETS

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured considered good (unless otherwise stated)		
Interest accrued #	32.66	26.89
Foreign exchange forward contracts	44.98	70.90
Others	15.94	104.63
Total	**93.58**	**202.42**

Receivable from a Related Party - INR 3.08 lakhs (Previous year - INR Nil)

NOTE 19. OTHER CURRENT ASSETS

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured considered good (unless otherwise stated)		
Balances with Government Authorities	204.36	148.23
Prepaid expenses	219.38	216.34
Advances to suppliers	340.54	321.69
Export benefits receivable	401.23	506.25
Others	89.08	35.82
Total	**1,254.59**	**1,228.33**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts in INR lakhs, unless otherwise stated)

NOTE 20. EQUITY SHARE CAPITAL

Particulars	No. of shares	Amount
Authorised shares		
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
As at March 31, 2019		
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, 2020		
Equity shares of INR 5/- each fully paid-up	12,570,692	628.53
Total	**12,570,692**	**628.53**
As at March 31, 2019		
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, 2020		As at March 31, 2019	
	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 Group 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 Group 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 Group, the holders of equity shares will be entitled to receive remaining assets of the Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
(All amounts in INR lakhs, unless otherwise stated)

NOTE 20. EQUITY SHARE CAPITAL (Contd.)

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

Name of the shareholder	As at March 31, 2020		As at March 31, 2019	
	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	962,799	7.66%	962,799	7.66%

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

Name of the shareholder	As at March 31, 2020		As at March 31, 2019	
	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%

Note 21. OTHER EQUITY

Particulars	As at March 31, 2020	As at March 31, 2019
Capital reserve	0.01	0.01
Securities premium	534.37	534.37
Capital redemption reserve	16.77	16.77
Statutory reserve	498.40	450.86
General reserve	34,587.32	29,587.32
Retained earnings	15,800.47	15,765.82
Other reserves	18,023.09	22,972.72
Total	**69,460.43**	**69,327.87**

(i) Capital reserve

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance	0.01	0.01
Closing balance	**0.01**	**0.01**

(ii) Securities premium

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance	534.37	534.37
Closing balance	**534.37**	**534.37**

(iii) Capital redemption reserve

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance	16.77	16.77
Closing balance	**16.77**	**16.77**

(iv) Statutory reserve

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance	450.86	428.80
Add : Amount transferred from retained earnings	47.54	22.06
Closing balance	**498.40**	**450.86**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts in INR lakhs, unless otherwise stated)

Note 21. OTHER EQUITY (Contd.)

(v) General reserve

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Opening balance	29,587.32	24,587.32
Add: Amount transferred from retained earnings	5,000.00	5000.00
Closing balance	**34,587.32**	**29,587.32**

(vi) Retained earnings

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Opening balance	15,765.82	7,240.92
Profit for the year	9,607.25	15,345.43
Dividend paid	(3,614.07)	(1,571.34)
Dividend distribution tax	(742.88)	(322.99)
Transfer to general reserve	(5,000.00)	(5,000.00)
Transfer to statutory reserve	(47.54)	(22.06)
Items of Other Comprehensive Income (OCI) recognised directly in retained earnings:		
— Remeasurement of Post Employment benefits obligations (net of tax)	(168.11)	95.86
Closing balance	**15,800.47**	**15,765.82**

(vii) Other reserves – FVOCI – Equity Investments

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Opening balance	22,972.72	19,810.59
Change in fair value of FVOCI equity instruments (Refer Note 8)	(6,962.69)	4,333.76
Tax on above	2,013.06	(1,171.63)
	(4,949.63)	3,162.13
Closing balance	**18,023.09**	**22,972.72**

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 Group 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 Group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Statutory reserve

The statutory reserve represents fund created out of profit of the year for a subsidiary in accordance with requirement of Section 45IC(1) of Reserve Bank of India act, 1934.

NOTE 22. NON-CURRENT BORROWINGS

Particulars	As at March 31, 2020	As at March 31, 2019
Term Loans (Secured)		
From others		
Vehicle loan from a financial institution	2.12	6.25
Total	**2.12**	**6.25**

Notes:

(a) Term loans under vehicle finance from a financial institution amounting to INR 6.25 lakhs (March 31, 2019: INR 22.52 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) Finance lease obligation amounting to INR Nil (March 31, 2019: INR 66.99 lakhs) from Siemens Financial Services Private Limited for a period of three years and is secured by hypothecation of equipment taken on lease. It will be discharged by monthly lease rental payments on various dates and carry the interest @ 11.50% to 12.50% per annum.

(c) Installments falling due within a year in respect of all the above Loans aggregating INR 4.13 lakhs (March 31, 2019: INR 83.26 lakhs) have been grouped under "Current maturities of long-term debt" (Refer Note 30)

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

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

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

NOTE 23. LEASE LIABILITIES – NON-CURRENT

Particulars	As at March 31, 2020	As at March 31, 2019
Lease liabilities (Refer Note 57)	251.05	—
Total	**251.05**	**—**

NOTE 24. OTHER NON-CURRENT FINANCIAL LIABILITIES

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred consideration (Refer Note 47)	889.19	—
Total	**889.19**	**—**

NOTE 25. EMPLOYEE BENEFIT OBLIGATIONS - NON-CURRENT

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for Employee benefit obligations (Refer Note 42):		
Leave obligation	1,088.99	967.26
Medical voluntary retirement scheme	114.64	114.01
Long service award	69.78	71.64
Total	**1,273.41**	**1,152.91**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
(All amounts in INR lakhs, unless otherwise stated)

NOTE 26. TAXATION

(a) Income tax expense

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Current tax		
Current tax on profits for the year	2,635.64	7,600.40
Adjustments for current tax of prior periods	3.23	0.10
Total current tax expense	**2,638.87**	**7,600.50**
Deferred tax	(755.53)	474.87
Total deferred tax expense/(benefit)	**(755.53)**	**474.87**
Total Income tax expense	**1,883.34**	**8,075.37**

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

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Profit before tax	11,490.59	23,420.80
Tax at the Indian tax rate of 25.168% (Previous year - 34.944%)	**2,891.95**	**8,184.16**
Add / (less) effects of :		
Exempt Income	(153.41)	(80.26)
Revenue expenditure on scientific research u/s 35 (2)AB	—	(82.12)
One time deferred tax credit on transition to new tax regime *	(796.59)	—
Adjustment to current tax of prior periods	(3.23)	(0.10)
Others	(55.38)	53.69
Income tax expense	**1,883.34**	**8,075.37**

* 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 period ended March 31, 2020 on the revised rate and accounted for deferred tax credit of ₹ 1,669.15 lakhs (Including ₹ 872.56 lakhs related to 'Other Comprehensive Income') on account of re-measurement of net deferred tax liabilities as at March 31, 2019.

(c) Deferred tax:

The balance comprises temporary differences attributable to:

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax assets		
Liabilities / provisions that are deducted for tax purposes when paid	535.91	537.49
Provision for doubtful receivables and advances	51.08	95.31
Other timing differences	84.11	140.22
Total deferred tax assets	**671.10**	**773.02**

NOTE 26. TAXATION (Contd.)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax liabilities		
Additional depreciation/amortisation on property, plant and equipment, and intangible assets for tax purposes due to higher tax depreciation rates	3,185.32	3,194.40
Financial assets at fair value through Other Comprehensive Income	3,904.78	5,917.84
Other timing differences	—	425.80
Total deferred tax liabilities	**7,090.10**	**9,538.04**
Net deferred tax liabilities	**6,419.00**	**8,765.02**

Movement in deferred tax assets / (liabilities):

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 property, plant and equipment, and intangible assets for tax purposes due to higher tax depreciation rates	(3,194.40)	479.11	(488.19)	—	(3,185.32)
Financial assets at fair value through Other Comprehensive Income	(5,917.84)	—	—	(2,013.06)	(3,904.78)
Other timing differences (net)	(285.58)	—	(369.69)	—	84.11
Total Deferred tax assets / (liabilities)	**(8,765.02)**	**479.11**	**(755.53)**	**(2,069.60)**	**(6,419.00)**

Particulars	As at March 31, 2018	Charged/ (credited) to profit and loss	Charged/ (credited) to OCI	As at March 31, 2019
For the year ended March 31, 2019				
Liabilities / provisions that are deducted for tax purposes when paid	556.46	(31.77)	50.74	537.49
Provision for doubtful receivables and advances	108.79	13.48	—	95.31
Additional depreciation/amortisation on property, plant and equipment, and intangible assets for tax purposes due to higher tax depreciation rates	(2,654.51)	539.89	—	(3,194.40)
Financial assets at fair value through Other Comprehensive Income	(4,746.21)	—	1,171.63	(5,917.84)
Other timing differences (net)	(332.31)	(46.73)	—	(285.58)
Total Deferred tax assets / (liabilities)	**(7,067.78)**	**474.87**	**1,222.37**	**(8,765.02)**

NOTE 27. SHORT TERM BORROWINGS

Particulars	As at March 31, 2020	As at March 31, 2019
Secured		
Cash credits	1,067.35	615.38
Post shipment banking facility	170.98	—
Unsecured		
Post shipment banking facility	887.82	—
Total	**2,126.15**	**615.38**

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 Property, plant and equipment at Roha and Lote Parashuram. The cash credit loan is repayable on demand and carries interest rates at 9.00% to 10.85% (March 31, 2019 - 9.45% to 11.20%).

(b) Post shipment banking facility amounting to 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 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:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts in INR lakhs, unless otherwise stated)

NOTE 27. SHORT TERM BORROWINGS (Contd.)

Particulars	As at March 31, 2020	As at March 31, 2019
Current Assets		
Financial Assets		
Trade receivables	14,972.97	15,837.71
Non Financial Assets		
Inventories	7,771.97	6,874.69
Total Current Assets Pledged as Security	**22,744.94**	**22,712.40**
Non Current Assets		
Right of use assets	201.70	—
Freehold land	140.81	346.20
Buildings	2,886.77	2,914.12
Plant and machinery	20,476.23	15,539.72
Other Property plant and equipment	1,485.63	1,178.13
Total Non - current assets pledged as security	**25,191.14**	**19,978.17**
Total assets pledged as security	**47,936.08**	**42,690.57**

The Excel Industries Limited is in the process of satisfaction of charge created on certain assets, in respect of loans which were repaid in the previous year.

(d) Net debt reconciliation

Particulars	As at March 31, 2020	As at March 31, 2019
Cash and cash equivalents	(2,092.37)	(358.94)
Current investments in mutual funds	(1,466.06)	(7,652.59)
Non-Current Borrowings (Including current maturities)	6.25	89.51
Current Borrowings	2,126.15	615.38
Interest payable on above borrowings	0.06	0.24
Net Debt	**(1,425.97)**	**(7,306.40)**

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	**(358.94)**	**(7,652.59)**	**89.51**	**615.38**	**0.24**
Cash flows	(1,733.43)	—	—	—	—
Purchase of investments	—	(7,010.26)	—	—	—
Sales of investments	—	13,235.03	—	—	—
Fair value adjustments and gain on investments	—	(38.24)	—	—	—
Acquisition of loan	—	—	—	—	—
Repayment of loan	—	—	(83.26)	1,510.77	—
Interest expenses	—	—	—	—	190.84
Interest paid	—	—	—	—	(191.02)
Net Debt as at March 31, 2020	**(2,092.37)**	**(1,466.06)**	**6.25**	**2,126.15**	**0.06**

(All amounts in INR lakhs, unless otherwise stated)

NOTE 27. SHORT TERM BORROWINGS (Contd.)

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, 2018	**(403.49)**	**(1,032.64)**	**340.58**	**660.74**	**0.01**
Cash flows	44.55	—	—	—	—
Purchase of investments	—	(9,266.53)	—	—	—
Sales of investments	—	2,421.00	—	—	—
Fair value adjustments and gain on investments	—	225.58	—	—	—
Acquisition of loan	—	—	—	—	—
Repayment of loan	—	—	(251.07)	(45.36)	—
Interest expenses	—	—	—	—	243.70
Interest paid	—	—	—	—	(243.47)
Net Debt as at March 31, 2019	**(358.94)**	**(7,652.59)**	**89.51**	**615.38**	**0.24**

NOTE 28. TRADE PAYABLES

Particulars	As at March 31, 2020	As at March 31, 2019
Total Outstanding due of micro and small enterprises	666.57	2.00
Total Outstanding due of creditors other than micro and small enterprises	9,824.20	9,979.71
Total	**10,490.77**	**9,981.71**

Notes:

(a) The Group 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, 2020	As at March 31, 2019
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	666.57	2.00
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	—	0.03
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	96.65	308.81
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	—	68.42
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	2.94	2.94
Further interest remaining due and payable for earlier years	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, 2020	As at March 31, 2019
Lease liabilities (Refer Note 57)	28.52	—
Total	**28.52**	**—**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
(All amounts in INR lakhs, unless otherwise stated)

NOTE 30. OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at March 31, 2020	As at March 31, 2019
Current maturities of long term debt (Refer Note (b) below)	4.13	83.26
Interest accrued and due	0.06	0.24
Unclaimed Dividend	96.93	59.96
Unclaimed Matured Fixed Deposits	5.81	6.56
Unclaimed interest on matured fixed deposits	2.22	2.61
Creditors for Capital Goods	329.29	315.86
Sundry Deposits	15.10	15.10
Foreign exchange forward contracts	3.39	54.67
Deferred consideration (Refer Note 47)	732.45	—
Others	61.60	77.89
Total	**1,250.98**	**616.15**

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, 2020	As at March 31, 2019
From others		
Vehicle loan from a financial institution	4.13	16.27
Finance lease obligation	—	66.99
Total	**4.13**	**83.26**

NOTE 31. EMPLOYEE BENEFIT OBLIGATIONS – CURRENT

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for Employee benefit obligations (Refer Note 42):		
Leave obligation	116.37	91.93
Gratuity	510.55	160.87
Medical voluntary retirement scheme	37.58	46.89
Long service award	14.28	15.28
Total	**678.78**	**314.97**

NOTE 32. OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2020	As at March 31, 2019
Statutory dues including provident fund and tax deducted at sources	106.03	41.41
Advances from customers	111.06	104.48
Other payables	12.82	11.84
Total	**229.91**	**157.73**

(All amounts in INR lakhs, unless otherwise stated)

NOTE 33. REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from contracts with customers:		
a) Sale of products		
Finished Goods (Refer Note below)	66,994.09	79,191.60
Traded Goods	1,537.73	1,895.72
b) Sale of services		
Processing charges	240.52	326.98
Others	714.22	128.32
	69,486.56	**81,542.62**
Other operating revenue :		
a) Export incentives	466.16	674.19
b) Scrap sales	295.72	279.21
	761.88	**953.40**
Total	**70,248.44**	**82,496.02**
Revenue from contracts with customers disaggregated based on geography:		
- Domestic	53,372.62	59,235.80
- Exports	16,875.82	23,260.22
Total	**70,248.44**	**82,496.02**

Reconciliation of Gross revenue with the revenue from contracts with customers

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Gross Revenue	70,488.42	82,560.09
Less: Discounts	239.98	64.07
Net revenue recognised from contracts with customers	**70,248.44**	**82,496.02**

Notes:

(a) The Group 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
(All amounts in INR lakhs, unless otherwise stated)

NOTE 34. OTHER INCOME

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest income on		
Bank deposits	5.39	23.03
Inter corporate deposit	33.16	16.78
Others	36.59	10.95
	75.14	**50.76**
Dividend income		
From non-current investments (Refer note below)	309.91	229.70
From current investments	547.62	205.67
	857.53	**435.37**
Others		
Rent (Refer Note 5)	55.59	54.94
Gain on fair valuation of current investments	5.87	19.72
Profit on sale of current investments	32.37	0.29
Others	57.48	28.49
	151.31	**103.44**
Total	**1,083.98**	**589.57**

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, 2020	Year ended March 31, 2019
a. Raw materials		
Inventory at the beginning of the year	2,066.21	1,599.06
Add: On account of business acquisition (Refer Note 47)	34.52	—
Add : Purchases	31,226.92	34,436.54
	33,327.65	**36,035.60**
Less : Inventory at the end of the year	1,670.04	2,066.21
Total cost of Raw materials consumed	**31,657.61**	**33,969.39**
b. Packing materials		
Inventory at the beginning of the year	133.09	116.28
Add: On account of business acquisition (Refer Note 47)	0.54	—

(All amounts in INR lakhs, unless otherwise stated)

NOTE 35. COST OF MATERIALS CONSUMED (Contd.)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Add : Purchases	1,465.66	1,416.64
	1,599.29	**1,532.92**
Less : Inventory at the end of the year	128.29	133.09
Total cost of Packing materials consumed	**1,471.00**	**1,399.83**
Total	**33,128.61**	**35,369.22**

NOTE 36. PURCHASE OF STOCK IN TRADE

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Chemicals and others	503.49	536.50
Total	**503.49**	**536.50**

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

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Inventories at the end of the year		
Finished goods	2,068.90	1,836.81
Work-in-progress	2,820.27	2,004.14
Stock in trade	129.96	164.14
	5,019.13	**4,005.09**
Inventories at the beginning of the year		
Finished goods	1,836.81	1,562.32
Work-in-progress	2,004.14	1,397.33
Stock in trade	164.14	194.83
Add: On account of business acquisition (Refer Note 47)	239.14	—
	4,244.23	**3,154.48**
Total	**(774.90)**	**(850.61)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
(All amounts in INR lakhs, unless otherwise stated)

NOTE 38. EMPLOYEE BENEFIT EXPENSES

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Salaries, wages and bonus	7,146.47	6,406.16
Contribution to provident and other funds	522.45	479.66
Provision/ payment of gratuity (Refer note 42)	243.21	210.87
Workman and staff welfare expenses	548.50	504.46
Total	**8,460.63**	**7,601.15**

NOTE 39. DEPRECIATION AND AMORTISATION EXPENSES

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation on Property Plant and Equipment (Refer Note 3)	2,195.97	1,784.76
Depreciation on Right of use assets (Refer Note 57)	50.53	—
Depreciation on Investment Property (Refer Note 5)	3.22	3.22
Amortisation of Intangible Assets (Refer Note 6)	28.33	24.48
Total	**2,278.05**	**1,812.46**

NOTE 40. OTHER EXPENSES

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Consumption of stores and spares	60.91	72.86
Processing charges	179.95	128.90
Power and fuel	5,262.86	4,761.43
Effluent expenses	1,277.40	1,191.24
Rent (Refer Note 57)	295.60	333.57
Rates and taxes	78.31	42.01
Bank charges	124.08	99.75
Contractor's labour charges	278.94	175.70
Water charges	232.76	187.64
Sales commission	113.92	104.27
Insurance	249.29	107.27
Repairs and maintenance on :		
Plant and machinery	1,916.39	1,990.11
Buildings	84.92	132.77
Others	194.80	148.90

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts in INR lakhs, unless otherwise stated)

NOTE 40. OTHER EXPENSES (Contd.)

Particulars		Year ended March 31, 2020		Year ended March 31, 2019
CSR expenditure (Refer Note 52)		258.07		129.93
Travelling and conveyance		290.26		312.06
Legal and professional fees		1,184.92		967.04
Directors' sitting fees (Refer Note 49)		20.00		17.80
Non Executive Directors' Commission (Refer Note 49)		68.00		100.00
Bad debts/sundry debit balances written off (net):				
Bad Debts written off during the year	7.93		81.72	
Less: Utilisation from Provision for doubtful debts	(7.93)	—	(81.72)	—
Expected credit loss/Provision for doubtful receivables/advances (net)		(53.95)		43.12
Freight outward and forwarding expenses		2,122.13		2,055.81
Charity and donations		217.99		179.51
Net foreign exchange loss		15.12		170.50
Net loss on disposal of property, plant and equipment		42.10		63.09
Miscellaneous expenses		1,475.42		1,437.09
Total		**15,990.19**		**14,952.37**

NOTE 41. FINANCE COSTS

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest	147.59	195.87
Interest on lease liabilities (Refer Note 57)	16.03	—
Other borrowing costs	33.24	47.83
Interest on deferred consideration (Refer Note 47)	58.90	—
Total	**255.76**	**243.70**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
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NOTE 42. EMPLOYEE BENEFIT OBLIGATIONS

(i) Leave Obligation

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

Particulars	As at March 31, 2020	As at March 31, 2019
Obligation not expected to be settled within next 12 months (non - current)	1,088.99	967.26
Obligation expected to be settled within next 12 months (current)	116.37	91.93
Total	**1,205.36**	**1,059.19**

(ii) Long Service Award

The Group 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, 2020	As at March 31, 2019
Obligation not expected to be settled within next 12 months (non - current)	69.78	71.64
Obligation expected to be settled within next 12 months (current)	14.28	15.28
Total	**84.06**	**86.92**

(iii) Gratuity

(a) The Group 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, 2018	4,082.21	4,288.54	206.33
Current service cost	—	195.00	195.00
Interest expense or cost	—	329.98	329.98
Investment income	314.11	—	(314.11)
Total amount recognised in Statement of Profit and Loss	**314.11**	**524.98**	**210.87**
Re-measurement (or Actuarial) (gain) / loss arising from:			
– change in financial assumptions	—	—	—
– experience variance	—	(187.92)	(187.92)
– return on plan assets, excluding amount recognised in net interest expense	(11.94)	—	11.94
Total amount recognised in Other Comprehensive Income	**(11.94)**	**(187.92)**	**(175.98)**
Benefits paid	—	(424.01)	(424.01)
Employer's contribution	55.71	—	(55.71)
Benefits paid	(399.37)	—	399.37
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**

(All amounts in INR lakhs, unless otherwise stated)

NOTE 42. EMPLOYEE BENEFIT OBLIGATIONS (Contd.)

Particulars	Fair value of Plan Assets	Present value of Obligations	Net amount
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**

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

Particulars	As at March 31, 2020	As at March 31, 2019
Present value of funded obligation	4,734.07	4,201.59
Fair value of plan assets	4,223.52	4,040.72
Deficit of funded plan	**510.55**	**160.87**
Unfunded plans	—	—
Deficit of Gratuity plan	**510.55**	**160.87**

(d) Assumptions:

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

Particulars	As at March 31, 2020	As at March 31, 2019
Discount rate (per annum)	6.65%	7.70%
Salary growth rate (per annum) *	4.00% for first two years and 7.00% thereafter	8.50%
Attrition rate (derived based on age)	1.00% to 5.00%	1.00% to 5.00%
Mortality rate	% of Indian Assured Lives Mortality (2012-14)	% of Indian Assured Lives Mortality (2006-08)

*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).

(All amounts in INR lakhs, unless otherwise stated)

NOTE 42. EMPLOYEE BENEFIT OBLIGATIONS (Contd.)

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

Gratuity	As at March 31, 2020			As at March 31, 2019		
	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%	-6.30%	7.20%	1.00%	-6.80%	7.70%
Salary growth rate	1.00%	7.70%	-7.00%	1.00%	7.20%	-6.50%
Attrition rate @	50.00%	-0.30%	0.30%	50.00%	-0.50%	0.50%

@ Represents 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:

Gratuity	As at March 31, 2020		As at March 31, 2019	
	Amount	%	Amount	%
Insurer Managed funds	4,223.52	100%	4,040.72	100%

(g) Defined benefit liability and employer contributions:

The weighted average duration of the defined benefit obligation is 7 years (March 31, 2019 – 8 years). The expected maturity analysis of undiscounted gratuity is as follows:

Gratuity	As at March 31, 2020	As at March 31, 2019
1 year	769.26	566.16
2-5 years	1,347.23	1,141.03
6-10 years	2,540.01	2,360.42
More than 10 years	3,445.25	4,325.54

(iv) MEDICAL VOLUNTARY RETIREMENT SCHEME (MVRS):

(a) The Group also 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, 2018	**167.45**
Current service cost	—
Interest expense or cost	12.88
Re-measurement (or Actuarial) (gain) / loss arising from:	—
– change in financial assumptions	—
– experience variance	—
Total amount recognised in Statement of Profit and Loss	**12.88**

NOTE 42. EMPLOYEE BENEFIT OBLIGATIONS (Contd.)

Particulars	Amount
Re-measurement (or Actuarial) (gain) / loss arising from:	
– change in financial assumptions	—
– experience variance	29.38
Total amount recognised in Other Comprehensive Income	**29.38**
Benefits paid	(48.80)
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, 2019	**152.22**

(c) Assumptions:

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

Particulars	As at March 31, 2020	As at March 31, 2019
Discount rate (per annum)	6.65%	7.70%
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:

Gratuity	As at March 31, 2020			As at March 31, 2019		
	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%	-2.60%	2.70%	1.00%	-2.30%	2.50%

(v) Defined contribution plan:

The Group 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 Group 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 522.45 lakhs (March 31, 2019 - INR 479.66 lakhs).

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

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

Asset's Volatility: The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform 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.

(All amounts in INR lakhs, unless otherwise stated)

NOTE 43. FAIR VALUE MEASUREMENTS

(i) Financial instruments by category

Particulars	Note	As at March 31, 2020			As at March 31, 2019		
		FVOCI	FVPL	Amortised cost	FVOCI	FVPL	Amortised cost
Financial assets							
Equity Investments	8	24,960.74	—	—	31,704.31	—	—
Investments in mutual funds	13	—	1,466.06	—	—	7,652.59	—
Trade receivables	14	—	—	14,969.51	—	—	15,838.76
Cash and cash equivalents	15	—	—	2,092.37	—	—	358.94
Bank balances other than cash and cash equivalents	16	—	—	150.08	—	—	81.00
Loans	9 and 17	—	—	757.57	—	—	848.27
Other financial assets	10 and 18	—	44.98	48.60	—	70.90	131.85
Total financial assets		**24,960.74**	**1,511.04**	**18,018.13**	**31,704.31**	**7,723.49**	**17,258.82**
Financial liabilities							
Borrowings	22 and 27	—	—	2,128.27	—	—	621.63
Lease liabilities	23 and 29	—	—	279.57	—	—	—
Trade payables	28	—	—	10,490.77	—	—	9,981.71
Deferred consideration	24 and 30	—	—	1,621.64	—	—	—
Other financial liabilities	30	—	3.39	515.14	—	54.67	561.48
Total financial liabilities		**—**	**3.39**	**15,035.39**	**—**	**54.67**	**11,164.82**

(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 Group 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, 2020					
Financial Asset					
Financial Investment at FVOCI					
Equity instruments	8	12,488.03	12,472.71	—	24,960.74
Financial Investment at FVPL					
Investments in mutual funds	13	1.83	1,464.23	—	1,466.06
Other financial assets	18	—	44.98	—	44.98
Total Financial Assets		**12,489.86**	**13,981.92**	—	**26,471.78**
Financial Liabilities					
Other financial liabilities	30	—	3.39	—	3.39
Total Financial Liabilities		—	**3.39**	—	**3.39**

(All amounts in INR lakhs, unless otherwise stated)

NOTE 43. FAIR VALUE MEASUREMENTS (Contd.)

Financial asset and liabilities measured at fair value - recurring fair value measurements:	Notes	Level 1	Level 2	Level 3	Total
As at March 31, 2019					
Financial Asset					
Financial Investment at FVOCI					
Equity instruments	8	16,949.77	14,754.54	—	31,704.31
Financial Investment at FVPL					
Investments in mutual funds	13	1.77	7,650.82	—	7,652.59
Other financial assets	18	—	70.90	—	70.90
Total Financial Assets		**16,951.54**	**22,476.26**	**—**	**39,427.80**
Financial Liabilities					
Other financial liabilities	30	—	54.67	—	54.67
Total Financial Liabilities		**—**	**54.67**	**—**	**54.67**

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.

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. The mutual funds are valued using the closing NAV published by mutual fund.

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 Group carries such instruments at cost less impairment, if applicable.

(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 Bombay Stock Exchange (BSE) and 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 unobservable inputs (level 2)

The following table presents the changes in level 2 items for the periods ended March 31, 2020 and March 31, 2019:

Particulars	Unquoted equity shares	Total
As at March 31, 2018	**14,660.06**	**14,660.06**
Gain/(loss) recognised in other comprehensive income	94.48	94.48
As at March 31, 2019	**14,754.54**	**14,754.54**
Gain/(loss) recognised in other comprehensive income	(2,281.83)	(2,281.83)
As at March 31, 2020	**12,472.71**	**12,472.71**
Unrealised gain/(loss) recognised in profit and loss related to assets held		
Year ended March 31, 2020	—	—
Year ended March 31, 2019	—	—

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(All amounts in INR lakhs, unless otherwise stated)

NOTE 43. FAIR VALUE MEASUREMENTS (Contd.)

(v) Fair value inputs and relationships to fair value

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

Particulars	Fair value as at		Significant unobservable inputs	Probability-weighted range		Sensitivity
	March 31, 2020	March 31, 2019		March 31, 2020	March 31, 2019	
Unquoted equity shares	12,472.71	14,754.54	EBITDA Multiple	5%	5%	2020: Increased EBITDA multiple 5% would increase FV by INR 546.43; decreased EBITDA multiple -5% would decrease FV by INR 546.43. 2019: Increased EBITDA multiple 5% would increase FV by INR 737.69; decreased EBITDA multiple -5% would decrease FV by INR 737.69.

(vi) Valuation process

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

– value of equity shares of the companies is derived from valuations of comparable companies, as manifest 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 ended, and adjustments, as appropriate, for non operating income and expenses.

– value arrived as above under CCM method is adjusted, as appropriate, for surplus assets, (cash, cash and equivalent, investments, interest accrued on deposits), borrowings (including stretched creditors), surplus assets, deferred tax assets, contingent liabilities and other matters. The total value then divided by the entity share outstanding as at March 31, to arrive at the value per equity share.

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

Particulars	Notes	As at March 31, 2020		As at March 31, 2019	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets					
Trade receivables	14	14,969.51	14,969.51	15,838.76	15,838.76
Cash and cash equivalents	15	2,092.37	2,092.37	358.94	358.94
Bank balances other than cash and cash equivalents	16	150.08	150.08	81.00	81.00
Loans	9 and 17	757.57	757.57	848.27	848.27
Other financial assets	10 and 18	48.60	48.60	131.85	131.85
Total Financial Assets		**18,018.13**	**18,018.13**	**17,258.82**	**17,258.82**
Financial Liabilities					
Borrowings	22 and 27	2,128.27	2,128.27	621.63	621.63
Lease liabilities	23 and 29	279.57	279.57	—	—
Trade payables	28	10,490.77	10,490.77	9,981.71	9,981.71
Deferred consideration	24 and 30	1,621.64	1,621.64	—	—
Other financial liabilities	30	515.14	515.14	561.48	561.48
Total financial liabilities		**15,035.39**	**15,035.39**	**11,164.82**	**11,164.82**

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 be materially different than their fair values.

NOTE 44. FINANCIAL RISK MANAGEMENT

In the course of its business, the Group is exposed to a number of financial risks: credit risk, liquidity risk and market risk . This note presents the Group'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 Group. The Group's risk management policies are established to identify and analyse the risks faced by the Group, 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 Group's activities.

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

- protect the Group's financial results and position from financial risks;
- maintain market risks within acceptable parameters, while optimising returns; and
- protect the Group's financial investments, while maximising returns.

The note explains the Group's exposure to financial risks and how these risks could affect the Group'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 Group's policy. For derivative and financial instruments, the Group 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 Group 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 Group 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 Group 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 Group aims to minimize its financial credit risk through the application of risk management principles.

The gross carrying amount of trade receivables is INR 15,103.76 Lakhs (March 31, 2019: INR 16,034.89 Lakhs)

Reconciliation of loss allowance provision - Trade receivables

Particular	Year ended March 31, 2020	Year ended March 31, 2019
Loss allowance at the beginning of the year	196.13	234.73
Less: Provision write off / (utilised)	7.93	81.72
Add: Additional Provision made / (reversal)	(53.95)	43.12
Loss allowance at the end of the year	**134.25**	**196.13**

The Group 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 Group 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 633.79 lakhs (March 31, 2019: INR 471.99 lakhs)

Other advances are given for trade purpose which is in line with normal business activities of the Group. 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 166.25 lakhs (March 31, 2019: INR 383.57 lakhs)

Reconciliation of loss allowance provision - Capital advances

Particular	Year ended March 31, 2020	Year ended March 31, 2019
Loss allowance at the beginning of the year	76.62	76.62
Add: Additional Provision made	—	—
Less: Provision write off / reversed	—	—
Loss allowance at the end of the year	**76.62**	**76.62**

NOTE 44. FINANCIAL RISK MANAGEMENT (Contd.)

(B) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Group'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 Group's reputation. In addition, processes and policies related to such risks are overseen by the senior management. The management monitors the Group'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, 2020						
Borrowings	22 and 27	2,126.15	2.12	—	—	2,128.27
Trade payables	28	10,490.77	—	—	—	10,490.77
Other financial liabilities	30	515.14	—	—	—	515.14
Total non-derivative liabilities		**13,132.06**	**2.12**	**—**	**—**	**13,134.18**
Derivatives (Net-settled)						
Forward contracts for hedge purpose	30	3.39	—	—	—	3.39
Deferred consideration	24 and 30	732.45	889.19			1,621.64
Total derivative liabilities		**735.84**	**889.19**	**—**	**—**	**1,625.03**

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, 2019						
Borrowings	22 and 27	615.38	4.13	2.12	—	621.63
Trade payables	28	9,981.71	—	—	—	9,981.71
Other financial liabilities	30	561.48	—	—	—	561.48
Total		**11,158.57**	**4.13**	**2.12**	**—**	**11,164.82**
Derivatives (Net-settled)						
Forward contracts for hedge purpose	30	54.67	—	—	—	54.67
Total derivative liabilities		**54.67**	**—**	**—**	**—**	**54.67**

(C) Market risk

The Group 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 Group operates internationally and a portion of its business is transacted in multiple currencies and therefore the Group is exposed to foreign exchange risk through its overseas sales and purchases in various foreign currencies. The Group 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 Group'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
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

NOTE 44. FINANCIAL RISK MANAGEMENT (Contd.)

The Group's exposure to foreign currency risk at the end of the reporting period as on March 31, 2019

Particular	Currency	In INR Lakhs	In Foreign Currency
Financial assets			
Export receivables	USD	4,696.72	67.96
	EURO	290.87	3.75
Bank balances	USD	1.38	0.02
Derivative asset			
Foreign exchange forwards	USD	3,590.26	51.95
Foreign exchange forwards	EURO	214.09	2.76
Financial liabilities			
Import payables	USD	2,934.72	42.46
Derivative liabilities			
Foreign exchange forwards	USD	1,581.93	22.89

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, 2020	Year ended March 31, 2019	Year ended March 31, 2020	Year ended March 31, 2019
USD	(27.28)	88.17	27.28	(88.17)
EURO	29.63	14.54	(29.63)	(14.54)
Increase / (decrease) in profit or loss	**2.35**	**102.71**	**(2.35)**	**(102.71)**

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

Exposure to interest rate risk

Particulars	As at March 31, 2020	As at March 31, 2019
Variable rate borrowings	2,126.15	615.38
Fixed rate borrowings	6.25	89.51
Total Borrowings	**2,132.40**	**704.89**

Interest rate sensitivity

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

Particulars	As at March 31, 2020	As at March 31, 2019
Interest rates - increase by 50 basis point (50 bps)	(10.66)	(3.52)
Interest rates - decrease by 50 basis point (50 bps)	10.66	3.52

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts in INR lakhs, unless otherwise stated)

NOTE 44. FINANCIAL RISK MANAGEMENT (Contd.)

(iii) Price Risk

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

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

Particular	Impact on profit after tax	
	Year ended March 31, 2020	**Year ended March 31, 2019**
NSE/BSE increase in 1% of price/NAV		
Investments in Quoted equity shares	124.88	169.50
Investments in Mutual Fund	14.66	76.53
NSE/BSE decrease in 1% of price/NAV		
Investments in Quoted equity shares	(124.88)	(169.50)
Investments in Mutual Fund	(14.66)	(76.53)

NOTE 45. CAPITAL MANAGEMENT

(a) Risk Managements

The Group'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 Group's capital management is driven by Group'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 Group'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 Group'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 Group 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, 2020, the ratio was -2.03%

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Net Debt	(1,425.97)	(7,306.40)
Total Equity	70,088.96	69,956.40
Net debt to equity ratio	-2.03%	-10.44%

(b) Dividend

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
(i) Equity Shares		
Final Dividend for the year ended March 31, 2019 INR 18.75 (March 31, 2018 - INR 12.50) per fully paid equity share	2,357.00	1,571.34
Dividend distribution tax on above	484.49	322.99
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	—
(ii) Dividend not Recognised at the end of reporting period		
In addition to the above dividends, since year end the directors have recommended the payment of final dividend of INR Nil per fully paid equity share (March 31, 2019 - INR 18.75). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting	—	2,357.00
Dividend distribution tax on proposed dividend	—	484.49

(All amounts in INR lakhs, unless otherwise stated)

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 Group. The CODM, who are responsible for allocating resources and assessing performance of the operating segments, have been identified as Executive Chairman and Managing Director of the Holding Company. The Group 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 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, 2020	Year ended March 31, 2019
Segment Results (Profit before tax and interest)		
Chemicals	15,106.40	26,756.29
Environment and Biotech	52.57	24.68
Total Segment Result	**15,158.97**	**26,780.97**
Less: Finance Cost	255.76	243.70
Other un-allocable expenditure (net of unallocable income)	3,412.62	3,116.47
Profit before tax	**11,490.59**	**23,420.80**

(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, 2020	Year ended March 31, 2019
Segment Revenue (Revenue from operations)		
Chemicals	68,470.45	80,600.30
Environment and Biotech	1,777.99	1,895.72
Total Segment Revenue	**70,248.44**	**82,496.02**
Less: Inter segment revenue	—	—
Total Segment Revenue	**70,248.44**	**82,496.02**
Revenue from external customers:		
India	53,372.62	59,235.80
Other countries	16,875.82	23,260.22
Total Segment Revenue	**70,248.44**	**82,496.02**

(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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
(All amounts in INR lakhs, unless otherwise stated)

NOTE 46. SEGMENT INFORMATION (Contd.)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Segment Assets:		
Chemicals	58,492.61	47,479.48
Environment and Biotech	1,382.18	1,328.66
Unallocated	33,859.77	42,761.56
Total Assets as per balance sheet	**93,734.56**	**91,569.70**
Total assets of Group broken down by location of the assets, is shown below:		
India	90,923.79	86,580.73
Other countries	2,810.77	4,988.97
Total Assets	**93,734.56**	**91,569.70**

(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	Year ended March 31, 2020	Year ended March 31, 2019
Segment Liabilities:		
Chemicals	12,894.61	9,650.98
Environment and Biotech	361.33	304.20
Unallocated	10,389.66	11,658.12
Total liabilities as per balance sheet	**23,645.60**	**21,613.30**
Total liabilities of Group broken down by location of the liabilities, is shown below:		
India	20,881.77	18,678.58
Other countries	2,763.83	2,934.72
Total Liabilities	**23,645.60**	**21,613.30**

The Group has a customer based in Outside India which has accounted for more than 10% of the Group's total revenue amounting to ₹ 8,318.25 lakhs during the year ended March 31, 2019. The Group does not have any single customer accounting for more than 10% of the Group's total revenue for the year ended March 31, 2020.

NOTE 47. ACQUISITION OF CHEMICAL MANUFACTURING UNIT AT VISAKHAPATNAM

The Board of Directors at its meeting dated June 27, 2019 had approved the acquisition of a chemical manufacturing unit of Netmatrix Crop Care Limited ('Seller') located at Visakhapatnam in Andhra Pradesh Special Economic Zone, as a going concern by way of slump sale. Pursuant to this, the Company had entered into a Business Transfer Agreement ('BTA') dated July 4, 2019 with the Seller.

The said acquisition has been completed on October 25, 2019 on compliance with relevant conditions precedent specified in the BTA by the respective parties. The Company has measured the acquired business of Seller at fair value determined in accordance with Ind AS 103 "Business Combination". An independent external professional valuation expert was engaged by the management to perform valuation of tangible and intangible assets as a part of Purchase Price Allocation (PPA).

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

(a) Purchase Consideration:

Particulars	Amounts
Cash paid	6,500.00
Net working capital	398.46
Deferred consideration	2,000.00
	8,898.46
Less: Fair valuation impact on deferred consideration	(187.82)
Total Purchase Consideration	**8,710.64**

NOTE 47. ACQUISITION OF CHEMICAL MANUFACTURING UNIT AT VISAKHAPATNAM (Contd.)

(b) Assets Acquired and Liabilities assumed at fair value based on PPA

The Details of assets and liabilities recognised as a result of the business acquisition are as follow

Particulars	Amounts
Assets:	
Property, Plant & Equipment	5,002.37
Right of use assets	1,903.64
Inventories	322.30
Trade receivables	475.68
Other loans and advances	85.55
	7,789.54
Liabilities:	
Trade payables	485.07
Deferred tax liabilities	479.11
	964.18
Net assets acquired at fair value	**6,825.36**

(c) Calculation of Goodwill

Particulars	Amounts
Total Purchase Consideration - Refer (a) above	8,710.64
Less: Net assets acquired - Refer (b) above	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. Goodwill of ₹ 1,406.17 Lakh is tax deductible.

There were no acquisition in the year ended March 31, 2019.

(d) Acquired receivables:

Particulars	Amounts
Fair value of acquired trade receivables	475.68
Gross contractual amount for trade receivable	475.68
Contractual cash flow not expected to be collected	**—**

(e) Revenue and profit contribution:

From the date of acquisition, business of acquired chemical manufacturing unit has contributed INR 1,529.02 Lakhs to revenue and loss of INR 150.66 lakhs to the profit before tax at the Group level.

(f) Acquisition related costs:

Acquisition related costs of INR 59.90 lakhs that were not directly attributable are included in Other Expenses in the Statement of Profit and Loss and in operating cash flows in the Statement of Cash Flows.

(g) Purchase consideration cash outflow:

Particulars	Amounts
Outflow of cash to acquire business, net of cash acquired	
Cash consideration	6,750.00
Less: Cash/ Bank overdraft acquired	—
Net outflow of cash – investing activity #	**6,750.00**

excluding deferred contribution of ₹ 1,750.00 lakhs fair valued at ₹ 1,567.44 lakhs as on the date of balance sheet.

(h) pursuant to the above, figure of current year are not comparable to those of previous year.

NOTE 48. INTEREST IN OTHER ENTITIES

(a) Subsidiaries

The Group's subsidiaries are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of the entity	Place of business / incorporation	Ownership interest held by the Company as at		Ownership interest held by non controlling interests as at	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Excel Bio Resources Limited	India	100%	100%	0%	0%
Kamaljyot Investments Limited #	India	100%	100%	0%	0%

\# The Direction under Chapter IV, Paragraph 70, and Chapter V of Master Directions- Non-Banking Financial Company–Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 issued by the Reserve Bank of India on September 1, 2016 and as updated on February 17, 2020, is not applicable to its subsidiary, Kamaljyot Investments Limited, since it has not accessed any public Funds and do not have any customer Interface.

(b) Non - Controlling Interest (NCI)

No NCI as group is holding 100% ownership in all subsidiaries.

(c) Interest in Associate and Joint Venture

Name of the entity	Place of business / incorporation	% of ownership interest	Relationship	Accounting method	Carrying Amount as at (In Lakhs)	
					March 31, 2020	March 31, 2019
MobiTrash Recycle Ventures Private Limited*	India	39.98%	Associate	Equity Method	—	—
Wexam Limited, Hongkong**	Hong Kong	33%	Joint Venture	Equity Method	—	—

* Gross Investment value is INR 0.40 Lakhs (March 31, 2019 INR 0.40 Lakhs) and the same is fully adjusted from share of loss from associates (Refer Note 7).

** Since there were no activities in the said jointly controlled entity for the past many years, the financials are not available. Accordingly, the proportionate interest of the group in the said jointly controlled entity has not been considered in the Consolidated Financial Statements. Further, the group does not have any liability or contingent liability, which needs to be accounted with respect to the said jointly controlled entity (Refer Note 7).

NOTE 49. RELATED PARTY DISCLOSURES AS PER IND AS 24

1. Name of related parties and nature of relationship:

(a) Parent entity

The Group is controlled by the following entity:

Name	Type	Place of incorporation	Ownership interest as at	
			March 31, 2020	March 31, 2019
Anshul Specialty Molecules Private Limited	Immediate and Ultimate Parent Company	India	42.63%	42.63%

(b) Key Management Personnel (KMP)

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)
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)

(All amounts in INR lakhs, unless otherwise stated)

NOTE 49. RELATED PARTY DISCLOSURES AS PER IND AS 24 (Contd.)

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)

Relatives of KMP with whom transactions have taken place:

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

(c) 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
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
C C Shroff Self Help Centre
Rashtriya Seva Trust
Shrujan Trust
Shrujan Creations
Shroff Family Charitable Trust
Shroff Foundation Trust

* also an associate company.

(d) Loans and advances in the nature of loans to related parties:

Disclosure for loans and advances in terms of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations 2015.

Particulars	Purpose of Loan	As at March 31, 2020	As at March 31, 2019
Loans to - TML Industries Limited (by subsidiaries)			
Balance as at year end	**Business Purpose**	100.00	100.00
Maximum amount outstanding at any time during the year		100.00	100.00

2. Outstanding Balances

Particulars	As at March 31, 2020	As at March 31, 2019
The following balances are outstanding at the end of the reporting period in relation to transactions with related parties		
Receivables:		
Anshul Specialty Molecules Private Limited	15.08	4.05
C C Shroff Research Institute	0.08	0.04
Transpek Industry Limited	—	0.02
Mobitrash Recycle Ventures Private Limited	2.64	30.32
Agrocel Industries Private Limited	8.39	16.97
TML Industries Limited	103.08	103.63
Shroff Family Charitable Trust	1.28	0.29
Payables:		
Divakar Techno Specialities & Chemicals Private Limited	10.23	17.45
Transpek Industry (Europe) Limited	5.66	—
C C Shroff Self Help Centre	—	0.05
Rashtriya Seva Trust	—	5.00

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
(All amounts in INR lakhs, unless otherwise stated)

NOTE 49. RELATED PARTY DISCLOSURES AS PER IND AS 24 (Contd.)

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Shrujan Creations	—	0.16
Mobitrash Recycle Ventures Private Limited	0.11	0.11
Mr. Ashwin C. Shroff	69.34	129.00
Mrs. Usha A. Shroff	—	87.48
Mr. Ravi A. Shroff	76.16	91.87
Mr. Hrishit. A. Shroff	39.21	—
Mr. R. N. Bhogale	8.00	14.00
Mr. H. N. Motiwala	8.00	15.00
Mr. P. S. Jhaveri	8.00	14.00
Mr. M. B. Parekh	6.00	7.00
Mr. S. S. Vaidya	6.00	7.00
Mr. R. M. Pandia	8.00	14.00
Mr. Dipesh K. Shroff	6.00	11.00
Mr. Atul G. Shroff	6.00	11.00
Mrs. Dr. Meena A. Galliara	6.00	—
Mr. R. K. Sood	—	7.00
Mr. P. K. Molri	6.00	—

3. Related Party Transaction

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

Particulars	Sale of goods	Sale of services	Interest Received	Purchase of goods	Purchase of Services	Dividend Paid	Sales commission	Salary, Bonus, contribution to PF & Commission*	Directors Sitting fees	CSR / Donation Expenditure
Parent entity										
Anshul Specialty Molecules Private Limited	**6.07**	**37.01**	—	**0.01**	—	**1,540.62**	—	—	—	—
	0.55	*35.25*	—	*4.34*	—	*669.84*	—	—	—	—
Enterprises owned or significantly influenced by key management personnel or their relatives										
Agrocel Industries Private Limited	**2.31**	**8.58**	—	**7.74**	—	—	—	—	—	—
	0.50	*21.56*	—	*2.12*	—	—	—	—	—	—
Transpek Industry Limited	**3.26**	—	—	—	—	**45.04**	—	—	—	—
	—	—	—	—	—	*19.58*	—	—	—	—
Divakar Techno Specialities & Chemicals Private Limited	—	—	—	—	—	—	**26.15**	—	—	—
	—	—	—	—	—	—	*30.40*	—	—	—
C C Shroff Research Institute	—	**0.13**	—	—	—	—	—	—	—	—
	—	*0.11*	—	—	—	—	—	—	—	—
C C Shroff Self Help Centre	—	—	—	**0.85**	—	—	—	—	—	—
	—	—	—	*0.05*	—	—	—	—	—	—
Transpek Industry (Europe) Limited	—	—	—	—	**13.14**	—	—	—	—	—
	—	—	—	—	*0.49*	—	—	—	—	—
Mobitrash Recycle Ventures Private Limited	**0.51**	**0.66**	—	—	—	—	—	—	—	—
	12.55	*0.37*	—	—	—	—	—	—	—	—
TML Industries Limited	**19.34**	—	**12.33**	—	—	—	—	—	—	—
	0.53	—	*12.30*	—	—	—	—	—	—	—
Shree Vivekanand Research and Training Institute	—	—	—	—	—	—	—	—	—	**211.74**
	—	—	—	—	—	—	—	—	—	*100.85*

NOTE 49. RELATED PARTY DISCLOSURES AS PER IND AS 24 (Contd.)

Particulars	Sale of goods	Sale of services	Interest Received	Purchase of goods	Purchase of Services	Dividend Paid	Sales commission	Salary, Bonus, contribution to PF & Commission*	Directors Sitting fees	CSR / Donation Expenditure
Rashtriya Seva Trust	—	—	—	—	—	—	—	—	—	**2.50**
	—	—	—	—	—	—	—	—	—	*5.00*
Shroff Family Charitable Trust	—	**3.50**	—	—	—	—	—	—	—	**80.00**
	—	*2.80*	—	—	—	—	—	—	—	—
Shroff Foundation Trust	—	—	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—	*50.00*
Shrujan Trust	—	—	—	—	—	—	—	—	—	**12.75**
	—	—	—	—	—	—	—	—	—	*10.10*
Shrujan Creations	—	—	—	**1.56**	—	—	—	—	—	—
	—	—	—	*3.21*	—	—	—	—	—	—
Mr. Ashwin C. Shroff	**1.86**	—	—	—	—	**23.88**	—	**213.50**	—	—
	—	—	—	—	—	*10.38*	—	*274.48*	—	—
Mrs. Usha A. Shroff	—	—	—	—	—	**1.87**	—	**32.90**	—	—
	—	—	—	—	—	*0.81*	—	*185.45*	—	—
Mr. Ravi A. Shroff	—	—	—	—	—	**13.71**	—	**239.00**	—	—
	—	—	—	—	—	*5.96*	—	*194.93*	—	—
Mr. Hrishit A. Shroff	—	—	—	—	—	**13.70**	—	**166.55**	—	—
	—	—	—	—	—	*5.96*	—	*81.71*	—	—
Mr. R. N. Bhogale	—	—	—	—	—	—	—	**8.00**	**3.30**	—
	—	—	—	—	—	—	—	*14.00*	*3.20*	—
Mr. H. N. Motiwala	—	—	—	—	—	—	—	**8.00**	**4.50**	—
	—	—	—	—	—	—	—	*15.00*	*4.40*	—
Mr. P. S. Jhaveri	—	—	—	—	—	—	—	**8.00**	**3.00**	—
	—	—	—	—	—	—	—	*14.00*	*2.60*	—
Mr. M. B. Parekh	—	—	—	—	—	—	—	**6.00**	**0.80**	—
	—	—	—	—	—	—	—	*7.00*	*0.80*	—
Mr. S. S. Vaidya	—	—	—	—	—	—	—	**6.00**	**1.00**	—
	—	—	—	—	—	—	—	*7.00*	*1.00*	—
Mr. R. M. Pandia	—	—	—	—	—	—	—	**8.00**	**2.60**	—
	—	—	—	—	—	—	—	*14.00*	*2.70*	—
Mr. Dipesh K. Shroff	—	—	—	—	—	**2.48**	—	**6.00**	**1.30**	—
	—	—	—	—	—	*1.08*	—	*11.00*	*1.30*	—
Mr. Atul G. Shroff	—	—	—	—	—	**17.19**	—	**6.00**	**1.20**	—
	—	—	—	—	—	*7.47*	—	*11.00*	*1.00*	—
Mrs. Dr. Meena A. Galliara	—	—	—	—	—	—	—	**6.00**	**1.20**	—
	—	—	—	—	—	—	—	—	—	—
Mr. R. K. Sood	—	—	—	—	—	—	—	—	**0.80**	—
	—	—	—	—	—	—	—	*7.00*	*0.80*	—
Mr. P. K. Molri	—	—	—	—	—	—	—	**6.00**	**0.20**	—
	—	—	—	—	—	—	—	—	—	—
Mrs. Anshul A. Bhatia	—	—	—	—	—	**6.21**	—	—	—	—
	—	—	—	—	—	*2.70*	—	—	—	—

Amount in bold represent the amount of March 31, 2020 and amount in italics represents amount of March 31, 2019.

* 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 to the key managerial personnel includes INR 51.69 lakhs (March 31, 2019 : INR 37.13 lakhs) towards contribution to provident fund and other funds.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts in INR lakhs, unless otherwise stated)

NOTE 50. CONTINGENT LIABILITIES, CONTINGENT ASSETS AND COMMITMENTS

(a) Contingent Liabilities:

Particular	**As at March 31, 2020**	**As at March 31, 2019**
Income-tax	321.91	322.68
Excise duty	41.96	109.99
Sales tax	17.89	17.89
Custom duty	144.88	144.88
Claims against the Group not acknowledged as debts	36.28	30.28
Liability in respect of claims made by workers and contract labourers	Amount not ascertainable	Amount not ascertainable

It is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above contingent liabilities pending resolution of the respective proceedings.

(b) Contingent Assets:

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

(c) Commitments:

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
(i) Capital Commitments		
Capital expenditure contracted at the end of reporting period but not recognised as liabilities is as follows:		
Gross Capital Commitment	807.71	1,738.50
Less: Capital Advance (Refer Note 11)	89.63	306.95
Net Capital Commitments	**718.08**	**1,431.55**

(ii) Other Commitments

i) For other commitments relating to lease arrangements - (Refer Note 57)

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 Group, 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 Group has not received any such claims in terms of the SPA till March 31, 2020.

NOTE 51. EARNINGS PER SHARE

Particulars	**Year ended March 31, 2020**	**Year ended March 31, 2019**
Earnings per equity share for profit attributable to owners (in INR)		
(a) Basic earnings per share	76.43	122.07
(b) Diluted earnings per share	76.43	122.07

Earnings used in calculating earnings per share

Particulars	**Year ended March 31, 2020**	**Year ended March 31, 2019**
Profits attributable to the equity holders of the group used in calculating basic earnings per share:		
Basic earnings per share	9,607.25	15,345.43
Diluted earnings per share	9,607.25	15,345.43

Weighted average number of shares used as the denominator

Particulars	**Year ended March 31, 2020 Number of shares**	**Year ended March 31, 2019 Number of shares**
Weighted average number of equity shares used as the denominator in calculating basic earning per share	12,570,692	12,570,692
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earning per share	12,570,692	12,570,692

NOTE 52. DETAILS OF CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Amount required to be spent as per Section 135 of the Act	239.95	80.99
Amount spent during the year on:		
(i) Construction / Acquisition of assets	—	—
(ii) On purpose other than (i) above	258.07	129.93
Total	**258.07**	**129.93**

NOTE 53. LEASE

Operating Lease:

Office premises, godowns and furniture and fixture are obtained on operating leases for various tenors.

These lease arrangements range for a period between 11 months and 9 years, which include both cancellable and non-cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms and also include escalation clauses. From April 1, 2019 the Group has recognised right-0f-use assets for these leases, except for short term lease, see Note 4 and Note 57 for further information.

Particulars	As at March 31, 2019
Commitments for minimum lease payments in relation to non - cancellable operating leases are payable as follows:	
(a) Not later than one year	104.44
(b) Later than one year but not later than five years	95.76
(c) Later than five years	—
Lease payments recognized in the Statement of Profit and Loss during the year	**116.28**

NOTE 54. RESEARCH AND DEVELOPMENT COSTS

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
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*	493.69	667.91
Depreciation on Research and Development Equipment	71.71	71.91
	565.40	**739.82**

* includes INR 257.54 lakhs, INR 102.17 lakhs and INR 133.98 lakhs (Previous Year: INR 245.62 lakhs, INR 105.62 lakhs and INR 282.86 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 35.98 lakhs (Previous Year INR 13.92 lakhs) [including capital expenditure on qualifying assets of INR 29.65 lakhs, INR 2.17 lakhs and INR 4.16 lakhs (Previous Year: INR 9.93 lakhs, INR 2.71 lakhs and INR 1.28 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 55. DETAILS OF DONATION TO A POLITICAL PARTY

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
(All amounts in INR lakhs, unless otherwise stated)

NOTE 56. ADDITIONAL INFORMATION REQUIRED BY SCHEDULE III OF THE COMPANIES ACT, 2013.

Name of the entity in the Group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Excel Industries Limited								
31 March 2020	85.17%	59,692.41	97.29%	9,347.35	76.70%	(3,925.35)	120.77%	5,422.00
31 March 2019	83.81%	58,627.36	99.08%	15,203.66	52.09%	1,697.20	90.85%	16,900.86
Subsidiaries								
Excel Bio Resources Limited								
31 March 2020	0.09%	62.30	0.02%	2.34	0.00%	—	0.05%	2.34
31 March 2019	0.09%	59.96	0.03%	5.30	0.00%	—	0.03%	5.30
Kamaljyot Investments Limited								
31 March 2020	14.74%	10,334.25	2.68%	257.56	23.30%	(1,192.39)	-20.82%	(934.83)
31 March 2019	16.11%	11,269.08	0.89%	136.47	47.91%	1,560.79	9.12%	1,697.26
Associate and Joint venture								
31 March 2020	0.00%	—	0.00%	—	0.00%	—	0.00%	—
31 March 2019	0.00%	—	0.00%	—	0.00%	—	0.00%	—
Total								
31 March 2020	100%	70,088.96	100%	9,607.25	100%	(5,117.74)	100%	4,489.51
31 March 2019	100%	69,956.40	100%	15,345.43	100%	3,257.99	100%	18,603.42

NOTE 57. IND AS 116

This note provides information for leases where the Group is a lessee. For leases where the Group is a lessor, see Note 5. The Group 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

Following are the changes in the carrying value of right of use for the year ended March 31, 2020:

Particulars	Building	Land	Total
Gross carrying amount			
As at April 1, 2019	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			
As at April 1, 2019	—	—	—
Depreciation charged for the year	30.84	19.69	50.53
Disposal	—	—	—
Closing accumulated depreciation	**30.84**	**19.69**	**50.53**
Net carrying amount	**94.31**	**2,262.06**	**2,356.37**

The following is the break-up of current and non-current lease liabilities for the year ended March 31, 2020:

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

NOTE 57. IND AS 116 (Contd.)

The following is the movement in lease liabilities for the year ended March 31, 2020:

Particulars	**As at March 31, 2020**
As at April 1, 2019	125.15
Additions	172.74
Finance charge accrue during the year	6.02
Payment of lease liability	(24.34)
	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, 2020**
(a) Less than one year	50.39
(b) One year to five years	137.40
(c) More than five years	707.00
	894.79

(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, 2020:

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

The total cash outflow for leases for the year ended 31 March 2020 was 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 Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. All extension options held are exercisable by the Group and termination rights are held by the Group and lessor both as per the respective lease agreements.

Impact on the financial statements – lessee accounting

Indicated in Note 1(A)(iii), the Group has adopted Ind AS 116 retrospectively from April 1, 2019, but has not restated comparatives for year ended March 31, 2019, as permitted under the specific transition provisions in the standard. The reclassifications and the adjustments arising from the new leasing rules are therefore recognised in the opening balance sheet on April 1, 2019. The new accounting policies are disclosed in Note 1(H).

On adoption of Ind AS 116, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of Ind AS 17, Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of April 1, 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on April 1, 2019 was 8.0%.

(i) Practical expedients applied

In applying Ind AS 116 for the first time, the Group has used the following practical expedients permitted by the standard:

- applying a single discount rate to a portfolio of leases with reasonably similar characteristics
- relying on previous assessments on whether leases are onerous as an alternative to performing an impairment review – there were no onerous contracts as at 1 April 2019
- accounting for operating leases with a remaining lease term of less than 12 months as at 1 April 2019 as short-term leases
- excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application, and
- using hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The Group has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the Group relied on its assessment made applying Ind AS 17 and Appendix C to Ind AS 17, Determining whether an Arrangement contains a Lease.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts in INR lakhs, unless otherwise stated)

NOTE 57. IND AS 116 (Contd.)

(ii) Measurement of lease liabilities

Particulars	**Amounts**
Operating lease commitments disclosed as at 31 March 2019	200.20
(Less): short-term leases not recognised as a liability	(200.20)
Add/(less): contracts reassessed as lease contracts	125.15
Lease liability recognised as at 1 April 2019	**125.15**
Of which are:	
Current lease liabilities	28.33
Non-current lease liabilities	96.82
Total	**125.15**

(iii) Measurement of right-of-use assets

The associated right-of-use assets for property leases were measured on a retrospective basis as if the new rules had always been applied.

(iv) Adjustments recognised in the balance sheet on 1 April 2019

The change in accounting policy affected the following items in the balance sheet on 1 April 2019:

Particulars	**Amounts**
• property, plant and equipment – decrease by	205.40
• right-of-use assets – increase by	330.55
• deferred tax assets (net) – increase by	
• lease liabilities – increase by	125.15
The net impact on retained earnings on 1 April 2019	

(v) Lessor accounting

The Group did not need to make any adjustments to the accounting for assets held as lessor under operating leases (Refer Note 5) as a result of the adoption of Ind AS 116.

NOTE 58. COVID 19 IMPACT ON CONSOLIDATED FINANCIAL STATEMENTS

The spread of Covid19 has severely impacted businesses around the globe. In many countries, including India, there has been severe disruption to regular business operations due to lock-downs, disruptions in transportation, supply chain, travel bans, quarantines, social distancing and other emergency measures. Plants of the Group which had shut down operations during lock down period have since resumed operations in a phased manner.

The Group has assessed its liquidity position for a period of at least one year from the balance sheet date along with the recoverability and carrying values of its all assets and ability to pay its liabilities as they become due, and has concluded that there are no material adjustments required in the consolidated financial statements for the year ended March 31, 2020.

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 consolidated financial statements given the uncertainty associated with its nature and duration. The Group will continue to monitor any material changes to future economic conditions.

NOTE 59. STANDARDS ISSUED BUT NOT YET EFFECTIVE

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, 2020. There are no standards that are issued but not yet effective on March 31, 2020.

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: June 26, 2020

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

ASHWIN C. SHROFF
Executive Chairman
DIN: 00019952

RAVI A. SHROFF
Managing Director
DIN: 00033505

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: June 26, 2020

Form AOC 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

PART A - Subsidiaries

₹ in lakhs

Sr. No.	Particulars	Name of the Subsidiary	
		Kamaljyot Investments Limited	**Excel Bio Resources Limited**
1	The date on which the subsidiaries were incorporated	09/08/1983	18/12/2007
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA
3	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	NA	NA
4	Share capital	199.98	51.00
5	Reserves and Surplus	2682.32	11.30
6	Total Assets	2889.72	67.51
7	Total Liabilities	2889.72	67.51
8	Investments (total)	2351.27	0.20
9	Turnover	278.69	4.90
10	Profit before taxation	239.35	3.25
11	Provision for taxation	7.99	0.90
12	Profit after taxation	228.20	2.34
13	Proposed Dividend	—	—
14	% of shareholding	100%	100%

Notes –

1. Names of Subsidiaries which are yet to commence operations – Both the aforesaid subsidiaries have commenced operations. There is no other subsidiary, which is yet to commence operations.
2. Names of the subsidiaries which have been liquidated or sold during the year – No subsidiary has been liquidated or sold during the year.

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

ASHWIN C. SHROFF
Executive Chairman
DIN: 00019952

RAVI A. SHROFF
Managing Director
DIN: 00033505

HRISHIT A. SHROFF
Executive Director
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N.R. KANNAN
Chief Executive Officer

DEVENDRA P. DOSI
Chief Financial Officer

SURENDRA K. SINGHVI
Company Secretary

Place : Mumbai
Date: June 26, 2020

Form AOC 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

PART B - Associates and Joint Ventures

Sr. No.	**Name of the Associate or Joint Venture**	**MobiTrash Recycle Ventures Private Limited**
1	Latest Audited Balance Sheet date	31.03.2020
2	Date on which the Associate or Joint venture was associated or acquired	15/10/2015
3	Shares of Associate or Joint Venture held by the Company on the year end	
	(a) No. Shares held	By Excel Bio-Resources Limited – 1999 shares By Kamaljyot Investments Limited – 1999 shares
	(b) Amount of Investment in Associate/Joint Venture	—
	(c) Extent of Holding %	39.98
4	Description of how there is significant influence	Shares held by Subsidiaries
5	Reason why Associate/ Joint Venture not consolidated	N.A.
6	Net worth attributable to shareholding as per latest audited Balance Sheet	(4,394,286)
7	Profit / (Loss) for the year	
	i. Considered in Consolidation	
	ii. Not considered in Consolidation	(743,473)

Notes –

1. Names of associates or joint ventures which are yet to commence operations – The aforesaid associate company has commenced operations. There is no other associate or joint venture, which is yet to commence operations.
2. Names of the associates or joint ventures which have been liquidated or sold during the year – No associate or joint venture has been liquidated or sold during the year.

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

ASHWIN C. SHROFF
Executive Chairman
DIN: 00019952

RAVI A. SHROFF
Managing Director
DIN: 00033505

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: June 26, 2020

FIVE-YEAR FINANCIAL HIGHLIGHTS

(₹ in lacs except otherwise stated)

		2019-20	2018-19	2017-18	2016-17	2015-16*
I.	CAPITAL ACCOUNTS					
A.	Fixed Assets (Net)	**38595.59**	24627.39	22258.77	18840.47	16675.34
B.	Non-Current Investments	**14726.14**	19209.86	17383.71	15243.41	13755.55
C.	Other Non-Current Assets	**2154.89**	2037.44	2012.33	1942.08	2484.63
D.	Current Assets	**26793.10**	30683.45	18636.75	18698.01	21008.59
E.	Assets classified as held for Sale	**—**	1328.66	1486.70	1133.91	—
F.	Total Assets	**82269.72**	77886.80	61778.26	55857.88	53924.11
G.	Other Non-Current Liabilities	**2413.65**	1133.83	1227.30	1127.45	1022.55
H.	Other Current Liabilities	**12675.46**	10782.35	10203.67	8529.44	9694.60
I.	Liabilities classified as held for Sale	**—**	304.20	312.03	216.86	—
J.	Net Assets (F-G-H-I)	**67180.61**	65666.42	50035.26	45984.13	43206.96
K.	Share Capital	**628.53**	628.53	628.53	628.53	645.28
L.	Reserves	**59486.39**	58421.35	43412.01	35188.76	31053.23
M.	Shareholders' Funds (K+L)	**60114.92**	59049.88	44040.54	35817.29	31698.51
N.	Non-Current Borrowings and Current Borrowings	**2128.27**	621.63	750.25	5958.12	7772.62
O.	Deferred Tax Liability (Net)	**4937.42**	5994.91	5244.47	4208.72	3735.83
P.	Capital Employed (M+N+O)	**67180.61**	65666.42	50035.26	45984.13	43206.96
Q.	Debt-Equity Ratio	**0.04:1**	0.01:1	0.02:1	0.17:1	0.25:1
II.	REVENUE ACCOUNTS					
A.	Total Income**	**71056.31**	82,936.24	61,481.34	51,352.31	49307.71
B.	Profit/(Loss) before Taxes**	**11220.52**	23,276.45	10,549.55	2,742.87	3655.28
	% of Total Income	**15.79%**	28.07%	17.16%	5.34%	7.41%
C.	Profit/(Loss) after Taxes	**9,347.34**	15,206.47	7,254.04	2,079.68	2,519.56
	% of Total Income	**13.15%**	18.34%	11.80%	4.05%	5.11%
D.	Return on Shareholders' Funds %	**15.55%**	25.75%	16.47%	5.81%	12.17%
III.	EQUITY SHAREHOLDERS' EARNINGS					
A.	Earning per Equity Share ***	**74.36**	120.97	57.71	16.48	20.05
B.	Dividend per Equity Share ***	**10.00**	18.75	12.50	6.00	4.50
C.	Equity Dividend	**1257.06**	2357.00	1571.34	754.24	565.68
D.	Net Worth per Equity Share***	**478.22**	469.74	350.34	284.93	245.62
E.	Market Rate as on 31st March	**446.85**	1147.00	866.75	380.40	217.10

*P&L numbers of FY16-17/17-18/18-19 and FY19-20 are as per IND - AS and hence not comparable with FY 15-16.

** Include Total Income and Profit/(Loss) before taxes of discontinuing operation.

*** Face Value of Equity Share - ₹ 5/-

Corporate Information

Chairman Emeritus
Kantisen C. Shroff
G. Narayana

Board of Directors
Ashwin C. Shroff, *Executive Chairman*
Ravi A. Shroff, *Managing Director*
Hrishit A. Shroff, *Executive Director*
Atul G. Shroff, *Non-Executive Director*
Dipesh K. Shroff, *Non-Executive Director*
H. N. Motiwalla, *Independent Director*
P. S. Jhaveri, *Independent Director*
R. N. Bhogale, *Independent Director*
R. M. Pandia, *Independent Director*
M. B. Parekh, *Independent Director*
S. S. Vaidya, *Independent Director*
Dr. Meena A. Galliara, *Independent Director*
Mr. P. K. Molri, *Nominee Director*

Chief Executive Officer
N. R. Kannan

Chief Financial Officer
Devendra Dosi

Company Secretary
Surendra K. Singhvi

Auditors
Price Waterhouse Chartered Accountants LLP

Bankers
Bank of India
State Bank of India
Axis Bank Limited
HDFC Bank Limited

Registrar & Transfer Agent
Link Intime India Private Limited
C-101, 247 park, L.B.S. Marg, Vikhroli (W),
Mumbai-400 083
Tel: +91 22 49186000, Fax: +91 22 49186060
e-mail : rnt.helpdesk@linkintime.co.in
web : http:\\www.linkintime.co.in

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e-mail: investors@excelind.com
web : http:\\www.excelind.co.in

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M.I.D.C. Area, Lote Parshuram, Maharashtra.
Baherampura, Ahmedabad, Gujarat.
Atchutapuram, Visakhapatnam, Andhra Pradesh.

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