Notes forming part of the financial statements

for the year ended March 31, 2021

1. Corporate information

IVP Limited (the 'Company') is a public limited company domiciled in India with its registered office located at Shashikant N. Redij Marg, Ghorupdeo, Mumbai 400 033. The Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The Company is engaged in Chemical Manufacturing business. The Company has manufacturing facilities in Maharashtra and Karnataka and sells primarily in India.

The Board of Directors approved the financial statements for the year ended March 31, 2021 and authorized for issue on June 11, 2021.

2. Significant accounting policies

a. Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

b. Basis of preparation

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The statement of cash flows has been prepared under indirect method.

c. Functional and presentation currency

The financial statements are presented in INR, the functional currency of the Company. All amounts have been rounded off to the nearest lakh, unless otherwise indicated. Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency'). Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "0" in the relevant notes to these financial statements.

d. Basis of measurement

These financial statements have been prepared on historical cost basis, except for certain financial instruments which are measured at fair value or amortised cost at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

2.1 Use of estimate and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognized prospectively.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

a. Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Notes forming part of the financial statements (*Continued*)
for the year ended March 31, 2021

b. Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

c. Recognition of deferred tax assets

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

d. Recognition and measurement of other provisions

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

e. Fair value of financial instruments

Derivatives are carried at fair value. Derivatives includes forward contracts. Fair value of foreign currency forward contracts is determined using the fair value reports provided by respective bankers.

f. Impairment of trade receivables, loans and other financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

2.2 Recent accounting developments

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

2.3 Property, plant and equipment (PPE)

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which include capitalized borrowing cost, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates and any directly attributable cost of bringing the item to its working condition for its intended use.

If any significant parts of item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Gains or losses arising on retirement or disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

Notes forming part of the financial statements (*Continued*)

for the year ended March 31, 2021

ii. Capital work in progress and capital advance

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress".

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under "Other non-current assets".

iii. Subsequent expenditure

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance cost are charged to the Statement of Profit and Loss during the period in which they are incurred.

iv. Depreciation

Depreciation is provided on a pro-rata basis on the straight-line method based on estimated useful life prescribed under Schedule II to the Companies Act, 2013.

Freehold land is not depreciated. Land under finance lease is amortized over the period of lease.

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

2.4 Intangible Assets

Intangible assets purchased are initially measured at cost. Subsequently, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any. The useful lives of intangible assets are assessed as finite. Finite-life intangible assets are amortized on a straight-line basis over the period of their estimated useful lives.

2.5 Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. Subsequently, investment property is measured at cost less any accumulated depreciation and accumulated impairment losses, if any.

Gains or losses arising on retirement or disposal of investment property are recognized in the Statement of Profit and Loss.

The fair value of investment property is disclosed in the notes. Fair values are determined by an independent valuer who hold a recognized and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

2.6 Impairment

i. Financial assets (other than at fair value)

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Notes forming part of the financial statements (*Continued*)
for the year ended March 31, 2021

ii Non-financial assets

Tangible and intangible assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount and impairment loss is recognized in the statement of profit and loss.

2.7 Inventories

Inventories are valued at the lower of cost and net realizable value. Cost is computed on a weighted average basis. Cost of finished goods and work-in-progress include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition. The net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

2.8 Borrowing costs

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of that asset till the date it is ready for its intended use or sale. Other borrowing costs are recognized as an expense in the period in which they are incurred.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.9 Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

2.10 Contingent Liabilities and Contingent Assets

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. A contingent asset is not recognized in financial statements, however, the same is disclosed where an inflow of economic benefit is probable.

2.11 Cash flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.12 Revenue Recognition

Revenue from sale of goods is recognized when control of the products being sold is transferred to the customer and when there are no longer any unfulfilled obligations.

Notes forming part of the financial statements (*Continued*)

for the year ended March 31, 2021

The performance obligations in contracts by the Company are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is only recognized to the extent that it is highly probable a significant reversal will not occur.

The customers have the contractual right to return goods only when authorized by the Company. An estimate is made of goods that will be returned and a liability is recognized for this amount using a best estimate based on accumulated experience.

Rental Income

Income from rentals is recognized in accordance with terms of the contracts with customer based on the period for which the facilities have been used.

Interest Income

Interest income is recognized using the effective interest rate (EIR) method.

Dividend Income

Dividend income on investments is recognized when the right to receive dividend is established.

Impact of COVID-19

While the Company believes strongly that it has a strong and long associated customer base but the impact on future revenue streams could come from resource constraints or customer sentiments due to prolonged lockdown affecting the demand of the products from the key industries. The Company considers that the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and situation is exceptional and changing dynamically. However, the Company is confident about adapting to the changing business environment and respond suitably to fulfil the needs of its customers. The Company has also assessed the impact of any delays and inability to meet its obligations etc., to ensure that revenue recognition in such cases reflect realizable values.

2.13 Leases

The Company's lease asset classes primarily consist of leases for Land. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. At the date of commencement of the lease, a right-of-use asset ("ROU") and a corresponding lease liability is recognized for all lease arrangements in which the Company is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets. For these short-term and leases of low value assets, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU asset has been separately presented in the Balance Sheet.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates.

Notes forming part of the financial statements (*Continued*)
for the year ended March 31, 2021

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made. A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets. There exists no lease liability in respect of long-term lease of land as the lease premium for the entire lease period was paid upfront at lease initiation/renewal.

2.14 Employee Benefits

(i) Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Past service cost, both vested and unvested, is recognized as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognizes related restructuring costs or termination benefits.

(ii) Defined contribution plans

The retirement benefit obligations recognized in the balance sheet represents the present value of the defined benefit obligations reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

(ii) Defined contribution plans

Contributions to defined contribution plans are recognized as expense when employees have rendered services entitling them to such benefits.

(iii) Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of bonus are recognized in the period in which the employee renders the related service. A liability is recognized for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(iv) Compensated absences

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as undiscounted liability at the balance sheet date. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.

2.15 Income taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognized in statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

Current tax

Current tax is the expected tax payable/receivable on the taxable income/loss for the year using applicable tax rates for the relevant period, and any adjustment to taxes in respect of previous years. Interest expenses and penalties, if any, related to income tax are included in finance cost and other expenses respectively. Interest income, if any, related to income tax is included in other income.

Notes forming part of the financial statements (*Continued*)

for the year ended March 31, 2021

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision where the relevant tax paying unit intends to settle the asset and liability on a net basis.

Deferred tax

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, to the extent it would be available for set off against future current income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

2.16 Earnings per share

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The Company did not have any potentially dilutive securities in any of the years presented.

2.17 Foreign currency

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are retranslated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognized in the statement of profit and loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

2.18 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The board of directors of IVP has appointed the Chief Executive Officer ('CEO') to assess the financial performance and position of the Company, and make strategic decisions. The CEO has been identified as being the Chief Operating Decision Maker for corporate planning.

2.19 Financial instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Notes forming part of the financial statements (*Continued*)

for the year ended March 31, 2021

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in other comprehensive income.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in statement of profit and loss.

Financial liabilities

Financial liabilities are measured at amortized cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received net of direct issue cost.

Hedge accounting

The Company designates certain foreign exchange forward contracts as hedge instruments in respect of foreign exchange risks. These hedges are accounted for as cash flow hedges.

The Company uses hedging instruments that are governed by the policies of the Company which are approved by the Board of Directors. The policies provide written principles on the use of such financial derivatives consistent with the risk management strategy of the Company.

The hedge instruments are designated and documented as hedges at the inception of the contract. The Company determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at inception and on an ongoing basis. If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified in net foreign exchange gains/losses in the statement of profit and loss.

Notes forming part of the financial statements (*Continued*)

for the year ended March 31, 2021

The effective portion of change in the fair value of the designated hedging instrument is recognized in the other comprehensive income.

Hedging instrument is recognized as a financial asset in the balance sheet if its fair value as at reporting date is positive as compared to carrying value and as a financial liability if its fair value as at reporting date is negative as compared to carrying value.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or no longer qualifies for hedge accounting. Any gain or loss recognized in other comprehensive income and accumulated in equity till that time remains and is recognized in statement of profit and loss when the forecasted transaction ultimately affects the profit or loss.

Notes forming part of the financial statements (*Continued*)

for the year ended March 31, 2021

Currency in Indian Rupees

3A. Property, plant and equipment

(₹ in Lakhs)

	Particulars	Freehold Land	Leasehold Land	Buildings*	Plant and Equipments	Furniture, Fixtures and Fittings	Office Equipments	Computers	Vehicles	Total
(a)	**Gross Block**									
	As at April 1, 2019	38	171	2,411	3,988	576	105	122	45	7,456
	Additions	2	-	972	1,964	15	28	7	-	2,988
	Disposals/Derecognition	-	-	(0)	(48)	(8)	(11)	(3)	(0)	(70)
	As at March 31, 2020	**40**	**171**	**3,383**	**5,904**	**583**	**122**	**126**	**45**	**10,374**
	Additions	-	-	1	-	-	-	18	-	19
	Disposals/Derecognition	-	-	(3)	(62)	(1)	-	-	-	(66)
	As at March 31, 2021	**40**	**171**	**3,381**	**5,842**	**582**	**122**	**144**	**45**	**10,327**
(b)	**Accumulated Depreciation**									
	As at April 1, 2019	-	29	410	1,018	165	84	84	22	1,812
	Depreciation for the year	-	2	125	266	55	7	15	5	475
	Disposals/Derecognition	-	-	(0)	(45)	(7)	(11)	(3)	(0)	(66)
	As at March 31, 2020	**-**	**31**	**535**	**1,239**	**213**	**80**	**96**	**27**	**2,221**
	Depreciation for the year	-	2	129	322	13	12	9	5	492
	Disposals/Derecognition	-	-	(1)	(50)	(0)	-	-	-	(51)
	As at March 31, 2021	**-**	**33**	**663**	**1,511**	**226**	**92**	**105**	**32**	**2,662**
	Net Block									
	Balance as at March 31, 2020	40	140	2,848	4,665	370	42	30	18	8,153
	Balance as at March 31, 2021	**40**	**138**	**2,718**	**4,331**	**356**	**30**	**39**	**13**	**7,665**

Included in the above line items are right-of-use-assets over the following:

Particulars	As at March 31, 2021	As at March 31, 2020
Leasehold Land	138	140
Total	**138**	**140**

Note:

Buildings include : * ₹ 100/- representing value of 1 fully paid up share in a condominium; and

* Cost of 86 shares of ₹ 50/- each and 172 loan stock bond certificates of ₹ 100 /- each held in Surya - Kiran Co-operative Housing Society Limited in respect of a residential flat.

Contractual Obligation:- Refer Note 34 for disclosure of contractual commitments for the acquisition of Property, plant and equipments

Notes forming part of the financial statements (*Continued*)

for the year ended March 31, 2021

Currency in Indian Rupees

3B. Capital work-in-progress (₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Capital work-in-progress	**20**	-
Total	**20**	-

3C. Investment property (₹ in Lakhs)

Particulars	Leasehold Land	Building (#)	Total
(a) Gross Block			
As at April 1, 2019	278	2	280
Additions	-	-	-
Disposals	-	-	-
As at March 31, 2020	**278**	**2**	**280**
Additions	-	-	-
Disposals	-	-	-
As at March 31, 2021	**278**	**2**	**280**
(b) Accumulated Depreciation			
As at April 1, 2019	18	-	18
Depreciation for the year	4	-	4
Disposals	-	-	-
As at March 31, 2020	**22**	**-**	**22**
Depreciation for the year	4	-	4
Disposals	-	-	-
As at March 31, 2021	**26**	**-**	**26**
Net Block			
Balance as at March 31, 2020	256	2	258
Balance as at March 31, 2021	**252**	**2**	**254**

Refer Note (i) and (ii) below

Notes: (i) Cost of Investment in Building is represented by:

* 630 Equity Shares of ₹ 10/- each fully paid up in Carmel Properties Private Limited.

* 1725 Debentures of ₹ 100/- each fully paid up in Carmel Properties Private Limited.

(ii) Since cost of investment property in Building is in the form of investments in Equity Shares and Debentures, as also considering the materiality of the amounts involved, depreciation is not charged on such investment property.

Notes forming part of the financial statements (*Continued*)

for the year ended March 31, 2021

Currency in Indian Rupees

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Fair Value of Investment Property	**1,698**	1,698
Valuation is based on the report of an accredited independent valuer. Fair value has been arrived at by the valuer using the market value approach.		
	1,698	1,698

4. Other intangible assets (₹ in Lakhs)

	Particulars	Computer Software
(a)	**Gross Block**	
	As at April 1, 2019	48
	Additions during the year	-
	Disposals	-
	As at March 31, 2020	**48**
	Additions during the year	3
	Disposals	-
	As at March 31, 2021	**51**
(b)	**Accumulated Depreciation**	
	As at April 1, 2019	8
	Additions during the year	8
	Disposals	-
	As at March 31, 2020	**16**
	Additions during the year	11
	Disposals	-
	As at March 31, 2021	**27**
	Net Block	
	Balance as at March 31, 2020	32
	Balance as at March 31, 2021	**24**

Notes forming part of the financial statements (*Continued*)

for the year ended March 31, 2021

Currency in Indian Rupees

5. Non-current investments (₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Investments measured at fair value through other comprehensive income		
Investments In Equity Shares		
Unquoted		
2,500 Equity shares of ₹ 10/- each fully paid-up in New India Co-operative Bank Limited	*	*
1,000 Equity Shares of ₹ 25/- each fully paid-up in The Shamrao Vithal Co-operative Bank Limited	*	*
333 Equity Shares of ₹ 30/- each fully paid-up in The Bombay Mercantile Co-operative Bank Limited	!	!
(b) Investments measured at fair value through profit and loss		
Units of Mutual Funds		
Unquoted		
2777.6 Units of ₹ 10/- each fully paid up in Principal Growth Fund	1	1
Total	2	2
Aggregate carrying value of unquoted investments	2	2
(Net asset value of units of mutual funds recognised as fair value through profit and loss included in above)	1	1

* ₹ 25,000; ! ₹ 10,000

6. Non-current loans (₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good		
- Loans to employees	18	14
Total	18	14

7. Other non-current financial assets (₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with Bank:		
(i) Margin money fixed deposits	26	25
- Maturities beyond 12 months from the date of Balance Sheet		
(ii) Fixed Deposit *	8	8
Total	34	33

* Given as guarantee in favour of Mumbai Port Trust

Notes forming part of the financial statements (*Continued*)

for the year ended March 31, 2021

Currency in Indian Rupees

8. Income tax assets (Net)

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Advance Tax [Net of provision for tax ₹ 2,362 lakhs (March 31, 2020: ₹ 2,362 lakhs)]	**248**	233
Total	**248**	233

9. Deferred tax assets (Net)

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax assets [Refer Note 38]	**860**	1,182
Less: Deferred tax liabilities [Refer Note 38]	**(562)**	(685)
Total	**298**	497

10. Other non-current assets

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good		
- Security Deposits	**44**	41
- Capital Advances	**16**	9
Balances with Government Authorities		
- VAT receivable	**30**	42
Total	**90**	92

11. Inventories

(₹ in Lakhs)

	Particulars	As at March 31, 2021	As at March 31, 2020
(a)	Raw Materials	**3,672**	1,290
	Add: Goods-in-Transit	**963**	410
		4,635	1,700
(b)	Work in progress	**54**	5
(c)	Finished goods	**2,391**	1,245
(d)	Stock in trade (Trading)	**35**	29
(e)	Stores and spares	**27**	15
(f)	Packing materials	**103**	54
Total		**7,245**	3,048

Note: Inventories are carried at the lower of cost and net realisable value. The Company has recorded inventory write down of ₹ 25 lakhs during financial year 2020-21 (₹ 48 lakhs during financial year 2019-20) which is included as part of cost of materials consumed.

Notes forming part of the financial statements (*Continued*)

for the year ended March 31, 2021

Currency in Indian Rupees

12. Trade receivables **(₹ in Lakhs)**

Particulars	As at March 31, 2021	As at March 31, 2020
Trade receivables considered good - unsecured	**14,257**	9,427
Less: Allowance for expected credit loss [Refer Note 40(B)(b)]	**(332)**	(200)
	13,925	9,227
Trade receivables - credit impaired	**337**	320
Less: Allowance for expected credit loss [Refer Note 40(B)(b)]	**(337)**	(320)
	-	-
Total	**13,925**	9,227

13. Cash and cash equivalents **(₹ in Lakhs)**

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Cash on hand	**1**	1
(b) Balances with banks		
- Current Accounts	**175**	25
Total	**176**	26

14. Bank balances other than cash and cash equivalents **(₹ in Lakhs)**

Particulars	As at March 31, 2021	As at March 31, 2020
Earmarked balances with bank for Unclaimed Dividend	**10**	12
Total	**10**	12

15. Current loans **(₹ in Lakhs)**

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good		
- Loans to employees	**8**	7
Total	**8**	7

16. Other current financial assets **(₹ in Lakhs)**

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Rent receivable	**1**	19
(b) Derivative financial assets	**-**	47
Total	**1**	66

Notes forming part of the financial statements (*Continued*)

for the year ended March 31, 2021

Currency in Indian Rupees

17. Other current assets **(₹ in Lakhs)**

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with Government Authorities		
- GST receivable	**392**	113
Advances to suppliers	**57**	109
Prepaid expenses	**81**	84
Unutilised MEIS licence	**13**	9
Others	**5**	5
Total	**548**	320

18. Equity share capital **(₹ in Lakhs)**

Particulars	As at March 31, 2021	As at March 31, 2020
Authorised :		
500,000 (March 31, 2020: 500,000) Preference Shares at ₹ 10/- each	**50**	50
24,500,000 (March 31, 2020: 24,500,000) Equity Shares at ₹ 10/- each	**2,450**	2,450
Total authorised share capital	**2,500**	2,500
Issued, subscribed and paid up :		
10,326,263 (March 31, 2020: 10,326,263) Equity shares at ₹ 10/- each	**1,033**	1,033
Total issued, subscribed and paid up share capital	**1,033**	1,033

Terms/Rights attached to Equity Shares

The Company has only one class of Equity Shares having a par value of ₹ 10 per share. Each holder of the Equity Shares is entitled to one vote per share. The Company declares and pays dividend proposed by the Board of Directors subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of the 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 shareholders.

a. Reconciliation of the number of shares

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	**₹ in Lakhs**	No. of Shares	₹ in Lakhs
Equity shares outstanding at the beginning of the year	**10,326,263**	**1,033**	10,326,263	1,033
Equity shares issued during the year	**-**	**-**	-	-
Equity shares bought back during the year	**-**	**-**	-	-
Equity shares oustanding at the end of the year	**10,326,263**	**1,033**	10,326,263	1,033

Notes forming part of the financial statements (*Continued*)

for the year ended March 31, 2021

Currency in Indian Rupees

b. Shares held by Holding company, its Subsidiaries and Associates*

Name of the Shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of shares	% Holding	No. of shares	% Holding
Holding Company				
Allana Exports Private Limited	**3,542,940**	**34.31%**	3,542,940	34.31%
Subsidiaries and Associates of Holding company				
Allana Cold Storage Private Limited	**891,473**	**8.63%**	891,473	8.63%
Anjenya Cold Storage Private Limited	**662,660**	**6.42%**	662,660	6.42%
Allana Pharmachem Private Limited	**455,311**	**4.41%**	408,232	3.95%
Allana Services Private Limited	**108,457**	**1.05%**	108,457	1.05%
Allana Frozen Foods Private Limited	**107,650**	**1.04%**	107,650	1.04%
Frigorifico Allana Private Limited	**64,699**	**0.63%**	64,699	0.63%
Alna Trading and Exports Limited	**63,782**	**0.62%**	63,782	0.62%
Frigerio Conserva Allana Private Limited	**54,750**	**0.53%**	54,750	0.53%
Allana Bros Private Limited	**25,000**	**0.24%**	25,000	0.24%
Allana Impex Private Limited	**8,544**	**0.08%**	8,544	0.08%
Indagro Foods Private Limited	**6,000**	**0.06%**	6,000	0.06%
Delmon Foods Private Limited	**5,675**	**0.05%**	5,675	0.05%
Total	**5,996,941**	**58.07%**	5,949,862	57.62%

* The Company has been informed by Allana Exports Private Limited (AEPL) vide letter dated 28th September, 2020 that pursuant to Scheme of Merger by Absorption sanctioned by Hon'ble NCLT, Mumbai through Order dated 15th November, 2019, Phoenicia Shipping Company Private Limited has merged with AEPL and consequently, after considering shares held in IVP Ltd. by AEPL as well as its subsidiaries, IVP Limited has become subsidiary company of AEPL on operation of the said Scheme of Merger.

c. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the Shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	% Holding	No. of Shares	% Holding
Allana Exports Private Limited	**3,542,940**	**34.31%**	3,542,940	34.31%
Allana Cold Storage Private Limited	**891,473**	**8.63%**	891,473	8.63%
Anjenya Cold Storage Private Limited	**662,660**	**6.42%**	662,660	6.42%
Total	**5,097,073**	**49.36%**	5,097,073	49.36%

Notes forming part of the financial statements (*Continued*)

for the year ended March 31, 2021

Currency in Indian Rupees

19. Other equity **(₹ in Lakhs)**

	Particulars	As at March 31, 2021	As at March 31, 2020
(a)	General Reserve		
	At the beginning of the year	**3,168**	3,168
	At the end of the year	**3,168**	3,168
(b)	Retained Earnings		
	At the beginning of the year	**3,011**	3,997
	Add: Net Profit/(Loss) for the year	**450**	(862)
	Less: Appropriations		
	- Dividend	**-**	(103)
	- Tax on dividend	**-**	(21)
	At the end of the year	**3,461**	3,011
(c)	Items of other comprehensive income		
	At the beginning of the year	**(36)**	(40)
	Less: Other comprehensive income (net of tax)	**(56)**	4
	At the end of the year	**(92)**	(36)
Total		**6,537**	6,143

Description of the nature and purpose of Other equity

General Reserve : The General Reserve comprises of transfer of profits from retained earnings for appropriation purposes. The reserve can be distributed/utilised by the Company in accordance with the Companies Act, 2013.

Retained Earnings : Retained Earnings are the profits that the Company has earned till date and is net of amount transferred to other reserves such as general reserves etc., amount distributed as dividends and adjustments on account of transition to Ind AS.

Note: The Board of Directors in their meeting held on June 11, 2021 have recommended a dividend of ₹ 1 per Equity Share (March 31, 2020: Nil per equity share) to be approved by the shareholders in the ensuing general meeting. On approval, this will result in an outflow of ₹ 103 Lakhs (March 31, 2020: Nil).

20. Non-current provisions **(₹ in Lakhs)**

	Particulars	As at March 31, 2021	As at March 31, 2020
	Provision for employee benefits		
	Compensated absences	**67**	50
Total		**67**	50

Notes forming part of the financial statements (*Continued*)

for the year ended March 31, 2021

Currency in Indian Rupees

21. Borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Loans repayable on demand		
Unsecured		
From banks		
Cash credit	**254**	434
Working capital demand loans	**3,900**	3,300
Buyer's Credit (Foreign Currency Loan)	**209**	325
Inter-corporate deposits from related parties (Refer note 42)	**7,870**	5,870
Total	**12,233**	9,929

Note:

(i) The Company has represented to lenders of loans for waiver and amendment with respect to non-compliance of certain covenants such as current ratio etc. However, such non-compliance does not have any financial implication.

(ii) Cash credit facilities from multiple banks are repayable on demand and carry interest ranging from 7.30% p.a. to 10.05% p.a.

(iii) Working capital demand loans taken from multiple banks carry interest ranging from 6.86% p.a. to 8.70% p.a. These loans are repayable on different dates within three months from the balance sheet date.

(iv) Buyer's credit is a loan facility extended by bank against import and carries interest linked to LIBOR ranging from 1.13% p.a. to 2.78% p.a.

(v) Inter-corporate deposits carry interest @ 6% p.a. These are unsecured and repayable on demand.

22. Trade Payables

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Dues to Micro and Small Enterprises	**471**	236
(b) Dues to Other than Micro and Small Enterprises	**9,521**	4,244
Total	**9,992**	4,480

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Principal amount remaining unpaid to any supplier as at the end of the accounting year	**471**	236
(b) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	**-**	-
(c) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	**1**	*
(d) The amount of interest due and payable for the year	**-**	-
(e) The amount of interest accrued and remaining unpaid at the end of the accounting year	**-**	-
(f) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	**-**	-

*** ₹ 10,642**

Notes forming part of the financial statements (*Continued*)

for the year ended March 31, 2021

Currency in Indian Rupees

Note: Micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been identified by the Company on the basis of the information available with the Company and the auditors have relied on the same. Accordingly, there is no undisputed amount overdue as on March 31, 2021, to Micro, Small and Medium Enterprises on account of principal or interest.

23. Other current financial liabilities **(₹ in Lakhs)**

	Particulars	As at March 31, 2021	As at March 31, 2020
(a)	Creditors for capital expenditure	**34**	29
(b)	Unclaimed dividends	**10**	12
(c)	Derivative financial liabilities	**56**	-
(d)	Employee liabilities	**30**	32
(e)	Security deposit from customers	**100**	-
(f)	Interest accrued on Inter-corporate deposits	**66**	79
Total		**296**	152

24. Other current liabilities **(₹ in Lakhs)**

	Particulars	As at March 31, 2021	As at March 31, 2020
(a)	Revenue received in advance	**7**	-
(b)	Other advances	**20**	20
(c)	Statutory dues payable (includes GST, provident fund, withholding taxes and others)	**286**	144
Total		**313**	164

Note: Other advances includes ad-hoc payment of ₹ 20 lakhs received from Century Rayon Limited (division of Century Textile and Industries Ltd) in compliance of judgement dated 27th November 2019 passed by Honourable Supreme Court in the matter of Civil Appeal no 9063 of 2019 (Arising out of SLP (Civil) no. 6243 of 2019.

25. Current Provisions **(₹ in Lakhs)**

	Particulars	As at March 31, 2021	As at March 31, 2020
(a)	Provision for employee benefits		
	Gratuity	**47**	40
	Compensated Absences	**20**	16
(b)	Others		
	Provision for sales return	**28**	13
Total		**95**	69

Notes forming part of the financial statements (*Continued*)

for the year ended March 31, 2021

Currency in Indian Rupees

26. Revenue from operations

(₹ in Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Sale of products		
Manufactured goods	**28,752**	22,630
Traded goods	**147**	174
Total (A)	**28,899**	22,804
Other operating revenue		
Scrap sales	**62**	60
Sundry credit balances / Provisions written back (net)	**4**	1
Others	**3**	11
Total (B)	**69**	72
Total Revenue from operations (A+B)	**28,968**	22,876

27. Other income

(₹ in Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest Income :		
Interest on loans to employees	**3**	3
Interest on fixed and other deposits	**6**	5
Dividend income	*	*
Other non-operating income :		
Rent	**235**	217
Profit on sale of plant, property and equipment (net)	**-**	3
Total	**244**	228

* ₹ 4,586 (Previous Year: ₹ 3,000)

28. Cost of materials consumed

(₹ in Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Raw materials and packing materials		
Opening Stock	**1,754**	2,894
Add: Purchases	**26,509**	15,981
Less: Closing Stock	**(4,738)**	(1,754)
Total cost of materials consumed	**23,525**	17,121

Notes forming part of the financial statements (*Continued*)

for the year ended March 31, 2021

Currency in Indian Rupees

29. Purchases of stock-in-trade **(₹ in Lakhs)**

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Foundry Chemicals	123	125
Total	**123**	125

30. Changes in inventories of finished goods, work-in-progress and stock in trade **(₹ in Lakhs)**

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Opening inventories		
Finished goods	1,245	1,928
Work-in-progress	5	19
Stock in trade	30	45
	1,280	1,992
Closing inventories		
Finished goods	2,391	1,245
Work-in-progress	54	5
Stock in trade	35	30
	2,480	1,280
Total	(1,200)	712

31. Employee benefits expense **(₹ in Lakhs)**

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Salaries and wages		
Salaries, Wages and Benefits	1,100	1,130
Director's Remuneration	168	156
Contribution to provident and other funds	78	80
Gratuity	19	18
Compensated absences	23	31
Staff welfare expenses	105	119
Total	1,493	1,534

32. Finance costs **(₹ in Lakhs)**

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest expense		
On cash credit / working capital demand loan	254	632
On buyer's credit (foreign currency loan)	4	2
On inter-corporate deposits	431	382
Others	8	1
Total	697	1,017

Notes forming part of the financial statements (*Continued*)

for the year ended March 31, 2021

Currency in Indian Rupees

33. Other expenses (₹ in Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Consumption of stores and spares	**143**	113
Power and fuel	**753**	796
Jobs on contract	**182**	160
Rent	**25**	25
Repair and maintenance		
- Buildings	**8**	13
- Plant and machinery	**121**	119
- Others	**49**	61
Insurance	**69**	116
Rates and taxes	**33**	24
Commission to directors	**8**	-
Freight and forwarding (net)	**1,065**	926
Loss on sale/derecognition of plant, property and equipment	**13**	-
Conveyance and travelling expenses	**33**	95
Legal and professional charges	**123**	215
Advertisement and sales promotion	**1**	13
Licence and other fees	**36**	31
Foreign exchange (gain)/loss (net)	**0**	1
Premium on forward exchange contracts	**83**	77
Auditor's remuneration		
- Audit fees	**18**	18
- Tax audit fees	**1**	-
- Certification work	**1**	2
- Out of pocket expenses	**0**	2
Provision for doubtful debts	**339**	228
Bad Debts written off	**190**	19
Provision for doubtful debts written back	**(190)**	-
Commission on sales	**68**	38
Corporate social responsibility (CSR) expenditure	**3**	23
Miscellaneous expenses	**225**	277
Total	**3,400**	3,392

Notes forming part of the financial statements (*Continued*)

for the year ended March 31, 2021

Currency in Indian Rupees

34. Contingent liabilities and commitments (to the extent not provided for)

(₹ in Lakhs)

	Particulars	As at March 31, 2021	As at March 31, 2020
A.	**Contingent Liabilities**		
a.	Claims against the Company/disputed liabilities not acknowledged as debts *	**5,288**	1,930
b.	Liabilities disputed- Appeals filed with respect to:		
	i Income tax on account of disallowances / additions	**42**	10
	ii Sales tax on account of rebate / classification	**1**	6
	iii Goods and Service Tax on account of disputed liability	**-**	4
	iv Excise duty on account of valuation / cenvat credit	**7**	7
	v Service Tax on account of valuation	**5**	-
c.	Guarantees given by the bankers on behalf of the company	**49**	72
B	**Commitments**		
	Estimated amount of contracts remaining to be executed on capital account (Net of advance)	**98**	-

* Including ₹ 4,059 Lakhs, being the demand received during the year, in respect of rent charged of ₹ 1,992 lakhs (FY 2019-20 ₹ 1,810 Lakhs) with interest by Mumbai Port Trust based on market value of property, which is at variance with the order passed by the Hon'ble Supreme Court in 2004. The Company has filed a writ petition before the Hon'ble High Court of Mumbai challenging the charging rent on market value basis by Mumbai Port Trust .The demand notice received by the Company from Mumbai Port Trust for ₹ 4059 lakhs towards arrears with interest (which includes above mentioned amount of ₹ 1,992 Lakhs) has been contested by the Company and the matter is sub-judice before the Hon'ble High Court of Mumbai.

* Including ₹ 1,109 lakhs - being a demand made by MIDC towards sub-letting charges for property situated at Chikalthana Industrial Area, MIDC, Aurangabad. During the year, the Company has issued an indemnity bond for the same as this was one of the conditions imposed by MIDC while granting an extension for 3 years to complete the construction on its property and the bond is to be invoked only if the charges are not omitted/ withdrawn by the Authority. The Company is of the view that the recovery of demand by MIDC is without any merit.

35. Earnings Per Share

(₹ in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2021
Profit/(Loss) for the year	**450**	(862)
Weighted average number of equity shares	**10,326,263**	10,326,263
Face value per equity share (₹)	**10**	10
Earnings per share basic and diluted (₹)	**4.35**	(8.34)

36. Information on Segment Reporting as per Ind AS 108 on "Operating Segments"

Operating Segments are those components of the business whose operating results are regularly reviewed by the Chief Operating Decision making body in the Company to make decisions for performance assessment and resource allocation.

During the year, the Company was engaged in the business of manufacturing of Chemicals, which is the only reportable operating segment as per Ind AS 108.

Notes forming part of the financial statements (*Continued*)

for the year ended March 31, 2021

Currency in Indian Rupees

37. Corporate Social Responsibility (CSR) **(₹ in Lakhs)**

Particular	Amount
i. Two percent of average net profit of the company as per section 135(5) of the Act	*
ii. Total amount spent for the Financial Year	#
iii. Excess amount spent for the financial year [(ii)-(i)]	~
iv. Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
v. Amount available for set off in succeeding financial years [(iii)-(iv)]	~

*** ₹ 2.64 lakhs, # ₹ 2.79 lakhs and ~ ₹ 0.15 lakhs**

(₹ in Lakhs)

Particulars	Amount Paid	Amount yet to be paid	Total
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	3	-	3

38. Disclosure pursuant to Ind-AS 12 on "Income Taxes"

A. Components of tax expenses/(credit) **(₹ in Lakhs)**

a. Profit or Loss Section	Year ended March 31, 2021	Year ended March 31, 2020
Current tax	-	3
Deferred tax	218	(424)
Income tax expense/(credit) reported in the statement of Profit or Loss	**218**	(421)

Income tax relating to other comprehensive income

(₹ in Lakhs)

b. Other Comprehensive Income Section	Year ended March 31, 2021	Year ended March 31, 2020
Remeasurements loss on defined benefit plans	7	8
Net change in value of derivatives designated as cash flow hedges	12	(10)
Income tax expense reported in other comprehensive income	**19**	(2)

Notes forming part of the financial statements (*Continued*)

for the year ended March 31, 2021

Currency in Indian Rupees

B. Reconciliation of income tax expense/(credit) and accounting profit **(₹ in Lakhs)**

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Profit/(Loss) before tax	**668**	(1,283)
Corporate tax rate as per Income Tax Act, 1961	**25.168%**	34.944%
Tax on accounting profit	**168**	(448)
Tax effect of :		
Tax on expense not deductible	**(1)**	9
Reversal of deferred tax assets no longer required	**-**	13
ICDS impact on borrowing costs	**-**	13
DTA effect on exercising the option under section 115BBA of IT Act	**70**	-
Tax credit on indexation on land *	**(18)**	(13)
MAT credit availed	**-**	3
Others	**(1)**	2
Total Tax Expenses/(Credit)	**218**	(421)

* The Company has in accordance with the requirements of Ind AS 12 - Income Taxes recognised Deferred Tax on Indexation Benefit accruing on non-depreciable asset under tax laws reclassified as Investment Property calculated as under:

(₹ in Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Indexed Cost of Land	**1,809**	1,737
Book Value	**254**	257
Net Value Eligible for Deferred Tax	**1,555**	1,480
Tax Rate Applicable	**23.296%**	23.296%
Deferred Tax Asset	**362**	344

Notes forming part of the financial statements (*Continued*)

for the year ended March 31, 2021

Currency in Indian Rupees

C. Deferred Tax

Components and reconciliation of deferred tax (assets)/liabilities **(₹ in Lakhs)**

March 31, 2021	Opening Balance	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Closing Balance
Depreciation on property, plant and equipment	685	(123)	-	**562**
Provision for doubtful debts and advances	(182)	13	-	**(169)**
Provision for sales returns	-	(7)	-	**(7)**
Expenses allowable for tax purposes when paid	(42)	8	(7)	**(41)**
Indexation on land	(344)	(18)	-	**(362)**
Unabsorbed depreciation/business loss*	(573)	331	-	**(242)**
Provision for inventories	(17)	(1)	-	**(18)**
Provision for capital advances	(2)	1	-	**(1)**
Cash flow hedge	(11)	3	(12)	**(20)**
Sub-total	**(486)**	**207**	**(19)**	**(298)**
MAT credit entitlement	(11)	11	-	-
Total	**(497)**	**218**	**(19)**	**(298)**

The Company has elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has remeasured its deferred tax assets based on the rate prescribed in the aforesaid section. The rate of income tax has reduced from 34.944% to 25.168% during the year ended March 31, 2021. The remeasurement of accumulated deferred tax asset has resulted in a one-time additional deferred tax charge of ₹ 70 Lakhs.

*Under the Income-tax Act, 1961, unabsorbed business losses expire 8 years after the year in which they originate. However unabsorbed depreciation can be carried forward for indefinite period. Details of which are as below:

Tax losses and depreciation carried forward **(₹ in Lakhs)**

Particulars	March 31, 2021		March 31, 2020	
	Gross Amount	**Expiry Date**	Gross Amount	Expiry Date
Unabsorbed Depreciation	**(1,029)**	**Not Applicable**	(983)	Not Applicable
Unabsorbed Business Loss	**-**		(433)	FY 2027-28
	(1,029)		(1,416)	

Notes forming part of the financial statements (*Continued*)

for the year ended March 31, 2021

Currency in Indian Rupees

Components and reconciliation of deferred tax (assets)/liabilities (₹ in Lakhs)

March 31, 2020	Opening Balance	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Closing Balance
Depreciation on property, plant and equipment	464	221	-	**685**
Provision for doubtful debts and advances	(103)	(79)	-	**(182)**
Expenses allowable for tax purposes when paid	(25)	(9)	(8)	**(42)**
Provision for sales return	(2)	2	-	**-**
Borrowing cost capitalisation under ICDS	31	(31)	-	**-**
Indexation on land	(331)	(13)	-	**(344)**
Unabsorbed depreciation/business loss*	(80)	(493)	-	**(573)**
Provision for inventories	-	(17)		**(17)**
Provision for capital advances	-	(2)		**(2)**
Cash flow hedge	(21)	-	10	**(11)**
Sub-total	**(67)**	**(421)**	**2**	**(486)**
MAT credit entitlement	(8)	(3)	-	**(11)**
Total	**(75)**	**(424)**	**2**	**(497)**

39. Financial Instruments

A. Accounting classification and fair values

The carrying amounts and fair value of financial instruments by class are as follows:

Particulars	As at March 31, 2021 FVTPL	FVOCI	Amortised costs	Derivative instrument in hedging relationship	As at March 31, 2020 FVTPL	FVOCI	Amortised costs	Derivative instrument in hedging relationship
Financial Assets :								
Investments								
Equity instruments *	-	1	-	-	-	1	-	-
Mutual funds	1	-	-	-	1	-	-	-
Non-current loans	-	-	18	-	-	-	14	-
Current loans	-	-	8	-	-	-	7	-
Trade receivables	-	-	13,925	-	-	-	9,227	-
Cash and bank balance	-	-	186	-	-	-	38	-
Derivative financial asset	-	-	-	-	-	-	-	47
Others	-	-	35	-	-	-	52	-
Financial Liabilities :								
Borrowings	-	-	12,233	-	-	-	9,929	-
Derivative financial liabilities	-	-	-	56	-	-	-	-
Trade payables	-	-	9,992	-	-	-	4,480	-
Others	-	-	240	-	-	-	152	-

Notes forming part of the financial statements (*Continued*)

for the year ended March 31, 2021

Currency in Indian Rupees

* The equity securities which are not held for trading, and for which the Company has made an irrevocable election at initial recognition to recognise changes in fair value through OCI rather than profit or loss as these are strategic investments and the Company considered this to be more relevant.

The Company has disclosed financial instruments such as cash and cash equivalents, trade receivables, loans, other financial assets, borrowings, trade payables and other financial liabilities at carrying value because their carrying amounts are a reasonable approximation of the fair values due to their short term nature.

B. Fair Value measurement heirarchy

The fair value of financial instruments as referred to in note (A) have 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 markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

Level 1: Quoted prices for identical instruments in an active market;

Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data.

For assets and liabilities which are measured at fair value as at Balance Sheet date, the classification of fair value calculations by category is summarized below:

(₹ in Lakhs)

Particulars	As at March 31, 2021			
	Carrying Amounts	Fair Value		
		Level 1	Level 2	Level 3
Financial Assets				
Measured at FVTPL				
Investments in units of mutual funds	1	1	-	-
	1	1	-	-
Measured at amortised cost				
Non-current loans	18	-	-	-
Current loans	8	-	-	-
Trade receivable	13,925	-	-	-
Cash and bank balance	186		-	-
Derivative financial assets	-		-	-
Others	35	-	-	-
	14,172	-	-	-
Measured at FVTOCI				
Investment in equity instruments	1	-	-	1
	1	-	-	1

Notes forming part of the financial statements (*Continued*)

for the year ended March 31, 2021

Currency in Indian Rupees

(₹ in Lakhs)

Particulars	As at March 31, 2020			
	Carrying Amounts	Fair Value		
		Level 1	Level 2	Level 3
Financial Assets				
Measured at FVTPL				
Investments in units of mutual funds	1	1	-	-
	1	1	-	-
Measured at Amortised Cost				
Non-current loans	14	-	-	-
Current loans	7	-	-	-
Trade receivable	9,227	-	-	-
Cash and bank balance	38	-	-	-
Derivative financial assets	47	-	47	-
Others	52	-	-	-
	9,385	-	47	-
Measured at FVTOCI				
Investment in equity instruments	1	-	-	1
	1	-	-	1

(₹ in Lakhs)

Particulars	As at March 31, 2021			
	Carrying Amounts	Fair Value		
		Level 1	Level 2	Level 3
Financial Liabilities				
Measured at amortised cost				
Borrowings	**12,233**	**-**	**-**	**-**
Trade payables	**9,992**	**-**	**-**	**-**
Derivative financial liabilities	**56**	**-**	**56**	**-**
Others	**240**	**-**	**-**	**-**

(₹ in Lakhs)

Particulars	As at March 31, 2020			
	Carrying Amounts	Fair Value		
		Level 1	Level 2	Level 3
Financial Liabilities				
Measured at amortised cost				
Borrowings	9,929	-	-	-
Trade payables	4,480	-	-	-
Derivative financial liabilities	-	-	-	-
Others	152	-	-	-

Calculation of fair value

Fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent with those used for the year ended 31st March, 2020.

Notes forming part of the financial statements (*Continued*)

for the year ended March 31, 2021

Currency in Indian Rupees

Financial assets and liabilities measured at fair value as at Balance Sheet date

i. The Fair values of investments in quoted investment in equity shares is based on the current bid price of respective investment as at the Balance Sheet date.

ii. The Fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at the Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

iii. The Company entered into forward contracts to hedge foreign currency risks of underlying exposures during FY 20-21 as well as in FY 19-20.

iv. Financial instruments such as cash and cash equivalents, trade receivables, loans, other financial assets, borrowings, trade payables and other financial liabilities are stated at carrying value because their carrying amounts are a reasonable approximation of the fair values due to their short term nature.

40. Capital management and financial risk management policy

A. Capital management

For the purpose of the Company's capital management, Capital includes Issued Equity Capital and all Other Reserves attributable to the Equity shareholders of the Company. The Primary objective of the Company's Capital Management is to maximise the shareholders' value. The Company's capital management objectives are to maintain equity including all reserves to protect economic viability and to finance any growth opportunities that may be available in future so as to maximise shareholder's value. The Company is monitoring Capital using the equity ratio as its base, which is total equity divided by total assets. Also, the Company monitors capital using debt-equity ratio, which is total debt divided by total equity.

1 Equity Ratio - Total Equity divided by Total Assets

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Total Equity	**7,570**	7,176
Total Assets	**30,566**	22,020
Equity Ratio	**25%**	33%

2 Debt Equity Ratio - Total Debt divided by Total Equity

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Total Debt	**12,233**	9,929
Total Equity	**7,570**	7,176
Debt Equity Ratio	**1.62**	1.38

B. Financial risk management and policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The risk management policy is approved by the Company's Board. The Company's principal financial liabilities comprise of loans and borrowings, trade and other payables. The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations and investments. The Company is exposed to market risk, credit risk, liquidity risk etc. The objective of the Company's financing policy are to secure solvency, limit financial risks and optimise the cost of capital. The Company's capital structure is managed using equity and debt ratios as part of the Company's financial planning.

Notes forming part of the financial statements (*Continued*)

for the year ended March 31, 2021

Currency in Indian Rupees

a. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments. The Company has designed risk management framework to control various risks effectively to achieve the business objectives. This includes identification of risk, its assessment, control and monitoring at timely intervals.

The above mentioned risks may affect the Company's income and expenses, or the value of its financial instruments. The Company's exposure to and management of these risks are explained below:

i. Foreign currency risk

The Company is subject to the risk that changes in foreign currency values impact the Company's imports and other payables. During the reporting period the company has availed and utilised facility of Buyer's Credit from bank which exposed the company to foreign currency risk as buyer's credit facility is considered as foreign currency loan. The Company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollar.

Foreign currency exposure as at March 31, 2021 and March 31, 2020 are hedged as per the policy of the Company.

Particulars	**As at March 31, 2021**		As at March 31, 2020	
	Amount in foreign currency	**₹ in Lakhs**	Amount in foreign currency	₹ in Lakhs
Payable USD - Import	**4,327,505**	**3,152**	2,192,539	1,581
Payable USD - Buyer's Credit	**284,421**	**208**	407,776	292

Foreign currency sensitivity

The following table demonstrates the sensitivity to a 5% increase/decrease in foreign currency exchange rates, with all other variables held constant.

5% increase or decrease in foreign exchange rate will have the following impact on profit before tax.

(₹ in Lakhs)

Particulars	**As at March 31, 2021**		As at March 31, 2020	
	5% increase	**5% decrease**	5% increase	5% decrease
Impact on Profit and Loss				
Payable INR	**(56)**	**56**	*	*
	(56)	**56**	*	*

*In the current as well as previous financial year the Company continues to take Forward cover to hedge its import trade payables, however the exposure of USD 15,18,208 remains unhedged as on 31st March 2021 which is subsequently entirely hedged and therefore the sensitivity is calculated as above.

ii. Forward foreign exchange contracts

It is the policy of the Company to enter into forward foreign exchange contracts to cover foreign currency payments in USD. The Company enters into contracts with terms upto 120 days. The Company's philosophy does not permit any speculative calls on the currency. It is driven by conservatism which guides that management follows conventional wisdom by use of Forward contracts in respect of Trade transactions.

Notes forming part of the financial statements (*Continued*)

for the year ended March 31, 2021

Currency in Indian Rupees

Regulatory requirements: The Company will alter its hedge strategy in relation to the prevailing regulatory framework and guidelines that may be issued by RBI, FEDAI or ISDA or other regulatory bodies from time to time. Forward cover is obtained from bank for each of the aggregated exposures and the Trade deal is booked. The forward cover deals are all backed by actual trade underlines and settlement of these contracts on maturity are by actual delivery of the hedged currency for settling the underline hedged trade transaction.

The Company entered into forward cover contracts during FY 20-21 as well as in FY 19-20.

The following table gives details of forward foreign currency contracts outstanding

Outstanding contracts	Average exchange rates		Foreign currency	
	March 31, 2021	March 31, 2020	**March 31, 2021**	March 31, 2020
USD-Buy	**73.73**	73.59	**4,611,926**	3,148,998

Outstanding contracts	Nominal Amounts		Fair value assets/(liabilities)	
	March 31, 2021	March 31, 2020	**March 31, 2021**	March 31, 2020
In INR	**3,400**	2,317	**(56)**	47

b. Credit risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, investment in mutual funds, derivative financial instruments, other balances with banks, loans and other receivables. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables. Credit risk arising from investment in mutual funds, derivative financial instruments and other balances with banks is limited and there is no collateral held against these because the counterparties are banks and recognised financial institutions with high credit ratings. The Company's exposure is continuously monitored.

The Company uses a provision matrix to determine impairment loss on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. At every reporting date, the historically observed default rates are updated and changes in forward-looking estimates are analysed. The Company estimates the following matrix at the reporting date.

Table showing ageing of trade receivables and movement in expected credit loss allowance

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Age of receivables:		
Within the credit period	**13,242**	7,037
0- 3 months	**779**	1,435
3- 6 months	**39**	442
6- 9 months	**8**	198
9- 12 months	**41**	124
12- 15 months	**58**	118
15- 18 months	**90**	73
More than 18 months	**337**	320
Total	**14,594**	9,747

Notes forming part of the financial statements (*Continued*)

for the year ended March 31, 2021

Currency in Indian Rupees

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Movement in the credit loss allowance		
Balance at the beginning of the year	**520**	292
Net Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit loss	**149**	228
Balance at the end of the year	**669**	520

Credit risk

Trade Receivable of ₹ 14,594 lakhs as at March 31, 2021 forms a significant part of the financial assets carried at amortised cost which is valued considering provision for allowance using expected credit loss method. In addition to the historical pattern of credit loss, management has considered the emerging situations due to COVID-19. This assessment is not based on any mathematical model but an assessment considering the nature of and the financial strength of the customers in respect of whom amounts are receivable. The Company closely monitors its customers on regular basis. Basis this assessment, the allowance for doubtful trade receivables of ₹ 669 lakhs as at March 31, 2021 is considered adequate.

c. **Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value The Company maintains a cautious liquidity strategy, with a positive cash balance throughout the year. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. Cash flow from operating activities provides the funds to service and finance the financial liabilities on a day-to-day basis.

Liquidity is adversely affected during the year due to COVID-19 pandemic effect but the Company has been in discussions with its customers and vendors and has been trying to restore the working capital cycle as quickly as possible. Additional funding required, if any, will be provided by the banks based on undrawn sanctioned working capital facilities. During the year the company has received ₹ 2000 lakhs in the form of Inter-corporate deposits (ICD's) from promoter group company to support the working capital requirements.

The table below provides details regarding the remaining contractual maturities of Company's financial liabilities.

(₹ in Lakhs)

Particulars	Less than 1 Year/ On Demand	1-5 years	More than 5 years	Total
As at March 31, 2021				
Non-derivative Financial Liabilities				
Borrowings	**12,233**	-	-	**12,233**
Trade payables	**9,992**	-	-	**9,992**
Unpaid dividend	**10**	-	-	**10**
Other payables	**229**	-		**229**
	22,465	-	-	**22,465**
Derivative financial liabilities				
Foreign exchange forward contracts	**56**	-	-	**56**
	56	-	-	**56**

Notes forming part of the financial statements (*Continued*)

for the year ended March 31, 2021

Currency in Indian Rupees

(₹ in Lakhs)

Particulars	Less than 1 Year/ On Demand	1-5 years	More than 5 years	Total
As at March 31, 2020				
Non-derivative Financial Liabilities				
Borrowings	9,929	-	-	9,929
Trade payables	4,481		-	4,481
Unclaimed dividend	12		-	12
Other payables	140	-		140
	14,561	-	-	14,561
Derivative financial liabilities				
Foreign exchange forward contracts	-	-	-	-
	-	-	-	-

41. Employee Benefits

The Company has classified various employee benefits as under:

A. Defined contribution plans

State Defined Contribution Plans

- Employer's Contribution to Employees' State Insurance
- Employer's Contribution to Employees' Pension Scheme 1995

The Company's contributions paid/payable to Employees State Insurance Scheme, Employees Pension Schemes, 1995 and other funds, are determined under the relevant approved schemes and/or statutes and are recognised as expense in the Statement of Profit and Loss during the year in which the employee renders the related service. There are no further obligations other than the contributions payable to the approved trusts/appropriate authorities.

The Company has recognised the following amounts in the Statement of Profit and Loss:

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Contribution to Employees' State Insurance Scheme	**3**	3
Contribution to Employees' Pension Scheme	**28**	28
Total	**31**	31

B. Defined benefit plans

(i) Gratuity

(ii) Provident fund

Notes forming part of the financial statements (*Continued*)

for the year ended March 31, 2021

Currency in Indian Rupees

(i) Gratuity

Valuation in respect of gratuity has been carried out by independent actuary, as at the balance sheet date, based on the following assumptions:

	Particulars	Valuation as at	
		March 31, 2021	March 31, 2020
i.	Discount Rate (per annum)	**6.26%**	6.43%
ii.	Rate of increase in compensation levels (per annum)	**5.00%**	5.00%
iii.	Expected rate of return on assets	**6.26%**	6.43%
iv.	Attrition rate	**12.00%**	12.00%
v.	Retirement age (years)	**58&60**	58&60

(₹ in Lakhs)

	Particulars	For the year ended March 31,2021 Gratuity Funded	For the year ended March 31,2020 Gratuity Funded
i.	**Changes in present value of obligation**		
	Present value of defined benefit obligation at the beginning of the year	**184**	173
	Current service cost	**17**	16
	Interest cost	**12**	13
	Actuarial (gains)/loss		
	Actuarial (gains)/ losses arising from changes in demographic assumption	**-**	5
	Actuarial (gains)/ losses arising from changes in financial assumption	**1**	7
	Actuarial (gains)/ losses arising from changes in experience adjustment	**20**	8
	Past service cost	**-**	-
	Benefits paid	**(22)**	(38)
	Present value of defined benefit obligation at the end of the year	**212**	184
ii.	**Changes in fair value of plan assets**		
	Fair value of plan assets at the beginning of the year	**144**	153
	Expected return on plan assets / interest income	**9**	11
	Actuarial gain/(loss)	**(7)**	(3)
	Employer's contributions	**40**	21
	Benefits paid	**(22)**	(38)
	Fair value of plan assets at the end of the year	**164**	144
iii.	**Net benefit asset/(liability)**		
	Defined benefit obligation	**(212)**	(184)
	Fair value of plan assets	**164**	144
	Funded status surplus/(deficit)	**(47)**	(40)
	Net benefit asset/(liability)	**(47)**	(40)

Notes forming part of the financial statements (*Continued*)

for the year ended March 31, 2021

Currency in Indian Rupees

(₹ in Lakhs)

	Particulars	For the year ended March 31,2021 Gratuity Funded	For the year ended March 31,2020 Gratuity Funded
iv	**Net interest cost for current period**		
	Present value of benefit obligation at the beginning of the period	**184**	173
	(Fair value of plan assets at the beginning of the period)	**(144)**	(153)
	Net liability/(asset) at the beginning	**40**	20
	Interest cost	**12**	13
	(Interest income)	**(9)**	(11)
	Net interest cost for current period	**3**	2
v	**Expenses recognised in the Statement of Profit and Loss**		
	Current service cost	**17**	16
	Interest cost on benefit obligation (net)	**3**	2
	Past service cost	**-**	-
	Total expenses recognised in the Statement of Profit and Loss	**19**	18
vi	**Remeasurement Effects Recognised in Other Comprehensive Income for the year**		
	Actuarial (gains)/ losses on obligations for the period		
	Actuarial (gains)/ losses arising from changes in demographic assumption	**-**	5
	Actuarial (gains)/ losses arising from changes in financial assumption	**1**	7
	Actuarial (gains)/ losses arising from changes in experience adjustment	**20**	8
	Return on plan asset	**7**	3
	Recognised in Other Comprehensive Income	**28**	22
vii	**Cash flow Projection: from the fund**		
	Within the next 12 months (next annual reporting period)	**28**	39
	2nd following year	**36**	18
	3rd following year	**35**	31
	4th following year	**26**	25
	5th following year	**34**	18
	Sum of Years 6 To 10	**75**	70
	Sum of Years 11 and above	**48**	44
	The average duration of the defined benefit plan obligation at the end of the reporting period is 5 years (March 31, 2020: 5 years)		
viii	**Category of Assets**		
	State government securities	**53**	46
	Special deposits scheme	**36**	36
	Corporate bonds	**40**	40
	Cash and cash equivalents	**22**	11
	Mutual funds	**9**	8
	Other	**4**	3

Notes forming part of the financial statements (*Continued*)

for the Year Ended March 31, 2021

Currency in Indian Rupees

(₹ in Lakhs)

	Particulars	For the year ended March 31,2021 Gratuity Funded	For the year ended March 31,2020 Gratuity Funded
ix	**Sensitivity Analysis**		
	Projected Benefit Obligation on Current Assumptions	**212**	184
	Delta Effect of +1% Change in Rate of Discounting	**(8)**	(7)
	Delta Effect of -1% Change in Rate of Discounting	**9**	7
	Delta Effect of +1% Change in Rate of Salary Increase	**8**	7
	Delta Effect of -1% Change in Rate of Salary Increase	**(7)**	(6)
	Delta Effect of +1% Change in Rate of Employee Turnover	**0**	0
	Delta Effect of -1% Change in Rate of Employee Turnover	**(0)**	(0)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumption may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the Projected Unit Credit Method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet. Each year an Asset - Liability matching study is performed in which the consequences of the strategic investment policies are analysed in terms of risk and return profiles. Investment and contribution policies are integrated within this study.

The Company is expected to contribute ₹ 52 lakhs to Gratuity fund for the year ended March 31, 2022. (Previous Year: ₹ 48 lakhs).

(ii) Provident fund

In accordance with Indian law, all eligible employees of the Company in India are entitled to receive benefits under the provident fund plan in which both the employee and employer (at a determined rate) contribute monthly to a Trust set up by the Company to manage the investments and distribute the amounts entitled to employees. This plan is a defined benefit plan as the Company is obligated to provide its members a rate of return which should, at the minimum, meet the interest rate declared by Government administered provident fund. A part of the Company's contribution is transferred to Government administered pension fund. The contributions made by the Company and the shortfall of interest, if any, are recognised as an expense in statement of profit and loss under employee benefit expenses. In accordance with an actuarial valuation of provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the assumptions as mentioned below, there is no deficiency in the interest cost as the present value of the expected future earnings of the fund is greater than the expected amount to be credited to the individual members based on the expected guaranteed rate of interest of Government administered provident fund.

The details of the fund and plan assets are given below:

(₹ in Lakhs)

Particular	As at March 31, 2021	As at March 31, 2020
Fair value of plan assets	**1195**	1,070
Present value of defined benefit obligations	**1078**	978
Net excess / (shortfall)	**116**	92

The plan assets have been primarily invested in Government securities and corporate bonds

Notes forming part of the financial statements (*Continued*)

for the year ended March 31, 2021

Currency in Indian Rupees

The Company contributed ₹ 48 Lakhs and ₹ 48 Lakhs for the year ended March 31, 2021 and March 31, 2020 respectively, to the provident fund.

C. Other long-term employee benefits

Compensated absences

Provision in respect of leave encashment benefits has been made based on actuarial valuation carried out by an independent actuary at the Balance sheet date using Projected Unit Credit method. During the year, the Company has recognised ₹ 23 Lakhs as an expense (March 31, 2020: ₹ 31 Lakhs) in the Statement of Profit and Loss.

42. Disclosures of transactions with related parties required under Ind AS 24 on "Related Party Disclosures"

A. List of Related Parties

(I) Holding Company

Allana Exports Private Limited

(II) Fellow Subsidiaries (with which, the Company has transactions)

Frigorifico Allana Private Limited

Allana Frozen Foods Private Limited

Indagro Foods Private Limited

Frigerio Conserva Allana Private Limited

Allanasons Private Limited

Allana Investment & Trading Company Private Limited

(III) Other Related Party (with which, the Company has transactions)

Tiffany Foods

(IV) Key managerial personnel (KMP)

Mr. Vishal Pandit (Upto February 6, 2020)	- Non-Executive Chairman
Mr. T. K. Gowrishankar (From February 7, 2020)	- Non-Executive Chairman
Mr. Mandar P. Joshi	- Whole Time Director and Chief Executive Officer
Mr. Amin H. Manekia	- Independent Director
Ms. Nina D. Kapadia	- Independent Director
Mr. Sajid M. Fazalbhoy	- Independent Director
Mr. Priya Ranjan	- Non-Executive Director
Mr. Rakesh Joshi	- Chief Financial Officer
Mrs. Nisha Kantirao	- Company Secretary

(V) Post employment benefits plans

IVP Limited Provident Fund

IVP Limited Gratuity Fund

IVP Limited Super-Annuation Fund

Notes forming part of the financial statements (*Continued*)

for the Year Ended March 31, 2021

Currency in Indian Rupees

B. Transactions with related parties

(₹ in Lakhs)

Particulars	For the year ended March 31,2021	For the year ended March 31,2020
Purchase/other services from related parties		
Fellow Subsidiaries:		
Frigorifico Allana Private Limited	22	25
Allanasons Private Limited	329	266
Purchase of Fixed Asset		
Fellow Subsidiaries:		
Frigerio Conserva Allana Private Limited	3	-
Remuneration to Key Management Personnel *		
Mr. Mandar Joshi	168	165
Mr. Rakesh Joshi	50	48
Mrs. Nisha Kantirao	21	17
Sitting fees / Commission paid to Key Management Personnel		
Mr. T. K. Gowrishankar	1	-
Mr. Vishal Pandit	-	2
Mr. Amin H. Manekia	2	2
Ms. Nina D. Kapadia	2	2
Mr. Sajid M. Fazalbhoy	1	2
Mr. Priya Ranjan	1	1
Expenses reimbursement		
Post employment benefits plans:		
IVP Limited Provident Fund	1	-
IVP Limited Gratuity Fund	*	-
Rent income		
Fellow Subsidiaries:		
Indagro Foods Private Limited	2	3
Other related parties:		
Tiffany Foods	1	-
Interest on inter-corporate deposits		
Fellow Subsidiaries:		
Allana Frozen Foods Private Limited	192	213
Allana Investment & Trading Company Private Limited	235	169
Frigorifico Allana Private Limited	2	-
Indagro Foods Private Limited	1	-

*** ₹ 20,310**

Notes forming part of the financial statements (*Continued*)

for the year ended March 31, 2021

Currency in Indian Rupees

(₹ in Lakhs)

Particulars	For the year ended March 31,2021	For the year ended March 31,2020
Employee benefits expense		
IVP Limited Provident Fund	**48**	48
IVP Limited Gratuity Fund	**48**	40
Inter Corporate Deposits Received/(Re-paid)		
Fellow Subsidiaries:		
Allana Frozen Foods Private Limited	**(3,270)**	-
Frigorifico Allana Private Limited	**2,000**	-
Indagro Foods Private Limited	**1,270**	-
Allana Investment & Trading Company Private Limited	**2,000**	-
C. Outstanding Balances		
Trade payables		
Fellow Subsidiaries:		
Frigerio Conserva Allana Private Limited	**9**	6
Allanasons Private Limited	**108**	84
Interest accrued on Inter-corporate deposits		
Fellow Subsidiaries:		
Allana Frozen Foods Private Limited	**-**	44
Frigorifico Allana Private Limited	**2**	-
Indagro Foods Private Limited	**1**	-
Allana Investment & Trading Company Private Limited	**63**	35
Trade receivables		
Other related parties:		
Tiffany Foods	**1**	-
Fellow Subsidiaries:		
Indagro Foods Private Limited	**-**	1
Inter-corporate Deposits		
Fellow Subsidiaries:		
Allana Frozen Foods Private Limited	**-**	3,270
Frigorifico Allana Private Limited	**2,000**	-
Indagro Foods Private Limited	**1,270**	-
Allana Investment & Trading Company Private Limited	**4,600**	2,600

* As the liabilities for defined benefit plans and compensated absences are provided on actuarial basis for the Company as a whole, the amounts pertaining to Key Management Personnel are not included.

All Related Party Transactions entered during the year were in ordinary course of the business and on arm's length basis.There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31st March, 2021, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31st March 2020: ₹ Nil).This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Notes forming part of the financial statements (*Continued*)

for the year ended March 31, 2021

Currency in Indian Rupees

43. The Company has performed a detailed assessment of its liquidity position for the next year and of the recoverability and carrying value of its assets and has concluded that there are no material adjustments required in the financial statements. However, in view of the various preventive measures taken (such as complete lock-down restrictions by the Government of India, travel restrictions etc.) and the present uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they will prevail in future and the Company will continue to closely monitor any material changes to future economic conditions.

44. The figures for the previous year have been regrouped / reclassified to correspond with current year's classification / disclosure.

As per our report of even date attached

For **Rajendra & Co.**
Chartered Accountants
Firm's Registration No: 108355W

A. R. Shah
Partner
Membership No: 047166

MUMBAI : June 11, 2021

For and on behalf of the Board of Directors of
IVP Limited

T.K. Gowrishankar
Chairman
[DIN: 00847357]

Amin H. Manekia
Director
[DIN: 00053745]

Mandar P. Joshi
Whole Time Director and CEO
[DIN: 07526430]

Rakesh Joshi
Chief Financial Officer

Nisha Kantirao
Company Secretary

MUMBAI : June 11, 2021