₹ Lakhs

		Year ended 31-03-2020	Year ended 31-03-2019
B.	**Cash flow from investing activities :**		
	Purchase of property, plant and equipment	**(2,458.71)**	(3,238.67)
	Sale proceeds of property, plant and equipment	**215.98**	896.64
	Purchase of current investments	**(153,387.80)**	(105,999.83)
	Sale proceeds of current investments	**146,600.77**	108,885.00
	Consideration received on sale of Additives business (Refer note 42)	**1,377.29**	-
	Interest received	**27.98**	36.65
	Dividend received	**31.87**	108.83
	Net cash (used in) / generated from investing activities	**(7,592.62)**	688.62
C.	**Cash flow from financing activities :**		
	Finance costs	**(46.78)**	(49.11)
	Dividend paid	**(1,154.09)**	(2,308.18)
	Dividend distribution tax paid	**(237.23)**	(474.56)
	Principal payment of lease liability	**(775.89)**	-
	Interest payment of lease liabilities	**(329.00)**	-
	Net Cash (used in) financing activities	**(2,542.99)**	(2,831.85)
	NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	**(225.17)**	800.51
	CASH AND CASH EQUIVALENTS AS AT BEGINNING OF THE YEAR	**2,813.51**	2,013.00
	CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR (Refer note 9)	**2,588.34**	2,813.51
	Cash flow for discontinued operations		
	Net cash inflow from operating activities	**4,288.56**	4,584.81
	Net cash inflow / (outflow) from investing activities	**890.00**	(652.00)
	Net cash inflow / (outflow) from financing activities	**-**	-
	Net increase in cash generated by the discontinued operations	**5,178.56**	3,932.81
	Non cash financing and investing activities		
	Acquisition of right of use assets on account of adoption of Ind AS 116	**3,994.34**	-

Note : Direct taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.

In terms of our report attached

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

Arvind Daga
Partner
Membership No. 108290

Mumbai, 17th June, 2020

For and on behalf of the Board,

K. Handa Chairman DIN:00056826

A. Ahmad Vice-Chairman & Managing Director DIN:00046742

Dr. I. Shahani Director DIN:00112289

A. Agarwal Interim Chief Financial Officer

A. Joshi Company Secretary Membership No. A22502

Mumbai, 17th June, 2020

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended March 31, 2020

Company Information:

Clariant Chemicals (India) Limited (the 'Company') is a public limited Company domiciled in India and is listed on the BSE Limited ('BSE') and the National Stock Exchange of India Limited ('NSE'). Its registered office is situated at Reliable Tech Park, Gut no. 31, Village Elthan, off Thane-Belapur road, Airoli, Navi Mumbai – 400 708, Maharashtra, India. The company is engaged interalia, in manufacturing and selling Specialty Chemicals. The Company has its own manufacturing sites in the State of Maharashtra, Tamil Nadu, Gujarat and Madhya Pradesh.

Note 1: Summary of Significant accounting policies

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

(a) Basis of preparation of financial statements:

Compliance with Ind AS

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

Historical cost convention

These financial statements have been prepared on historical cost basis, except for the following:

- certain financial assets and liabilities that are measured at fair value;
- assets held for sale – measured at fair value less cost to sell;
- defined benefit plans — plan assets measured at fair value; and
- share-based payments

New and amended standards applied by the Company

The Company has applied the following standards and amendments for the first time for their annual reporting period commencing 01 April 2019:

- Ind AS 116 Leases
- Uncertainty over Income Tax Treatments - Appendix C to Ind AS 12, Income Taxes
- Prepayment Features with Negative Compensation, Amendments to Ind AS 109
- Long-term Interests in Associates and Joint Ventures, Amendments to Ind AS 28
- Plan Amendment, Curtailment or Settlement, Amendments to Ind AS 19, Employee Benefits
- Annual Improvements to Ind AS
- **Ind AS 116 Leases**

  The Company had to change its accounting policies following adoption of Ind AS 116 - Refer Note 35.

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

  Nature of change: On March 30, 2019, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Second Amendment Rules, 2019 which notified Appendix C to Ind AS 12, Income Taxes. The appendix corresponds to IFRIC 23, Uncertainty over Income Tax Treatments issued by the IFRS Interpretations Committee.

  This amendment clarifies how the recognition and measurement requirements of Ind AS 12 'Income taxes', are applied where there is uncertainty over income tax treatments. An uncertain tax treatment is any tax treatment applied by an entity where there is uncertainty over whether that treatment will be accepted by the tax authority. For example, a decision to claim a deduction for a specific expense or not to include a specific item of income in a tax return is an uncertain tax treatment if its acceptability is uncertain under tax law. The amendment applies to all aspects of income tax accounting where there is an uncertainty regarding the treatment of an item, including taxable profit or loss, the tax bases of assets and liabilities, tax losses and credits and tax rates. The interpretation is effective for annual periods beginning on or after April 1, 2019.

  Impact: The Company does not have any material impact of the above change

- **Prepayment Features with Negative Compensation, Amendments to Ind AS 109**

  This amendment is not applicable to the company.

- **Long-term Interests in Associates and Joint Ventures, Amendments to Ind AS 28**

  This amendment is not applicable to the company.

- **Plan Amendment, Curtailment or Settlement, Amendments to Ind AS 19**

  Nature of change: On March 30, 2019, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Second Amendment Rules, 2019 which notified amendment to Ind AS 19, Employee Benefits.

  The amendments to Ind AS 19 clarify the accounting for defined benefit plan amendments, curtailments and settlements. They confirm that entities must:

  - calculate the current service cost and net interest for the remainder of the reporting period after a plan amendment, curtailment or settlement by using the updated assumptions from the date of the change.
  - any reduction in a surplus should be recognised immediately in profit or loss either as part of past service cost, or as a gain or loss on settlement. In other words, a reduction in a surplus must be recognised in profit or loss even if that surplus was not previously recognised because of the impact of the asset ceiling.
  - separately recognise any changes in the asset ceiling through other comprehensive income.

  The interpretation is effective for annual periods beginning on or after April 1, 2019.

  Impact: The Company does not have any material impact of the above change

- **Annual Improvements to Ind AS**

  Nature of change: On March 30, 2019, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Second Amendment Rules, 2019 which notified the following improvements to Ind AS

  - Ind AS 23, "Borrowing Cost"- clarified that if a specific borrowing remains outstanding after the related qualifying asset is ready for its intended use or sale, it becomes part of general borrowings.
  - Ind AS 103, "Business Combination"- clarified that obtaining control of a business that is a joint operation is a business combination achieved in stages. The acquirer should re-measure its previously held interest in the joint operation at fair value at the acquisition date.
  - Ind AS 111, "Joint arrangements"- clarified that the party obtaining joint control of a business that is a joint operation should not measure its previously held interest in joint operation.
  - Ind AS 12, "Income Taxes"- clarified that the income tax consequences of dividends on financial instruments classified as equity should be recognised according to where the past transactions or events that generated distributable profits were recognised. These requirements apply to all income tax consequences of dividends.

  Previously, it was unclear whether the income tax consequences of dividend should be recognised in profit or loss, or in equity, and the scope of the existing guidance was ambiguous.

  The interpretation is effective for annual periods beginning on or after April 1, 2019.

  Impact: The Company does not have any material impact of the above change.

New and amended standards and interpretations not yet effective and have not been early adopted by the Company.

There are no other standards, changes in standards and interpretations that are not in force up to reporting period that the Company expects to have a material impact arising from its application in its financial statements.

(b) Segment reporting

Information reported to the Chief operating decision maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses on the types of goods delivered or provided. No operating segments have been aggregated in arriving at the reportable segments of the Company.

The Company's reportable segments under Ind AS 108 are as follows:

<u>Plastics and Coatings:</u> Includes pigments, pigment preparations, additives and masterbatches.

<u>Specialty Chemicals:</u> Includes dyestuff, synthetic resins, functional effects and coating, auxiliaries and chemicals.

Company has four Business Units (BU) for reporting purposes, grouped into two Business Areas (BA) (reportable segments), in accordance with Ind AS 108, Operating Segments:

- Plastics and Coatings (BU Additives, BU Masterbatches, BU Pigments)
- Specialty Chemicals (BU ICS)

(c) Foreign currency translation

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency viz. Indian Rupee, are recognised at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in statement of profit or loss in the period in which they arise. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses). Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

(d) Recognition of revenue from contracts with customers

Sales of goods and services are recognized in line with the requirements of Ind AS 115, Revenue from contracts with customers. Revenue is measured based on the consideration the Company expects to receive in exchange for the goods or services. Revenue from sales of goods is recognized in the income statement when control has been transferred to the buyer, which is usually upon delivery, at a fixed or determinable price, and when collectability is reasonably assured. Delivery is defined based on the terms of the sale contract. Revenue from services is recognized when the respective services have been rendered. Revenue is reported net of goods and service tax, returns, discounts and rebates. Rebates to customers are provided for in the same period that the related sales are recorded based on the contract terms.

The Company does not expect to have any contracts where the period between transfer of the promised goods or services to customer and payment by the customer exceed one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

A receivable is recognised when the goods are delivered as this is the point of time that the consideration is unconditional because only the passage of time is required before the payment is due.

(e) Recognition of revenues from interest and dividends

Interest income is recognized on a time proportion basis, taking into account the principal outstanding and the effective rate over the period to maturity when it is determined that such income will accrue to the Company. Dividends are recognized when the right to receive the payment is established.

(f) Income tax

Income tax expense represents the sum of current tax and deferred tax.

The current tax expense or credit for the year is the tax payable on the current period's taxable income based on the applicable enacted income tax rate in accordance with the Income Tax Act, 1961, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, items that are never taxable/deductible and unused tax losses/ tax credits.

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

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction (other than in a business combination) that affects neither accounting profit nor taxable profit. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted at the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable profits will be available to utilise those temporary differences and losses.

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

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

(g) Leases

Effective from April 1, 2019, the Company has adopted Ind AS 116 "Leases" and accordingly accounted for leases as below:

i. As a Lessee:

Leases are recognised as right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand alone prices.

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

- Lease payments less any lease incentives receivable
- Variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- Amounts expected to be payable by the Company under residual value guarantees, if any

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using Company's incremental borrowing rate (since the interest rate implicit in the lease cannot be readily determined). Incremental borrowing rate is the rate of interest that the Company would have to pay to borrow over a similar term, and a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment and based on company's standalone credit worthiness.

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

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability
- Any lease payments made at or before the commencement date less any lease incentives received
- Any initial direct costs for new leases

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as on expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

ii. As a lessor:

Lease income from operating leases where the Company is lessor is recognised in income on a straight line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognized as expense over the lease term on the same basis as lease income. The Company did not need to make any adjustment to the accounting for assets held as lessor as a result of adopting the new leasing standard.

Upto March 31, 2019:

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. All leasing arrangements of the Company as a lessee or a lessor are assessed and classified as operating leases.

i. As a lessee

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease.

Rent expenses under operating leases (net of any incentives received from the lessor) are charged to statement of profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

ii. As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

(h) Impairment of assets

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

(i) Cash and cash equivalents

For the purpose of presentation in the Statement of cash flows, cash and cash equivalents includes cash on hand, cheques/drafts on hand and balances with banks of current and term deposit account, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value, and bank overdraft.

(j) Assets held for sale and discontinued operations

Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell except for assets such as deferred tax assets, assets arising from employee benefits financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement. An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition. Assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of assets held for sale continue to be recognized. Assets classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities for assets held for sale are presented separately from other liabilities in the balance sheet.

(k) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowances for credit losses.

(l) Inventories

Cost is determined on weighted average basis. Cost of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Raw materials, packing materials, work in progress, finished goods, stock-in-trade and stores and spares are stated at the lower of cost and net realisable value. Cost of raw materials and stock-in- trade include cost of purchases. Cost of work-in-progress and finished goods include direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure (allocated on the basis of normal operating capacity). Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition.

(m) Investments and other financial assets

Classification

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

- those to be measured subsequently at fair value (either through other comprehensive income, or through statement of profit or loss), and
- those measured at amortised cost.

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

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

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Measurement

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

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

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

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

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

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

Equity instruments

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

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

Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 32 details how the Company determines whether there has been a significant increase in credit risk.

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

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of 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 historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

Derecognition of financial assets

A financial asset is derecognised only when the Company

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

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

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

Embedded derivatives

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

(n) Offsetting financial instruments

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

(o) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a pro-rata basis on the straight-line method ('SLM') over the estimated useful lives of the assets specified in Schedule II of the Companies Act, 2013, except in case of certain assets, wherein based on technical evaluation, a different useful life has been considered. The estimated useful lives of assets are as follows:

Asset	Useful Life	Asset	Useful Life
Factory building	30 Years	Computers	4 Years
Office building	60 Years	Furniture and fixture	10 Years
Roads	5 to 10 Years	Office equipment	5 Years
Plant and equipment	10 Years	Vehicles	5 to 8 Years
Hardware mainframes and Servers	6 Years	Leasehold improvements	10 Years

The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are re-viewed, and adjusted if appropriate, at the end of each reporting period.

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

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in statement of profit or loss.

(p) Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

(q) Goodwill

Goodwill on acquisitions of business is not amortised but it is tested for impairment annually or more frequently if events or changes in circumstances are indicative of impairment and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

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

(r) Intangible assets

Trademarks

Directly acquired trademarks are shown at historical cost. Trademarks acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses if any.

Amortisation methods and periods

The Company amortises intangible assets with a finite useful life using the straight-line method over the following periods:

Asset	Useful Life
Trademarks	10 Years
Non-compete fees	3 Years

(s) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid as at the end of balance sheet date. The amounts are unsecured and are generally paid within 60 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(t) Provisions and Contingent Liabilities

Provisions are recognised when there is a present or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are not recognised for future operating losses.

Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the balance sheet date and are not discounted to its present value. These are reviewed at each year end date and adjusted to reflect the best current estimate.

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.

(u) Employee benefits

Short-term obligations

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

Other long-term employee benefit obligations

These liabilities for earned leave is not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. It is therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The Company presents provision for leave salaries as current and non-current based on actuarial valuation considering estimates of availment of leave, separation of employee, etc. An employee is entitled to be paid the entire accumulated leave balance immediately on separation from the Company, as per the policy of the Company.

Post-employment obligations

The Company operates the following post-employment schemes:

(a) defined benefit plans such as gratuity, ex-gratia gratuity, provident fund; and

(b) defined contribution plans such as superannuation fund, employee state insurance and other funds.

Defined Benefit Plans

The company has Defined Benefit Plans for post-employment benefits in the form of Provident Fund (treated as a Defined Benefit Plan on account of guaranteed interest benefit) and Gratuity. Provident Fund and Gratuity fund are recognised by the Income-tax authorities and administered through trustees and/or LIC. Liability for Defined Benefit Plans is provided on the basis of valuations, as at the Balance Sheet date, carried out by an independent actuary.

The liability or asset recognised in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit or loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

The Company's contribution to superannuation fund, employee state insurance and other funds are considered as defined contribution plans, as the Company does not carry any further obligations apart from the contributions made on a monthly basis and are charged as an expense based on the amount of contribution required to be made. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Share-based payments

Group share-based payments benefits are provided to few employees under senior management level settled by ultimate holding Company, Clariant AG, Switzerland and accordingly classified as equity settled share-based payments.

Equity-settled share-based payments to employees are recognised as an employee benefit expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in statement of profit or loss, with a corresponding adjustment to equity. The fair value of shares granted is calculated based on, market value of shares, as at grant date

Bonus plans

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

Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(v) Contributed equity

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

(w) Dividends

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

(x) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to equity holders of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(y) Rounding of amounts

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

Note 2: Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

- Estimation of taxes - Note 34
- Estimated goodwill impairment - Note 3B.
- Estimation for the accounting of employee benefits - Note 39
- Allowance for credit losses on trade receivable - Note 1 (m) and 8
- Measurement of useful lives for property, plant and equipment and intangible assets - Note 1 (o) (q) and (r).
- Estimation of Provision for Inventory - Note 6
- Determination of Lease term – Note 1(g), 22 and 35.

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

Notes forming part of the financial statements for the year ended March 31, 2020

3 Property, plant and equipment / goodwill / other intangible assets

₹ Lakhs

Description	Gross block					Depreciation / Amortisation					Net block
	As at 01-04-2019	Additions	Deductions	Asset classified as held for sale (Refer Note 42)	As at 31-03-2020	As at 01-04-2019	Deductions	For the year	Asset classified as held for sale (Refer Note 42)	As at 31-03-2020	As at 31-03-2020
3A Property, plant and equipment											
Land freehold	2,524.61	-	1.10	2,287.61	**235.90**	-	-	-	-	**-**	**235.90**
Land leasehold	770.87	-	-	280.26	**490.61**	38.60	-	8.81	22.49	**24.92**	**465.69**
Buildings	12,897.50	973.30	18.57	3,293.71	**10,558.52**	2,714.95	2.63	601.24	610.92	**2,702.64**	**7,855.88**
Plant and equipment	21,252.32	2,831.54	186.25	4,889.49	**19,008.12**	9,878.57	134.03	2,331.80	2,471.82	**9,604.52**	**9,403.60**
Furniture and fixtures	1,146.36	8.88	1.67	191.80	**961.77**	303.09	0.79	121.63	82.23	**341.70**	**620.07**
Office equipment	2,256.62	24.88	135.68	340.46	**1,805.36**	1,987.97	133.42	204.15	279.00	**1,779.70**	**25.66**
Vehicles	767.94	78.51	91.47	162.27	**592.71**	460.64	78.26	121.97	124.83	**379.52**	**213.19**
Total	**41,616.22**	**3,917.11**	**434.74**	**11,445.60**	**33,652.99**	**15,383.82**	**349.13**	**3,389.60**	**3,591.29**	**14,833.00**	**18,819.99**
Less : Transfer to Right-of-use assets											
Land leasehold	(770.87)	-	-	(280.26)	**(490.61)**	(38.60)	-	(8.81)	(22.49)	**(24.92)**	**(465.69)**
Total	40,845.35	3,917.11	434.74	11,165.34	**33,162.38**	15,345.22	349.13	3,380.79	3,568.80	**14,808.08**	**18,354.30**
3B Goodwill											
Goodwill	**4,023.65**	**-**	**-**	**3,129.54**	**894.11**	**-**	**-**	**-**	**-**	**-**	**894.11**
3C Other intangible assets											
Trademarks	1,214.52	-	-	1,214.52	**-**	556.37	-	98.70	655.07	**-**	**-**
Non compete fees	53.00	-	-	53.00	**-**	53.00	-	-	53.00	**-**	**-**
Total	**1,267.52**	**-**	**-**	**1,267.52**	**-**	**609.37**	**-**	**98.70**	**708.07**	**-**	**-**
3D Capital work-in-progress	**2,145.91**	**2,175.64**	**3,915.53**	**74.51**	**331.51**	**-**	**-**	**-**	**-**	**-**	**331.51**

₹ Lakhs

Description	Gross block					Depreciation / Amortisation					Net block
	As at 01-04-2018	Additions	Deductions	Asset classified as held for sale (Refer Note 42)	As at 31-03-2019	As at 01-04-2018	Deductions	For the year	Asset classified as held for sale (Refer Note 42)	As at 31-03-2019	As at 31-03-2019
3A Property, plant and equipment											
Land freehold	2,524.61	-	-	-	2,524.61	-	-	-	-	-	2,524.61
Land leasehold	770.87	-	-	-	770.87	26.53	-	12.07	-	38.60	732.27
Buildings	12,405.89	500.88	9.27	-	12,897.50	2,111.97	0.90	603.88	-	2,714.95	10,182.55
Plant and equipment	19,597.20	1,745.39	90.27	-	21,252.32	7,614.86	63.76	2,327.47	-	9,878.57	11,373.75
Furniture and fixtures	1,093.95	52.41	-	-	1,146.36	288.69	-	14.40	-	303.09	843.27
Office equipment	2,300.54	47.00	90.92	-	2,256.62	1,555.63	90.14	522.48	-	1,987.97	268.65
Vehicles	764.92	23.77	20.75	-	767.94	350.42	20.38	130.60	-	460.64	307.30
Total	**39,457.98**	**2,369.45**	**211.21**	**-**	**41,616.22**	**11,948.10**	**175.18**	**3,610.90**	**-**	**15,383.82**	**26,232.40**
3B Goodwill											
Goodwill	**4,023.65**	**-**	**-**	**-**	**4,023.65**	**-**	**-**	**-**	**-**	**-**	**4,023.65**
3C Other intangible assets											
Trademarks	1,214.52	-	-	-	1,214.52	424.72	-	131.65	-	556.37	658.15
Non compete fees	53.00	-	-	-	53.00	53.00	-	-	-	53.00	-
Total	**1,267.52**	**-**	**-**	**-**	**1,267.52**	**477.72**	**-**	**131.65**	**-**	**609.37**	**658.15**
3D Capital work-in-progress	**1,041.26**	**3,474.46**	**2,369.81**	**-**	**2,145.91**	**-**	**-**	**-**	**-**	**-**	**2,145.91**

Note 3A: Property, plant and equipment

Buildings include ₹ **450/-** (31-03-2019 : ₹ 450/-) being the cost of shares in co-operative housing society

Note 3B: Goodwill

Goodwill has been allocated for impairment testing purposes to the cash-generating units as follows :

Cash generating unit (CGU)	31-03-2020 ₹ Lakhs	31-03-2019 ₹ Lakhs
Pigment business	**894.11**	894.11
Masterbatches business	**3,129.54**	3,129.54
TOTAL	**4,023.65**	4,023.65

The recoverable amount of Pigment business the CGU are determined based on a value in use calculation which uses cash flow projections covering a five-year period and a discount rate 12.05% per annum (31-03-2019 : 15.42% per annum). For both the CGU, cash flow projections during the five year period are based on the historical growth rate and margins. The cash flows beyond that five-year period have been extrapolated using a steady 5% per annum (31-03-2019 : 5% per annum) growth rate which is the projected long-term average growth rate.

The Management believes that any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit.

Notes forming part of the financial statements for the year ended March 31, 2020

		As at 31-03-2020 ₹ Lakhs	As at 31-03-2019 ₹ Lakhs
4	**Non-current financial assets : Loans**		
	Security and other deposits (Unsecured, considered good)	**796.45**	961.27
	Loans to employees	**4.35**	9.47
		800.80	970.74
	Break-up of security details		
	Secured, considered good	**-**	-
	Unsecured, considered good	**800.80**	970.74
	Significant increase in Credit Risk	**-**	-
	Credit impaired	**-**	-
5	**Other non-current assets**		
	Capital advances	**66.28**	147.39
	Indirect taxes recoverable	**1,728.81**	1,692.48
	Prepayments	**17.52**	14.00
		1,812.61	1,853.87
6	**Current assets : Inventories**		
	(Valued at the lower of cost and net realisable value)		
	Raw materials	**4,340.41**	6,350.94
	Packing materials	**219.54**	215.18
	Work-in-progress	**2,493.19**	3,303.62
	Finished goods	**4,175.76**	5,923.49
	Stock-in-trade	**1,024.27**	1,924.32
	Stores and spares	**318.26**	632.93
		12,571.43	18,350.48
	Included above, goods in transit		
	Raw materials	**219.52**	405.49
	Stock-in-trade	**634.98**	901.10
		854.50	1,306.59
7	**Current financial assets : Investments**		
	Unquoted Investments (All fully paid)		
	Investments in Mutual funds		
	Aditya Birla Sun Life Liquid Fund - Reg - Gr	**1,469.09**	-
	ICICI Prudential Liquid Fund - Reg - Gr	**1,969.77**	-
	HDFC Liquid Fund - Gr	**1,930.18**	-
	Axis Liquid Fund - Gr	**1,956.59**	-
	SBI Overnight Fund - Gr	**803.53**	-
	Birla Sun Life Cash Plus - Regular Plan - DDR	**-**	301.91
	DSP BlackRock Mutual Fund - Liquidity Fund Institutional Plan - DDR	**-**	301.75
	Reliance Liquid Fund - Treasury Plan - DDR	**-**	301.86
	Axis Mutual Fund - DDR	**-**	301.83
		8,129.16	1,207.35
	Of the above, investments mandatorily measured at FVTPL	**8,129.16**	1,207.35

Notes forming part of the financial statements for the year ended March 31, 2020

		As at 31-03-2020 ₹ Lakhs	As at 31-03-2019 ₹ Lakhs
8	**Current financial assets : Trade receivables**		
	Secured, considered good	**491.62**	439.92
	Unsecured, considered good	**14,528.34**	17,873.73
	Credit impaired	**116.75**	211.01
		15,136.71	18,524.66
	Less: Allowances for credit losses	**345.21**	371.60
		14,791.50	18,153.06
9	**Current financial assets : Cash and bank balances**		
	Cash and cash equivalents :		
	Cash on hand	**1.58**	1.85
	Cheques, drafts on hand	**-**	93.43
	In current accounts	**2,448.83**	1,867.36
	Term deposits with original maturity of less than three months	**137.93**	850.87
		2,588.34	2,813.51
	Other bank balances :		
	Earmarked current account : Unclaimed dividend	**611.62**	695.62
		611.62	695.62
10	**Current financial assets : Loans**		
	Security and other deposits (Unsecured, considered good)	**2.50**	38.79
	Loans to employees	**8.69**	14.02
		11.19	52.81
	Break-up of security details		
	Secured, considered good	**-**	-
	Unsecured, considered good	**11.19**	52.81
	Significant increase in Credit Risk	**-**	-
	Credit impaired	**-**	-
11	**Current financial assets : Others**		
	Unbilled Revenue	**0.06**	1.09
	Advances recoverable in cash	**9.92**	111.46
		9.98	112.55
12	**Other current assets**		
	Advances to suppliers	**1,141.37**	552.88
	Balance with Government authorities	**3,418.02**	4,805.45
	Prepayments	**111.38**	129.16
	Export incentives receivable	**402.55**	687.36
	Other current assets	**12.21**	21.61
		5,085.53	6,196.46

Notes forming part of the financial statements for the year ended March 31, 2020

		As at 31-03-2020 ₹ Lakhs	As at 31-03-2019 ₹ Lakhs
13	**Assets/Liabilities classified as held for sale of Masterbatch business**		
	Assets classified as held for sale (Refer note 42)	**19,440.18**	-
	Liabilities directly associated with assets classified as held for sale (Refer note 42)	**(5,461.40)**	-
		13,978.78	-
14	**Share Capital**		
	Authorised		
	3,00,00,000 equity shares of ₹ 10/- each	**3000.00**	3000.00
	Issued, subscribed and paid up		
	2,30,81,798 equity shares of ₹ 10/- each fully paid up (31-03-2019 : 2,30,81,798)	**2308.18**	2308.18

14 a Reconciliation of the number of equity shares outstanding as at the beginning and at the end of the year

	As at 31-03-2020		As at 31-03-2019	
	Number	₹	Number	₹
Equity shares :				
Outstanding as at the beginning of the year	**23,081,798**	**2308.18**	23,081,798	2308.18
Outstanding as at the end of the year	**23,081,798**	**2308.18**	23,081,798	2308.18

14 b Shares held by subsidiaries of the ultimate holding company Clariant AG, Switzerland :

Name of Shareholder	As at 31-03-2020		As at 31-03-2019	
	Number	Percentage	Number	Percentage
EBITO Chemiebeteiligungen AG. *	**4,109,426**	**17.80%**	4,109,426	17.80%
Clariant Plastic & Coating AG *	**7,662,624**	**33.20%**	7,662,624	33.20%

* There are no shareholders holding more than 5% of the aggregate equity shares of the Company except those marked above.

14 c The Company has not allotted any equity shares for consideration other than cash and bonus shares during the period of five financial years immediately preceding the Balance Sheet date

14 d Shares bought back (during 5 financial years immediately preceding March 31, 2019)

	As at 31-03-2020	As at 31-03-2019	As at 31-03-2018	As at 31-03-2017	As at 31-03-2016
Equity Shares bought back	**-**	-	-	-	3,578,947

Shares bought back during the 15 months period ended March 31, 2016:

The Board of Directors at its meeting held on April 22, 2015 approved the proposal of buyback of 35,78,947 equity shares of ₹10 each from shareholders of the Company in accordance with the relevant provisions of Companies Act, 2013 and Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1988 at a price of ₹ 950 per equity share, aggregating to ₹ 34000 Lakhs. Consequently, a sum of ₹ 3545.65 Lakhs and ₹ 30096.45 Lakhs has been utilised in respect of the buy back from Securities premium account and General reserve respectively. Further a sum of ₹ 357.89 Lakhs has been appropriated from General reserve to Capital redemption reserve and the same has been reduced from the paid up share capital.

Notes forming part of the financial statements for the year ended March 31, 2020

14 e Rights, preferences and restrictions attached to shares

The Company has one class of equity share having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining asset of the Company after distribution of all preferential amounts, in proportion to their shareholding.

14 f Dividend on equity shares

The Board of Directors at its meeting held on June 17, 2020, recommended the payment of final dividend of ₹ 11 per equity share for the financial year ended March 31, 2020. The same is subject to approval by the shareholders at the forth coming Annual general meeting and if approved would result in a cash outflow of approximately ₹ 2539 Lakhs.

The Board of Directors at its meeting held on May 16, 2019, have recommended the payment of final dividend of ₹ 5 per equity share for the financial year ended March 31, 2019. The same was approved by the shareholders at the Annual general meeting held on August 08, 2019 and paid during the year resulting in cash outflow of ₹ 1391.32 Lakhs (including corporate dividend tax of ₹ 237.23 Lakhs).

		As at 31-03-2020 ₹ Lakhs	As at 31-03-2019 ₹ Lakhs
15	**Other equity**		
	Capital reserve	**730.11**	730.11
	Capital redemption reserve	**495.39**	495.39
	General reserve	**10,492.29**	10,492.29
	Deemed contribution from parent (Refer Note 40)	**329.46**	237.34
	Retained earnings	**50,785.33**	47,379.38
		62,832.58	59,334.51
16	**Non - current liabilities : Provisions**		
	Provision for employee benefits		
	Compensated absences	**566.80**	899.63
	Gratuity	**503.03**	412.61
		1,069.83	1,312.24
17	**Deferred tax liabilities (Net)**		
	Deferred tax liabilities		
	Property, plant and equipment and investment properties	**1,561.84**	2,426.71
	Intangible assets	**77.48**	112.75
		1,639.32	2,539.46
	Deferred tax for assets		
	Allowance credit losses and doubtful receivables	**86.89**	129.84
	Provision for employee benefits	**473.36**	587.11
	Other provisions	**187.01**	302.97
	Others	**3.67**	4.32
		750.93	1,024.24
	Deferred tax on discontinued operations	**(363.55)**	-
		524.84	1,515.22

Notes forming part of the financial statements for the year ended March 31, 2020

Movements in deferred tax liabilites (net) for the year ended 31-03-2020 ₹ Lakhs

Particulars	Opening Balance	Recognised in profit and Loss	Recognised in OCI	Discontinued Operations	Closing balance
Property, plant and equipment and investment properties	2,426.71	(864.87)	-	(432.18)	1,129.66
Intangible assets	112.75	(35.27)	-	(77.48)	-
Allowance for credit losses and doubtful receivables	(129.84)	42.95	-	35.52	(51.37)
Provision for employee benefits	(587.11)	171.92	(58.17)	110.59	(362.77)
Other provisions	(302.97)	115.96	-	-	(187.01)
Others	(4.32)	0.65	-	-	(3.67)
Net Deferred tax Liabilities / (Assets)	1,515.22	(568.65)	(58.17)	(363.55)	524.84

Movements in deferred tax liabilites (net) for the year ended 31-03-2019 ₹ Lakhs

Particulars	Opening Balance	Recognised in profit and Loss	Recognised in OCI	Closing balance
Property, plant and equipment and investment properties	2,722.29	(295.58)	-	2,426.71
Impairment on assets held for sale	(50.61)	50.61	-	-
Intangible assets	118.54	(5.79)	-	112.75
Allowance for credit losses and doubtful receivables	(111.39)	(18.45)	-	(129.84)
Provision for employee benefits	(563.85)	(24.48)	1.22	(587.11)
Other provisions	(54.50)	(248.47)	-	(302.97)
Others	(2.52)	(1.80)	-	(4.32)
Net Deferred tax Liabilities / (Assets)	2,057.96	(543.96)	1.22	1,515.22

		As at 31-03-2020 ₹ Lakhs	As at 31-03-2019 ₹ Lakhs
18	**Current financial liabilities :Trade payables**		
	Trade Payables:		
	- Total outstanding dues of micro and small enterprises (Refer Note 37)	399.52	622.48
	- Total outstanding dues of creditors other than micro enterprises and small enterprises	13,137.50	18,297.51
		13,537.02	18,919.99
19	**Current financial liabilities : Others**		
	Security and other deposits	456.53	686.73
	Employee benefits payable	731.18	1,093.96
	Payables for capital expenditure	75.20	437.05
	Accrued liabilities	60.72	75.19
	Unclaimed dividend *	611.62	695.62
		1,935.25	2,988.55

* There is no amount due and outstanding to be credited to Investor's Education and Protection Fund.

Notes forming part of the financial statements for the year ended March 31, 2020

		As at 31-03-2020 ₹ Lakhs	As at 31-03-2019 ₹ Lakhs
20	**Other current liabilities**		
	Advances from customers - Contract liabilities *	282.18	33.11
	Statutory dues (including provident fund and withholding taxes)	144.85	222.51
	Other liabilities	23.50	30.44
		450.53	286.06

* There has been no significant change in the contract liabilities and entire amount has been recognised as a revenue during current year from opening contract liabilities.

		As at 31-03-2020 ₹ Lakhs	As at 31-03-2019 ₹ Lakhs
21	**Current liabilities : Provisions**		
	Provision for employee benefits		
	Compensated absences	114.44	118.09
	Gratuity	250.00	250.00
	Other Provisions		
	Provision for indirect tax matters	533.12	866.72
		897.56	1,234.81
21a	**Movements in provision for indirect tax matters**		
	Opening balance	867.12	369.62
	Provision during the period	134.16	497.50
	Amount utilised	(468.02)	-
	Closing balance	533.26	867.12

The provision for indirect tax matters is an estimated amount to be paid to various government authorities on settlement of disputes at various forums.

		As at 31-03-2020 ₹ Lakhs	As at 31-03-2019 ₹ Lakhs
22	**Leases (Refer note 35)**		
22A	**Right-of-use assets**		
	Building	3,008.36	-
	Land	465.69	-
		3,474.05	-
22B	**Current Lease liabilities**		
	Lease liabilities	826.12	-
		826.12	-
22C	**Non-Current Lease liabilities**		
	Lease liabilities	2,391.95	-
		2,391.95	-

		Year ended 31-03-2020 ₹ Lakhs	Year ended 31-03-2019 ₹ Lakhs
23	**Revenue from operations (Refer Note 43)**		
	Revenue from contracts with customers		
	Sale of products	71,991.97	67,746.63
	Sale of services	2,476.92	2,850.63
	Other operating revenue		
	Export incentives	879.17	1,028.46
	Commission income	276.79	135.97
	Scrap sale	103.00	113.31
		75,727.85	71,875.00

Notes forming part of the financial statements for the year ended March 31, 2020

		Year ended 31-03-2020 ₹ Lakhs	Year ended 31-03-2019 ₹ Lakhs
24	**Other income**		
	Interest income on financial assets at amortised cost		
	Fixed deposits	**6.74**	5.52
	Others	**31.48**	5.46
	Dividend Income from :		
	Financial assets mandatorily measured at FVTPL	**31.87**	108.83
	Rental income		
	Sublease of office premises	**1,029.19**	481.92
	Other gains and losses		
	Net Gain on disposal of property, plant and equipment	**138.67**	82.93
	Foreign exchange gain (net)	**377.30**	307.34
	Net gain on financial assets mandatorily measured at FVTPL	**135.03**	18.00
		1,750.28	1,010.00
25	**Cost of materials consumed ***		
	Raw materials consumed	**37,756.40**	36,972.87
	Packing materials consumed	**1,462.33**	1,755.62
		39,218.73	38,728.49
	* Cost of materials consumed is based on derived values.		
26	**Changes in inventories**		
	Opening inventories		
	Finished goods	**4,599.34**	3,850.63
	Stock-in-trade	**800.80**	846.46
	Work - in - progress	**3,148.22**	2,117.80
		8,548.36	6,814.89
	Less: Closing inventories		
	Finished goods	**4,175.54**	4,599.34
	Stock-in-trade	**912.44**	800.80
	Work - in - progress	**2,493.19**	3,148.22
		7,581.17	8,548.36
	Changes in inventories	**967.19**	(1,733.47)
27	**Employee benefits expense**		
	Salaries, wages, bonus, etc.	**4,691.77**	4,424.64
	Gratuity and Ex gratia gratuity	**178.61**	158.03
	Provident fund	**236.25**	232.62
	Contribution to superannuation fund	**100.81**	113.29
	Share based payments (Refer Note 40)	**118.88**	106.55
	Staff welfare expenses	**876.81**	891.87
		6,203.13	5,927.00

Notes forming part of the financial statements for the year ended March 31, 2020

		Year ended 31-03-2020 ₹ Lakhs	Year ended 31-03-2019 ₹ Lakhs
28	**Finance costs**		
	Interest expenses - on financial liability at amortised cost	**54.78**	62.34
	Interest cost on lease Liabilities	**328.62**	-
		383.40	62.34
29	**Depreciation and amortisation expenses**		
	Depreciation of property, plant and equipment	**2,830.96**	2,784.35
	Depreciation of Right to use assets of	**994.79**	-
	Amortisation of intangible assets	**98.70**	131.65
		3,924.45	2,916.00
30	**Other expenses**		
	Stores and spare parts etc. consumed	**224.98**	222.88
	Repairs and maintenance :		
	Plant and machinery	**1,416.66**	1,486.02
	Buildings	**354.87**	262.60
	Others	**265.82**	228.32
	Power and fuel	**4,607.96**	4,756.06
	Rent (Refer Note 35)	**28.95**	1,109.03
	Rates and taxes (including water charges)	**1,516.47**	954.40
	Insurance	**211.93**	208.25
	Clearing, forwarding and transport	**1,616.19**	1,336.03
	Travelling and conveyance	**419.61**	606.16
	Commission	**112.27**	62.19
	Royalty	**54.76**	84.12
	Legal and consultancy	**399.03**	460.84
	Information technology services	**1,094.73**	1,046.01
	Payment to statutory auditors :		
	As auditors	**19.58**	17.79
	For other services	**19.95**	20.31
	For reimbursement of expenses	**2.94**	4.14
	Allowances for credit losses	**50.94**	196.59
	Bad debts written off	**55.40**	46.43
	Less: Utilisation of loss allowance on trade receivables	**(55.40)**	(46.43)
	Expenditure towards corporate social responsibility (CSR) activities (Refer Note 38)	**52.25**	46.75
	Service charges	**1,320.40**	1,262.10
	Miscellaneous expenses	**2,636.22**	2,400.93
		16,426.51	16,771.52

		Year ended 31-03-2020 ₹ Lakhs	Year ended 31-03-2019 ₹ Lakhs
31	**Reconciliation of income tax expenses with accounting profit**		
	Profit before tax from continuing operations	**3,429.04**	2,199.13
	Profit before tax from discontinued operations	**3,634.04**	815.00
		7,063.08	3,014.13
	Income tax using the Company's domestic tax rate @ 25.17% (PY 34.94%)	**1,777.78**	1,053.14
	Effect of expenses that are not deductible in determining taxable profit	**121.86**	113.07
	Effect of income that is not taxable	**(8.02)**	(28.51)
	Effect on deferred tax balances due to the change in income tax rate	**(432.89)**	20.78
	Effect of income taxed at different rate	**(9.49)**	-
	Effect of tax adjustments of prior years (net) *	**543.33**	-
		1,992.57	1,158.48
	Income tax expense recognised in profit or loss	**1,449.24**	1,158.48
	Effect of tax adjustments of prior years (net)	**543.33**	-
		1,992.57	1,158.48

* In case of direct taxes, the Company is also in the process of availing Vivad se Vishwas scheme for which provision of ₹ 543.33 lakhs has been created in current year ended March 31, 2020.

The company exercised the option of lower tax rate under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance 2019. Company had opted for this option in December 2019 and accordingly the impact of reduced tax rate has come in December 2019 quarter in the books.

32 Financial instruments and risk review for continuing and discontinued operations

Capital management

"The Company's objectives when managing capital are to :

(i) Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders; and

(ii) Maintain an optimal capital structure to reduce the cost of capital."

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The capital structure of the Company consists of equity of the Company (comprising issued capital, reserves and retained earnings as detailed in notes 14 and 15). The Company is a zero debt company with no long-term borrowings as at 31-03-2020. The Company is not subject to any externally imposed capital requirements.

Categories of financial instruments

₹ Lakhs

Particulars	31-03-2020	31-03-2019
Financial assets		
Measured at amortised cost		
Cash and bank balances	**3,199.96**	3,509.13
Trade receivables	**18,499.46**	18,153.06
Loans	**965.72**	1,023.55
Other financial assets	**9.98**	112.55
Measured at fair value through profit and loss (FVTPL)		
Mandatorily measured - Investments in mutual funds	**8,129.16**	1,207.35
Financial liabilities		
Measured at amortised cost		
Trade payables	**17,523.61**	18,919.99
Other financial liabilities	**2,599.25**	2,988.55

At the end of the reporting period, there are no significant concentrations of credit risk for financial assets measured at FVTPL. The carrying amount reflected above represents the Company's maximum exposure to credit risk for such Financial assets.

Financial risk management framework

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and price risk), credit risk, liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to reduce potential adverse effects on the Company's financial performance at reasonable hedging costs. The Company uses derivative financial instruments to hedge risks on net exposure basis.

Management identifies, evaluates and hedges financial risks under approved policies to manage overall foreign exchange risk, credit risk and investing surplus liquidity (counterparty risk).

Market risks

Foreign exchange risk

The Company has exports to and imports from other countries and is exposed to foreign exchange risks arising from various currency exposures, primarily with respect to the Euro and the US-dollar. Foreign exchange risks arise from recognized assets and liabilities, when they are denominated in a currency other than Indian Rupee.

To manage the foreign exchange risk arising from recognized assets and liabilities, the Company uses spot transactions and foreign exchange forward contracts, on net exposure basis in major foreign currencies.

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting year are as follows:

Particulars	31-03-2020	31-03-2019
Amount receivable		
USD (Amount in foreign currency)	**6,326,306.34**	6,725,312.92
₹ in Lakhs	**4,773.66**	4,649.81
EURO (Amount in foreign currency)	**92,678.08**	39,850.25
₹ in Lakhs	**76.62**	30.95
CHF (Amount in foreign currency)	**-**	2,314.80
₹ in Lakhs	**-**	1.61
Amount payable		
USD (Amount in foreign currency)	**2,198,877.47**	3,440,265.46
₹ in Lakhs	**1,660.38**	2,378.56
EURO (Amount in foreign currency)	**1,727,861.59**	2,505,922.95
₹ in Lakhs	**1,428.23**	1,946.61
CHF (Amount in foreign currency)	**215,876.07**	298,560.47
₹ in Lakhs	**168.37**	207.33
JPY (Amount in foreign currency)	**-**	35,100,000.00
₹ in Lakhs	**-**	219.01

Following is the analysis of foreign exchange risk sensitivity impacting the profit where the Indian Rupee strengthens and weakens by 1% against the relevant currency. A positive number below indicates an increase in profit and negative number below indicates a decrease in profit.:

₹ Lakhs

Foreign currency	31-03-2020		31-03-2019	
	1% strengthening	1% weakening	1% strengthening	1% weakening
USD	**(31.13)**	**31.13**	(22.71)	22.71
EURO	**13.52**	**(13.52)**	19.16	(19.16)
CHF	**1.68**	**(1.68)**	2.06	(2.06)
JPY	**-**	**-**	2.19	(2.19)

Credit risk

Credit risk arises from entering into derivative financial instruments, from deposits with banks and financial institutions, as well as from credit exposures to customers, including outstanding receivables.

Customer credit risk exposure is triggered by customer default risk and country risk. As at balance sheet date, the Company does not have significant concentration of credit risk either due to size of customers or due to country risk.

Company has a credit risk policy in place to ensure that sales are made to customers only after an appropriate credit risk rating and credit line allocation process. Procedures are standardized within credit risk policy and supported by the IT system with respective credit management tools. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining collaterals viz Security Deposit or bank Guarantee as per Credit Policy, as a means of mitigating the risk of financial loss from defaults.The average credit period on sales of goods is 60 to 90 days.

The credit risk on Cash & cash equivalents and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by credit-rating agencies. Also, the credit risk on security deposits for rental premises and loans to employees have low credit risk because of no history of defaults and no concerns for the counterparties to meet their obligations in the future.

Ageing of the receivables

₹ Lakhs

Particulars	31-03-2020	31-03-2019
Within credit period	**15,630.38**	16,401.04
Past dues:		
upto 60 days	**2,811.12**	1,664.80
61 to 180 days	**253.14**	221.45
more than 180 days	**150.03**	237.37
Allowance for life time expected credit Loss on trade receivables	**345.21**	371.60

Movement in the credit loss allowance

₹ Lakhs

Particulars	31-03-2020	31-03-2019
Balance at the beginning of the year	**371.60**	321.85
Allowance for expected credit loss on trade receivable	**29.01**	96.18
Bad Debts write off	**(55.40)**	(46.43)
Balance at the end of the year	**345.21**	371.60

Liquidity risk

Liquidity risk management:

The Company is currently debt free having no long term financial liabilities. Management monitors the forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet its operational needs while maintaining sufficient headroom on its undrawn borrowing facilities. Considering the liquidity advantage ,funds surplus to the operational needs are invested in the liquid and liquid plus schemes of mutual funds and bank deposits. The cash & cash equivalents & investments in mutual funds are highly liquid and are readily available for payment of liabilities.

The following table analysis the maturity profile of the Company's financial liabilities. The amounts disclosed are the contractual undiscounted cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

₹ Lakhs

Particulars	Less than 1 year	1 to 5 years	5 years and above
As at 31-03-2020			
Trade payables	**17,523.61**	-	-
Lease liabilities	**1,081.41**	**2,692.45**	-
Other financial liabilities	**2,599.25**	-	-
As at 31-03-2019			
Trade payables	18,919.99	-	-
Other financial liabilities	2,988.55	-	-

33 Fair value measurement and related disclosures

Fair value of the Company's financial assets that are measured at fair value on a recurring basis:

Some of the Company's financial assets are measured at fair value at the end of each reporting period.

The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

₹ Lakhs

Financial assets	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)
	31-03-2020	31-03-2019		
Financial assets at fair value through profit or loss Mutual funds	**8,129.16**	1,207.35	Level 2	Net assets value of Mutual Funds

Fair value of financial assets that are not measured at fair value (but fair value disclosures are required):

The management considers that the carrying amounts of such financial assets and financial liabilities recognised in the balance sheet approximate their fair values.

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

₹ Lakhs

		31-03-2020	31-03-2019
(a)	**Contingent liabilities :**		
	(i) in respect of income tax matters	**2,938.83**	3,082.59
	(ii) in respect of sales tax / VAT matters	**505.62**	2,420.55
	(iii) in respect of excise / service tax matters	**357.00**	1,160.23
	(iv) Other matters in dispute	**234.82**	284.82

In respect of above items, future cash outflows, if any are determinable only on receipt of judgements pending at various forums/authorities.

Notes forming part of the financial statements for the year ended March 31, 2020

₹ Lakhs

		31-03-2020	31-03-2019
(b)	**Commitments :**		
(i)	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	**212.84**	646.16
(ii)	Others - amount of future minimum lease payments under non-cancellable operating leases (Refer note 35)	*	3928.78

* In current year disclousers have been made under Note 35.

35A Operating Leases :

As Lessee :

For previous financial year ended 31-03-2019 minimum lease rentals payable towards non-cancellable period of the lease agreements for not later than one year ₹ 779.40 lakhs and for later than one year and not later than five years ₹ 3,149.38 lakhs.

As Lessor :

The company has given certain leased properties and buildings on operating lease to third parties. The lease arrangements ranging from 11 months to 4 years are cancellable and are generally renewable by mutual consent or mutually agreeable terms. The rental income of ₹ 1,045.85 lakhs (Previous year ₹ 509.07 Lakhs) on such lease is included in Other Income (Refer Note 24 and 42).

B) Lease adoption impact - disclosure

The Company has adopted Ind AS 116 retrospectively from April 1, 2019, but has not restated comparatives for year ended March 31, 2019, as permitted under the specific transition provisions in the standard. The reclassification and adjustments arising from the new leasing rules are therefore recognised in the opening balance sheet on April 1, 2019. The new accounting policies are disclosed in note 1(g).

On adoption of Ind AS 116, the Company recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of Ind AS 17, Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of April 1, 2019. The incremental borrowing rate applied to the lease liabilities on April 1, 2019 was ranging between 8.6% to 9%.

(i) In applying IND AS 116 for the first time, the company has used the following practical expedients permitted by the standard

- applying a single discount rate to a portfolio of leases with reasonably similar characteristics
- relying on previous assessments on whether leases are onerous as an alternative to performing an impairment review there were no onerous contracts as at April 1, 2019
- the Company has relied on its previous assessment under IND AS 17 to determine a lease for contracts existing as on the transition date
- accounting for operating leases with a remaining lease term of less than 12 months as at April 1, 2019 as short-term leases
- using initial direct costs for the measurement of the right-of-use asset at the date of initial application, and
- using hindsight in determining the lease term where the contract contains options to extend or terminate the lease

(ii) Measurement of lease liabilities

Particulars	As at March 31, 2020
Operating lease commitments disclosed as at March 31, 2019	**3,928.78**
Add/less: adjustments as a result of a different treatment of extension and termination options	**119.22**
Discounted using the lessee's incremental borrowing rate - at the date of initial application including short term Leases	**4,048.00**
Less : short-term leases not recognised as a liability	**53.66**
Lease liability recognised as at April 1, 2019	**3,994.34**
Of which are:	
Current lease liabilities	**776.27**
Non-current lease liabilities	**3,218.07**
	3,994.34

Notes forming part of the financial statements for the year ended March 31, 2020

C) Right-of-use assets

₹ Lakhs

Particulars	As at April 01, 2019
Buildings	
Cost	3,994.34
Accumulated depreciation	-
Net Carrying amount	**3,994.34**

For leasehold land previously classified as finance lease, the entity recognised the carrying amount of ₹ 732.37 lakhs of the lease asset as the carrying amount of the right of use asset at the date of initial application. The measurement principle of Ind AS 116 are only applied after that date.

D) Adjustments recognised in Balance Sheet on April 1, 2019

₹ Lakhs

Increase in Right of Use Assets	4,726.71
Increase in Lease Liabilities	3,994.34
Decrease in Property, plant and equipment	732.37

E) Amounts recognised in Balance sheet

₹ Lakhs

Right-of-use assets	Net Carrying amount as at March 31, 2020
Buildings	**3,008.36**
Land	**465.69**
Total	**3,474.05**
Lease liabilities	
Current	**826.12**
Non current	**2,391.95**
Total	**3,218.07**

F) Amounts recognised in profit or loss

₹ Lakhs

Depreciation charge of right-of-use of assets	March 31, 2020
Buildings	**985.98**
Land	**8.81**
Total	**994.79**

For the year ended 31st March 2020, interest expense (included in finance cost) on lease liability is ₹ 328.62 lakhs and expense related to low value assets and short term leases (included in other expenses) is ₹ 53.66 lakhs.

Notes forming part of the financial statements for the year ended March 31, 2020

G) Net Debt Reconciliation

₹ Lakhs

Particulars	As at April 01, 2019
Net debt as on 1st April 2019	-
Initial recognition as per Ind AS	3,994.34
Cash Outflow	(1,104.89)
Interest	328.62
Net debt as on 31st March 2020	**3,218.07**

36 Earnings per share from continuing and discontinued operations :

		31-03-2020	31-03-2019
(a)	Basic and diluted earnings per share (Amount in Rupees)	**21.96**	8.05
	Continuing operations	**8.03**	5.00
	Discontinued operations	**13.93**	3.05
(b)	Profit attributable to the equity holder of the company (in Lakhs)	**5,070.51**	1,855.65
	Continuing operations	**1,855.55**	1,152.65
	Discontinued operations	**3,214.96**	703.00
	Weighted average number of equity shares (Numbers)	**23,081,798**	23,081,798

Company does not have any dilutive potential ordinary shares and therefore diluted earning per share is the same as basic earning per share.

37 Disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). This information has been determined to the extent such parties have been identified on the basis of intimations received from suppliers. This has been relied upon by the auditors.

₹ Lakhs

		31-03-2020	31-03-2019
(a)	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	**3.72**	22.98
(b)	Principal amount not due to suppliers registered under the MSMED Act and remaining unpaid as at year end	**395.80**	599.50
(c)	Interest thereon due to suppliers registered under the MSMED Act and remaining unpaid as at year end	**0.05**	0.20
(d)	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	**2769.39**	2,686.50
(e)	Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	**-**	-
(f)	Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	**-**	-
(g)	Interest due and payable towards suppliers registered under MSMED Act, for payments already made	**9.16**	7.54
(h)	Further interest remaining due and payable for earlier years	**58.20**	50.46

38 Corporate Social responsibility

(a) Gross amount required to be spent by the company during the year ₹ **54.86 Lakhs** (Previous year : ₹ 59.46 Lakhs)

Notes forming part of the financial statements for the year ended March 31, 2020

(b) Amount spent during the year on :

	Particulars	Year ended 31-03-2020			Year ended 31-03-2019		
		In Cash ₹ Lakhs	Yet to be paid in cash ₹ Lakhs	Total ₹ Lakhs	In Cash ₹ Lakhs	Yet to be paid in cash ₹ Lakhs	Total ₹ Lakhs
(i)	Construction/acquisition of any asset	**-**	**-**	**-**	-	-	-
(ii)	On purpose other than (i) above	**52.25**	**-**	**52.25**	46.75	-	46.75

39 Employee benefits for continuing and discontinued operations:

(1) Defined benefits plans - As per actuarial valuation

(a) Gratuity and Ex-Gratia gratuity

			Year ended 31-03-2020 ₹ Lakhs		Year ended 31-03-2019 ₹ Lakhs	
			Funded	Unfunded	Funded	Unfunded#
(i)		**Expenses recognised in the statement of profit and loss for the year**				
	1	Current service cost	**193.23**	**-**	183.60	-
	2	Past service cost *	**-**	**-**	-	(11.36)
	3	Interest cost	**42.20**	**-**	41.96	-
	4	Expense recognised in statement of profit and loss	**235.43**	**-**	225.56	(11.36)
(ii)		**Expenses recognised in other comprehensive income**				
	1	Return on plan assets	**55.93**	**-**	20.41	-
	2	Loss / (Gain) from change in financial assumptions	**205.46**	**-**	51.77	-
	3	Loss/(Gain) from change in demographic assumptions	**-**	**-**	0.19	-
	4	Experience (Gain)/Loss	**96.86**	**-**	(75.87)	-
	5	(Income) / Expense recognised in Other comprehensive income	**358.25**	**-**	(3.50)	-
(iii)		**Actual return on plan assets for the year**				
	1	Expected return on plan assets	**168.16**	**-**	160.88	-
	2	Actuarial gain on plan assets	**(55.93)**	**-**	(20.41)	-
	3	Actual return on plan assets	**112.23**	**-**	140.47	-
(iv)		**Net asset/(liability) recognised in the balance sheet as at the year end**				
	1	Present value of the defined benefit obligation	**3,169.52**	**-**	2,810.11	-
	2	Fair value of plan assets	**2,180.33**	**-**	2,147.50	-
	3	Net (liability)/asset recognised in the balance sheet	**(989.19)**	**-**	(662.61)	-
(v)		**Change in defined benefit obligation during the year**				
	1	Present value of obligation at the beginning of the year	**2,810.11**	**-**	2,656.37	12.11
	2	Current service cost	**193.23**	**-**	183.60	-
	3	Past service cost	**-**	**-**	-	(11.36)
	4	Interest cost	**210.36**	**-**	202.84	-
	5	Benefits paid	**(258.03)**	**-**	(202.21)	(0.75)
	6	Actuarial (Gain)/Loss on obligation	**302.32**	**-**	(23.91)	-
	7	Transfer (out)	**(88.47)**	**-**	(6.58)	-
	8	Present value of obligation as at the end of the year	**3,169.52**	**-**	2,810.11	-

			Year ended 31-03-2020 ₹ Lakhs		Year ended 31-03-2019 ₹ Lakhs	
			Funded	**Unfunded**	Funded	Unfunded#
(vi)		**Changes in fair value of plan asset during the year**				
	1	Fair value of plan assets as at the beginning of the year	**2,147.50**	**-**	2,013.28	-
	2	Expected return on plan assets	**168.16**	**-**	160.88	-
	3	Contributions made	**267.10**	**-**	202.54	-
	4	Transfer (out) on account of business acquisition / sale and employees transfer	**(88.47)**	**-**	(6.58)	-
	5	Benefits paid	**(258.03)**	**-**	(202.21)	-
	6	Actuarial gain on plan assets	**(55.93)**	**-**	(20.41)	-
	7	Fair value of plan assets as at the end of the year	**2,180.33**	**-**	2,147.50	-
(vii)		**Major categories of plan assets as a percentage of total plan assets**				
	1	Government debt instruments	**29.32%**	**-**	37.21%	-
	2	Other debt instruments	**27.43%**	**-**	1.14%	-
	3	Insurer managed funds	**32.71%**	**-**	34.63%	-
	4	Others	**10.54%**	**-**	27.02%	-
(viii)		**Actuarial assumptions**				
	1	Discount rate	**6.95%**	**-**	7.85%	-
	2	Expected rate of return on plan assets	**6.95%**	**-**	7.85%	-
	3	Salary escalation	**6.0%-9.0%**	**-**	6.0%-9.0%	-

(ix) The company expects to contribute ₹ **250.00 Lakhs** (Previous year : ₹ 250.00 Lakhs) to the funded gratuity plans in the next year.

(x) **The unfunded defined benefit plan represents "Ex-gratia gratuity".**

* Gratuity :

i) Change in ceiling limit from ₹10 lakhs to ₹20 lakhs pursuant to "The Payment of Gratuity (Amendment) Act, 2018 notified by the Central Government on 29 March 2018 &

ii) Change in gratuity and ex-gratia benefit for certain employees

* Exgratia : on account of change in gratuity and ex-gratia benefit for certain employees

During the previous year 2018-19, the Company has discontinued Ex-gratia gratuity scheme.

			31-03-2020	31-03-2019
(b)		**Sensitivity analysis**		
		Impact of increase in 25 bps on DBO		
	1	Discount Rate Gratuity	**-1.88%**	-1.84%
	2	Salary Escalation Gratuity	**1.91%**	1.89%
		Impact of decrease in 25 bps on DBO		
	1	Discount Rate Gratuity	**1.94%**	1.90%
	2	Salary Escalation Ex-gratia	**-1.86%**	-1.83%

(c) The weighted average duration of the defined benefit obligation is **7.85 years** for gratuity.

The expected maturity analysis is as follows:

	31-03-2020 ₹ Lakhs	31-03-2019 ₹ Lakhs
Expected benefits for year 1	**402.24**	260.72
Expected benefits for year 2	**265.38**	278.65
Expected benefits for year 3	**434.13**	209.48
Expected benefits for year 4	**248.19**	386.11
Expected benefits for year 5	**315.10**	257.42
Expected benefits for year 6	**326.86**	284.87
Expected benefits for year 7	**304.51**	306.31
Expected benefits for year 8	**293.03**	300.46
Expected benefits for year 9	**265.66**	253.71
Expected benefits for year 10 and above	**3,301.02**	3,309.12

(d) Gratuity is administered through duly constituted and approved independent trusts and also through Group gratuity scheme with Life Insurance Corporation of India.

(e) Future salary increases considered in actuarial valuation take in to account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(f) Basis used to determine expected rate of return on plan assets:

The expected rate of return on plan assets is based on market expectation at the beginning of the year for returns over the entire life of the related obligation.

(2) Other long term benefits	31-03-2020 ₹ Lakhs	31-03-2019 ₹ Lakhs
Compensated absences	**891.47**	1017.72

(3) Provident fund		31-03-2020 ₹ Lakhs	31-03-2019 ₹ Lakhs
Defined benefit obligation		**3,540.31**	3,038.94
Fund assets		**3,540.31**	3,038.94
Net liability		**-**	-
Actuarial assumptions			
1	Discount rate	**6.95%**	7.85%
2	Average historic yield on the portfolio	**7.77%**	8.26%
3	Discount rate for the remaining term to maturity of the portfolio	**5.65%**	7.05%
4	Expected investment return	**9.07%**	9.06%
5	Guaranteed rate of return	**8.50%**	8.65%

As per the actuarial valuation report, there is no liability as at the balance sheet date towards the Company's obligation to make good the shortfall in interest rate as compared to statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952.

The Company has implemented the decision given in the Supreme Court Judgment in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-I/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952 w.e.f. April 1, 2019. In the assessment of the management which is supported by legal advice, the aforesaid matter is not likely to have a significant impact in respect of earlier years.

40 Share based payments

Share option plan of the Parent Company

Few of the employees under senior management level have right to participate in Clariant Stock Option Plans introduced by the ultimate holding Company, Clariant AG, Switzerland.

Under the Group Senior Management – Long Term Incentive Plan (GSM-LTIP) a certain percentage of the actual bonus is granted to the plan participants in the form of registered shares of Clariant (investment shares). These shares vest immediately upon grant, but are subject to a 3-year blocking period. The plan participants receive an additional share free of cost (matching share) for each investment share held at the end of the blocking period.

Performance Share Unit (PSU) plan is a three-year vesting period plan. The vesting is conditional upon achievement of the performance targets at the end of the vesting period. If the performance targets are achieved, each PSU will be converted into one Clariant share and the plan participants receive Clariant share free of cost.

The total amount to be expensed in the statement of profit or loss is determined by reference to the fair value of the options granted and is recognised over the vesting period. Assumptions are made concerning the forfeiture rate which is adjusted during the vesting period so that at the end of the vesting period there is only a charge for the vested amounts.

Set out below is the summary of shares granted under the plans:

Number of shares	31-03-2020		31-03-2019	
	GSM-LTIP	PSU	GSM-LTIP	PSU
Outstanding at the beginning of the year	2,174	23,385	7,320	13,234
Granted during the year	10,890	-	2,174	17,503
Forfeited during the year	-	(2,319)	(5,144)	(7,352)
Exercised and vested during the year	-	-	(2,176)	-
Expired during the year	-	(3,746)	-	-
Outstanding at the end of the year	13,064	17,320	2,174	23,385
Weighted average fair value of the shares granted during the year ended (in CHF per share)	-	15.91	-	20.34
Weighted average remaining contractual life	1.85 Years	0.38 Years	1.99 Years	1.29 Years

No options were exercised in the current year. The weighted average share price at the date of exercise of options during the year ended on 31-03-2019 was 19.71 CHF per share.

The fair value of shares granted is calculated based on market value of shares as at the grant date.

41 Related party disclosures as required by Ind AS-24 "Related Party Disclosures" are given below :

Relationship :

(a) Enterprises where control exists:

(i) Ultimate Holding Company

- Clariant AG, Switzerland

(ii) Principal Shareholders (subsidiaries of the Ultimate Holding Company) :

- Clariant Plastic & Coating AG (Erstwhile known as Clariant Participations AG)
- EBITO Chemiebeteiligungen AG

(b) Other related parties in the Clariant group with whom the Company has transactions:

Fellow subsidiary companies :	
Clariant (New Zealand) Ltd.	Clariant Plastics & Coatings (Japan) K.K.
Clariant (Singapore) Pte. Ltd.	Clariant Plastics & Coatings (Taiwan) Co., Ltd.
Clariant Chemicals (China) Ltd.	Clariant Plastics & Coatings (Thailand) Ltd
Clariant Chemicals Pakistan (Pvt.) Ltd.	Clariant Plastics & Coatings México, S.A. de C.V
Clariant Coatings (Shanghai) Ltd.	Clariant Plastics & Coatings Polska Sp.z o.o.
Clariant India Limited	Clariant Plastics & Coatings Southern Africa (Pty) Ltd.
Clariant International Ltd.	Clariant Services (Poland) SP.Z.O.O.
Clariant Masterbatches (Malaysia) Sdn Bhd	Colorants International AG
Clariant Masterbatches (Shanghai) Ltd.	Colorants Solutions Singapore Pte. Ltd.
Clariant Masterbatches (Thailand) Ltd.	PT. Clariant Plastics and Coatings Indonesia
Clariant Medical Specialties India Limited	Performance Masterbatches Ltd.
Clariant Plastics & Coating USA Inc	PT. Clariant Specialties Indonesia
Clariant Plastics & Coatings (Argentina) SA	Colorants Solutions (Deutschland) GmbH
Clariant Plastics & Coatings (Deutschland) GmbH	Süd-Chemie India Pvt. Ltd. (SCIL)

(c) Key management personnel:

Executive Directors
Adnan Ahmad
Sanjay Ghadge (with effect from 08-08-2019 to 31-12-2019)
Non-Executive Directors
Kewal Handa
Sunirmal Talukdar
Indu Shahani
Alfred Muench
Karl Holger Dierssen (up to 31-05-2019)
Mario Brocchi (up to 12-02-2019)
Thomas Wenger (with effect from 12-02-2019)
Sanjay Ghadge (with effect from 01-01-2020)

(d) Transactions with entity over which key management personnel has signficant influence :

Conexus Social Responsibility Services Private Limited (consultancy for CSR Strategy)

Transactions entered into with related parties during the year and balances as at the year end:

	31-03-2020 ₹ Lakhs	31-03-2019 ₹ Lakhs
(i) Principal Shareholders :		
Transactions during the year :		
Clariant Plastic & Coating AG (Erstwhile known as Clariant Participations AG)		
Purchase of goods	4,342.61	6,088.14
Indenting commission received	425.66	253.24
Information technology service charges	79.08	-

Notes forming part of the financial statements for the year ended March 31, 2020

	31-03-2020 ₹ Lakhs	31-03-2019 ₹ Lakhs
Royalty expenses	**62.85**	84.12
Expenses recovered	**0.01**	4.80
Dividend paid	**383.13**	766.26
Purchase of Property, plant and equipment	**-**	6.35
EBITO Chemiebeteiligungen AG		
Dividend paid	**205.47**	410.94
(ii) Fellow subsidiaries :		
Transactions during the year :		
Sales of goods		
Clariant (Singapore) Pte. Ltd.	**18,289.68**	24,199.15
Colorants Solutions Singapore Pte. Ltd.	**6,220.79**	-
Others	**4,134.75**	2,687.46
Purchase of goods		
Clariant (Singapore) Pte. Ltd.	**1,055.34**	2,210.08
Colorants International AG	**1,153.20**	-
Colorants Solutions Singapore Pte. Ltd.	**294.76**	-
Clariant India Limited	**221.41**	446.22
Others	**500.36**	525.95
Purchase of property, plant and equipment		
Clariant Plastics & Coatings (Deutschland) GmbH	**24.89**	201.63
Others	**1.81**	-
Rental income		
Clariant India Limited	**981.87**	447.20
Clariant Medical Specialties India Limited	**56.11**	56.83
Services rendered		
Clariant India Limited	**1,499.59**	1,895.41
Clariant Medical Specialties India Limited	**168.73**	242.13
Indenting commission received		
Clariant Masterbatches (Thailand) Ltd.	**9.80**	10.23
Clariant (Singapore) Pte. Ltd.	**-**	41.41
Colorants International AG	**49.36**	-
Others	**4.30**	0.03
Commission paid		
Clariant Chemicals Pakistan (Pvt.) Ltd.	**84.24**	30.27

Notes forming part of the financial statements for the year ended March 31, 2020

	31-03-2020 ₹ Lakhs	31-03-2019 ₹ Lakhs
Expenses recovered		
Clariant India Limited	**92.93**	45.09
Others	**0.05**	3.97
Consideration for the sale of Additive Business (Refer note 42)		
Clariant India Limited	**1,377.29**	-
Services received		
Clariant India Limited	**175.39**	185.31
Clariant International AG	**752.44**	803.04
Clariant Services (Poland) Sp. z.o.o.	**1,339.17**	1,274.28
(iii) Key management personnel :		
Executive Directors		
Short-term employee benefits	**450.85**	364.19
Post-employment benefits	**26.84**	15.91
Long-term employee benefits	**-**	6.18
Employee share-based payment	**111.70**	136.56
Total Remuneration	**589.38**	522.83
Non-Executive Directors		
Sitting fees	**31.20**	24.80
Commission	**24.00**	13.50
Total Remuneration	**55.20**	38.30
(iv) Entity over which key management personnel has signficant influence :		
Expenditure towards Corporate Social Responsibility activities		
Conexus Social Responsibility Services Private Limited	**-**	1.08
(v) Balances outstanding as at the year end :		
Principal Shareholders :		
Trade payables	**70.84**	1761.57
Trade receivables	**37.00**	34.92
Fellow Subsidiares :		
Trade payables	**2,406.65**	1,593.34
Trade receivables	**5,950.98**	6,496.61
Key Management Personnel :		
Payable balance	**137.66**	140.83

Notes forming part of the financial statements for the year ended March 31, 2020

42 Discontinued operation

(a) Description

The Board of Directors at their meeting held on November 06, 2019 has approved the sale of Business Unit – Additives (BU - Additives) to Clariant India Limited for a consideration of ₹ 1,684 Lakhs subject to working capital changes. Business was transferred with effect from January 01, 2020. After giving effect of working capital changes revised consideration stands at ₹ 1,377.29 Lakhs. Additive business operations have been disclosed as discontinued operations. Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss before tax from discontinued operations in the statement of profit and loss. Gain on disposal of Additives business has been included in profit before tax from discontinued operations.

The Board of Directors at their meeting held on December 19, 2019 has approved the sale of Business Unit – Masterbatches to PolyOne for a consideration of ₹ 42,600 Lakhs subject to adjustments and local statutory approvals. Accordingly, as per Ind AS 105 on Non-current Assets held for sale and discontinued operations, masterbatch business operations have been disclosed as discontinued operation. Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss before tax from discontinued operations in the statement of profit and loss and has disclosed assets and liabilities as held for sale.

(b) Financial performance and cash flow information

The financial performance and cash flow information presented are for year ended March 31, 2020 and corresponding year March 31, 2019

	31-03-2020 ₹ Lakhs	31-03-2019 ₹ Lakhs
Total Income	33,610.04	31,006.00
Total Expenses	(29,976.00)	(30,191.00)
Profit before tax	3,634.04	815.00
Tax expense	419.08	(112.00)
Profit from discontinued operations	4,053.12	703.00
Other comprehensive income from discontinued operations		
Remeasurement of the defined benefit plans	(115.41)	0.99
Tax expense	13.92	(0.50)
Other comprehensive income from discontinued operations (net of tax)	(101.49)	0.49
Net cash inflow from operating activities	4,288.56	4,584.81
Net cash inflow / (outflow) from investing activities	890.00	(652.00)
Net cash inflow / (outflow) from financing activities	-	-
Net cash generated from discontinued operations	5,178.56	3,932.81

(c) Details of the sale of Business Unit – Additives

The carrying amounts of assets and liabilities as at the date of sale 31st December 2019 were:

	31-12-2019 ₹ Lakhs
Property, Plant & Equipment	10.25
Trade receivables	586.31
Inventories	532.20
Other assets	24.64
Total assets	1,153.40
Trade Payables	551.44
Employee benefit obligations	65.65
Other liabilities	4.65
Total liabilities	621.74
Net assets	531.66

Notes forming part of the financial statements for the year ended March 31, 2020

(d) Assets and liabilities of disposal group classified as held for sale

The following assets and liabilities were reclassified as held for sale in relation to the discontinued operation as at 31 March 2020:

	31-03-2020 ₹ Lakhs
Assets classified as held for sale	
Property, Plant & Equipment	7,596.54
Right-of-use assets	257.76
Trade receivables	3,707.96
Inventories	3,792.46
Other assets	4,085.46
Total assets of disposal group held for sale	19,440.18
Liabilities directly associated with assets classified as held for sale	
Trade Payables	3,986.59
Deferred tax liabilities (net)	363.55
Other liabilities	1,111.25
Total liabilities of disposal group held for sale	5,461.40

The cumulative foreign exchange losses recognised in other comprehensive income in relation to the discontinued operation as at March 31, 2020 were Nil

43 Segment Information :

(a) Information reported to the Chief operating decision maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. No operating segments have been aggregated in arriving at the reportable segments of the Company.

The Company's reportable segments under Ind AS 108 are as follows:

(i) Plastics & Coatings :

Includes pigments, pigment preparations, additives and masterbatches.

(ii) Specialty Chemicals :

Includes dyestuff, synthetic resins, functional effects and coating, auxiliaries and chemicals.

(b) The following is an analysis of the Company's revenue and results from continuing operations by reportable segment and reconciliation of segment revenue and Segment profit with total revenue and profit before tax respectively:

₹ Lakhs

Particulars	31-03-2020			31-03-2019		
	Plastics and Coatings	**Specialty Chemicals**	**Total**	Plastics and Coatings	Specialty Chemicals	Total
Revenue						
External sales	**69,686.79**	**6,041.06**	**75,727.85**	65,343.00	6,532.00	71,875.00
Results						
Segment results	**3,685.00**	**771.06**	**4,456.06**	2,263.01	252.81	2,515.82
Unallocated corporate (expenses)/income (net)			**(713.71)**			(374.16)
Operating profit			**3,742.35**			2,141.66
Interest Income			**70.09**			119.81
Finance costs			**(383.40)**			(62.34)
Profit before tax from continuing operations			**3,429.04**			2,199.13
Tax expense						
Current tax			**1,368.70**			1,505.48
Deferred tax			**(338.54)**			(459.00)
Tax adjustments of prior years (net)			**543.33**			-
			1,573.49			1.046.48
Profit for the year from continuing operations			**1,855.55**			1,152.65
Profit before tax from discontinued operations			**3,634.04**			815.00
Tax expense / (income) of discontinued operations			**419.08**			112.00
Profit for the year from discontinued operations			**3,214.96**			703.00
Profit for the year from continuing and discontinued operations			**5,070.51**			1,855.65

(c) Segment revenue reported above represents revenue generated from external customers. There were no inter -segment sales.

(d) The accounting policies of the reportable segments are the same as the Company's accounting policies described in note 1. Segment results represents the profit before tax earned by each reportable segment without allocation of central administration costs, other income, finance costs as well as exceptional items. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

Disclosure as per IND AS 115 for the year ended March 31, 2020

₹ Lakhs

Segments	31-03-2020			31-03-2019		
	Plastics and Coatings	**Specialty Chemicals**	**Total**	Plastics and Coatings	Specialty Chemicals	Total
Primary geographical markets						
Continuing operation						
India	**42,613.18**	**6,041.06**	**48,654.24**	38,773.45	6,532.82	45,306.27
Outside India	**25,814.65**	**-**	**25,814.65**	25,290.99	-	25,290.99
	68,427.83	**6,041.06**	**74,468.89**	64,064.44	6,532.82	70,597.26
Discontinued operation						
India	**29,774.74**	**-**	**29,774.74**	29,793.65	-	29,793.65
Outside India	**2,579.80**	**-**	**2,579.80**	1,178.65	-	1,178.65
	32,354.54	**-**	**32,354.54**	30,972.30	-	30,972.30
Major products/ service lines						
Continuing operation						
Pigments	**68,427.83**	**-**	**68,427.83**	64,064.44	-	64,064.44
Speciality Chemicals	**-**	**6,041.06**	**6,041.06**	-	6,532.82	6,532.82
	68,427.83	**6,041.06**	**74,468.89**	64,064.44	6,532.82	70,597.26
Discontinued operation						
Masterbatches	**30,092.54**	**-**	**30,092.54**	28,282.00	-	28,282.00
Additives	**2,262.00**	**-**	**2,262.00**	2,690.30	-	2,690.30
	32,354.54	**-**	**32,354.54**	30,972.30	-	30,972.30
Timing of revenue recongnition						
Continuing operation						
Goods transferred at a point of time	**65,950.91**	**6,041.06**	**71,991.97**	61,211.11	6,532.82	67,743.93
Services transferred over time	**2,476.92**	**-**	**2,476.92**	2,853.33	-	2,853.33
	68,427.83	**6,041.06**	**74,468.89**	64,064.44	6,532.82	70,597.26
Discontinued operation						
Goods transferred at a point of time	**32,354.54**	**-**	**32,354.54**	30,972.30	-	30,972.30
Services transferred over time	**-**	**-**	**-**	-	-	-
	32,354.54	**-**	**32,354.54**	30,972.30	-	30,972.30

₹ Lakhs

Segment Assets and liabilities	31-03-2020			31-03-2019		
Particulars	**Plastics and Coatings**	**Specialty Chemicals**	**Total**	Plastics and Coatings	Specialty Chemicals	Total
Continuing operation						
Segment assets	**55,959.00**	**499.63**	**56,458.63**	55,388.82	1,028.65	56,417.47
Unallocated corporate assets	**-**	**-**	**18,446.80**	-	-	12,344.36
Total assets			**74,905.43**			68,761.83

Notes forming part of the financial statements for the year ended March 31, 2020

Segment Assets and liabilities	31-03-2020			31-03-2019		
Particulars	**Plastics and Coatings**	**Specialty Chemicals**	**Total**	Plastics and Coatings	Specialty Chemicals	Total
Segment liabilities	**20,162.21**	**335.51**	**20,497.72**	19,803.92	-	19,803.92
Unallocated corporate liabilities		**-**	**3,245.73**	-	-	3,763.22
Total liabilities			**23,743.45**			23,567.14
Capital Employed	**35,796.79**	**164.12**	**51,161.98**	35,584.90	1,028.65	45,194.69
Discontinued operation						
Segment assets	**19,440.18**	**-**	**19,440.18**	20,690.00	-	20,690.00
Unallocated corporate assets	**-**	**-**	**-**	-	-	-
Total assets			**19,440.18**			20,690.00
Segment liabilities	**5,461.40**	**-**	**5,461.40**	4,242.00	-	4,242.00
Unallocated corporate liabilities	**-**	**-**	**-**	-	-	-
Total liabilities			**5,461.40**			4,242.00
Capital Employed	**13,978.78**	**-**	**13,978.78**	16,448.00	-	16,448.00

(e) For the purposes of monitoring segment performance and allocating resources between segments:

All assets are allocated to reportable segments other than investments, loans, certain financial assets and current and deferred tax assets. Goodwill is allocated to reportable segments; and

All liabilities are allocated to reportable segments other than borrowings, other financial liabilities, current and deferred tax liabilities.

(f) The secondary segments of the Company are geographical segments mainly:

(i) India

(ii) Outside India

Geographical segment information	31-03-2020			31-03-2019		
	India	**Outside India**	**Total**	India	Outside India	Total
External sales from operations						
Continuing Operation	**49,913.20**	**25,814.65**	**75,727.85**	46,584.01	25,290.99	71,875.00
Discontinued Operation	**30,143.20**	**2,579.80**	**32,723.00**	29,755.62	1,178.65	30,934.27
Non-current assets	**31,106.68**	**-**	**31,106.68**	41,869.99	-	41,869.99

(g) Revenues of approximately ₹ 18289.68 Lakhs (31.03.2019 : ₹ 24199.15 Lakhs) is arising from sales to the Company's largest customer of Plastics and Coatings segment. No other single customers contributed 10% or more to the Company's revenue.

44 Following the COVID-19, a Company wide lockdown was announced on March 16, 2020. However, limited production activities were undertaken in line with Government approvals, to meet demand for essentials needed for the fight against the pandemic.

Post lifting of the lockdowns, both partial and complete, the Company has been running production capacities sub-normally bearing in mind safety of its workforce and demand for its products. Production, dispatches, sales and account receivables have been affected but is improving.

Notes forming part of the financial statements for the year ended March 31, 2020

An assessment conducted on the recoverability of the carrying value of assets such as property, plant and equipment, inventory, trade receivable, investment and other current assets as at Balance Sheet date concludes that there is no material impact of COVID-19 thereon. Further, an assessment of the Company's capital, financial resources, liquidity positions, ability to service debt and other financing arrangements for the next one year, indicates financial stability.

An evaluation of impact of COVID-19 on internal financial controls over financial reporting concluded that there is no impact of COVID-19 thereon.

There is no materially adverse impact of COVID-19 on the financial statements/results of the Company for the financial year ended March 31, 2020.

45 The figures for the previous year have been regrouped/recasted wherever necessary, to conform to the current year classification.

In terms of our report attached

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

Arvind Daga
Partner
Membership No. 108290

Mumbai, 17th June, 2020

For and on behalf of the Board,

K. Handa Chairman DIN:00056826

A. Ahmad Vice-Chairman & Managing Director DIN:00046742

Dr. I. Shahani Director DIN:00112289

A. Agarwal Interim Chief Financial Officer

A. Joshi Company Secretary Membership No. A22502

Mumbai, 17th June, 2020